

Water Infrastructure Finance Authority of Arizona

*Arizona's Preferred Clean and Drinking Water
Funding Source*

Presentation Agenda

- 💧 WIFA
- 💧 Clean Water State Revolving Fund
- 💧 Drinking Water State Revolving Fund
- 💧 Technical Assistance Grant Program
- 💧 How to Obtain WIFA Funding

WIFA

- ◆ WIFA is Arizona's Clean and Drinking Water Revolving Fund
- ◆ Created in 1989 as the Wastewater Management Authority of Arizona to administer federal financial assistance
- ◆ Capitalized from Federal Clean Water and Safe Drinking Water Capitalization Grants and State Match Grants
- ◆ Authorized to make loans from the Clean Water and Drinking Water Revolving Funds to Political Subdivisions and Indian Tribes

Clean Water Revolving Fund

- ◆ Used for planning, construction, rehabilitation, modification, improvements, upgrades or expansion of wastewater treatment and water reclamation facilities
- ◆ Eligible Systems - Public Jurisdictions

Drinking Water Revolving Fund

- ◆ Funds can be used for planning, engineering, construction, rehabilitation, modification, improvements, upgrades, and/or equip drinking water facilities
- ◆ Source water protection
- ◆ Land acquisition
- ◆ Eligible Systems: Public and Private Water Systems

Sample of WIFA Loans

| Borrower | Loan Number | Program (CW = Clean Water, DW = Drinking Water) | Source of Payment | Interest and Fee Rate | Maximum Approved Loan Amount | Amount Drawn | Principal Outstanding (as of 3/01/06) | Maturity Date |
|------------------------------------|-------------|---|----------------------|--------------------------|------------------------------------|--------------|---|------------------|
| Arizona City Sanitary Dist. | 910052-03 | CW | General Obligation | 3.66% | \$8,202,032 | \$8,202,032 | \$7,522,523 | 7/1/2021 |
| City of Avondale | 910006-93 | CW | System Revenues | 3.90% | 7,500,000 | 7,500,000 | 5,180,368 | 7/1/2012 |
| City of Avondale | 910018-00 | CW | System Revenues | 3.94% | 6,125,000 | 6,125,000 | 4,423,875 | 7/1/2021 |
| Avra Water Co. | 920057-02 | DW | System Revenues | 3.75% | 120,000 | 120,000 | 75,324 | 9/1/2021 |
| Bella Vista Water Co. | 920006-98 | DW | System Revenues | 6.10% | 173,526 | 173,526 | 1,790,449 | 9/1/2018 |
| Bella Vista Water Co. | 920038-00 | DW | System Revenues | 6.26% | 2,100,000 | 2,100,000 | 133,869 | 6/1/2021 |
| Buckskin Sanitary Dist. | 910080-98 | CW | Assessment | 3.88% | 1,297,660 | 1,297,660 | 957,450 | 7/1/2018 |
| Bullhead City Improvement Dist. | 910027-98 | CW | Assessment | 3.48% | 22,317,388 | 22,317,388 | 11,551,139 | 7/1/2017 |
| Bullhead City Improvement Dist. | 910057-04 | CW | Assessment | 3.19% | 11,686,806 | 11,686,806 | 10,678,079 | 1/1/2024 |
| Camp Verde Sanitary Dist. | 910071-05 | CW | General Obligation | 3.14% | 600,000 | 600,000 | 600,000 | 7/1/2024 |
| Town of Carefree | 920087-04 | DW | Excise Tax | 3.75% | 3,332,280 | 3,332,280 | 3,208,908 | 7/1/2023 |
| Town of Cave Creek | 910028-98 | CW | Excise Tax | 3.48% | 2,700,000 | 2,700,000 | 1,825,015 | 7/1/2018 |
| Chandler Heights Improvement Dist. | 920007-98 | DW | System Revenues | 3.75% | 105,000 | 105,000 | 72,443 | 9/1/2018 |

2003 Drinking Water Needs Survey

- ◆ Commissioned by WIFA for EPA
- ◆ Survey completed every 4 years
- ◆ Survey included the largest 18 and a sampling of 26 additional drinking water systems in Arizona
- ◆ Survey indicated over \$9 billion worth of drinking water infrastructure will be needed in Arizona over the next 20 years

2004 Clean Water Needs Survey

- 💧 Commissioned by WIFA for EPA
- 💧 Survey completed every 4 years
- 💧 Surveyed included 310 wastewater facilities
- 💧 Survey indicated over 6 billion dollars in wastewater infrastructure will be needed in Arizona over the next 20 years

Technical Assistance Grants

- ◆ Pre-design and design projects only
- ◆ Up to \$35,000 in funds are awarded
 - ◆ 25% - 75% local match required
 - ◆ Local match determined by fiscal capacity score

Technical Assistance Grants

Types of Pre-Design Projects

- ◆ Project Development
- ◆ Feasibility Study
- ◆ System Master Planning
- ◆ Capital Improvement Plan
- ◆ Trouble-Shooting System
- ◆ Rate Study/Impact Analysis
- ◆ Income Survey
- ◆ Financial Data Review
- ◆ Special District Formation
- ◆ Election/Debt Authority
- ◆ Training for Personnel
- ◆ Other

Technical Assistance Grants

Types of Design Projects

- ◆ Engineering Plans and Specifications
- ◆ Value Engineering
- ◆ Bidding Assistance
- ◆ Construction Management

Funding Cycle FY 2007 Projects

Awarded 10 Clean Water Grants for \$300,000

Awarded 14 Drinking Water Grants for \$350,000

Project Examples:

Preliminary Design Report

Sewer Feasibility Study

Arsenic Removal Pilot Study

GIS Mapping

Hydrological Modeling

Sewer and Water Master Plans

Capital Improvement Plans

Steps to Achieving Financial Assistance

Step 1: Submit Priority List Application

Step 2: Meet WIFA Requirements to Proceed

- Legally organized, debt authorization
- Plans, specs, environmental reviews, permits
- Administrative and managerial requirements met
- Financial requirements met (repayment source)

Step 3: Submit Project Finance Application

Step 4: Obtain WIFA Board Approval

Step 5: Complete Loan Agreement

For more information, please contact

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WIFA

Water Infrastructure Finance Authority of Arizona

www.azwifa.gov

The screenshot shows a Microsoft Internet Explorer browser window displaying the website for the Water Infrastructure Finance Authority of Arizona. The browser's address bar shows the URL <http://www.azwifa.gov/>. The website header features the WIFA logo and the text "Water Infrastructure Finance Authority of Arizona" on a blue background with a search bar and "ARIZONA" logo. Below the header is a navigation menu with links: HOME | BOARD OF DIRECTORS | STAFF | CONTACT US | EMPLOYMENT | SARGUMENT. The main content area is divided into three columns. The left column has a "MAIN MENU" with links: About WIFA, Loan & Grant Programs, Calendar of Events, Publications & News, Affiliated Organizations, and Photo Gallery. The middle column, titled "HOME PAGE", contains a welcome message, a paragraph describing WIFA's role as an independent agency authorized to finance water and wastewater projects, a photo of Stephen A. Owens (Chair, WIFA Board, Director, Arizona Department of Environmental Quality), and a paragraph explaining WIFA's function as a "bond bank" that issues water quality bonds. The right column, titled "NEWS RELEASES", lists several releases: 2007 Clean Water Grant Application, 2007 Drinking Water Grant Application, 2006 Clean Water Loan Application, and 2006 Drinking Water Loan Application. A "KEY ITEMS" section includes a link for "Online Project Priority List Application". The footer of the browser window shows the URL AZSTATEXONES.GOV.