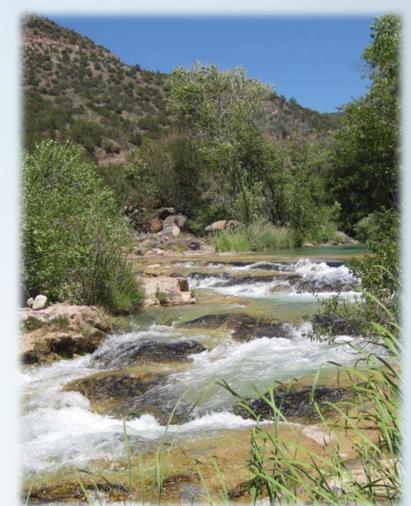


Reduce, Reuse, Recycle: Smart Investments with • WIFA



Water Reuse Symposium July 25, 2016





Infrastructure makes this all possible





Traditional Infrastructure Projects



Water Infrastructure Finance Authority

State agency

Manage Arizona's State Revolving Funds

Funding to improve water infrastructure

- Low-interest loans
- Planning and design TA (grants)

Purpose Save Money

- Protect public health
 - Ensure safe drinking water
 - Proper wastewater treatment
- Improve water quality
 - Lakes and streams clean

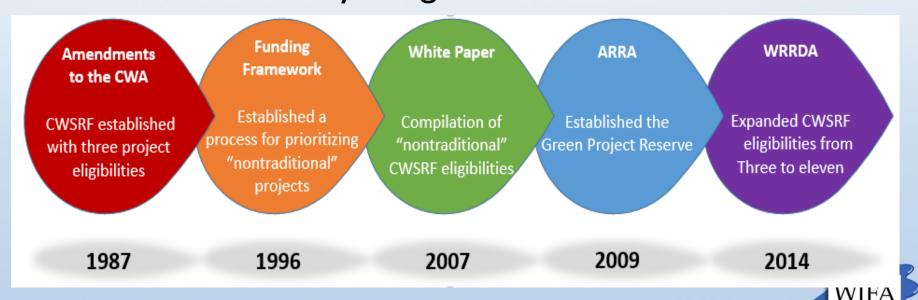


25-year history - invested over **\$2 billion** in Arizona's communities

History of State Revolving Fund Eligibilities

1987

- Construction of publicly owned treatment works
- State nonpoint source management program
- National Estuary Program

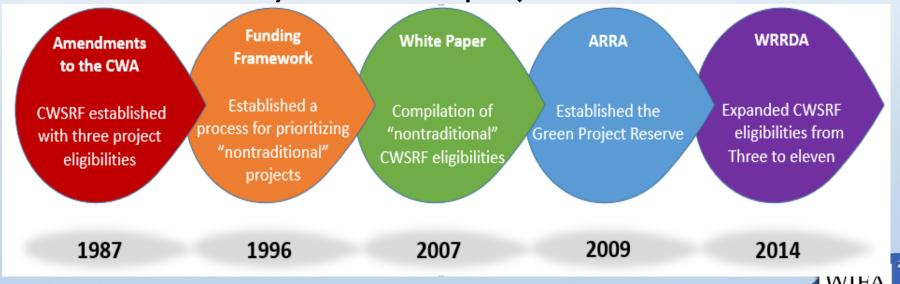


History of State Revolving Fund Eligibilities

2009

American Recovery and Reinvestment Act (ARRA) created the Green Project Reserve

 Green infrastructure, water and energy efficiency, and environmentally innovative projects

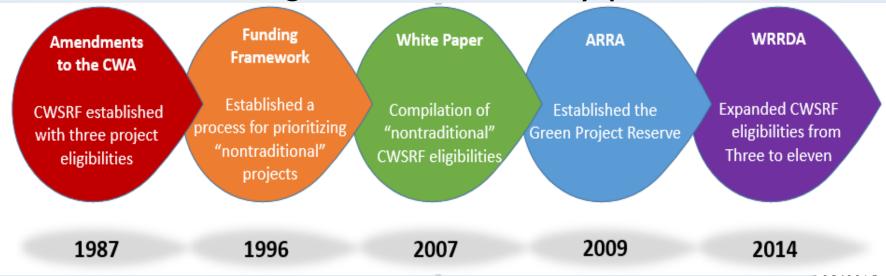


History of State Revolving Fund Eligibilities

20°14

Water Resources Reform and Development Act[®] (WRRDA)

Further expanded the program's eligibilities and made
 2009 focus on "green" and efficiency permanent



Water Reuse and Precipitation Harvesting

- Collection and treatment systems (e.g., wastewater, stormwater, and subsurface drainage water collection and treatment)
- Distribution lines to support water reuse and the use of harvested precipitation
- Transmission lines, injection wells, and green infrastructure infiltration systems for groundwater recharge
- Equipment to reuse reclaimed water
- Direct potable reuse



Water Efficiency

- Water meters
- Plumbing fixture retrofits or replacement
- Water efficient appliances
- Water efficient irrigation equipment (e.g., moisture and rain sensing equipment)
- Education programs
- Incentive programs (e.g., rebates for installing rain barrels or permeable surfaces)



Eligible Borrowers

- Cities, towns, tribal entities and special districts:
 - Own a public water system
 - Own a wastewater facility
 - Manage stormwater (permitted MS4s and unpermitted)
- Private ACC-regulated drinking water systems

County, state and federal entities are NOT eligible (Pima County Exception)





Stormwater

Partnership opportunities

Early SRF Reuse Projects

2000

Town of Kearny Wastewater Reclamation Facility

Reclaimed water to wetland area, golf course, and Kearny's ball fields

2004

City of Tucson Reclaimed Transmission Main

Reclaimed water to rodeo, park, 10 schools





New(ish) Incentives for Green Projects

Lower interest rate loans

eligible for Forgivable principal
 Up to 20% of eligible project costs

 Local match waived for planning projects for technical assistance (grants)

Additional incentives for disadvantaged communities





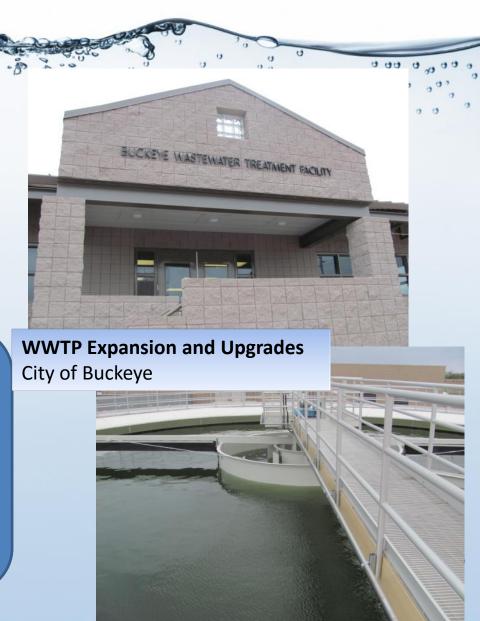




Types of Reuse Projects

- New water reclamation facilities
- Facility upgrades
- Reclaimed water transmission and distribution

\$203M included
\$203M included
Reclamation/Reuse
out of
\$390M total wastewater loans



Town of Cave Creek - Water Ranch

New 0.75 MGD Water Reclamation Facility

- Administration building, four miles of sewage collection system, four miles of effluent return line
- Decommissioning and dismantling of the existing wastewater treatment plant
- A+ effluent
- Effluent conveyed to storage ponds and used for irrigation

Loan Amount

\$22.9 million



City of Prescott – Airport WWTP Upgrades

- Expanded from 1.2 to 3.75 mgd capacity
- Upgraded from B+ to A+ effluent
- Aeration system, blower building, tertiary filtration, disinfection, and effluent pump station
- Increased volume of reclaimed water produced by the WWTP
- Irrigating sports fields, golf courses, and commercial landscapes, restoring riparian habitats and recharging groundwater aquifers

Loan Amount

\$45.8 million

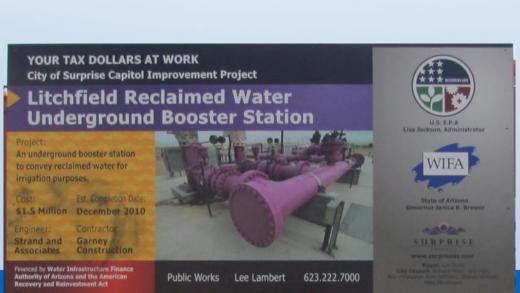


City of Surprise – Reclaimed Water Booster Station

- Modified the Reclaimed Booster Station
- Pressurized reclaimed water to the City Stadium, ball fields, green belts and landscaping
- Estimated amount of groundwater that will not be pumped: approximately 2,000 acre feet/year

Loan Amount

\$1.5 million





City of Buckeye –

Reclaimed Water System Improvements

- Irrigation of Sundance Park - ball fields and dog parks
- School and subdivision landscaping

Improvements:

- 6.25 miles of reclaimed water line with additional turnouts and PRV
- Electrical, instrumentation and operational modifications

Loan Amount

\$7.37 million

Reclaimed water not used for irrigation is recharged at local irrigation district Groundwater Savings Facilities



"Expanded Eligibilities"

- Energy Conservation
- Water Conservation
- Stormwater
- Agricultural Best Management Practices
- Remediation/prevention of water contamination from:
 - Resource Extraction
 - Contaminated Sites
 - Landfills
- Habitat Restoration
- Desalination
- Groundwater Protection and Restoration
- Surface Water Protection and Restoration
- Planning/Assessments and Monitoring



"Expanded Eligibilities"

- Stormwater management including green infrastructure,
 Low Impact Development and flood control
- Watershed management of wet weather discharge
- Watershed partnerships
- Integrated water resources planning
- Weather/climate-related resilience planning
- Forest restoration
- Riparian improvements
- Stream channel restoration
- Streambank stabilization



Get Stoked - It's No Joke

Benefits of Choosing WIFA:

- Low interest rates (WIFA is rated AAA)
- Financing available year-round
- No application deadlines
- No competition

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- No application fees or closing costs
- No min or max loan amount
- Money is recycled in Arizona





WIFA's Most Recent Loans		
Town of Clarkdale	\$7.9M	1.70%
City of Cottonwood	\$16M	1.70%
City of Peoria	\$14M	2.39%
City of Somerton	\$550,000	2.11% (15-yr)
City of Cottonwood	\$11.2M	2.20%
Town of Payson	\$IIM	2.20%
City of Eloy	\$4.5M	2.03%

Average interest rate last year for public entities was 2.04% (20-year term).

ooh la la!

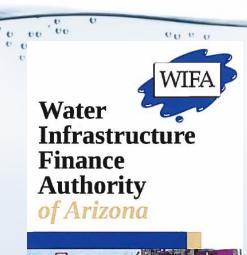
Lower interest rate

Forgivable Principal Match waived for grants

INCENTIVES



Action Items





azwifa.gov

- Visit WIFA's website
- Like us on
- Join our listserv
- Tell people about WIFA
- Tell people WIFA can fund more projects!
- Tell your people to call our people
- Find out how much \$\$\$ you can save on a project



Get Connected

E-mail distribution list: www.azwifa.gov/sign-up/

Check out website: www.azwifa.gov







WIFA's Loan Process

Step I: Applicant submits an online application (Project Priority List application)

Step 2: Applicant obtains debt authorization

Step 3: Applicant completes a project finance application

Step 4: WIFA Board approves project

Step 5:WIFA issues loan

Go from completing an online application to closing on your loan in just a few months!



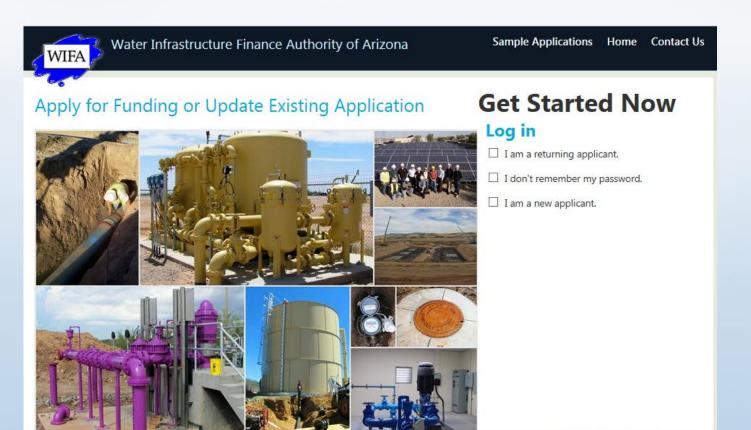




www.azwifa.gov

Apply for funding or Update an application

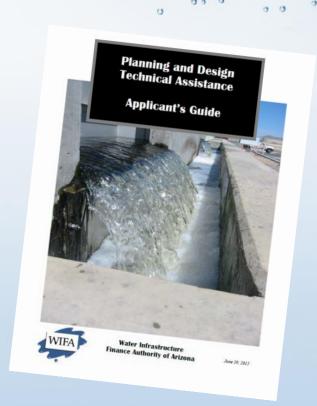






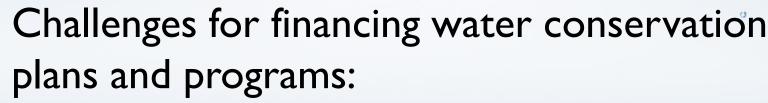
WIFA Planning and Design Technical Assistance

- For planning and design only
- Drinking water, wastewater and stormwater
- Funds help get an infrastructure project started
- Feasibility studies, capital improvement plans, preliminary engineering reports, final design
- Funds used to contract with engineer or other consultant
- Next cycle anticipated July 2016





Water Efficiency



Taking on debt

Possible solutions:

- Roll into larger loan for capital improvements, especially if forgivable principal is available
- Technical assistance grants



ADVANCED METERING INFRASTRUCTURE AND METER REPLACEMENT

PROGRAM - TOWN OF ORO VALLEY



Loan Amount

\$5M

- Replaced 14,000 meters and added AMI
- Reduced non-revenue water from 9.8% to 2.9%
- Daily monitoring and customer notification of high water use
- Customer web portal
- User thresholds and alerts



Green Infrastructure



- Green roofs
- Harvesting
- Bioretention
- Curb cuts

- Replace gray with green infrastructure
- Xeriscape or drought resistant landscaping
- Landscape conversion programs







Green Infrastructure

Challenges:

- Taking on debt
- Revenue source for repayment of loan

Possible solutions:

- Roll into larger loan
- Stormwater utility
- Wastewater or drinking water revenues?
- Fees?



LOMA VISTA FLOOD MITIGATION AND STORMWATER RE-USE CITY OF TEMPE





Grant amount City funded \$34,996

- Assess feasibility of rainwater harvesting system for irrigation of athletic fields and other landscaping
 - Quantify potential rainwater harvesting volumes
 - Evaluate costs
 - Evaluate conversion to rainwater harvesting system
- Will use with city drainage master study to address drainage citywide
- Quantification of LID benefits will assist in financial programming for streetscape programs

WIFA Loan: What To Expect





- Fixed payments
- Interest calculated only on funds drawn



- Construction completed within 3 years (project may be phased)
- Dedicated source of repayment



Make it happen for your community

Repayment Sources

- Water and sewer rates (typical)
- Stormwater utility, watershed protection, environmental fees

 Borrower must have legal ability to use fees to repay long-term debt for purpose of
 project (stormwater or watershed protection, etc.)
- Excise taxes
 - Sales tax & state shared revenues
- General obligation (always requires a vote)
 - Property taxes
- Other sources????

Legal ability to repay long-term debt and provide security for the loan

