



Naco Sanitary District

P.O. Box 755
Naco, Arizona 85620-0755
(520)353-4372
nacosanitary.org

2026-16509

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Billy A Cloud - Recorder

Cochise County, AZ

Requested By: NACO SANITARY DISTRICT

08-17-2026 11:23 AM Recording Fee \$30.00

Resolution No. 8-7-2026

Naco Sanitary District

Authorization of Debt for Water Infrastructure Project Pursuant to Arizona Water Infrastructure Finance Authority (WIFA)

RESOLUTION

Authorization of Debt for Water Infrastructure Project Pursuant to Arizona Water Infrastructure Finance Authority (WIFA)

WHEREAS, the Naco Sanitary District ("NSD"), an Arizona Title 48 Special Taxing District, is responsible for maintaining and improving public health infrastructure, including wastewater treatment and water quality systems within its jurisdiction; and

WHEREAS, the NSD has identified critical upgrades to its wastewater treatment plant to comply with the Arizona Department of Environmental Quality (ADEQ) and ensure long-term environmental sustainability for the Naco-Bisbee Sole Source Aquifer; and

WHEREAS, the Water Infrastructure Finance Authority of Arizona (WIFA) administers the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF), offering low-interest loans and financial assistance for water infrastructure projects; and

WHEREAS, WIFA requires debt authorization from the governing body of special districts seeking financing, as outlined in ARS Title 48 and WIFA's application process; and

WHEREAS, the NSD has prepared an application to WIFA for a loan to fund a Preliminary Engineering Review; and

WHEREAS, the NSD Board of Directors has reviewed the fiscal capacity of the district, including available reserve accounts and a \$20,000 credit line advised by the Cochise County Treasurer, to ensure repayment obligations are met;

1. Debt Authorization

The NSD hereby authorizes the issuance of debt through WIFA's Clean Water State Revolving Fund (CWSRF) for the wastewater treatment plant upgrade project, in an amount not to exceed \$120,000, to be repaid through system revenues generated by user fees and operational charges.

2. Project Scope

The funded project includes:

A Preliminary Engineering Review for the Naco Sanitary District Waste Water Treatment Plant and the local pipes and collection system.

3. Repayment Source

Repayment of the WIFA loan shall be secured by revenues derived from the NSD's tax revenues, consistent with A.R.S. § 49-1216 (governing WIFA financial assistance agreements) and A.R.S. § 48-2011.01 (authorizing sanitary districts to enter into loan repayment agreements with WIFA for wastewater projects), which provide that such obligations do not constitute general indebtedness of the district.

4. Delegation of Authority

The NSD Board Chair, Vice Chair and Office Manager are authorized to:

Execute all necessary loan documents, including the Project Finance Application (PFA) and WIFA loan agreements.

Represent the NSD in negotiations with WIFA and other agencies.

Disburse funds in accordance with the approved project budget.

5. Compliance

This resolution affirms compliance with:

ARS Title 48 provisions for special districts, including debt authorization via governing body resolution.

Open Meeting Law requirements, as evidenced by public notices and minutes from NSD meetings dated May 7th, 2025, and prior.

6. Adoption

This resolution shall take effect immediately upon adoption by the Board of Directors.

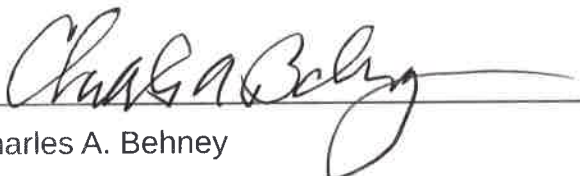
ADOPTED this 7th day of August 2026.

Attestation

This resolution was duly approved at a public meeting of the Naco Sanitary District Board of Directors, with a quorum present, on August 7, 2026.

CERTIFICATION

I hereby certify that this resolution is a true and correct copy of the original.



Charles A. Behney
Naco Sanitary District Board Chair

8/17/2026

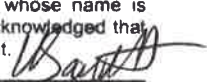
Date

Attestation

This resolution was duly approved at a public meeting of the Naco Sanitary District Board of Directors, with a quorum present, on August 8, 2026.

CERTIFICATION

I hereby certify that this resolution is a true and correct copy of the original.

State of ARIZONA)
County of Cochise)
On this 15th day of August, 20 26
before me personally appeared Charles A. Behney (name
of signer), whose identity was provided to me on the basis of
satisfactory evidence to be the person whose name is
subscribed to this document, and who acknowledged that
he/she signed the above/attached document. 

Notary Public
My commission expires

