

SFY 2021

Clean Water Intended Use Plan

Amendment 1

March 18, 2021



Water Infrastructure
Finance Authority of
Arizona



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AMENDMENT 1 TO THE IUP FOR SFY 2021 The Intended Use Plan (IUP) for State Fiscal Year (SFY) 2021 has been amended to update sections 5, 10, and 11 due to a change in the percentage of forgivable principal available.

INTRODUCTION

The Arizona Finance Authority Board of Directors is pleased to release Arizona’s Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP) for the State Fiscal Year (SFY) 2021 funding cycle. The CWSRF IUP describes the Water Infrastructure Finance Authority’s (WIFA) plan to utilize various sources of funds to finance clean water infrastructure and support related activities during the SFY 2021 funding cycle from July 1, 2020 through June 30, 2021. This IUP is a required element of the grant application documentation to obtain the Federal Fiscal Year (FFY) 2020 grant award.

Arizona herewith submits its IUP for the FFY 2020 funds available to Arizona for the purposes of continuing the development, implementation and administration of the CWSRF program in Arizona. This IUP is based upon the FFY 2020 CWSRF Federal Appropriation of \$1,638,826,000. Of this, Arizona’s Capitalization Grant is anticipated to be \$10,734,000.

The Arizona CWSRF Loan Program provides funds for publicly-owned municipal wastewater systems and nonpoint source projects. Eligible projects include planning, design and construction of new wastewater treatment plants, improvements and upgrades to existing wastewater treatment plants, sewer collection systems, water reclamation and reuse facilities, stormwater infrastructure and nonpoint source projects. The program places an emphasis on small and disadvantaged communities and on projects that promote sustainability through water efficiency, energy efficiency, green stormwater infrastructure or other environmentally innovative activities. Loan repayments to the State will provide a continuing source of infrastructure financing into the future.

Section 1: Short-Term Goals

For the purposes of this IUP, a short-term goal is an activity intended to be initiated and, in some cases, completed within a year.

- WIFA will make wastewater infrastructure loans more accessible and affordable to small communities by subsidizing all loans (providing below market interest rates).
- If available, WIFA will provide up to 30 percent of the Capitalization Grant amount as additional subsidy in the form of forgivable principal to communities who are identified as disadvantaged, for projects that mitigate stormwater or fulfill the Green Project Reserve requirement.
- WIFA will provide any required percentage/amount of the Capitalization Grant amount for sustainable construction efforts such as water efficiency, energy efficiency, green stormwater infrastructure or other environmentally innovative activities.
- WIFA will continue its efforts to allocate uncommitted funds to new projects and when appropriate, to pay off or defease bond debt prior to maturity dates.

As of April 2020, WIFA’s undispersed funds are as follows:

| | |
|-----------------------|----------------------|
| Federal grant awards | \$ 20,910,045 |
| Other available funds | <u>\$143,453,256</u> |
| Total | \$164,363,301 |

Of this amount, \$36.0 million is committed to active loans.

In addition, WIFA continues its marketing efforts (see Exhibit 1) and anticipates that remaining uncommitted funds will be used for future projects and to pay off or defease outstanding bond debt.

Section 2: Long-Term Goals

For purposes of this IUP, long-term is defined as the life of the program. The following are the long-term goals of the loan program:

- Award WIFA’s resources in accordance with the needs of Arizona’s citizens;
- Maintain the fiscal integrity of WIFA’s funds and assure continuous enhancement for future generations;
- Effectively and efficiently deliver financial and technical assistance;
- Market agency programs and advocate the importance of safe, reliable water through presentations, networking and outreach. See Exhibit 1 – WIFA’s Marketing Strategy.

Section 3: Important Program Changes

WIFA updated the procedure for setting the Combined Interest and Fee Rate (CIFR) during SFY 2020. The new procedure takes the funds cost of capital into consideration as a backstop to ensure that WIFA does not lend below a financially sustainable rate.

Section 4: Agreement to Enter Data into CBR and NIMS

WIFA agrees to enter data into CBR and NIMS.

Section 5: Description of Public Notice Process and Actions Taken to Address Public Comments

Public review and written comment period of this IUP was conducted from May 15, 2020 through May 29, 2020. Public review and written comment period for Amendment 1 was conducted from March 18, 2021 through April 18, 2021. Notes on the changes done in Amendment 1 are on pages 3, 4 and 5.

WIFA solicited public review and comment on the draft SFY 2021 CWSRF IUP and Project Priority List (PPL) according to the following schedule.

| | |
|---------------|---|
| May 15, 2020 | Distribution and Web posting of the draft CWSRF IUP and PPL to all interested parties. |
| May 29, 2020 | Public Hearing – online via Webex at 10:00 a.m. |
| May 29, 2020 | Deadline for public comments on the draft CWSRF IUP and PPL (5:00 pm). |
| June 18, 2020 | Advisory Board recommendation of adoption of the final draft CWSRF IUP and PPL. |
| June 24, 2020 | Arizona Finance Authority Board of Directors’ adoption of the final draft CWSRF IUP and PPL. IUP then sent to EPA for final approval. |
| July 1, 2020 | Begin implementation of the Approved CWSRF IUP and PPL. |

Section 6: Assurances and Specific Proposals

WIFA intends to comply with the following:

- WIFA will comply with its environmental review policy as approved by EPA;
- WIFA will notify its borrowers of the requirement to comply with the Davis-Bacon requirements outlined in the Capitalization Grant Terms and Conditions;
- WIFA will notify its borrowers of the requirement to comply with the American Iron and Steel requirements outlined in the Capitalization Grant Terms and Conditions; and
- WIFA will make every effort to comply with EPA’s guidance for timely and expeditious use of funds.

WIFA agrees to the remaining required assurances and proposals in the grant application and the IUP.

WIFA has made, and continues to make, a good faith effort to solicit projects to meet the green project reserve (GPR) requirement. The Clean Water Project Priority List currently has one \$3,500,000 project which will fulfill the GPR requirements for FFY 2020.

Section 7: Disadvantaged Community Program

WIFA is committed to providing assistance to wastewater systems serving Disadvantaged Communities. The Board may designate an applicant as a Disadvantaged Community if the applicant satisfies one of the following:

1. The community is a designated “colonia” community through the federal government, or
2. The community received 60 or more Local Fiscal Capacity points on the CWSRF PPL.

WIFA intends on providing up to ~~30 percent~~ 40 percent of the Capitalization Grant in additional subsidy as forgivable principal (unless the grant requirement is higher, in which case this percentage will be adjusted accordingly) to communities who cannot otherwise afford projects (including disadvantaged communities). WIFA’s Disadvantaged Policy allows for forgivable principal, a reduced interest rate or a combination.

Section 8: Criteria and Methods for Distribution of Funds (Priority Setting Criteria)

- **Project Priority List and Fundable Range**

- **Project Priority List (PPL):** On an annual basis, WIFA develops a statewide priority list of projects. Currently, WIFA’s CW PPL has four applications totaling \$8,234,872.00. Staff are in discussions with several communities with potential CW projects to be added to the PPL during the year. Specifically, there are three pending applications to be submitted by the applicant which will add \$5,769,991.95 to the PPL total.
- **Fundable Range:** The Fundable Range includes the applicants ready to receive design or construction financial assistance.

- **Project Priority List Updates**

The Board may update the CW PPL by adding or deleting projects or adjusting the fundable range for design or construction projects. The decision to update the CW PPL may be based on a project’s readiness to proceed, availability of other funding sources or other new information affecting the expansion or contraction of the PPL and Fundable Range. The Board adopts the updated CW PPL at a public meeting and the updates are posted on WIFA’s website.

Section 9: Bypass Procedures

The Fundable Range process is used to bypass projects that are not ready to proceed. In determining which projects may be included on the Fundable Range, WIFA evaluates each project for evidence of debt authorization according to A.A.C. R18-15-104. WIFA may not present an application to the Board for consideration until the applicant has provided such evidence. If sufficient funds are not available to fund all projects that are ready to proceed, WIFA will use tie breaking procedures established in A.A.C. R18-15-204.

Section 10: Sources and Uses Table

| Arizona CWRP Sources & Uses for SFY 2021 (FFY 2020) | | | |
|--|-----------------------|---------------|---------------|
| | Federal Contributions | WIFA Revenues | Total |
| Funding Sources | | | |
| New funds expected in SFY 2021 | \$ 10,734,000 | \$ 9,066,000 | \$ 19,800,000 |
| Total Funding Sources | \$ 10,734,000 | \$ 9,066,000 | \$ 19,800,000 |
| Funding Uses | | | |
| Financial Assistance Loans | \$ 10,304,640 | \$ 8,545,360 | \$ 18,850,000 |
| Technical Assistance | | \$ 200,000 | \$ 200,000 |
| 4% Administration | \$ 429,360 | \$ 320,640 | \$ 750,000 |
| Forgivable Principal (up to \$3,220,200-\$4,293,600) | | | |
| Green Project Reserve (\$1,073,400) | | | |
| Total Funding Uses | \$ 10,734,000 | \$ 9,066,000 | \$ 19,800,000 |

Financial Assistance Funds for Loans

Eligible projects include planning, design and construction or replacement of wastewater facilities, sewer collection systems, reclamation, recharge, nonpoint source and stormwater infrastructure. The required percentage/amount of the federal grant will be used to finance sustainable projects that emphasize water efficiency, energy efficiency, green stormwater infrastructure or other environmentally innovative activities. See the Arizona CWSRF Sources & Uses for SFY 2021 (FFY 2020) Funding Cycle Table for detail.

Section 11: Identify Types of Assistance Provided and Terms (Principal Forgiveness, Extended Terms)

Technical Assistance

Technical Assistance available from WIFA includes staff assistance and professional assistance.

Staff Technical Assistance

WIFA will use up to \$200,000 to provide staff technical assistance to borrowers. The purpose of WIFA's Staff Technical Assistance Program is to help prepare systems for construction of capital improvement projects. Awards will be made to small or disadvantaged systems that need assistance in completing the design phase of an infrastructure project, or any system that needs assistance to comply with WIFA's environmental review process, or to prepare a Cost and Effectiveness Analysis or Fiscal Sustainability Plan. Under agreements between the councils of governments and WIFA, the councils of governments will be reimbursed to oversee compliance with Davis-Bacon and to provide assistance with contractor procurement. Fees will be provided to the councils of governments to defray the cost of Davis-Bacon monitoring and procurement. The SFY 2021 allocation for these activities will be \$50,000 (included as part of the \$200,000 staff technical assistance budget). Funds will be available for projects funded with a WIFA construction loan.

Professional Technical Assistance

Professional Technical Assistance includes studies, surveys and other types of reports that provide benefit to a range of wastewater systems statewide.

EPA has not launched the 2016 Clean Watershed Needs Survey, therefore, WIFA has not allocated funds for the Survey. In the case that the 2016 Clean Watershed Needs Survey launches in FFY 2020, WIFA would use existing fee money to fund the Survey.

Throughout the Funding Cycle and as circumstances require, WIFA may fund additional Professional Technical Assistance projects. The Board will act to add Professional Technical Assistance projects at a public meeting of the Board.

Program Administration (4 percent Set-Aside plus WIFA Fees)

Section 603(d)(7) of the revised Federal Water Pollution Control Act allows the greatest of a maximum of 4 percent of all grant awards to such fund under this title, \$400,000 per year, or 1/5 percent per year of the current valuation of the fund based on the most recent audited financial statements to cover the reasonable costs of administering the fund.

WIFA will use \$429,360 or 4 percent of the final grant amount for administrative costs. These funds will be used to pay salaries and associated expenses of program personnel devoting time to the administration of the funds.

Forgivable Principal

WIFA may provide additional subsidization in the form of forgivable principal for up to 90 percent of the loan amount, based on financial need and/or projects eligible under the green project reserve.

WIFA may provide a total of up to ~~30 percent~~ 40 percent of the Capitalization Grant in subsidy as principal forgiveness to projects.

Financial Terms of Loans

1. All loans for the financing of projects will be for a term not to exceed 30 years from loan closing date. Loan terms are not to exceed the useful life of the project.
2. Terms of financial assistance to publicly-owned wastewater systems serving disadvantaged communities are addressed in Section 7.
3. Repayment of loan principal must begin within 12 months of project completion based on the construction schedule available at the loan closing date or actual completion date or three years from the date of the loan closing, whichever is earlier.
4. Loan disbursements are to be made on a cost reimbursement basis.
5. The decision to leverage will be based on demand on the loan fund for projects to address public health concerns, market conditions and long-term impact to the fund.
6. A maximum of ~~30 percent~~ 40 percent of the FFY 2020 Capitalization Grant funds will be provided as forgivable principal. A minimum of 10 percent will be provided for green projects (water efficiency, energy efficiency, green stormwater infrastructure or other environmentally innovative activities).
7. Contracts for financial assistance for all CWSRF treatment works projects will require the borrower to comply with Davis-Bacon wage rates.
8. All contracts for construction financial assistance, with the exception of nonpoint source projects, will require the borrower to comply with the Use of American Iron and Steel requirements.
9. WIFA will assess income from the Standard Combined Interest and Fee Rate (CIFR) as either fee income or interest income in accordance with the following table.

CIFR – Fee = Interest

| Financial Structure | CIFR | Fee | Interest |
|---------------------|---|------|------------|
| Governmental | Set in accordance with Section 1 of WIFA Procedure: III.3.1 | 1.5% | CIFR – Fee |

Section 12: State Match Sources

As demonstrated in the Sources and Uses Table, WIFA revenues will provide match for the FFY 2020 Capitalization Grant.

Section 13: Identification of Overmatch

As of June 30, 2019, WIFA has overmatched by \$28,459,838. As of April 2020, WIFA has overmatched by \$27,518,452.

Section 14: Anticipated Cash Draw Ratio (proportionality) or Statement of Match Drawdown then Federal

With the overmatch, WIFA will draw 100 percent of federal funds until the overmatch is reduced. Once the overmatch is depleted, WIFA will draw the proportional state match amount prior to drawing federal funds.

Section 15: Estimated Disbursement Schedule

| First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---------------|----------------|---------------|----------------|
| 20% | 35% | 35% | 10% |

Section 16: Identification of any Intended Transfers between Funds

WIFA currently has no planned transfers between the CWSRF and the DWSRF.

Section 17: Identification and Explanation of any Cross Collateralization

The Authority maintains the CWSRF and DWSRF as separate and distinct programs. Revenues generated by either program will remain within that program. Any transfers between funds will be temporary in nature and done only to alleviate short term cash shortages.

Section 18: Combined Interest and Fee Rate (CIFR)

WIFA Procedure has established a target CIFR ranging between 70 percent and 95 percent of the tax-exempt AAA MMD Rate for governmental entities. CIFR/subsidies on each loan will be set pursuant to the criteria below:

- Total Points; and
- Local fiscal capacity of the area served by the system requesting assistance.

Section 19: Fees Charged if Applicable and Uses of Fees

The Sources and Uses table demonstrates how fees will be used for SFY 2021, providing match to the federal grant through loan disbursements, administration of the SRF and technical assistance. WIFA is

collecting program fees and using those for the administration of the program. WIFA is currently tracking its program income and will be reporting the revenue received and spent on its Federal Financial reports.

Section 20: Overview of Program Financial Status and Management

With the FFY 2020 Federal Capitalization Grant, WIFA will have received 31 Capitalization Grants (including ARRA) totaling \$318,722,273. In addition, WIFA has received and passed through three SAAP grants totaling \$9,621,347 for a total federal investment of 34 grants totaling \$328,343,620.

The Arizona CWSRF program supports the National USEPA Strategic Plan Goal 2 (Clean and Safe Water), Objective 2.2 (Protect Water Quality), Sub-objective 2.2.1 (Improve Water Quality on a Watershed Basis). Specifically, Arizona established and is managing the revolving loan fund to finance the cost of infrastructure improvements which will achieve or maintain compliance with the Clean Water Act requirements.

All planned and prior year loans have assisted public wastewater systems and nonpoint source projects in meeting the federal and state clean water compliance requirements. Details of Arizona's CWSRF activities supporting the National USEPA Strategic Plan will be included in the CWSRF Annual Report as well as in the Clean Water Benefit Reporting system (CBR) and the Clean Water National Information Management System (CW NIMS).

Section 21: Leveraging Plan

As a matter of practice, WIFA pays close attention to its cash position and lending capacity. This practice includes reports to the WIFA Advisory Board at each Advisory Board meeting defining WIFA's current cash position and lending capacity. At this time, WIFA is considering a Bond Issue during this fiscal year. It is worth noting that our program leverage is cross collateralized and the need for this issue would be primarily due to considerable demand for drinking water projects.

Section 22: Binding Commitment Schedule

When the Board approves an applicant's financial assistance request, WIFA staff prepares and circulates financial assistance (loan) documents to evidence the binding commitment in accordance with applicable federal and state requirements. Based on the PPL, WIFA expects to enter into binding commitments at 77 percent of the federal cap grant amount (dollars on PPL vs the federal cap grant). However, three additional applications are pending submittal by the applicants. The total listed in the three pending applications will bring the binding commitment to 130% of the federal cap grant amount.

Section 23: Grant Payment Schedule

WIFA will receive all payments in the first quarter available.

Sections 34-43:

These Sections are for DWSRF, not applicable to CWSRF.

Sections 24-33: Fundable List

Arizona combines the Fundable and Comprehensive lists into one list. WIFA applies all crosscutters to all CWSRF projects, with the exception of FFATA and the requirement of federal procurement processes for A/E contracts. Both are treated on an equivalency basis. The project(s) in yellow is identified as potential equivalency project(s). It is unknown at this time which projects will be awarded forgivable principal.

Arizona’s Clean Water Revolving Fund Project Priority List – SFY 2021 Funding Cycle

| PPL Rank | Applicant | Population | County | Permit# | Project Name | Description | Project Number | Amount Requested / Probable Green Amount | Subsidy |
|----------|-------------------------------------|------------|----------|-----------|--|---|----------------|--|---------|
| 1 | ¹ Clifton, Town of | 1,667 | Greenlee | N/A | Wastewater Treatment Plant Upgrades and Rehabilitation | This project will construct a new Wastewater Treatment Plant and rehabilitate ageing components of the existing Plant. A Moving Bed Biological Reactor will be installed to replace the existing trickling filter wastewater treatment system. | 003 2021 | \$3,612,500.00 | 80% |
| 2 | ² Safford, City of | 9,566 | Graham | AZ0024911 | Reclaimed Water Pipeline Project - Graham County Fairgrounds | The project proposes to capture 130.5 million gallons of Class A+ reclaimed water that is currently not being utilized. The reclaimed water will replace potable water used at city properties and recreational facilities for outdoor water use. | 001 2021 | \$3,500,000.00 / \$3,500,000.00 | 85% |
| 3 | ¹ Springerville, Town of | 1,991 | Apache | N/A | Wastewater FYE 21-25 | This project will install meters at lift stations, replace sewer lines and manholes, and empty out the oxidation ditch for inspection. | 002 2021 | \$647,508.00 | 75% |
| 4 | Town of Pinetop-Lakeside | 4,282 | Navajo | N/A | The Woods Cement Drainage Channel | This project includes the construction of a cement drainage channel to manage storm water. The proposed channels will achieve desired velocities through the use of rip-rap and other energy dissipation techniques. | 004 2021 | \$474,864.00 | 90% |

Total: \$8,234,872.00

¹ *Eligible for disadvantaged community designation*

² *Eligible for Green Project Reserve*

Exhibit 1 – WIFA’s SFY 2021 Marketing Strategies

I. Introduction

The purpose of this Marketing Plan (the plan) is to increase brand awareness, attract potential/previous borrowers to WIFA and promote the CWSRF/DWSRF programs.

II. Goals and Objectives

- Increase the awareness of WFA’s funding, benefits, and technical assistance program to eligible borrowers.
- Market the policy changes ways to alleviate administrative strain on potential/current borrowers by offering additional support.
- Develop and enhance relationships with communities and water systems. Increase awareness that funding is not limited, and borrowers of all sizes are welcome.
- Increase outreach to non-profits, state/federal agencies, financial advisors, and engineers.
- Maintain excellent customer experience and position WIFA as a “community-engaged” organization that serves as both a financial and a technical resource.
- Modernize WIFA’s digital presence and marketing materials.
- Continue WIFA’s visual refresh and increase the usability of printed materials.

III. Core Messages

Low-interest rates and cost savings

WIFA financing offers substantial cost savings to the borrower, achieved through various methods, such as forgivable principal or technical assistance funding.

Funding availability and limitations

WIFA will continue to strengthen the communication of funding for all eligible borrowers/projects.

Application process

WIFA accepts applications at any time with no deadline to apply. Applications are accepted electronically, and application assistance is always available during business hours.

Quick processing and disbursement

Processed loan documents, on average, in less than one week - from board action (loan resolution approval) to distribution of loan documents. WIFA processes disbursement requests with an average of six days.

Customer service

WIFA staff are available to answer any questions about funding options, the application process, and potential eligibility. Inquiries can be made via phone, email, or written correspondence. At the request of potential borrowers, WIFA can also offer in-person meetings, workgroups, or training to assist with our processes.

IV. Target Audiences

Small and/or disadvantaged communities, including Colonia

Generally, with lower household incomes and less ability to generate appropriate revenue for projects. These communities typically struggle with planning, design, already high rates, and project management.

Tribal communities

Eligible Native American tribal governments and authorized tribal entities having jurisdiction over disposal of sewage or own a public water system.

Previous and newly eligible borrowers

Outreach efforts will highlight the programmatic changes and convenience of borrowing for additional projects.

HB242 Eligible borrowers

House Bill 2464 went into effect fall of 2019, raising the voter approval requirement for cities and towns from 50,000 to 150,000, opening WIFA up to an additional 8 communities.

V. Tasks & Tactics

WIFA staff will collaboratively use the following marketing tactics: *A. face-to-face strategy, B. Digital Strategy, and C. Program materials.*

A. Face-to-face strategy

Attachment A contains a list of events that WIFA typically attends/sponsors. The list is updated as new events or workshops are added.

Conferences and conventions

WIFA staff attend conferences as a speaker, sponsor, or exhibitor. Attendance satisfies professional development and enables program communication to audiences of various sizes.

Presenter: Each presentation is adapted to meet the needs of the event; the core objective is to educate the audience about WIFA and increase potential borrower engagement.

Exhibitor or Sponsor: Marketing materials are placed on/around the occupied space. Exhibitor time is also used for networking with other exhibitors.

Individualized assistance

WIFA Provides personalized service to each potential applicant and borrower, especially individuals in the rural parts of Arizona. Many rural applicants/borrowers may not be able to attend in-person outreach because of limitations. Examples of individualized assistance provided by WIFA staff include:

- In-person meetings to discuss projects and potential for funding
- Providing materials for community outreach, awareness, and education
- Fiscal Impact Analysis (loan savings, terms, benefits)
- e-apps support and troubleshooting
- Navigating federal and local requirements

Alternatives will be used if travel is burdensome or unreasonable. Webcasts, teleconferences, screen-sharing, or video may be used in conjunction with other strategies.

B. Digital strategy

Website

WIFA's website is the first-place applicants and borrowers look for information. The communications Director and Information Technology staff will implement periodic content audits, and other updates will be published on an ad hoc basis. Website updates will be visually appealing with logical Information Architecture (IA), focusing on user experience, mobile optimization, accessibility, and those with limited technological expertise.

Some improvements to WIFA's website will include:

- Implementation of a Joomla Content Management System (CMS)
- Elimination of redundant navigation and content
- Subjects by topic or category
- Newsroom and notices
- Responsive mobile-first
- SEO optimization
- Enhanced "contact us" pages

Social media

Facebook, LinkedIn, Twitter, and Vimeo will be used to announce program updates and promote the SRF. Content calendars are maintained and updated monthly, individual campaigns will be added as needed.

Publications and partner resources

Staff will research relevant publications, studies, or materials and promote them as necessary; these promotions may be combined with the website and social media updates. Quarterly, WIFA submits content to Kachina News and will seek to add new publications, such as The League of Cities and Towns quarterly newsletter.

C. Program materials

Attachment B outlines the target audience and the type of outreach material that is relevant to the recipient.

Brochures and Flyers

All of the brochures and flyers are maintained on WIFA's website for viewing or download. All brochures and flyers are updated as needed.

WIFA tri-fold brochure

General information about Arizona's SRF program, including an overview of funding types, eligibility, business, and application information. Commonly used for:

- Promotional-folder
- General outreach
- Conferences/expos
- Potential borrowers
- Legislative interest
- Public interest

Fact sheet Flyers

The fact-sheets provide more information about specific topics. Promotional folders

containing relevant fact-sheets are created. Fact-sheets are also displayed at booths or expos. List of current fact-sheets:

- Annual report Highlight
- Application process
- CIP financing
- Flexible lending options
- Funding – stormwater
- Funding - Technical Assistance
- Funding – Reuse
- Funding – NPS

Media kit

WIFA will create a media kit to highlight program benefits and offer SRF education. This kit will primarily be used for legislative staff, media inquiries, or public information requests. Included information will be dependent on the recipient, but may include:

- WIFA information letter
- Recent press coverage
- Case studies
- Testimonials

Outreach letters

WIFA marketing staff will create outreach letters (drinking water and clean water) for direct marketing to potential borrowers. The purpose of these letters is to inform the recipient of the funding options. These letters are sent out annually, or as needed, example audiences include:

- The League of Cities and Towns directory
- ADEQ-EPA non-compliant systems
- Previous borrower leads

***Note:** the team will verify that the recipient is eligible for the program and that no previous outreach has been done in the last year. Inundating potential borrowers with information will result in frustration and a loss of interest.*

Newsletter

Using examples set by other SRF's and state agencies, WIFA's marketing team will develop and pilot a quarterly newsletter. Content will be geared towards SRF, water, and water infrastructure-related topics. The following topics will be included:

- Program updates
- Highlights
- Important dates and reminders
- Calendar of WIFA events
- Special announcements
- Contact information

Implementation Schedule

Under the Executive Director's supervision, marketing and outreach efforts are led by WIFA's Communications Director. WIFA has significant modernization efforts to work through, making this marketing plan a multi-phase project; projects related to outreach, borrower acquisition, and visibility will take the highest priority. Additional phases are subject to shift and will be determined by workload, priority items, resources, and staff limitations. Attachment C outlines the high-level implementation plans for CY2020

VI. Metrics and engagement

Proper marketing metrics will enable WIFA to evaluate the implementation of this plan and create an adaptable approach to future marketing efforts; the following progress tracking methods will include:

Surveys: WIFA surveys are created and maintained in SurveyMonkey or Google Forms.

Applicant feedback: Through e-apps, WIFA will monitor the number of applications received and how the applicant became aware of the SRF program. WIFA will review this data quarterly and adjust marketing efforts.

General Inquiries: WIFA's "contact us" web form. The Communications Director ensures that the most appropriate staff responds in accordance with WIFA's customer service procedure.

Social media engagement: WIFA will utilize a social media management tool. This enables the team to track the engagement and success of social media campaigns. Engagement metrics will help the team develop content that is more relevant and engaging.

Website analytics: Google analytics will be used to analyze web traffic for all associated websites; qualitative and quantitative data will be used to ensure that user needs are met.

Distribution list dashboard: WIFA will utilize Sendgrid as its email marketing and email automation platform. Sendgrid's automation allows for the maintenance of accurate distribution lists, automation, and website/social publishing at the same time.

Joomla Content Management System: Content editors can submit changes for approval without asking IT to do it. A CMS is mobile-friendly, scalable, integrates well with analytic tools, and can be easily audited for accuracy.

Attachment A: WIFA's Major event schedule

| Date | Activity | Audience |
|-------------|---|---|
| Feb. | GFOAz Winter Conference | Government finance professionals |
| Feb. | The project of the Year Awards | Past borrowers, WIFA board, public |
| March | Water Resources Research Center Annual Conference | Water policy and management professionals, public |
| March | Rural Water Association of Arizona Annual Technical Conference | DW & WW professionals, potential borrowers |
| April | CIFA Federal Policy Conference | Infrastructure financing professionals |
| May | Arizona Water Association Conference | Water professionals, public |
| June | GFOAz Annual Conference (national) | Government finance professionals |
| July | Water Reuse Conference | State and local government, manager, operators |
| Aug. | League of Cities and Towns Annual Conference | Local government leaders, potential borrowers |
| Aug. | American Public Works Association - Arizona Chapter | Public Works Directors, consultants, and suppliers |
| Aug. | AZ Rural Development Council - Rural Policy Forum | Rural stakeholders, businesses, nonprofits, and community leaders |
| Aug. | GFOAz Summer Training | Government finance professionals |
| Sept. | Rural Water Association of Arizona Annual Leadership Conference | DW & WW professionals, potential borrowers |
| Sept. | Arizona Hydrological Society Annual Symposium | Water professionals, researchers, and hydrologists |
| Nov. | CIFA SRF National Workshop | Infrastructure financing professionals |

Attachment A. Cont.: WIFA's 2019 Events, CY2019

| Date(s) | Activity | Audience |
|-------------------------|--|---|
| 2/1/2019 | Arizona Runs on Water: Scarcity, Challenges, and Community-based Solutions | Water professionals, researchers, and hydrologists |
| 3/18/2019 | AIS Workshop | WIFA staff, potential/current/previous borrowers |
| 4/9/2019 | Cobre Valley Water Forum | government, industry, nonprofit, university. Current/potential borrowers |
| 4/30/2019 | Morning Scoop: Water | Water professionals, elected officials, media |
| 5/8/2019 | Focus Group - Small/Med systems | Current/past/previous/potential borrowers |
| 5/23/2019 | WIFIA Workshop | potential borrowers |
| 07/22/2019 - 07/24/2019 | Annual Arizona Symposium | Water professionals, local government staff |
| 07/28/2019 - 07/30/2019 | Arizona WaterReuse Symposium | City, town, and county managers, as well as other local government administrators |
| 08/07/2019 - 08/09/2019 | GFOAz Summer Conference | Financial staff from the state, city, county gov. school districts, colleges, universities, special districts, private bodies |
| 10/28/2019 - 10/30/2019 | State of the Watershed | policymakers, potential borrowers, environmental staff |
| 11/18/2019 - 11/19/2019 | CIFA SRF Workshop | State SRF programs |
| 2/13/2019 - 2/14/2019 | WLC Workshop - South | DW & WW professionals, borrowers |
| 2/17/2019 - 2/18/2019 | WLC Workshop - PHX | DW & WW professionals, borrowers |
| 2/20/2019 - 2/22/2019 | GFOAz Winter Conference | Financial staff from the state, city, county gov. school districts, colleges, universities, special districts, private bodies |
| 2/25/2019 - 2/26/2019 | WLC Workshop - North | DW & WW professionals, borrowers |
| 3/19/2019 - 3/20/2019 | Western States Water Council (WSWC) | DW&WW professionals from 18 western states |
| 3/31/2019 - 4/3/2019 | Sustainable Water Management Conference | DW & WW professionals, potential borrowers |
| 3/5/2019 - 3/7/2019 | RWAA 28th Annual Technical Conference | DW & WW professionals, potential borrowers |
| 4/23/2019 - 4/26/2019 | Spring Conference | State SRF programs |
| 8/07/2019 - 08/09/2019 | Statewide Conference | Public works directors, infrastructure experts, policymakers |
| 8/26/2019 - 8/27/2019 | Region 9 CW/DW SRF training | SRF/EPA staff |
| | | |
| 11/6/2019 | Wastewater Treatment 2019 technical seminar | Engineers, operators, technicians, planners, compliance officers, regulators |
| 12/6/2019 | Arizona Legislature 101 | City council members, league members |

Attachment B: Target Audience, Materials

| | City/town managers | Elected Officials | State Agencies/Partners | Tribal Communities | Small/DAC | Utility Admin |
|---|--------------------|-------------------|-------------------------|--------------------|-----------|---------------|
| Annual Report | x | x | x | | | |
| Conferences/Events/Expos | x | x | x | x | x | x |
| CW/DW SRF General info, tri-fold | x | | x | x | x | x |
| E-apps | x | | x | x | x | x |
| Website | x | x | x | x | x | x |
| Online Guidance | x | x | x | x | | x |
| Newsletter | x | x | x | x | x | x |
| Outreach Workshops/Webinars | x | | x | | | x |
| Outreach Workshops for Small, DAC, or tribes | | x | x | x | x | x |
| Publication Articles | x | | x | x | x | x |
| Social Media | x | x | x | x | x | x |
| Outreach Letters or Marketing packet | x | x | | x | x | x |
| Subject Specific brochures/Factsheets | x | | | x | x | x |
| Cold Calling (outreach from non-compliant systems list) | | | | | x | x |

Attachment C: Implementation Schedule

| Marketing Outreach Task | Start Date | Est. End Date | Status/Comments |
|---|---------------|--------------------------------|---|
| Newsletter Q1-Q4 | January 2020 | December 2020 | Sent at the end of the quarter |
| Kachina Q1-Q4 | January 2020 | December 2020 | Dates defined by Kachina |
| Brochure (trifold) | December 2019 | January 2020 | Update general trifold. May add additional brochures |
| WRRC | February 2020 | March 2020 | Printed materials need to be ready for this event |
| Conferences/Expos | Ongoing | Ongoing | |
| Drupal Deployment | November 2019 | May 2020 | Deployed to test. Easy migration |
| E-apps update | May 2019 | TBD | Update e-apps language and add features from a focus group in May 2019 |
| SEO/Mobile optimization of the website | Attachment D | Attachment D | Part of the web plan |
| Outreach Letters | January 2020 | January 2020 | |
| Outreach workshops (or webinars) | Ongoing | Ongoing | Aiming for 1x a quarter. |
| Outreach Small, tribal, and DAC | Ongoing | Ongoing | Aiming for 1x a quarter |
| Publication Articles | Ongoing | Ongoing | WIFA is a member of AMWUA. Aiming to create visibility through guest spots or op-eds |
| RWIC Funding Fair | December 2019 | Fall 2020 | Discussed at the Q4 RWIC meeting. Partners are deciding |
| Social Media | Ongoing | Ongoing | Social Calendar built out monthly |
| Distribution List Management | December 2019 | May 2020 | Researching with ASET if this is an appropriate solution |
| Subject-specific sheets | January 2020 | February 2020 | Review, redesign, and add new if necessary |
| Outreach Calling | Ongoing | Ongoing | Staff follow up on leads as soon as possible |
| CRM implementation | December 2019 | Ongoing | Business Process Analyst hired |
| Website | December 2019 | Ongoing | Test environment installed, content audit in progress, page build-out in progress |
| Business Process Analysis and Lean events | December 2019 | Ongoing – Estimated 4-6 months | BPS wired, start date 12/16 |
| New Materials, 100% FP, DB assistance, COGS | January 2019 | February 2020 | New policies approved, some projects in progress. Materials in design |
| Annual Report (Governor) | December 2020 | December 2020 | Yearly report to the governor's office. Shares content with the yearly EPA report. Due by the end of the CY each year |