

WFX APPROACH TO COMPREHENSIVE TECHNICAL ASSISTANCE



Success in meeting water infrastructure needs of underserved communities requires both engaging multiple stakeholders and addressing many issues in parallel. Only addressing individual ‘squeaky wheel’ issues can lead to unsustainable results. WFX offers a holistic approach, building trusted relationships at the local level and offering Technical Assistance (TA) designed to catalyze affordable and sustainable solutions.

WFX first engages in detailed conversations around the history, financial and social needs of the community and its infrastructure. This results in an initial scoping of the issues in a community that can be translated into fundable projects and identification of areas – financial, operational and managerial – where WFX can add value. Under-resourced communities are faced with many difficult decisions involving rebuilding their infrastructure, including, for example, whether to take on additional debt or consolidate their system with a nearby utility. Many communities simply do not know where to begin solving these intractable problems and, as such, continue to kick the can down the road for the next elected official to tackle.

In exchange for WFX’s commitment to help see these communities across the finish line, WFX asks its community partners to commit to full engagement in the problem-solving process and making difficult, but necessary, decisions to chart a new, sustainable course.

Initial Review

Review Governance Structures: WFX reviews the landscape of governance for both the water system and the municipality, county, or other governing jurisdiction, including hierarchies of decision-making, identification of key stakeholders, relationships with state and federal regulators and funders, equity and access, as well as past challenges in governance.

Identification of Regional Opportunities: WFX reviews nearby communities as opportunities for regional solutions, such as shared services, restructuring, or consolidation.

Assets and Needs Assessment: Working closely with local officials, staff and engineers, WFX reviews the existing assets and anticipated infrastructure needs, including the condition and useful life of infrastructure, issues related to public health such as lead service lines, and future needs related to changes in population and demographics.

Technical and Financial Capacity Assessment: WFX identifies gaps in the technical and financial capacity of a community to allocate appropriate members of its staff to the technical areas of need to supplement the expertise of local officials.

Base Document Assessment: WFX works with local officials to collect and organize required base documentation, including audited financial statements, preliminary engineering reports, and environmental assessments. In cases where a community does not have these documents, WFX can deploy resources from its Pre-Development Fund to generate them.

Legal and Compliance Assessment: WFX identifies legal and compliance challenges, including noncompliance with water quality standards, legal action due to financial impropriety by a governing board or individual, and more.

Comprehensive TA in Practice

United Regional Water Cooperative, Central Illinois

WFX helped coordinate six communities to regionalize their water system and construct a new water treatment plant. During the process, WFX worked with the Illinois Environmental Protection Agency to meet corrosion control requirements and deployed its Pre-Development Fund to complete a required corrosion control study. WFX then helped secure \$12.2 million in funding, including 45% grant and the remainder in a low-interest loan through the United States Department of Agriculture.

Presidio County, Texas

WFX helped coordinate nine entities in arid Presidio County to create a 39-member steering committee that prioritized water infrastructure projects across the county. Across 42 different projects, including first-time water connections, green infrastructure, and flood management, WFX helped apply for funding from many different programs, including the State Revolving Fund (SRF) and Economically Distressed Areas Program (EDAP), resulting in \$4.6 million in funding at 70% grant. WFX continues to work on additional applications and participate in the goals of the steering committee.

Hazlehurst, Mississippi

The disadvantaged community in southern Mississippi needed to fix its water and wastewater systems to address chronic non-compliance and public health violations. WFX helped secure \$12 million funding, over half of which in forgivable loans. Throughout the process, WFX worked with the state to resolve a discrepancy in population data that resulted in an additional \$2 million in grant funding. WFX also worked with the community to conduct a financial assessment and rate analysis to ensure the sustainability and affordability of the improvements for Hazlehurst’s residents.

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Project Development

Collaborate and Prioritize Projects: WFX works with community partners to prioritize the full list of projects, emphasizing public health, sustainability, and economic growth and development.

Identify Funding Opportunities: WFX presents appropriate opportunities for funding based on experience with a wide variety of state, federal, and other funding sources, including program requirements, eligible activities, and application processes, in addition to a nuanced understanding of the types of projects that are typically funded.

Coordinate with Regional and Corporate Entities: Throughout the project prioritization and identification of funding stages, WFX maintains coordination with interested regional partners and communities that may collaborate on a project.

Address Regulatory and Compliance Needs: WFX staff with experience as both the regulator and the regulated can translate complex compliance and regulatory requirements imposed on a system while presenting accepted options to address the violations or non-compliance and serving as a liaison between the community and the enforcement agency.

Execute Pre-Development Funding: WFX maintains a Pre-Development Fund to support the short-term needs of a community through procurement of professional service or bridge loans. This capital can be accessed rapidly with little to no interest.

Procure Professional Services: WFX assists in finding expertise to address community needs through WFX's vast network, including WFX staff, professional firms, non-governmental organizations, and others, that address that need in a way that maintains sustainability and affordability for the community.

Connect Local Partners: WFX will coordinate partners including local staff, elected officials, community stakeholders, non-governmental organizations, funding programs and agency representatives, and private firms, which helps generate community support for a project and ensures longevity and sustainable support.

Financial Assessment

Conduct Rate Analyses: Finance experts at WFX review existing water and wastewater rates and develop a dynamic schedule of rate impacts based on projects that would be implemented if funding is awarded.

Develop Financial Strategy: WFX can work with communities to identify available grant funding and other financing mechanisms to adequately fund water infrastructure projects while maintaining affordable and sustainable water rates and other costs for residents.

Application Management

Conduct Data and GIS Analysis: WFX maintains data and Geographic Information Systems (GIS) analysis capacity to assist in required application materials.

Maintain Communication with Regulators and Funders: WFX maintains communication with regulatory and funding agencies to ensure clarity in application requirements and address any concerns raised by WFX or the community.

Collaboratively Manage Application Submission: WFX works with the community on finalizing and submitting all the necessary materials for funding applications.

Post-Application Management

WFX assists in the receipt and execution of funds, including compliance with procurement and reporting requirements. WFX provides guidance on governance structures, including rate setting and regional collaborations, where appropriate, to ensure affordable and sustainable projects. For future benefit of other projects and communities, WFX leverages the experience with the project execution and relationship with local officials to identify best practices and replicable solutions to apply in other communities. Finally, WFX offers learnings and provides a report of the project, including WFX's role and recommendations for future activities, to the community. At the request of the community leaders, WFX may present the findings and results of this report to the appropriate governing board.