

Long-Term Water Augmentation Fund

Competitive Project Development Process

The Water Infrastructure Finance Authority administers the Long-Term Water Augmentation Fund to develop new, renewable water sources for Arizona. WIFA has been given broad statutory authority to accomplish this purpose, including through a public-private partnership. WIFA has developed a multi-phase process for identifying, vetting, and selecting partners and projects. This competitive project development process complies with procurement rules while maintaining flexibility for WIFA to accomplish its water augmentation mission.



Phase I: Solicit Qualified Teams

During Phase I, WIFA will issue a solicitation with the goal of identifying multiple potential project teams capable of entering a public-private partnership to develop all aspects of a water augmentation project. The solicitation will allow WIFA to evaluate the qualifications of project proposers through their answers to detailed questions and criteria. Respondents will submit proposals for water supply development projects which outline potential augmentation options – ways to bring new secure, long-term water supplies into the state. WIFA will then evaluate the responses against defined scoring criteria and select the highest ranked teams to move forward into the next phase of project development. Selected teams will enter negotiations to execute a base contract with WIFA.

The solicitation component of the project development process is contained entirely within Phase I. At the conclusion of Phase I, WIFA will award multiple project teams a contract to further develop their proposals for use by WIFA. The teams selected in this phase will move to Phase II, where WIFA will issue task orders to qualified teams for further analysis of their proposed projects.



Phase II: Pay for Services

In Phase II, WIFA will issue task orders to qualified project teams to further develop their contemplated projects. This will allow WIFA to engage in an alternatives analysis to compare potential augmentation options. WIFA will provide financial assistance for private sector project teams to fulfill those task orders and develop the information WIFA will need to objectively evaluate all projects. During this phase, WIFA also has the option to develop the government-to-government relationships necessary to fully analyze the potential augmentation options. The results of the alternatives analysis conducted in Phase II may result in one or more projects moving forward into project development through Phase III.

This process will allow WIFA to utilize the project teams to evaluate multiple concepts at the same time, consistent with the way projects are analyzed through the federal NEPA process. This means that WIFA can select from the widest possible pool of solutions when determining which projects will move on to Phase III.



Phase III: Project Development

In Phase III, WIFA may elect to implement a pre-development agreement with one or more of the project teams remaining after Phase II. The agreement will enable WIFA to further development of a water augmentation project or projects. This is the phase where specific details for implementation of the project options will become more concrete, such as permitting, financing, construction of infrastructure, long term operations. water volumes, delivery methods, and the cost of water to be included in water offtake agreements. As part of Phase III or future phases, WIFA may enter into a long-term agreement associated with implementation of a water augmentation project.

The breadth and uniqueness of WIFA's mandate is reflected in this project development pathway. This transparent, defensible process maximizes WIFA's ability to capitalize on private sector innovation, laying the foundation for a successful public-private partnership to bring a secure, renewable water source to Arizona.

