



NEWS RELEASE

WATER INFRASTRUCTURE FINANCE AUTHORITY

Arizona's water and wastewater funding source

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WIFA Announces \$11 Million Loan Closing for the Town of Payson

PHOENIX (March 14, 2016) –The Water Infrastructure Finance Authority of Arizona (WIFA) announced today that it has closed a new \$11 million loan with the Town of Payson for the C.C. Cragin Project, a multi-phase regional project which will ensure a source of high quality water for Payson and its neighboring communities. This is the fourth loan for the massive project, bringing the total borrowed from WIFA to \$36.4 million with \$6 million in forgivable principal. One more loan is anticipated next year to complete the project.

The C.C. Cragin Project is critical to augment water supplies and reduce reliance on groundwater pumping by bringing renewable surface water to the community. Upon completion, Payson will be able to transport and treat surface water from the C.C. Cragin Reservoir, benefiting about 30,000 residents. The new pipeline and treatment plant will help Payson firm up water supplies and ensure safe drinking water for years to come.

This latest loan will be used to finalize remaining design components, construct the lower section of the Raw Water Penstock Pipeline, purchase property from the U.S. Forest Service for the water treatment plant, begin construction of the water treatment plant and hydroelectric generator, construct Aquifer Storage and Recovery (ASR) Wells and install SCADA equipment. Payson will finish the remaining construction of this project over the next two years.

After evaluating Payson's financial situation and its ability to afford this loan, WIFA's Board of Directors approved \$1 million in forgivable principal to offset the costs, as well as a 30 year loan term, in alignment with WIFA's vision of guiding its resources to communities with the greatest need, while striving to make important infrastructure projects more affordable for utilities and their ratepayers.

WIFA is a state agency dedicated to protecting public health and promoting environmental quality through financial assistance for water and wastewater infrastructure. WIFA offers funding for drinking water, wastewater and stormwater projects designed to ensure safe, reliable drinking water and proper wastewater treatment. Over the last 25 years, WIFA has invested over \$2 billion in Arizona's communities.

For more information, please visit WIFA's website at azwifa.gov.

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