



SUB-REGIONAL OPERATING GROUP (SROG) Advisory Committee

MEETING NOTICE AND TENTATIVE AGENDA

Thursday, January 15, 2026 – 1:00 p.m.

**Arizona Municipal Water Users Association
Board Room
3003 North Central Avenue, Suite 1550
Phoenix, Arizona 85012**

A. Call to Order—Mr. Mark Roye, Chair, Glendale

B. General Business—Items for Discussion and Possible Action

1. Approval of the Minutes from the December 18, 2025 Meeting
2. Schedule Next Meeting Date: Thursday, February 19, 2026, at 1:00 p.m.
3. Information Items
 - a. Multi-City Project Analysis of the 91st Avenue WWTP
 - b. Aging Report
 - c. Statement of Revenues and Expenses
4. SROG User Charge Rates for Fiscal Year 2026-27

The SROG User Charge Rates will be presented for Fiscal Year 2026-27. The rates are based on the O&M Budget and forecasted sewer flows for the same year.

The SROG User Charge Rates are to be reviewed by this committee and forwarded to the SROG Committee for approval at their February 2026 meeting.

Please refer to Agenda Item #4.

5. JOC Support Services

The City of Phoenix will request authorization to Advertise, Select and Negotiate a Scope of Work and Fee for JOC Support Services for 90100001, 90100094, 90100100, and 90100105.

Arizona Municipal Water Users Association

6. Instrumentation and Control

The City of Phoenix will request authorization Advertise, Select and Negotiate a Scope of Work and Fee for Instrumentation and Control 90100092.

7. ME03 Relocation

The City of Phoenix will request approval of a new project number for the relocation of ME03.

C. Future Agenda Items

D. Adjournment

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SROG ADVISORY COMMITTEE
MEETING MINUTES
December 18, 2025

MEMBERS

Mark Roye, Chair, Glendale
Bryan Cassens, Scottsdale
Stacey Kisling, Phoenix
Arif Rahman, Mesa

OTHERS

Simon Amavisca, Phoenix	John Masche, Phoenix
Michelle Barclay, AMWUA	Tiffani Roberts, Phoenix
Leandro Garcia, Phoenix	Peter Torres, Phoenix
Karla Guerra, Glendale	Nico Zavala, Phoenix
Tara Gonzales, Phoenix	

A. Call to Order

Mr. Roye called the meeting to order at 1:13 p.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the November 20, 2025 Meeting

Upon a motion by Mr. Rahman, a second by Ms. Kisling, and unanimous approval, the minutes of the November 20, 2025 meeting were approved.

2. The next SROG Advisory Committee meeting was scheduled for Thursday, January 15, 2026, 1:00 p.m.

3. Information Items

There were no comments on the information items.

4. Preliminary Fiscal Year 2026-27 Operating and Maintenance Budget for the 91st Avenue WWTP

Ms. Gonzales stated that there is not typically a presentation on this item, as that was done at the SROG Finance Committee meeting, and asked if there are any questions regarding the FY 2026-27 O&M Budget.

Mr. Roye asked about the rationale of the increase in the Replacement Fund from \$8 million to \$10 million. Ms. Gonzales responded that quite a few years ago, the City of Phoenix proposed gradually increasing the Replacement Fund, and in doing so, it went from \$5 million up to \$8 million. Then when Phoenix provided the five year Replacement Fund schedule, they indicated that starting in FY 2026-27 the intention to increase it to \$10 million to cover the ongoing expenses and reflect an increase in prices that is occurring out at 91st Avenue. She explained that we all know that it's an older plant, and repairs are necessary as the equipment is aging. Ms. Gonzales referenced the 91st Avenue Replacement Fund schedule included in the packet for FY26-27 through FY30-31 and pointed out that Mr. Masche has broken out how those funds will be allocated.

Mr. Roye asked when the increase was discussed. Ms. Gonzales responded that she is thinking three years or so ago. Mr. Roye responded that he was looking at what was spent in recent years and he said that Glendale's preference would be to budget for \$8 million and pull any extra out of the contingency fund as needed rather than budget for the full \$10 million for the next five years. Ms. Gonzales stated that the desire is to maintain the plant without constantly being reactive which pulls away from other maintenance.

Upon a motion by Ms. Kisling, and a second by Mr. Rahman, the SROG Advisory Committee recommended that the SROG Committee approve the proposed Fiscal Year 2026-27 Operation and Maintenance Budget base request of \$90,655,561 which includes a contribution of \$10 million to the Replacement Fund and estimated expenditures of \$10 million be adopted as presented by the City of Phoenix, that the Fiscal Year 2025-26 CIP Replacement Fund Balance be adopted as presented by the City of Phoenix, and that the five year CIP Replacement Fund for Fiscal Years 2026-27 through 2030-31 be adopted as presented by the City of Phoenix. Glendale opposed the motion.

5. Interceptor Capacity Improvements – 90160113

Mr. Amavisca stated that he is requesting SROG authorization to enter into contract with Brown & Caldwell and Achen Gardner for professional consultant services for design, construction administration and inspection, and construction manager at risk preconstruction services for SROG Interceptor Capacity Improvements, project 90160113. He gave some history of this project, with SROG approving the request to advertise, select and negotiate a scope of service and fee at the June 2024 Advisory meeting. Both Brown & Caldwell, and Achen Gardner were selected through a qualification based process. The scope was reviewed by City of Phoenix, then sent to SROG partners for review with

comment due on Dec 5, 2025. Brown & Caldwell has a not to exceed number of \$8,565 million, and Achen Gardner has not to exceed number of \$596,000. The expedited duration of this design is 589 days. The Advisory Committee also approved a new billing schedule for this project, Billing Schedule 67 with the breakdown per city as Mesa 5.8%, Phoenix is 57.8%, Scottsdale at 5.8%, Tempe at 30.6%.

Upon a motion by Ms. Kisling, and a second by Mr. Cassens, the SROG Advisory Committee recommended that Phoenix be authorized to enter a contract with Brown and Caldwell for an amount not to exceed \$8,565,000 to provide Design and CA&I services related to SROG Interceptor Capacity Improvements (segments 11,12, 13) project. Funds for these services are available in the SROG CIP Cash Flow beginning in Fiscal Year 2025-26. The project number is WS90160113 using billing schedule 67 with the following percentages: 0% Glendale, 5.8% Mesa, 57.8% Phoenix, 5.8% Scottsdale, and 30.6% Tempe. Glendale abstained.

Upon a motion by Ms. Kisling, and a second by Mr. Rahman, the SROG Advisory Committee recommended to the SROG Committee that the City of Phoenix be authorized to enter a contract with Achen Gardner for an amount not to exceed \$596,000 to provide CMAR preconstruction services related to SROG Interceptor Capacity Improvements (segments 11,12, 13) project. Funds for these services are available in the SROG CIP Cash Flow beginning in Fiscal Year 2025-26. The project number is WS90160113 using billing schedule 67 with the following percentages: 0% Glendale, 5.8% Mesa, 57.8% Phoenix, 5.8% Scottsdale, and 30.6% Tempe. Glendale abstained.

C. Future Agenda Items

There was no discussion of this item.

D. Adjournment

The meeting adjourned at 1:51 p.m.

Multi-City Project Analysis
Detail of Expenditures As of November 30, 2025

AGENDA ITEM #3A

Table 1

WBS Element	Project Title	Current Month Expenditures	Project To-Date Cost	Outstanding Contractual Amount	Total Project Cost
WS90100021	Flood Protection - Toxicity TIE/TRE	0.00	169,591.05	0.00	169,591.05
WS90100052	91st Ave-Two Phase Digester Study	0.00	8,395,331.23	0.00	8,395,331.23
WS90100092	91st Ave Instrumentation & Control	952.00	8,516,814.86	1,836,777.45	10,353,592.31
WS90100093	91st Ave WWTP Pipe/Equip Coating	952.00	6,280,201.57	193,730.05	6,473,931.62
WS90100094	91st Ave WWTP Safety	4,135.23	6,500,248.41	1,588,811.29	8,089,059.70
WS90100095	91st Ave WWTP Work & Asset Mgt	53,747.75	1,287,173.57	891,821.96	2,178,995.53
WS90100098	91st Ave Solar Drying Beds Imprvnts	0.00	5,143,596.81	0.00	5,143,596.81
WS90100099	91st Ave Groundwater Wells Imprvnts	0.00	6,096,648.43	0.00	6,096,648.43
WS90100100	91st Ave Support Facilities Rehab	28,883.79	13,735,760.01	2,918,826.54	16,654,586.55
WS90100101	91st Ave Process Piping Rehab	1,632.00	14,101,911.40	1,552,062.17	15,653,973.57
WS90100103	Toxicity Identification Evaluation	0.00	136,266.51	80,508.00	216,774.51
WS90100104	Multi-Phase Process Improvements	0.00	3,236,866.98	0.00	3,236,866.98
WS90100105	91st Ave WWTP Process Control 2016	49,029.74	8,835,879.59	927,043.14	9,762,922.73
WS90100106	91st Ave WWTP Fire Safety	2,584.00	9,557,194.76	1,939,464.05	11,496,658.81
WS90100107	91st Ave WWTP Facility Assessment	0.00	2,081,266.20	0.00	2,081,266.20
WS90100109	91st Ave WWTP Facility Rehab	376,511.12	21,485,018.45	2,726,607.69	24,211,626.14
WS90100111	91st Ave WWTP Solids Rehab Phase 1	1,319,656.51	40,976,589.71	36,933,542.58	77,910,132.29
WS90100112	91st Ave WWTP Plant 2B Rehab	1,889,649.28	79,767,114.31	8,705,828.92	88,472,943.23
WS90100113	Process Cntrl Sys Imp-91st Ave WWTP	1,138.50	1,802,857.39	1,196,530.25	2,999,387.64
WS90100114	91st Ave WWTP Plant 1A Rehab	2,543.00	29,768.20	4,799,847.00	4,829,615.20
WS90100115	91st Ave WWTP Master Plan	0.00	993,369.20	133,184.38	1,126,553.58
WS90120037	91st Ave WWTP Local Limits Study 12-13	1,088.00	129,913.04	0.00	129,913.04
WS90140006	Tres Rios Reuse/Recharge Phase II	0.00	62,243,910.72	0.00	62,243,910.72
WS90140016	Tres Rios Rehab and Replacement	2,609.75	3,187,793.38	1,401,552.38	4,589,345.76
WS90160084	SROG Interceptor Capacity Improvements	0.00	655,074.36	0.00	655,074.36
WS90160098	Glendale GL02 Metering Station	952.00	3,724,627.34	1,192,963.78	4,917,591.12
WS90160100	SAI 51 Ave Siphons Assessment SROG	0.00	1,498,273.30	0.00	1,498,273.30
WS90160106	SRO Condition Assessment	151,074.09	1,149,224.82	489,530.80	1,638,755.62
WS90160107	SAI Condition Assessment	0.00	1,748,315.24	329,893.62	2,078,208.86
WS90160114	SROG/SAI Intrcptr Projects 1,2,3 & 4	0.00	9,928.00	0.00	9,928.00
Total		3,887,138.76	313,476,528.84	69,838,526.05	383,315,054.89

MULTI-CITY PROJECT ANALYSIS
DETAIL OF OUTSTANDING CONTRACTS AS OF NOVEMBER 30, 2025
TABLE II

PROJECT INDEX	CONTRACT NUMBER	VENDOR	CONTRACT AMOUNT	ORDER AMOUNT	LIQUID ENCUMBR	CONTRACT AMOUNT
<u>WS90100092 - 91ST AVE INSTRUMNTATION & CONTROL</u>						
	154042	WILSON ENGINEERS LLC				
			5,000,000.00		3,163,222.55	1,836,777.45
			9,949,990.06	(217,831.46)	7,895,381.15	1,836,777.45
<u>WS90100093 - 91st Ave WWTP Pipe/Equip Coatin</u>						
	149652	RFI CONSULTANTS LLC				
	155549	PCL CONSTRUCTION INC				
			300,000.00		202,991.95	97,008.05
			275,009.00		178,287.00	96,722.00
			6,521,235.26	(592,168.05)	5,735,337.16	193,730.05
<u>WS90100094 - 91ST AVE WWTP Saftey</u>						
	149651	LUDVIK ELECTRIC COMPANY				
	155549	PCL CONSTRUCTION INC				
	155878	WATER WORKS ENGINEERS LLC				
	155879	EIC ENGINEERS LLC				
	155879	EIC ENGINEERING LLC				
			21,695.00		-	21,695.00
			1,845,185.00		787,120.00	1,058,065.00
			350,000.00		49,735.27	300,264.73
			150,000.00		41,213.44	108,786.56
			100,000.00		-	100,000.00
			7,878,177.94	(201,729.61)	6,009,916.76	1,588,811.29
<u>WS90100095 - 91ST AVE WWTP WORK & ASSET MGT</u>						
	158806	WILSON ENGINEERS LLC				
	4400705877	PROCESS SOLUTIONS ASSURANCE				
	4400849779	TMG UTILITY ADVISORY SERVICES INC				
	4401055976	LCS TECHNOLOGIES INC				
	4401104328	LCS TECHNOLOGIES INC				
	4401131607	LCS TECHNOLOGIES INC				
	4401147675	THE INTERSECT GROUP LLC				
			969,496.46		692,937.79	276,558.67
			93,150.75		48,970.02	44,180.73
			512,908.08		68,259.04	444,649.04
			41,932.80		33,224.94	8,707.86
			61,000.00		15,156.00	45,844.00
			47,648.60		-	47,648.60
			60,900.00		36,666.94	24,233.06
			2,140,778.33	(180,656.06)	1,068,300.31	891,821.96
<u>WS90100100 - 91ST AVE SUPPORT FACILITIES REHAB</u>						
	155549	PCL CONSTRUCTION INC				
	155878	WATER WORKS ENGINEERS LLC				
	155879	EIC ENGINEERS LLC				
	155879	EIC ENGINEERING LLC				
	4401072157	PROGRESSIVE SERVICES INC				
	4401072159	PROGRESSIVE SERVICES INC				
	4401079744	PROGRESSIVE SERVICES INC				
	4401122691	KING JR, TIMOTHY B				
	4401122692	KING JR, TIMOTHY B				
			4,383,010.00		2,440,774.00	1,942,236.00
			500,000.00		16,293.22	483,706.78
			150,000.00		-	150,000.00
			100,000.00		-	100,000.00
			26,130.00		-	26,130.00
			34,850.00		-	34,850.00
			46,977.50		-	46,977.50
			67,463.13		-	67,463.13
			67,463.13		-	67,463.13
			16,302,403.06	(177,519.83)	13,206,056.69	2,918,826.54

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<u>WS90100101 - 91ST AVE PROCESS PIPING REHAB</u>						
	147881	BROWN & CALDWELL	2,400,000.00	(400,000.00)	1,465,323.83	534,676.17
	155549	PCL CONSTRUCTION INC	6,138,911.00		5,121,525.00	1,017,386.00
			15,470,442.41	(415,800.00)	13,502,580.24	1,552,062.17
<u>WS90100103 - 91AV TOXICITY ID EVALUTN</u>						
	144947	HAZEN AND SAWYER P.C.	100,000.00		99,492.00	508.00
	161429	HAZEN AND SAWYER DPC	80,000.00		-	80,000.00
			180,000.00	-	99,492.00	80,508.00
<u>WS90100105 - 91st Ave WWTP Process Control</u>						
	155878	WATER WORKS ENGINEERS LLC	400,000.00		80,871.25	319,128.75
	155549	PCL CONSTRUCTION INC	2,130,563.00		2,093,738.00	36,825.00
	155879	EIC ENGINEERS LLC	450,000.00		92,735.11	357,264.89
	155879	EIC ENGINEERING LLC	100,000.00		-	100,000.00
	158310	LUDVIK ELECTRIC COMPANY	182,310.00		68,485.50	113,824.50
			9,860,460.00	(451,216.80)	8,482,200.06	927,043.14
<u>WS90100106 - 91st Ave WWTP Fire Safety</u>						
	147890	FELIX CONSTRUCTION CO	1,800,000.00		1,710,000.00	90,000.00
	155547	FELIX CONSTRUCTION CO	3,812,295.00		3,487,116.94	325,178.06
	161083	FELIX CONSTRUCTION CO	1,979,592.19		455,306.20	1,524,285.99
			7,591,887.19	-	5,652,423.14	1,939,464.05
<u>WS90100109 - 91st Ave WWTP Facility Rehab</u>						
	149651	LUDVIK ELECTRIC COMPANY	1,895,398.58		1,386,136.87	509,261.71
	155549	PCL CONSTRUCTION INC	8,656,312.00		6,746,892.00	1,909,420.00
	4401105184	GEA MECHANICAL EQUIPMENT US INC	76,580.79		-	76,580.79
	4401105716	DUPERON CORPORATION	199,677.19		-	199,677.19
	4401105839	STENZEL SEALING SOLUTIONS LLC	31,668.00		-	31,668.00
			24,048,882.80	(42,023.38)	21,280,251.73	2,726,607.69
<u>WS90100111 - 91st Ave WWTP Solids Rehab Phase 1</u>						
	152491	ARCADIS US INC	16,054,932.62	(5,129,022.91)	7,510,735.97	3,415,173.74
	153445	PCL CONSTRUCTION INC	65,708,873.22	(2,000,000.00)	31,099,565.38	32,609,307.84
	155549	PCL CONSTRUCTION INC	1,300,000.00		390,939.00	909,061.00
			84,912,308.84	(7,828,916.03)	40,149,850.23	36,933,542.58
<u>WS90100112 - 91st Ave WWTP Plant 2 Rehab</u>						
	153379	HAZEN AND SAWYER P.C.	9,821,321.89		8,369,234.46	1,452,087.43
	156753	MCCARTHY BUILDING COMPANIES INC	1,982,063.27		993,494.49	988,568.78
	157028	MCCARTHY BUILDING COMPANIES INC	73,500,000.00		69,025,912.29	4,474,087.71
	161086	PCL CONSTRUCTION INC	1,791,085.00		-	1,791,085.00
			87,094,470.16	-	78,388,641.24	8,705,828.92

MULTI-CITY PROJECT ANALYSIS
DETAIL OF OUTSTANDING CONTRACTS AS OF NOVEMBER 30, 2025
TABLE II

PROJECT INDEX	CONTRACT NUMBER	VENDOR	CONTRACT AMOUNT	ORDER AMOUNT	LIQUID ENCUMBR	CONTRACT AMOUNT
<u>WS90100113 - Process Cntrl Sys Imp-91st Ave</u>						
	155549	PCL CONSTRUCTION INC	1,736,826.00		1,128,936.00	607,890.00
	159237	ARCADIS US INC	571,066.92		130,474.19	440,592.73
	159238	OZ ENGINEERING	138,437.02		49,438.50	88,998.52
	161083	FELIX CONSTRUCTION CO	164,025.00		104,976.00	59,049.00
			2,993,653.14	-	1,692,146.89	1,196,530.25
<u>WS90100114 - 91st Ave WWTP Master Plan</u>						
	162922	HAZEN AND SAWYER DPC	4,799,847.00		-	4,799,847.00
			4,799,847.00	-	-	4,799,847.00
<u>WS90100115 - 91st Ave WWTP Master Plan</u>						
	157696	ARCADIS US INC	1,031,828.08		898,643.70	133,184.38
			1,031,828.08	-	898,643.70	133,184.38
<u>WS90140016 - Tres Rios Rehab and Replacement</u>						
	147890	FELIX CONSTRUCTION CO	1,456,856.80		1,333,029.55	123,827.25
	158310	LUDVIK ELECTRIC COMPANY	1,336,933.00		65,619.00	1,271,314.00
	4401017342	BROWN WHOLESALE ELECTRIC CO	8,398.51		1,987.38	6,411.13
			4,300,662.93	(8,895.43)	2,890,215.12	1,401,552.38
<u>WS90160098 Glendale GL02 Metering Station</u>						
	159940	WILSON ENGINEERS LLC	779,635.30		497,006.95	282,628.35
	161083	FELIX CONSTRUCTION CO	1,034,221.00		123,885.57	910,335.43
			4,856,521.78	(52,665.83)	3,610,892.17	1,192,963.78
<u>WS90160106 Salt River Outfall (SRO) Condition Assessment</u>						
	160336	CONSOR NORTH AMERICA INC	1,449,520.38		959,989.58	489,530.80
			1,450,077.38	-	960,546.58	489,530.80
<u>WS90160107 Southern Ave Interceptor (SAI)</u>						
	159748	WACO LLC	162,262.46		131,862.75	30,399.71
	157885	PROJECT ENGINEERING CONSULTANTS LTD	1,700,000.00		1,400,506.09	299,493.91
			1,862,262.46	-	1,532,368.84	329,893.62
GRAND TOTAL						69,838,526.05

Multi-City Subregional Operating Group (SROG)
Customer Aging Report as of December 31, 2025

Customer Number	Fund	City	Description	Invoice Number	Date Mailed	Current Invoice	Current Balance	Past Due-----		
								1-30 Days	31-60 Day	61-90 Days
10000007	415	Glendale	Capital Projects	401040415	12/1/2025	454,360.50	0.00	0.00	0.00	0.00
10000001	20	Glendale	Operations & Maintenance	401041942	12/30/2025	342,213.00	342,213.00	0.00	0.00	0.00
10000008	416	Mesa	Capital Projects	401040416	12/1/2025	1,164,694.17	0.00	0.00	0.00	0.00
10000003	20	Mesa	Operations & Maintenance	401041943	12/30/2025	1,138,750.00	1,138,750.00	0.00	0.00	0.00
10000009	417	Scottsdale	Capital Projects	401040417	12/1/2025	748,397.50	0.00	0.00	0.00	0.00
10000002	20	Scottsdale	Operations & Maintenance	401041944	12/30/2025	466,083.00	466,083.00	0.00	0.00	0.00
10000010	418	Tempe	Capital Projects	401040418	12/1/2025	1,191,687.17	0.00	0.00	0.00	0.00
10000000	20	Tempe	Operations & Maintenance	401041945	12/30/2025	746,345.00	746,345.00	0.00	0.00	0.00

Source: SAP preview of payments

Prepared by City of Phoenix Utilities Accounting

MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
STATEMENT OF REVENUES AND EXPENSES (*)
FOR THE ONE & FIVE MONTHS ENDED NOVEMBER 30, 2025

	November 2025	Fiscal Year-To-Date
Revenues:		
Sewer Service Charges:		
Glendale	\$ 342,213	\$ 1,793,550
Mesa	\$ 1,138,750	5,174,797
Phoenix	\$ 4,066,423	20,670,196
Scottsdale	\$ 466,083	2,350,133
Tempe	<u>\$ 746,345</u>	<u>4,070,355</u>
Total Sewer Service Charges	6,759,814	34,059,031
Sales of Effluent	1,043,698	8,353,955
Interest Earnings (Expense)	104,156	426,298
Other	<u>-</u>	<u>-</u>
Total Revenues	<u>7,907,668</u>	<u>42,839,284</u>
Expenses:		
Operations and Maintenance	4,909,632	22,815,579
Replacement Capital Outlay	666,667	3,333,335
General Administration	<u>958,234</u>	<u>4,943,968</u>
Total Expenses	<u>6,534,533</u>	<u>31,092,882</u>
Net Income (Loss)	<u>\$ 1,373,135</u>	<u>\$ 11,746,402</u>

*Note: This statement is not prepared in conformity with generally accepted accounting principles (GAAP). It is intended to reflect the monthly financial status for compliance with provisions of Intergovernmental Agreement No. 22699 (JEP).

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**MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT**

**FORECASTED FLOWS, RATES AND USER CHARGES
FORECAST FOR THE YEAR ENDING JUNE 30, 2027**

<u>MEMBER</u>	<u>FLOW IN 1,000 GALS</u>	<u>USER RATE</u>	<u>ENVIRONMENTAL RATE</u>	<u>TOTAL RATE</u>	<u>TOTAL CHARGES</u>
Glendale	2,883,500	\$ 1.58650	\$ 0.38744	\$ 1.97394	\$ 5,691,863
Mesa	6,570,000	1.48689	0.35531	1.84220	12,103,281
Phoenix	34,127,500	1.27217	0.33909	1.61126	54,988,379
Scottsdale	2,737,500	2.09428	0.46078	2.55506	6,994,466
Tempe	6,935,000	1.23832	0.33019	1.56850	10,877,572
 Totals	 <u>53,253,500</u>				 <u>\$ 90,655,561</u>

User rate includes Non-Environmental O&M, Equipment Replacement, SAI Odor Control and JEPA Support costs.

EXHIBIT 1
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT

**SUMMARY OF OPERATING, MAINTENANCE, GENERAL
ADMINISTRATION & EQUIPMENT REPLACEMENT COSTS
FORECAST FOR THE YEAR ENDING JUNE 30, 2027**

OPERATING AND MAINTENANCE

Personal Services	\$ 14,764,767
Electricity	10,202,921
Chemicals	15,669,919
Sludge Hauling and Environmental Waste Disposal	3,450,000
Water Quality and Compliance	1,414,351
General	19,047,295
SAI Odor Control & JEPA Support	3,153,955
Tres Rios Wetlands	<u>2,318,170</u>
Subtotal 91st Avenue WWTP Costs	\$ 70,021,378

GENERAL ADMINISTRATION

City Services Administration	\$ 3,010,000
Department Administration	3,714,285
Treatment Plant Administration	3,738,483
Finance Utilities Accounting	<u>171,415</u>
Subtotal General Administration	\$ 10,634,183
Total Operating and Maintenance Costs	\$ 80,655,561

EQUIPMENT REPLACEMENT

91st Avenue Equipment Replacement Costs	<u>10,000,000</u>
Total O & M, General Administration & Equipment Replacement	\$ 90,655,561

OTHER INCOME

Sale of Effluent	-
Miscellaneous Income	-
Interest Earnings on Operating Fund	<u>-</u>
Subtotal Other Income	<u>-</u>
Net Multi-City SROG Revenue Requirements	\$ 90,655,561

Notes:

Operating budget is not yet approved by the SROG Advisory Committee

For rate setting purposes, Other Income is not considered. Actual revenue will offset costs at settlement of costs.

EXHIBIT 2
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT

**SUMMARY OF ALLOCATION OF 91ST AVENUE PLANT COSTS, REPLACEMENT COSTS,
ADMINISTRATION COSTS AND OTHER INCOME TO DESIGN PARAMETERS
FORECAST FOR THE YEAR ENDING JUNE 30, 2027**

	<u>TOTAL (1)</u>	<u>ALLOCATION TO DESIGN PARAMETERS</u>					
		<u>NON-ENVIRONMENTAL</u>			<u>ENVIRONMENTAL</u>		
		<u>FLOW</u>	<u>COD</u>	<u>TSS</u>	<u>FLOW</u>	<u>COD</u>	<u>TSS</u>
<u>OPERATING & MAINTENANCE</u>							
Personal Services	\$ 14,764,767	1,624,124	6,148,049	5,120,421	1,624,124	248,048	0
Electricity	10,202,921	2,440,722	5,772,588	1,021,354	354,092	601,578	12,587
Chemicals	15,669,919	1,402,169	4,187,930	4,187,930	558,551	4,099,577	1,233,762
Sludge Hauling and Env Waste Disposal	3,450,000	-	1,692,500	1,692,500	-	65,000	-
Water Quality and Compliance	1,414,351	961,759	-	-	452,592	-	-
Tres Rios Wetlands (2)	2,318,170	-	-	-	2,318,170	-	-
General	19,047,295	2,560,653	7,090,365	4,788,580	2,114,049	1,997,213	496,435
Subtotal O & M Costs	\$ 66,867,423	8,989,427	24,891,433	16,810,785	7,421,578	7,011,417	1,742,784
Line A. Subtotal Percentage	100.00%	13.44%	37.23%	25.14%	11.10%	10.49%	2.61%
<u>GENERAL ADMINISTRATION</u>							
City Services Administration (3)	3,010,000	433,585	1,200,584	810,831	259,227	244,900	60,873
Department Administration (3)	3,714,285	499,336	1,382,645	933,789	412,246	389,463	96,806
Treatment Plant Administration (3)	3,738,483	502,589	1,391,652	939,872	414,932	392,000	97,437
Finance Utilities Accounting (3)	171,415	24,835	68,768	46,443	14,392	13,597	3,380
Replacement Costs (4)	10,000,000	4,277,466	3,327,178	2,395,356			
Total Costs by Parameter	\$ 87,501,606	14,727,238	32,262,259	21,937,076	8,522,376	8,051,377	2,001,280
Sale of Effluent (5)	-	-	-	-			
Miscellaneous Income (3)	-	-	-	-			
Subtotal-Net Costs Before Interest	\$ 87,501,606	14,727,238	32,262,259	21,937,076	8,522,376	8,051,377	2,001,280
Line B. Subtotal Percentage	100.00%	16.83%	36.87%	25.07%	9.74%	9.20%	2.29%
Interest Earnings on Operating Fund (6)	0	0	0	0	0	0	0
Net Costs by Parameter	\$ 87,501,606	14,727,238	32,262,259	21,937,076	8,522,376	8,051,377	2,001,280

Notes:

- (1) Source: Exhibit 1. Does not include costs which are allocated by agreement basis as shown in Exhibit 3.
- (2) Tres Rios includes all O&M and administration costs and are allocated only to Environmental - Flows.
- (3) Allocated based on percentages of Operating & Maintenance costs (Line A).
- (4) Allocated based on distribution of plant assets.
- (5) Allocated based on flows.
- (6) Allocated based on the subtotal percentage of net costs before interest.

This schedule may contain differences due to rounding.

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EXHIBIT 3
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT

ALLOCATION OF COSTS BY AGREEMENT
FORECAST FOR THE YEAR ENDING JUNE 30, 2027

	GLENDALE	MESA	PHOENIX	SCOTTSDALE	TEMPE	TOTAL
SAI ODOR CONTROL COSTS						
Allocation percentage (1)	0.78%	39.64%	35.57%	3.22%	20.79%	100.00%
Budget Cost	\$ 8,007	406,899	365,121	33,053	213,406	1,026,486
Allocation percentage (2)	1.29%	-100.00%	58.94%	5.34%	34.43%	0.00%
Credit Mesa's cost	\$ 2,943	(228,171)	134,484	12,184	78,559	0
Allocation percentage (2A)	0.78%	39.64%	35.57%	3.22%	20.79%	100.00%
	\$ 9,964	\$ 506,389	\$ 454,396	\$ 41,135	\$ 265,586	1,277,469
Allocation percentage (2B)	1.21%	61.52%	-100.00%	5.00%	32.27%	0.00%
Credit Phoenix's cost	\$ 614	31,212	(50,735)	2,537	16,372	0
Net Allocation Percentage	0.93%	31.09%	39.21%	3.86%	24.91%	100.00%
Net Costs to the Members	\$ 21,528	716,329	903,266	88,908	573,924	2,303,955
JEPA CONSULTING CHARGES						
Allocation percentage (3)	20%	20%	20%	20%	20%	100%
Costs to the Members	\$ 170,000	170,000	170,000	170,000	170,000	850,000
Total Costs Allocated by Agreement	\$ 191,528	886,329	1,073,266	258,908	743,924	3,153,955

Notes:

(1) Per SROG Committee action on January 14, 2009, PRI-SC cost allocation is based on the overall capacity ownership percentage of the entire length of the SAI. Per SROG Committee action on April 11, 2018 PRI-SC cost allocation revised per acceptance of the ownership capacity evaluation dated March 21,2018. The annual cost is per the SAP actual plus accrual less prior year accrual.

(2) Per SROG Committee action on January 14, 2009, ferric chloride cost allocation is based on agreed percentages to the other cities. Per SROG Committee action on September 12, 2018, ferric chloride cost allocation revised. Actual credit will be determined at settlement of costs.

(2A) Per SROG Committee action on December 13, 2017 Phoenix' Ferrous Chloride cost allocation is based on the overall capacity ownership percentage of the entire length of the SAI (Equivalent of Billing Schedule 64). The annual cost is per the SAP actual plus accrual less prior year accrual.

(2B) Per SROG Committee action on December 13, 2017, Ferrous chloride cost allocation is based on agreed percentages to the other cities.

(3) Per SROG Advisory Committee action on April 19, 2012, cost to be allocation 20% to each SROG cities.

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EXHIBIT 4
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT
SEWAGE VOLUMES, STRENGTHS AND PERCENTAGES
ATTRIBUTABLE TO SROG MEMBERS
FORECAST FOR THE YEAR ENDING JUNE 30, 2027

SEWAGE TREATED (1)

<u>MEMBER</u>	FLOW (MGD)	FLOW (1,000 GAL)	COD (MG/L)	COD (POUNDS)	TSS (MG/L)	TSS (POUNDS)
Glendale	7.90	2,883,500	1,032	24,820,103	539	12,957,513
Mesa	18.00	6,570,000	880	48,218,544	475	26,027,055
Phoenix	93.50	34,127,500	825	234,814,985	400	113,849,294
Scottsdale	7.50	2,737,500	1,300	29,679,975	840	19,177,830
Tempe	19.00	6,935,000	835	48,294,647	280	16,194,612
Total 91st Avenue WWTP	<u>145.90</u>	<u>53,253,500</u>	<u>869</u>	<u>385,828,253</u>	<u>424</u>	<u>188,206,304</u>

ALLOCATION PERCENTAGES
ATTRIBUTABLE TO EACH MEMBER

<u>MEMBER</u>	FLOW PERCENTAGE OF TOTAL	COD PERCENTAGE OF TOTAL	TSS PERCENTAGE OF TOTAL
Glendale	5.41467%	6.43294%	6.88474%
Mesa	12.33722%	12.49741%	13.82900%
Phoenix	64.08499%	60.85998%	60.49175%
Scottsdale	5.14051%	7.69254%	10.18979%
Tempe	13.02262%	12.51714%	8.60471%
Total 91st Avenue WWTP	<u>100.00000%</u>	<u>100.00000%</u>	<u>100.00000%</u>

Notes:

(1) Flows and Loadings were presented and approved by the SROG Advisory Committee on November 12, 2025.

This schedule may contain differences due to rounding.

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EXHIBIT 5
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT

ALLOCATION OF COSTS TO SROG MEMBERS
FORECAST FOR THE YEAR ENDING JUNE 30, 2027

MEMBER	FLOW % (1)	ALLOCATE FLOW COSTS	COD % (1)	ALLOCATE COD COSTS	TSS % (1)	ALLOCATE TSS COSTS	ALLOCATE COSTS BY AGREEMENT (3)	TOTAL COSTS
NON-ENVIRONMENTAL								
Glendale	5.41467%	\$ 797,431	6.43294%	\$ 2,075,412	6.88474%	\$ 1,510,310	\$ 191,528	\$ 4,574,682
Mesa	12.33722%	1,816,931	12.49741%	4,031,947	13.82900%	3,033,679	886,329	9,768,886
Phoenix	64.08499%	9,437,949	60.85998%	19,634,803	60.49175%	13,270,122	1,073,266	43,416,140
Scottsdale	5.14051%	757,055	7.69254%	2,481,786	10.18979%	2,235,342	258,908	5,733,091
Tempe	13.02262%	1,917,872	12.51714%	4,038,311	8.60471%	1,887,622	743,924	8,587,729
Total Non-Environs Costs (2)		\$ 14,727,238		\$ 32,262,259		\$ 21,937,076	\$ 3,153,955	\$ 72,080,528
ENVIRONMENTAL								
Glendale		\$ 461,458		\$ 517,940		\$ 137,783		\$ 1,117,182
Mesa		1,051,424		1,006,214		276,757		2,334,395
Phoenix		5,461,564		4,900,066		1,210,610		11,572,239
Scottsdale		438,093		619,355		203,926		1,261,375
Tempe		1,109,836		1,007,802		172,204		2,289,843
Total Environmental Costs (2)		\$ 8,522,376		\$ 8,051,377		\$ 2,001,280		\$ 18,575,033
TOTAL COSTS								
Glendale		\$ 1,258,889		\$ 2,593,352		\$ 1,648,093	\$ 191,528	\$ 5,691,863
Mesa		2,868,355		5,038,161		3,310,436	886,329	12,103,281
Phoenix		14,899,513		24,534,869		14,480,732	1,073,266	54,988,379
Scottsdale		1,195,148		3,101,141		2,439,269	258,908	6,994,466
Tempe		3,027,708		5,046,113		2,059,827	743,924	10,877,572
Total Costs		\$ 23,249,614		\$ 40,313,636		\$ 23,938,356	\$ 3,153,955	\$ 90,655,561

Notes:

- (1) Allocation percentages attributed to each member from Exhibit 4.
- (2) Net costs allocated to design parameters from Exhibit 2.
- (3) SAI Odor Control and JEPA Support costs are allocated by agreement as shown on Exhibit 3.

This schedule may contain differences due to rounding.

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EXHIBIT 6
MULTI-CITY SUBREGIONAL OPERATING GROUP (SROG)
91ST AVENUE WASTEWATER TREATMENT PLANT

COMPARISON OF COSTS TO SROG MEMBERS BY FISCAL YEAR
FORECAST FOR THE YEAR ENDING JUNE 30, 2027

MEMBER	FLOW 1,000 GALLONS	FLOW RATE PER 1,000 GAL. (1)	ALLOCATED FLOW COSTS	COD RATE PER 1,000 GAL. (1)	ALLOCATED COD COSTS	TSS RATE PER 1,000 GAL. (1)	ALLOCATED TSS COSTS	ALLOCATED COSTS BY AGREEMENT	TOTAL COSTS	TOTAL RATE PER 1,000 GAL. (1)
FORECAST FOR THE YEAR ENDING JUNE 30, 2027										
Glendale	2,883,500	\$0.44	\$ 1,258,889	\$0.90	\$ 2,593,352	\$0.57	\$ 1,648,093	\$ 191,528	\$ 5,691,863	\$1.97
Mesa	6,570,000	\$0.44	2,868,355	\$0.77	5,038,161	\$0.50	3,310,436	886,329	12,103,281	\$1.84
Phoenix	34,127,500	\$0.44	14,899,513	\$0.72	24,534,869	\$0.42	14,480,732	1,073,266	54,988,379	\$1.61
Scottsdale	2,737,500	\$0.44	1,195,148	\$1.13	3,101,141	\$0.89	2,439,269	258,908	6,994,466	\$2.56
Tempe	6,935,000	\$0.44	3,027,708	\$0.73	5,046,113	\$0.30	2,059,827	743,924	10,877,572	\$1.57
Total Costs	53,253,500	\$0.44	\$ 23,249,614	\$0.76	\$ 40,313,636	\$0.45	\$ 23,938,356	\$ 3,153,955	\$ 90,655,561	\$1.70
FORECAST FOR THE YEAR ENDING JUNE 30, 2026										
Glendale	2,883,500	\$0.39	\$ 1,113,902	\$0.83	\$ 2,393,615	\$0.53	\$ 1,531,538	\$ 183,458	\$ 5,222,514	\$1.81
Mesa	7,300,000	\$0.39	2,820,006	\$0.72	5,243,935	\$0.47	3,418,132	510,832	11,992,904	\$1.64
Phoenix	33,945,000	\$0.39	13,113,027	\$0.67	22,860,455	\$0.39	13,384,877	705,246	50,063,605	\$1.47
Scottsdale	2,737,500	\$0.39	1,057,502	\$0.96	2,625,692	\$0.76	2,094,055	225,592	6,002,841	\$2.19
Tempe	7,654,050	\$0.39	2,956,776	\$0.58	4,443,348	\$0.25	1,911,092	528,827	9,840,043	\$1.29
Total Costs	54,520,050	\$0.39	\$ 21,061,214	\$0.69	\$ 37,567,044	\$0.41	\$ 22,339,695	\$ 2,153,955	\$ 83,121,908	\$1.52
ACTUAL FOR THE YEAR ENDING JUNE 30, 2025 (2)										
Glendale	2,584,312	(\$0.08)	\$ (195,838)	\$0.85	\$ 2,195,213	\$0.54	\$ 1,393,376	\$ 174,408	\$ 3,567,160	\$1.38
Mesa	7,361,668	(\$0.08)	(557,864)	\$0.63	4,611,567	\$0.39	2,849,497	790,417	7,693,617	\$1.05
Phoenix	35,874,598	(\$0.08)	(2,718,565)	\$0.56	20,196,177	\$0.31	11,249,061	1,038,826	29,765,499	\$0.83
Scottsdale	2,785,835	(\$0.08)	(211,109)	\$0.96	2,676,548	\$0.78	2,166,886	279,943	4,912,267	\$1.76
Tempe	6,871,411	(\$0.08)	(520,712)	\$0.63	4,297,513	\$0.26	1,792,656	718,051	6,287,508	\$0.92
Total Costs	55,477,824	(\$0.08)	\$ (4,204,088)	\$0.61	\$ 33,977,017	\$0.35	\$ 19,451,475	\$ 3,001,646	\$ 52,226,051	\$0.94
ACTUAL FOR THE YEAR ENDING JUNE 30, 2024 (2)										
Glendale	2,838,633	(\$0.10)	\$ (277,455)	\$0.87	\$ 2,467,239	\$0.51	\$ 1,441,327	\$ 188,639	\$ 3,819,750	\$1.35
Mesa	6,959,332	(\$0.10)	(680,223)	\$0.67	4,628,124	\$0.42	2,925,872	815,828	7,689,601	\$1.10
Phoenix	36,706,239	(\$0.10)	(3,587,760)	\$0.53	19,423,156	\$0.31	11,296,484	928,988	28,060,868	\$0.76
Scottsdale	2,478,947	(\$0.10)	(242,299)	\$0.87	2,160,011	\$0.75	1,869,860	242,938	4,030,509	\$1.63
Tempe	6,947,071	(\$0.10)	(679,025)	\$0.58	4,039,995	\$0.22	1,540,978	665,112	5,567,059	\$0.80
Total Costs	55,930,222	(\$0.10)	\$ (5,466,763)	\$0.58	\$ 32,718,525	\$0.34	\$ 19,074,520	\$ 2,841,505	\$ 49,167,787	\$0.88

Notes:

(1) Exhibit rates are rounded to the two decimal place for the ease of comparison between years. Rates for the forecasts and settlement are calculated to the fifth decimal place. Therefore, there will be differences due to rounding.

(2) Allocated Flow Costs are off-set by Miscellaneous Revenue. Allocated Cost by Agreement include SAI Odor Control, JEPA support and Inventory charge costs.

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