



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE:

June 16, 2021

DEPARTMENT:

Administration

DIVISION**STRATEGIC OUTCOMES**

- ☒ Safe & Prosperous
- ☐ Active & Appealing
- ☐ Respected & Responsible
- ☐ Connected & Engaged
- ☐ Unique & Creative

ACTION

- ☐ Motion
- ☒ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

TITLE:

Water Infrastructure Finance Authority (WIFA) Financing: Desert Dunes Water Reclamation Facility

SUMMARY RECOMMENDATION:

Adopt a resolution authorizing the City Administrator to apply for a loan from the WIFA for the construction cost related to the expansion of the Desert Dunes Water Reclamation Facility (DDWRF).(Administration/Finance) (Jay Simonton\Barbara Goodrich).

STRATEGIC OUTCOME:

In support of the City Council's Vision and the strategic outcome of "Safe and Prosperous", staff is recommending the expansion of the DDWRF from the current treatment capacity of 3.3 million gallons per day (mgd) to a new treatment capacity of 6.6 mgd.

REPORT:

To provide wastewater treatment capacity for continued growth in the south east section of the City, the DDWRF needs to be expanded. The recommended phase 2 expansion will increase the capacity of the plant from 3.3 mgd of treatment capacity to 6.6 mgd. City staff is currently evaluating the best financing options available for the anticipated project in an amount not to exceed \$85,000,000. One option being evaluated is the use of low interest loans from the Water Infrastructure Finance Authority of Arizona (WIFA). In order for City staff to continue to pursue the option of securing funding for the DDWRF through WIFA requires the governing body to adopt a resolution authorizing the City Administrator to submit a loan application for the financing of the project.

The anticipated loan amount, not to exceed \$85,000,000 will be evaluated against securing revenue bond funding on the open market. Once staff determines the best financing course of action, staff's recommendation, along with an authorizing ordinance will be brought forward for final City Council consideration.

FISCAL REQUIREMENTS	CITY FUNDS:	\$0.00	BUDGETED:	\$85,000,000.
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	85,000,000. \$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT/FUND/CIP:	
	TOTAL:	\$0.00		
	FISCAL IMPACT STATEMENT: THIS PROJECT IS INCLUDED IN THE 2022-2026 CIP.			

ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5.			
	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? <input type="checkbox"/> Department <input type="checkbox"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified			

SIGNATURES	CITY ADMINISTRATOR:		DATE:
	Philip A. Rodriguez		
	REVIEWED BY CITY ATTORNEY:		DATE:
	Richard W. Files		6/8/2021
	RECOMMENDED BY (DEPT/DIV HEAD):		DATE:
WRITTEN/SUBMITTED BY:		DATE:	