



Opportunities for Funding Reuse Projects with the State Revolving Fund

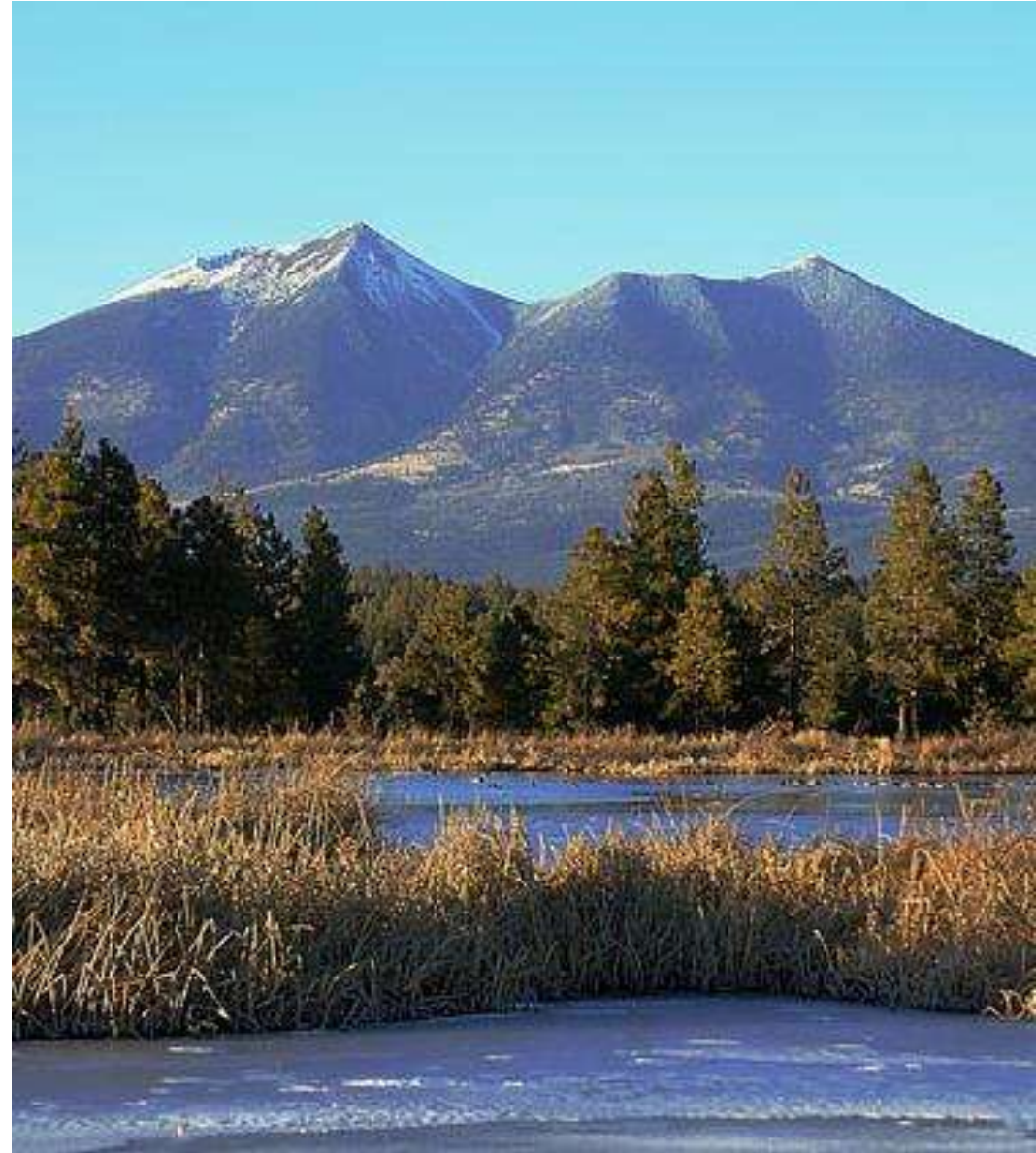
Water Reuse Symposium
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**The Water Infrastructure Finance
Authority (WIFA), Arizona's State
Revolving Fund administrator**

WIFA's Programs



Clean Water SRF

Loans and Technical Assistance to
Political Subdivisions



Drinking Water SRF

Loans and Technical Assistance to
Public Water Systems



Water Supply Development Fund

Loans and Technical Assistance to
Water Providers

WIFA's Numbers

→ **\$2,623,086,241**

In loans since 1989

→ **290**

Active loans across the state of Arizona

→ **\$102 Million +**

In forgivable principal since 2009

→ **211 Borrowers**

Throughout all of Arizona's Counties

→ **AAA Credit Rating**

Moodys and Fitch



SRF - Eligible Borrowers

Cities, towns, tribal entities and special districts:

- Own a community public water system
- Own a wastewater facility
- Manage stormwater

ACC-regulated private water companies*

- For profit and non-profit

**Upcoming policy change will allow for non-ACC regulated private water providers*



SRF - Eligible Projects

Infrastructure project types

- Drinking water
- Wastewater – including reuse
- Stormwater
- Watershed Protection/Restoration

Project phases

- Acquisition
- Planning
- Design
- Construction
- Improvement





Other Eligible Projects

- Stormwater management
 - Green infrastructure
 - Low impact development
 - Flood control
- Watershed management of wet weather discharge
- Integrated water resources planning
- Weather/climate-related resilience planning
- Forest restoration
- Riparian improvements
- Recharge
- Reuse

Reuse Projects and Incentives

Types of Reuse Projects

- New water reclamation facilities
- Facility upgrades and expansions
- Reclaimed water transmission and distribution
- Injection wells
- Gray water
- Condensate
- Wastewater effluent

Incentives

- Forgivable principal
- Interest rate reduction
- Compliance assistance





Types of Assistance

Financial Assistance - Loans

- Discounted Interest Rates
- Flexible Terms up to 30 years
- Forgivable Principal

Technical Assistance

- Combined with Financial Assistance
- Initiated with PPL Application
- Services delivered by - WIFA Staff and/or Contract Professionals
- Planning and Design
- Compliance with Federal Requirements

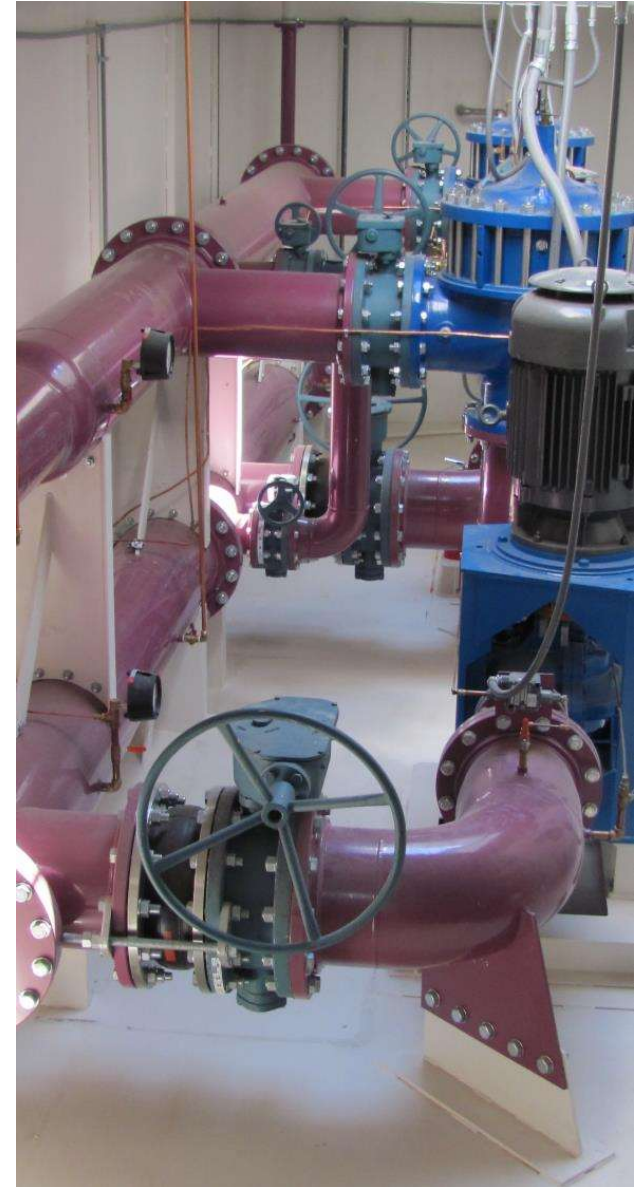
Forgivable Principal

Clean Water State Revolving Fund

WIFA will consider forgivable principal for any eligible project**, including:

- Disadvantaged communities (*up to 50% of project costs*)
- Green projects (*up to 20% of eligible project costs*)
 - Water and energy efficiency projects
 - Includes reclaimed and reuse projects
- Projects that mitigate stormwater (*up to 20% of eligible project costs*)
- Annual funding is determined by federal grant award
 - FFY 2020 - \$4,293,600
 - FFY 2021 - \$4,292,800

** *subject to availability and priority*





Forgivable Principal

Drinking water State Revolving Fund

All drinking water projects are eligible to receive forgivable principal**

- Three tiers consider the loan amount and give priority to disadvantaged communities and projects which address a public health threat
 1. Disadvantaged Community AND project which addresses a public health threat
 2. Disadvantaged Community OR project which addresses a public health threat
 3. All Infrastructure Projects
- Annual funding is determined by federal grant award
 - FFY 2020 - \$4,752,480
 - FFY 2021 - \$5,935,200

***subject to availability and priority*



Reuse projects funded by WIFA

WATER RECLAMATION FACILITY

Town of Cave Creek

Loan Amount	\$22,917,000
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Forgivable Principal	\$2,000,000
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- New 0.75 MGD Water Reclamation Facility
- Admin building, 4 miles of sewage collection system, 4 miles of effluent return line
- Effluent conveyed to storage ponds and used for irrigation



AIRPORT WWTP UPGRADES

City of Prescott

Loan Amount	\$45,800,000
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- 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
- Irrigation of sports fields, golf courses, and commercial landscapes, restoration of riparian habitats and recharge groundwater aquifers





RECLAIMED WATER BOOSTER STATION

City of Surprise

Loan Amount	\$1,500,000
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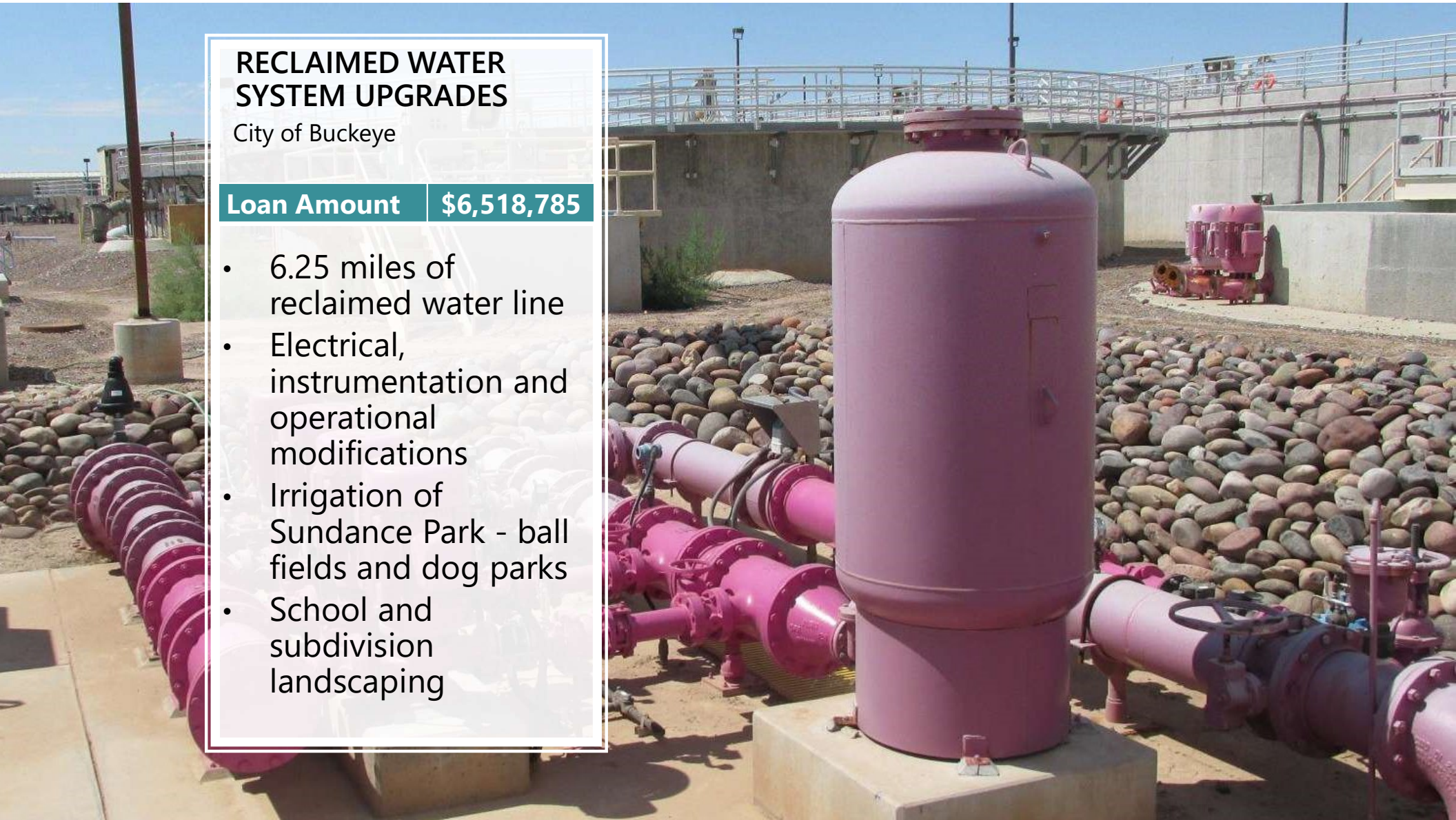
- Modified the reclaimed booster station
- Pressurized reclaimed water to the City Stadium, ball fields, green belts and landscaping
- Approximately 2,000-acre feet/year of groundwater not pumped

RECLAIMED WATER SYSTEM UPGRADES

City of Buckeye

Loan Amount	\$6,518,785
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- 6.25 miles of reclaimed water line
- Electrical, instrumentation and operational modifications
- Irrigation of Sundance Park - ball fields and dog parks
- School and subdivision landscaping



WWTP UPGRADES Town of Camp Verde

Loan Amount	\$3,487,210
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Forgivable Principal	\$1,000,000
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- **Truck Pumping Station (\$50,000)**
 - Effluent storage tank, truck fill kiosk, controls and pumping system
 - Future Town Ordinance planned to require all construction water to be reclaimed
- **Solar Installation (\$300,988)**
 - \$110,000 a year in power consumption for the entire wastewater system
 - Conservative minimum expected annual electrical generation of the solar array is 207,847 kWh (annual cost savings of \$19,000)



MULBERRY EFFLUENT BASIN EXPANSION

Lake Havasu City

Loan Amount	\$1,209,432
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- Enhanced facility operation and delivery of reclaimed water
- Optimized and renovated contact basin, reuse pump station piping, commingling basin, south intake pumping system
- Reduced the need for potable water for irrigation at city parks and other facilities
- Reduced demand on Colorado River water



ENCANTERRA RECLAIMED WATER EXCHANGE AGREEMENT

Town of Queen Creek

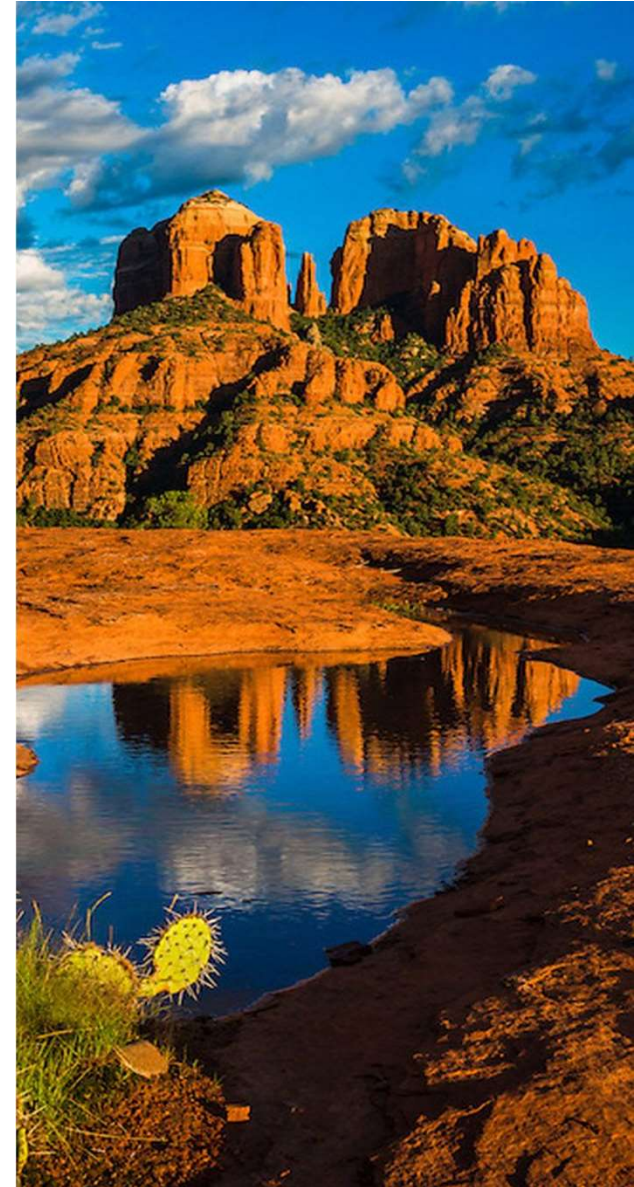
Loan Amount	\$10,000,000
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- Encanterra has an agreement with Johnson Utilities for the delivery of Class A+ treated effluent for the golf course and common area irrigation. However, the reclaimed water supplied to Encanterra does not consistently meet standards.
- Queen Creek entered into a water exchange agreement, purchasing reclaimed effluent from Encanterra for aquifer recharge, enhancing the Town's water sustainability.
- In exchange, Queen Creek will provide Encanterra with higher quality recovered groundwater for irrigation purposes.



Water Supply Development Fund

- Almost operational in 2012
- WSDF Amended in 2021 – HB 2388
- Funded in the SFY 2022 Budget
 - 6,000,000 - SFY 2022
 - 40,000,000 - Supplemental Appropriation - SFY 2021
- WIFA Staff is currently reviewing Law and Administrative Code and developing criteria for project priority evaluation
- Administration will be modeled on the current SRF process
- **No federal requirements**
- **First rounds of outreach and applications expected in mid SFY 2022**



Water Supply Development Fund

What's Eligible?

ARS 49-1201

14. "Water supply development" means either of the following:
- a. Acquiring water or rights to or contracts for water to augment the water supply of a water provider
 - a. Planning, designing, building or developing facilities for any of the following purposes:
 - I. Conveyance, storage or recovery of water.
 - II. Reclamation and reuse of water.
 - III. Replenishment of groundwater.
 - IV. Active or passive stormwater recharge structures that increase water supplies.





WATER INFRASTRUCTURE
FINANCE AUTHORITY OF ARIZONA

Thank You

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