

# WELCOME TO WORKSHOP #2

# TRI-CITY REGIONAL SANITARY DISTRICT



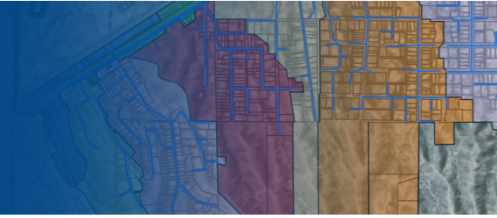
**This workshop presentations and future presentations with questions/answers will be videoed and placed on the Tri-City Regional Sanitary District Website and YouTube.**

- **Please sign in on the sign-in sheet to help facilitate the question-and-answer session at the end of this workshop.**
- **Please silence your cell phone in order not to distract our presenters or attendees.**
- **Please respect the presenters and attendees by not having side conversations or comments during the presentation.**
- **The workshop is being recorded in its entirety to have a complete, accurate record of the proceedings.**
- **Please hold all questions or comments until the end of both presentations.**

**This workshop presentations and future presentations with questions/answers will be videoed and placed on the Tri-City Regional Sanitary District Website and YouTube.**

- **TRSD facilitators and presenters will not field questions, before or after this workshop to ensure a complete, accurate record of the proceedings.**
- **Please keep your questions pertaining to the topics presented during this workshop. Questions will be answered during the designated question and answer session. 7pm Q & A session.**
- **Future workshop presentations will address some other questions related to other subjects.**
- **Today, we will provide notecards and pencils for you to keep track of YOUR questions or comments during the presentations**
- **There will be a minute time limit for each person to ask their respective questions.**

# Workshop #1 Review

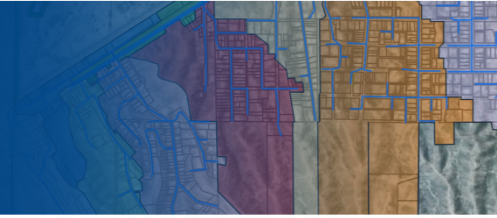


**2013 – 2016**

- **Regionalization of Wastewater Treatment in Southern Gila County**
- **Town of Miami Negotiations**

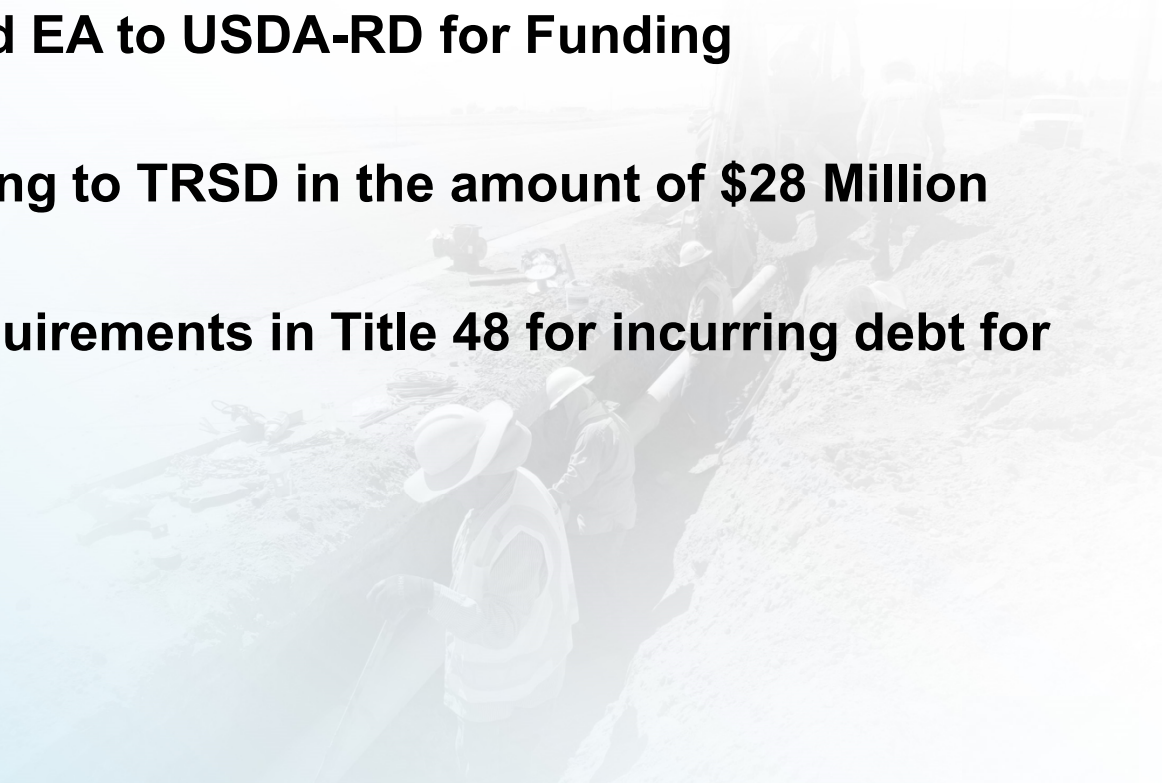


# Workshop #2 Overview



**2016 – 2019**

- **Submission of Phase 1 PER and EA to USDA-RD for Funding**
- **USDA-RD issuance of the funding to TRSD in the amount of \$28 Million**
- **TRSD following State of AZ Requirements in Title 48 for incurring debt for the project**



# USDA-RD Letter of Conditions (LOC)

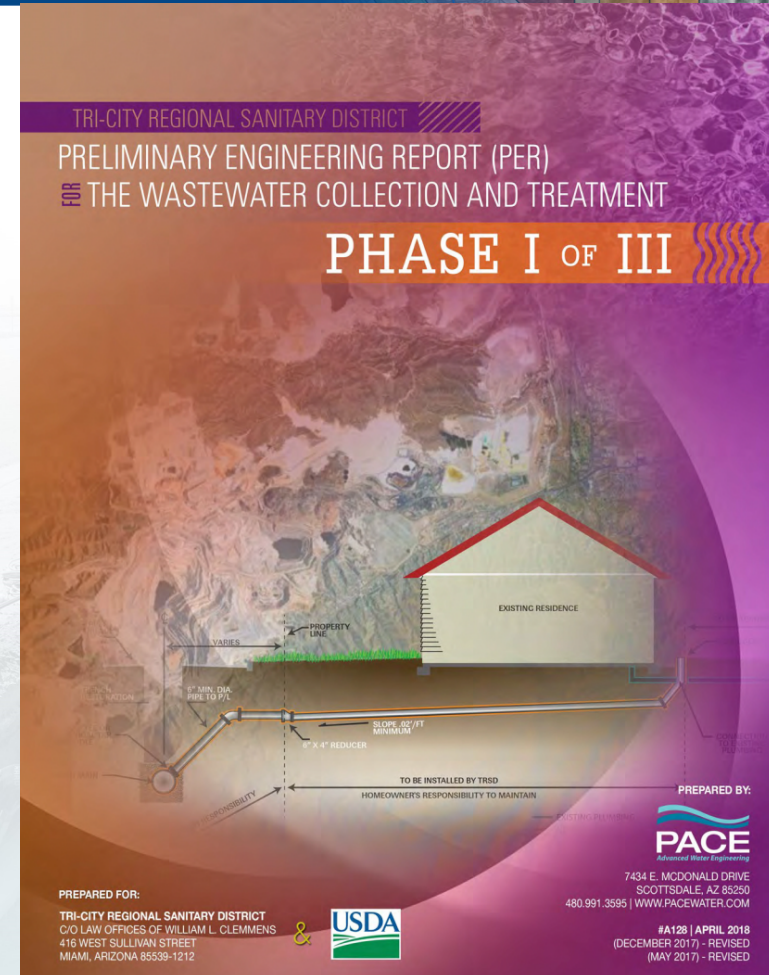
## USDA-RD Letter of Conditions (LOC)

Issued August 20, 2018

- Funding Package Received

Total Funding Sources	
Agency Loan	\$12,000,000.00
Agency Regular Grant	\$16,127,999.22
Applicant Contribution	\$ 413,000.00
<b>Total \$28,540,999.22</b>	

- Loan Terms:
- Grant Terms:
- Loan must be used prior to issuing grant funds
- If loan refused, grant is not made available



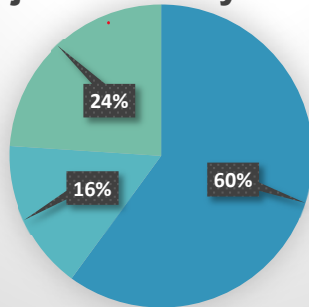
# Estimated Project Cost

## Estimated Cost Breakdown

Description	Amount
Collection System & Residential Connections	\$23,714,000
TRSD WRF	\$ 4,517,000

**Total \$28,230,000**

### Project Cost By Category



- Conveyance
- Treatment
- Connections

TRI-CITY REGIONAL SANITARY DISTRICT  
 PRELIMINARY ENGINEERING REPORT (PER)  
 FOR THE WASTEWATER COLLECTION AND TREATMENT

## PHASE I OF III

PREPARED FOR:  
 TRI-CITY REGIONAL SANITARY DISTRICT  
 C/O LAW OFFICES OF WILLIAM L. CLEMMENS  
 416 WEST SULLIVAN STREET  
 MIAMI, ARIZONA 85539-1212

PREPARED BY:  
**PACE**  
 Advanced Water Engineering  
 7434 E. McDONALD DRIVE  
 SCOTTSDALE, AZ 85250  
 480.991.3595 | WWW.PACEWATER.COM

#A128 | APRIL 2018  
 (DECEMBER 2017) - REVISED  
 (MAY 2017) - REVISED

# Funding Requirements

## LOC Requirements

- **Environmental**
  - Floodplain (above 500-year flood)
- **Easements / Rights-of-Way (ROWs)**
- **Interim Financing**
- **Permits**



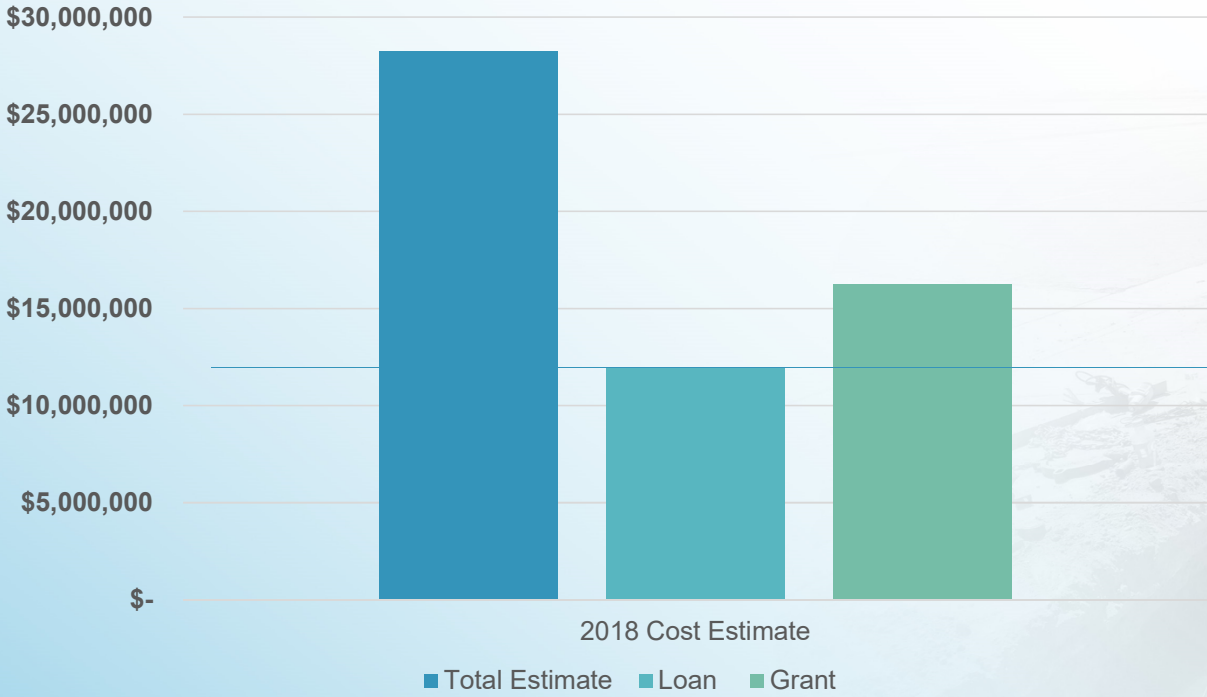


# USDA-RD Phase 1 Loan Fixed



## Loan fixed at \$12 million for Residents and Business

Project Costs & Loan/Grant Breakdown 2018 vs. 2024



**Loan fixed at \$12 million even with cost increases**



# Addressing Miami 80%/20% Grant Rumor



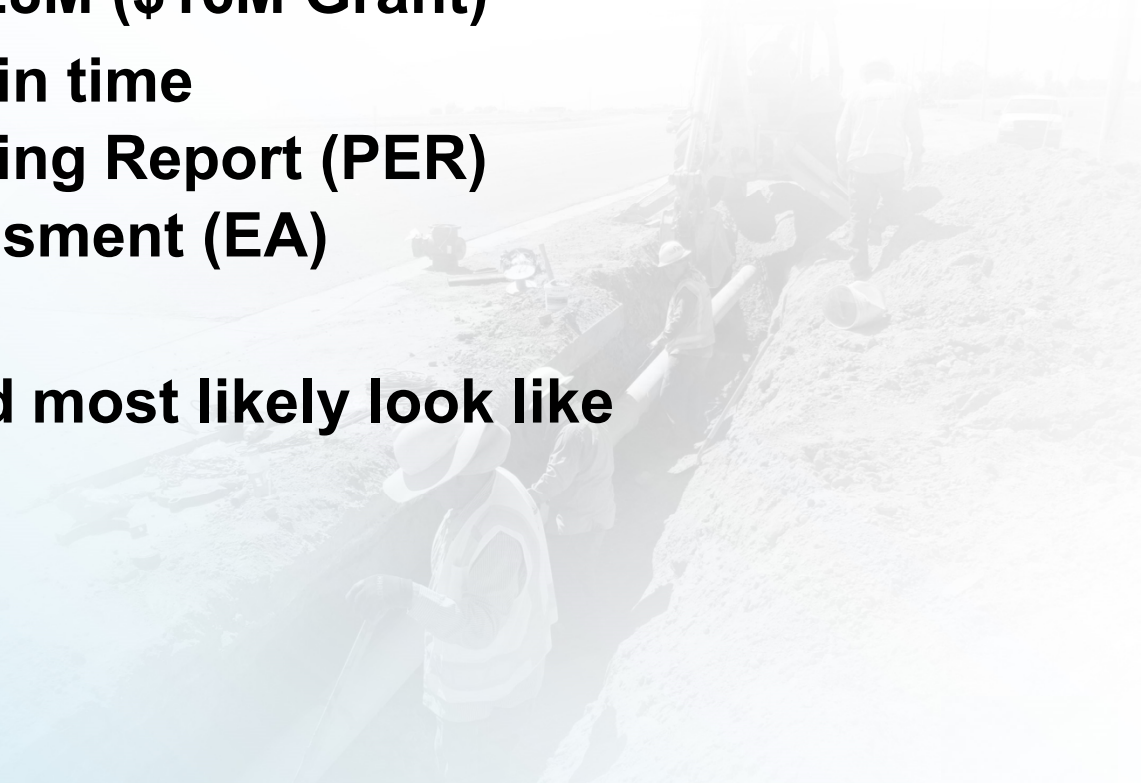
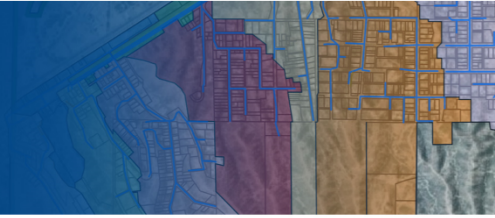
## **Rumor Says Going to Miami will Allow for 80% Grant**

- **Miami did receive and 80%/20% Grant/Loan offer – was a fortunate package received**
- **No longer possible**
- **New process the issuance of funding from Washington DC**
- **USDA-RD requested TRSD obtain addition grant funding from other sources to help cover increased costs**
- **TRSD has been active and successful in pursuing additional grant funds**

# Impact With Not Building TRSD WRF

If TRSD chooses not to build new WRF for another option (i.e. Miami)

- **Loss of current funding of \$28M (\$16M Grant)**
- **Loss of 2 to 3 years or more in time**
  - **New Preliminary Engineering Report (PER)**
  - **New Environmental Assessment (EA)**
  - **New funding offer**
- **What the New Funding would most likely look like**
  - **Increase in Loan amount**



# Impact to Residents & Businesses With Failing Systems

**Mr. Jake Garrett, Manager GC Wastewater Division, Payson**



# 2019 Assessment Process & Protest Results

**Timothy A. Stratton, Esq, Managing Partner, The Stratton Law Firm, PLLC**





# Definition of Terms



- **Tri-City Regional Sanitary District** - TRSD; aka, the District; aka the Project
- **Disingenuous** - a remark that contains some superficial truth, but it is delivered with the intent to deceive or to serve some hidden purpose. (1)
- **Transparent** - accessible, readily understood. (1)
- **Nontransparent** – not accessible, not readily understood. (1)

(1) Source: “Merriam Webster Dictionary



## **DISINGENUOUS**



**"We understand the need for a wastewater system for those individuals who need it. We also understand the health concerns and environmental issues that can come from cesspools and substandard septic tanks. But we would like this done in the most cost effective and transparent way possible since the financial burden will fall on the property owners."**

- Those individuals - 1,750 residences and businesses on banned cesspools and substandard septic tanks out of 1,900 units)
- Cost effective - from its inception, the Project has been scrutinized for its cost effectiveness by the USDA - Rural Development (state and national offices), Water Infrastructure Finance Authority of Arizona (WIFA) and multiple federal agencies from which the District is seeking grant funding
- Transparent - to be discussed on the following slide
- Financial burden will fall on the property owners - The District understands that financial hardship exists and will engage with property owners to address assessment and O/M cost needs





## TRANSPARENT

### HOW THE DISTRICT ACHIEVES TRANSPARENCY

- Conducts board meetings according to Arizona's Open-Meeting Law
- Publishes board meeting agendas and minutes on its web site
- Answers questions from the public on its website
- Conducts public project workshops
- Maintains both a TRSD website and Facebook site and YouTube



## TRANSPARENT

### HOW THE DISTRICT ACHIEVES TRANSPARENCY

- **Addresses local service organizations as requested**
- **Submits annual budgets as required by State Statutes**
- **Maintains an up-to-date roster of board members on its website**
- **Retains a recognized, outside agency to audit financial statements**
- **Provides information to the public through the Freedom of Information Act**

## NONTRANSPARENT

- The Group that is intent on connecting the District to the Town of Miami (TOM) has stated that the TOM has the capacity to treat the District's wastewater. That Group is being nontransparent or has no information on the following critical issues.
  - Where is the Cost Information
  - Who Will Provide What Service
- Where is the Intergovernmental Agreement (IGA)
  - What May be the Results of This Action

# QUESTIONS AND ANSWERS

- PLEASE COME TO THE PODIUM
  - INTRODUCE YOURSELF
  - DO YOU LIVE IN THE DISTRICT?
- YOU HAVE 1 MINUTE TO ADDRESS THE GROUP WITH QUESTION OR COMMENT

# THANK YOU FOR COMING!

Footage from this Workshop will be uploaded to our Youtube page within one week:



**@TRSDWastewater**

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Check our Facebook page for information and updates on our next Workshop:  
JULY 16, 2024



**@Tri-City Regional Sanitary District**