



SUB-REGIONAL OPERATING GROUP (SROG) Advisory Committee

MEETING NOTICE AND TENTATIVE AGENDA

Thursday, December 18, 2025 – 1:00 p.m.

Arizona Municipal Water Users Association

This meeting will be held via Zoom

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 November 20, 2025 Meeting
2. Schedule Next Meeting Date: Thursday, January 15, 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. Preliminary Fiscal Year 2026-27 Operating and Maintenance Budget for the 91st Avenue WWTP

The SROG Agreement requires the City of Phoenix to annually present a proposed O&M Budget for the 91st Avenue WWTP. Included in the presentation is the 2026-27 Program Budget Request, the 2026-27 Projected Replacement Fund Balance, mid-year adjustment request for the 2026-27 CIP Replacement Schedule, and the 2027-31 CIP Replacement Schedule. This budget is to be reviewed by this committee and forwarded to the SROG Committee for approval at their February 2026 meeting.

5. Interceptor Capacity Improvements – 90160113

The City of Phoenix will request authorization to enter into a contract with Brown and Caldwell for an amount not to exceed \$2,565,000 for Design, and Achen Gardner for an amount not to exceed \$596,000 to provide preconstruction services.

Arizona Municipal Water Users Association

C. Future Agenda Items

D. Adjournment

DRAFT

SROG ADVISORY COMMITTEE***MEETING MINUTES*****November 20, 2025****MEMBERS**

Mark Roye, Chair, Glendale
Gretchen Baumgardner for Bryan Cassens, Scottsdale
Craig Caggiano, Tempe
Stacey Kisling, Phoenix
Arif Rahman, Mesa

OTHERS

James Arndt, Phoenix	David Martinez, Phoenix
Michelle Barclay, AMWUA	John Masche, Phoenix
Leandro Garcia, Phoenix	Tiffani Roberts, Phoenix
Jimena Garrison, Phoenix	Angela Serda, Phoenix
Martin Gomez, Phoenix	Steve Todd, Wilson Engineers
Tara Gonzales, Phoenix	Peter Torres, Phoenix
Kyle Kraft, Phoenix	

A. Call to Order

Mr. Roye called the meeting to order at 1:03 p.m.

B. General Business – Items for Discussion and Possible Action**1. Approval of the Minutes from the October 16, 2025 Meeting**

Upon a motion by Mr. Rahman, a second by Mr. Caggiano, and unanimous approval, the minutes of the October 16, 2025 meeting were approved.

2. The next SROG Advisory Committee meeting was scheduled for Thursday, December 18, 2025, 1:00 p.m.**3. Information Items**

There were no comments on the information items.

4. SROG Capital Improvement Projects Cash Flow Estimate

Mr. Roye stated that the cash flow estimate is being presented for the Committee's review as required by Addendum Number 6 of the SROG Agreement. The approved cash flow estimate will be the basis for the advance CIP billings for the months of January through June 2026.

Upon a motion by Ms. Kisling, a second by Mr. Roye, and unanimous approval the SROG Advisory Committee approved the SROG CIP Cash Flow Estimate for Fiscal Year 25-26 as presented by the City of Phoenix, for its use as the basis for advance monthly billings for the period January through June 2026.

C. Future Agenda Items

There was no discussion of this item.

D. Adjournment

The meeting adjourned at 1:09 p.m.

Multi-City Project Analysis
Detail of Expenditures As of October 31, 2025

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 Instrumntation & Control	63,170.28	8,515,862.86	1,836,777.45	10,352,640.31
WS90100093	91st Ave WWTP Pipe/Equip Coating	73,402.00	6,279,249.57	193,730.05	6,472,979.62
WS90100094	91st Ave WWTP Safety	45,390.00	6,496,113.18	1,591,586.52	8,087,699.70
WS90100095	91st Ave WWTP Work & Asset Mgt	19,399.72	1,233,425.82	955,531.89	2,188,957.71
WS90100098	91st Ave Solar Drying Beds Imprvmnts	0.00	5,143,596.81	0.00	5,143,596.81
WS90100099	91st Ave Groundwater Wells Imprvmnts	0.00	6,096,648.43	0.00	6,096,648.43
WS90100100	91st Ave Support Facilities Rehab	259,540.71	13,706,876.22	2,812,960.57	16,519,836.79
WS90100101	91st Ave Process Piping Rehab	420,535.15	14,100,279.40	1,552,062.17	15,652,341.57
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	13,442.06	8,786,849.85	976,072.88	9,762,922.73
WS90100106	91st Ave WWTP Fire Safety	409,902.66	9,554,610.76	1,939,464.05	11,494,074.81
WS90100107	91st Ave WWTP Facility Assessment	408.00	2,081,266.20	0.00	2,081,266.20
WS90100109	91st Ave WWTP Facility Rehab	492,076.83	21,108,507.33	3,136,181.17	24,244,688.50
WS90100111	91st Ave WWTP Solids Rehab Phase 1	2,317,624.17	39,656,933.20	38,243,222.69	77,900,155.89
WS90100112	91st Ave WWTP Plant 2B Rehab	2,118,570.46	77,877,465.03	10,590,986.20	88,468,451.23
WS90100113	Process Cntrl Sys Imp-91st Ave WWTP	651,298.50	1,801,718.89	1,196,530.25	2,998,249.14
WS90100114	91st Ave WWTP Plant 1A Rehab	3,823.50	27,225.20	4,799,847.00	4,827,072.20
WS90100115	91st Ave WWTP Master Plan	37,845.10	993,369.20	133,184.38	1,126,553.58
WS90120037	91st Ave WWTP Local Limits Study 12-13	816.00	128,825.04	0.00	128,825.04
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	31,198.50	3,185,183.63	1,401,552.38	4,586,736.01
WS90160084	SROG Interceptor Capacity Improvements	0.00	655,074.36	0.00	655,074.36
WS90160098	Glendale GL02 Metering Station	22,906.42	3,722,692.99	1,192,963.78	4,915,656.77
WS90160100	SAI 51 Ave Siphons Assessment SROG	0.00	1,498,273.30	0.00	1,498,273.30
WS90160106	SRO Condition Assessment	0.00	998,150.73	640,604.89	1,638,755.62
WS90160107	SAI Condition Assessment	0.00	1,748,315.24	329,893.62	2,078,208.86
WS90160114	SROG/SAI Intrcpt Projects 1,2,3 & 4	4,080.00	9,928.00	0.00	9,928.00
Total		6,985,430.06	309,588,407.73	73,603,659.94	383,192,067.67

MULTI-CITY PROJECT ANALYSIS
DETAIL OF OUTSTANDING CONTRACTS AS OF OCTOBER 31, 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	300,000.00		202,991.95	97,008.05
	155549	PCL CONSTRUCTION INC	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	21,695.00		-	21,695.00
	155549	PCL CONSTRUCTION INC	1,845,185.00		787,120.00	1,058,065.00
	155878	WATER WORKS ENGINEERS LLC	350,000.00		48,907.88	301,092.12
	155879	EIC ENGINEERS LLC	150,000.00		39,265.60	110,734.40
	155879	EIC ENGINEERING LLC	100,000.00		-	100,000.00
			7,878,177.94	(201,729.61)	6,007,141.53	1,591,586.52
<u>WS90100095 - 91ST AVE WWTP WORK & ASSET MGT</u>						
	158806	WILSON ENGINEERS LLC	969,496.46		692,937.79	276,558.67
	4400705877	PROCESS SOLUTIONS ASSURANCE	93,150.75		48,970.02	44,180.73
	4400849779	TMG UTILITY ADVISORY SERVICES INC	512,908.08		66,858.64	446,049.44
	4401055976	LCS TECHNOLOGIES INC	41,932.80		29,676.78	12,256.02
	4401092216	THE INTERSECT GROUP LLC	24,406.04		22,615.57	1,790.47
	4401104328	LCS TECHNOLOGIES INC	61,000.00		6,796.80	54,203.20
	4401131607	LCS TECHNOLOGIES INC	47,648.60		-	47,648.60
	4401134247	GUIDESOFT INC	21,196.80		9,252.04	11,944.76
	4401147675	THE INTERSECT GROUP LLC	60,900.00		-	60,900.00
			2,150,740.51	(180,656.06)	1,014,552.56	955,531.89
<u>WS90100100 - 91ST AVE SUPPORT FACILITIES REHAB</u>						
	155549	PCL CONSTRUCTION INC	4,383,010.00		2,440,774.00	1,942,236.00
	155878	WATER WORKS ENGINEERS LLC	500,000.00		15,092.57	484,907.43
	155879	EIC ENGINEERS LLC	150,000.00		-	150,000.00
	155879	EIC ENGINEERING LLC	100,000.00		-	100,000.00
	4401072157	PROGRESSIVE SERVICES INC	26,130.00		-	26,130.00
	4401072159	PROGRESSIVE SERVICES INC	34,850.00		-	34,850.00
	4401079705	KING JR, TIMOTHY B	21,779.64		-	21,779.64
	4401079744	PROGRESSIVE SERVICES INC	46,977.50		-	46,977.50
	4401122692	KING JR, TIMOTHY B	6,080.00		-	6,080.00
			16,173,556.80	(177,519.83)	13,183,076.40	2,812,960.57

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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		77,498.51	322,501.49
	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		22,828.50	159,481.50
			9,860,460.00	(451,216.80)	8,433,170.32	976,072.88
<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
	4401028708	GEA MECHANICAL EQUIPMENT US INC	137,368.66		136,736.08	632.58
	4401028711	GEA MECHANICAL EQUIPMENT US INC	573,322.35		164,381.45	408,940.90
	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)	20,870,678.25	3,136,181.17
<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)	29,789,885.27	33,918,987.95
	155549	PCL CONSTRUCTION INC	1,300,000.00		390,939.00	909,061.00
			84,912,308.84	(7,828,916.03)	38,840,170.12	38,243,222.69

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<u>WS90100112 - 91st Ave WWTP Plant 2 Rehab</u>						
	153379	HAZEN AND SAWYER P.C.	9,821,321.89		8,192,094.09	1,629,227.80
	156753	MCCARTHY BUILDING COMPANIES INC	1,982,063.27		580,209.15	1,401,854.12
	157028	MCCARTHY BUILDING COMPANIES INC	73,500,000.00		67,731,180.72	5,768,819.28
	161086	PCL CONSTRUCTION INC	1,791,085.00		-	1,791,085.00
			87,094,470.16	-	76,503,483.96	10,590,986.20
<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		808,915.49	640,604.89
			1,450,077.38	-	809,472.49	640,604.89

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 DETAIL OF OUTSTANDING CONTRACTS AS OF OCTOBER 31, 2025
 TABLE II

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<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
			<u>1,862,262.46</u>	-	<u>1,532,368.84</u>	<u>329,893.62</u>
GRAND TOTAL						<u><u>73,603,659.94</u></u>

Multi-City Subregional Operating Group (SROG)
Customer Aging Report as of November 30, 2025

<i>Customer</i>		<i>Fund</i>	<i>City</i>	<i>Description</i>	<i>Invoice Number</i>	<i>Date Mailed</i>	<i>Current Invoice</i>	<i>Current Balance</i>	<i>-----Past Due-----</i>		
<i>Number</i>									<i>1-30 Days</i>	<i>31-60 Day</i>	<i>61-90 Days</i>
10000007	415	Glendale	Capital Projects	401039627	11/1/2025	442,038.83	0.00	0.00	0.00	0.00	0.00
10000001	20	Glendale	Operations & Maintenance	401040419	11/26/2025	355,759.00	0.00	0.00	0.00	0.00	0.00
10000008	416	Mesa	Capital Projects	401039628	11/1/2025	1,040,789.50	0.00	0.00	0.00	0.00	0.00
10000003	20	Mesa	Operations & Maintenance	401040420	11/26/2025	1,204,213.00	0.00	0.00	0.00	0.00	0.00
10000009	417	Scottsdale	Capital Projects	401039629	11/1/2025	722,095.00	0.00	0.00	0.00	0.00	0.00
10000002	20	Scottsdale	Operations & Maintenance	401040421	11/26/2025	469,945.00	0.00	0.00	0.00	0.00	0.00
10000000	20	Tempe	Operations & Maintenance	401040422	11/26/2025	822,951.00	0.00	0.00	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 & FOUR MONTHS ENDED OCTOBER 31, 2025

Revenues:	October 2025	Fiscal Year-To-Date
Sewer Service Charges:		
Glendale	\$ 355,759	\$ 1,451,337
Mesa	1,204,213	4,036,047
Phoenix	3,991,914	16,603,773
Scottsdale	469,945	1,884,050
Tempe	822,951	3,324,010
Total Sewer Service Charges	6,844,782	27,299,217
Sales of Effluent	1,694,630	7,310,257
Interest Earnings (Expense)	87,470	322,142
Other	-	-
Total Revenues	8,626,882	34,931,616
Expenses:		
Operations and Maintenance	4,274,647	17,905,947
Replacement Capital Outlay	666,667	2,666,668
General Administration	965,856	3,985,734
Total Expenses	5,907,170	24,558,349
Net Income (Loss)	\$ 2,719,712	\$ 10,373,267

*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 (JEPA).

FY 2026-27 OPERATING AND MAINTENANCE PRELIMINARY BUDGET REQUEST
SROG FUND
91ST AVENUE WASTEWATER TREATMENT PLANT

	2024/2025 Actual	2025/2026 Approved Budget	2025/2026 Estimate	2026/2027 Base Request	% Diff Budget to Base	2027/2028 Projection	
<u>OPERATIONS AND MAINTENANCE</u>							
Personal Services	\$13,745,221	\$14,163,640	\$14,393,090	\$15,428,833	9%	\$15,891,698	1
Salaries	\$9,835,805	\$9,545,626	\$10,060,177	\$10,558,233	10.61%	\$10,874,980	
Fringe Benefits	\$3,909,416	\$4,618,014	\$4,332,913	\$4,870,600	5.47%	\$5,016,718	
Sludge Hauling & Environ. Waste Dispos	\$3,106,117	\$3,151,500	\$3,251,500	\$3,385,000	7%	\$3,486,550	2
General	\$15,409,004	\$17,576,854	\$18,515,455	\$19,018,643	8%	\$19,589,202	
Professional Services	\$357,858	\$838,830	\$710,280	\$745,280	-11.15%	\$767,638	
Water/Sewer Service	\$1,903,622	\$1,386,566	\$2,031,325	\$1,839,325	32.65%	\$1,894,505	3
Facilities & Vehicle Maintenance	\$1,803,855	\$2,678,160	\$2,307,709	\$2,579,048	-3.70%	\$2,656,419	
Machinery and Equipment	\$1,044,101	\$1,124,036	\$1,572,536	\$2,364,600	110.37%	\$2,435,538	4
Other Contractual Services	\$4,178,233	\$4,378,012	\$4,219,423	\$4,243,327	-3.08%	\$4,370,627	
Mtrls to Maint-Bldgs, Mach, & Equip	\$2,415,319	\$2,624,056	\$2,608,056	\$2,825,056	7.66%	\$2,909,808	
Other Commodities	\$1,730,138	\$1,789,454	\$2,158,127	\$2,201,587	23.03%	\$2,267,635	5
Capital Outlay	\$565,295	\$1,099,017	\$1,129,017	\$622,506	-43.36%	\$641,181	6
Process Control	\$1,410,584	\$1,658,723	\$1,778,982	\$1,597,914	-3.67%	\$1,645,851	
Chemicals	\$11,247,012	\$15,764,127	\$14,661,427	\$15,823,615	0%	\$16,298,323	7
Chemicals	\$10,997,964	\$15,490,512	\$14,387,812	\$15,550,000	0.38%	\$16,016,500	
Laboratory Supplies	\$249,048	\$273,615	\$273,615	\$273,615	0.00%	\$281,823	
Water Quality and Compliance	\$1,228,859	\$1,391,235	\$1,282,296	\$1,414,351	2%	\$1,456,782	
Electricity	\$9,445,333	\$10,273,194	\$10,443,386	\$11,123,648	8%	\$11,457,357	8
Electricity	\$8,155,492	\$8,584,174	\$8,743,593	\$9,367,435	9.12%	\$9,648,458	
Electrical Services	\$512,480	\$754,000	\$754,000	\$779,000	3.32%	\$802,370	
Electrical Supplies	\$777,361	\$935,020	\$945,793	\$977,213	4.51%	\$1,006,529	
JEPA Consulting Charges	\$824,349	\$850,000	\$850,000	\$850,000	0%	\$875,500	
SAI Odor Control	\$2,151,768	\$1,303,955	\$2,203,955	\$2,303,955	77%	\$2,373,074	9
Subtotal 91st Ave WWTP Costs	\$57,157,662	\$64,474,505	\$65,601,109	\$69,348,045		\$71,428,486	
<u>GENERAL ADMINISTRATION</u>							
Overhead Allocation	\$6,705,148	\$7,263,988	\$7,305,542	\$7,413,247	2%	\$7,635,644	10
Department Administration	\$2,859,409	\$3,003,459	\$3,212,984	\$3,413,222	14%	\$3,515,619	
Treatment Plant Administration	\$3,845,740	\$4,260,529	\$4,092,558	\$4,000,025	-6%	\$4,120,026	
City Services Administration	\$2,939,753	\$3,212,000	\$3,212,000	\$3,010,000	-6%	\$3,083,000	
Finance Utilities Accounting	\$146,135	\$171,415	\$171,415	\$171,415	0%	\$176,557	
Subtotal General Administration	\$9,791,037	\$10,647,403	\$10,688,957	\$10,594,662		\$10,895,202	
Supplementals	\$0	\$0	\$0	\$712,854			11
Replacement Fund	\$8,015,423	\$8,000,000	\$8,000,000	\$10,000,000	25%	\$10,000,000	12
Subtotal Other Charges	\$8,015,423	\$8,000,000	\$8,000,000	\$10,712,854		\$10,000,000	
Total Operating	\$74,964,122	\$83,121,908	\$84,290,066	\$90,655,561	9%	\$92,323,688	

91st Avenue - Footnotes to Summary of Expenditures and Encumbrances FY26/27

Personal Services	1	The increase is due to reduction of salary savings. The expected vacancies will be reduced to under 20 for FY26/27. FY23/24 there were 37 vacancies and FY 24/25 there were 26 vacancies.
Sludge Hauling & Environ. Waste Disposal	2	Increase is due to a price increase of 58% in the solid waste disposal contract. Estimated annual increase of \$115,000. Also a 4% price increase in the sludge hauling and tipping contract. Estimated annual increase of \$120,000
Water/Sewer Service	3	Water budget was increased by \$300,000 based on FY25/26 year to date actuals. Sewer budget is based Jan, Feb, March water bills for FY24/25.
Machinery and Equipment	4	The increase is due to higher costs related to new contract for blower fans and for maintenance/repairs for blowers. Additional funding was added for two motor pump rebuilds planned for FY26/27.
Other Commodities	5	Increase of \$200,000 in the Safety and Environmental Supplies budget for items such as Chlorine B Kit Seals, SCBA Skids, Chemical/Oil spill kit, Fall retrieval winch, Safety boots, electrical gloves, sunglasses/safety glasses, etc. to maintain Personal Protective Equipment (PPE) and other WSD Safety Program requirements. Increase of \$60,000 in Computer Software and Componets budget for Cybervision and ISE license renewal and increase of \$100,000 for Telecommunications Equipment at SROG metering sites.
Capital Outlay	6	FY26/27 Capital Outlay items not yet approved are reflected in Supplementals below. The budgeted costs of \$622,605 reflects \$341K for the replacement of unsupported end-of-life Field Control Units (FCU) for 91st Ave WWTP (26 @ \$13,106ea) and \$282K for the following planned capital outlay pump purchases. Plant 2 Primary Sludge Pump Pumps (\$46k); Plant 2B WAS Pump (\$35K); Solids Digester Mixing Pump (2 @ \$69k/ea), Solids Digester Heated Sludge Recirculation Pump (\$40k), Solids Digester Hot Water Recirculation Pump (\$23k)
Chemicals	7	The FY25/26 chemical budget includes funding for odor control within the overall chemical line item. However, in the FY26/27 budget, the odor control costs were separated and correctly allocated in the odor control line item. As a result of this correction, the chemical budget for FY26/27 reflects an increase of approximately \$1 million budgeted for contract increases and usage.
Electricity	8	The additional increase in electricity costs is attributed to the SRP approved 2.4% increase, effective November 2025 and budget was based on previous fiscal year actuals.
SAI Odor Control	9	The FY25/26 odor control was budgeted in chemicals- correction to budget was made for FY26/27 to show budget in correct line item
Overhead Allocation	10	SROG is assessed 10% of WSD Overhead and 73% of WWT Administration
Supplementals	11	These are capital outlay supplentals that have not been approved as of Dec. 2025. Expectation is to have these approved during the normal budgeting process in January 2026. Supplemental requests include; 200 HP Portable Variable Frequency Drive (\$30,000), Toyota Forklift (\$55,000), Spydercrane (\$75,000), Road Rake (\$9,000), Heavy Duty Overtilt Trailer (\$19,000), CAT Amphibious Excavator (\$75,000), CAT Wheel Material Handler w/ Boom (\$228,000), Fuel Trailer (\$19,000) Pressure Washer (\$23,000), Replacement of Trinity- Eagle Bridge Sludge Trailer (\$165,000), Tandem Axle Dump Trailer (\$15,000)
Replacement Fund	12	The 91st Avenue WWTP Replacement Fund is used to replace or rehabilitate assets and/or infrastructure critical to the wastewater treatment process, water quality, regulatory compliance reporting, and facility structural integrity. See attached document for assests to be replaced or rehabilitated and the defininition of the replacement fund.

The 91st Avenue WWTP Replacement Fund is used to replace or rehabilitate assets and/or infrastructure critical to the wastewater treatment process, water quality, regulatory compliance reporting, and facility structural integrity. Replacement funds are typically used for “in-kind” replacements where a new asset exactly replaces an existing asset and for repairs to critical assets. Replacement funds can also be used to upgrade existing assets provided the existing asset is due for replacement or with different equipment with similar functionality. Engineering design and permitting are usually required when equipment is being replaced. A replacement fund for the 91st Avenue WWTP is essential for the successful operation of the facility and allows for system efficiency, reliability, and operation flexibility. The equipment at 91st Avenue WWTP has been evaluated by walking plant sites, discussing equipment maintenance with operations and maintenance staff, and identifying needed upgrades.

How the Replacement Fund Works

1. Annual Replacement Budget:

- Phoenix prepares a Replacement Budget each year, which includes a detailed list of projected replacement needs.
- This budget is submitted to oversight Committees for review and approval.

2. Funding Mechanism:

- Each city contributes to the Replacement Fund through User Rates, calculated based on their usage.
- These contributions are placed into the Replacement Fund and cannot be used for other purposes.

3. Guidelines for the Use of Capital Funds

- To be used for a new facility/equipment that is part of the water or wastewater system
- To be used for new support services buildings or existing buildings needing repair or replacement
- To be used for the replacement of existing facilities/equipment valued at \$5,000 or more to prevent or respond to imminent failure
- To be used to replace stationary facilities/equipment
- May be an upgrade to existing facilities/equipment provided the existing is due for replacement (nearing its useful life or imminent failure)
- May be a repair (valued at \$5,000 or more) to existing facilities/equipment which will extend the life of the facilities/equipment
- May be to modify or upgrade a treatment process which otherwise would be deemed obsolete, ineffective or potentially responsible for a catastrophic equipment or process failure
- May be to replace manual systems with automated systems provided the manual system is due for replacement (nearing its useful life or imminent failure)
- May be to bring existing facilities/equipment into code compliance
- Capital funds should NOT be used for consumable items like chemicals or “small” tools. These items should be purchased from the respective division operating budget



City of Phoenix

To: Tara Gonzales
SROG Program Manager

Date: 11/24/2025

From: John J. Masche, P.E.
CE III* Team Leader

Subject: **91st Avenue Multi-Cities WWTP
FY 2026/27 - FY 2030/31 CIP Replacement Fund**

Copies: Stacey Kisling, Leandro Garcia, Kyle Kraft, Cindy Smith, James Arndt
Martin Gomez, David Martinez, Michael Lay, Dale Ballejos

FY 2026-27	Solids Thickening	\$325,000
	Solids Dewatering	\$325,000
	Digester Repairs	\$500,000
	Electrical, Instrumentation & Control	\$750,000
	Aeration Basins	\$500,000
	Valves & Actuators	\$250,000
	Secondary Basins	\$250,000
	Primary Basins	\$250,000
	Pumps	\$250,000
	RAS Screw Replacement	\$750,000
	Chemical Feed, Handling & Storage	\$750,000
	Odor Control Systems	\$200,000
	Drying Bed Rehabilitation	\$650,000
	Compliance Samplers	\$300,000
	Gas Flare Rehabilitation	\$500,000
	Paving	\$250,000
	Process Air Blowers	\$750,000
	Emergency Repairs	\$500,000
	City Staff Charges (EAS, DSD, WSD)	\$275,000
	Professional Consultant Engineering Services	<u>\$1,675,000</u>
		\$10,000,000
FY 2027-28	Solids Thickening	\$325,000
	Solids Dewatering	\$325,000
	Digester Repairs	\$500,000
	Electrical, Instrumentation & Control	\$750,000
	Headworks	\$500,000

Primary Basins	\$500,000
Aeration Basins	\$500,000
Valves & Actuators	\$500,000
Secondary Basins	\$300,000
Pumps	\$500,000
RAS Screw Replacement	\$750,000
Chemical Feed, Handling & Storage	\$750,000
Drying Bed Rehabilitation	\$750,000
Compliance Samplers	\$325,000
Gas Flare Rehabilitation	\$500,000
Process Air Blowers	\$750,000
Paving	\$500,000
Emergency Repairs	\$700,000
City Staff Charges (EAS, DSD, WSD)	\$275,000
Professional Consultant Engineering Services	\$0
	<u>\$10,000,000</u>

FY 2028-29	Solids Thickening	\$250,000
	Solids Dewatering	\$250,000
	Electrical, Instrumentation & Control	\$1,000,000
	Headworks	\$750,000
	Primary Basins	\$600,000
	Aeration Basins	\$600,000
	Valves & Actuators	\$500,000
	Secondary Basins	\$400,000
	Pumps	\$500,000
	RAS Screw Replacement	\$300,000
	Chemical Feed, Handling & Storage	\$750,000
	Gas Flare Rehabilitation	\$500,000
	Drying Bed Rehabilitation	\$750,000
	Compliance Samplers	\$350,000
	Process Air Blower Systems	\$750,000
	Paving	\$750,000
	Emergency Repairs	\$750,000
	City Staff Charges (EAS, DSD, WSD)	\$250,000
	Professional Consultant Engineering Services	\$0
		<u>\$10,000,000</u>

FY 2029-30	Solids Thickening	\$250,000
	Solids Dewatering	\$250,000
	Electrical, Instrumentation & Control	\$750,000
	Headworks	\$650,000
	Primary Basins	\$600,000
	Aeration Basins	\$600,000
	Valves & Actuators	\$300,000
	Secondary Basins	\$450,000
	Pumps	\$500,000
	RAS Screw Replacement	\$400,000

Chemical Feed, Handling & Storage	\$500,000
Gas Flare Rehabilitation	\$500,000
Drying Bed Rehabilitation	\$500,000
Compliance Samplers	\$350,000
Process Air Blower Systems	\$500,000
Paving	\$500,000
Emergency Repairs	\$800,000
City Staff Charges (EAS, DSD, WSD)	\$275,000
Professional Consultant Engineering Services	<u>\$1,325,000</u>
	\$10,000,000

FY 2030-31	Solids Thickening	\$350,000
	Solids Dewatering	\$350,000
	Electrical, Instrumentation & Control	\$1,000,000
	Headworks	\$750,000
	Primary Basins	\$750,000
	Aeration Basins	\$600,000
	Valves & Actuators	\$500,000
	Secondary Basins	\$300,000
	Pumps	\$750,000
	RAS Screw Replacement	\$500,000
	Chemical Feed, Handling & Storage	\$775,000
	Drying Bed Rehabilitation	\$750,000
	Compliance Samplers	\$350,000
	Process Air Blower Systems	\$750,000
	Paving	\$500,000
	Emergency Repairs	\$750,000
	City Staff Charges (EAS, DSD, WSD)	\$275,000
	Professional Consultant Engineering Services	<u>\$0</u>
		\$10,000,000

FISCAL YEAR 2025/26
SROG CIP REPLACEMENT FUND

Ending Balance, FY 24/25	\$ 9,021,896
Outstanding Encumbrances, FY 24/25	<u>\$ (8,601,225)</u>
Beginning Balance, FY 25/26	\$ 420,671
FY 25/26 Contributions	<u>\$ 8,000,000</u>
Funds Available	\$ 8,420,671
Planned Expenditures, FY 25/26	<u>\$ (8,000,000)</u>
Ending Balance, FY 25/26	\$ 420,671
Proposed FY 26/27 Contributions	<u>\$ 10,000,000</u>
Funds Available	\$ 10,420,671
Estimated Expenditures, FY 26/27	<u>\$ (10,000,000)</u>
Projected Ending Balance, FY 26/27	\$ 420,671



City of Phoenix

To: Tara Gonzales
SROG Program Manager

Date: 11/24/2025

From: John J. Masche, P.E.
CE III* Team Leader

Subject: **91st Avenue Multi-Cities WWTP**
FY 2025/26 - CIP Replacement Fund Mid-Year Adjustment

Copies: Stacey Kisling, Leandro Garcia, Kyle Kraft, Cindy Smith, James Arndt
Martin Gomez, David Martinez, Michael Lay, Dale Ballejos

		Adjustment	
		July 2025	December 2025
FY 2025-26	Solids Thickening	\$750,000	Decrease \$250,000
	Solids Dewatering	\$350,000	Decrease \$250,000
	Digester Repairs	\$750,000	\$750,000
	Electrical, Instrumentation & Control	\$750,000	\$750,000
	Aeration Basins	\$500,000	Increase \$750,000
	Valves & Actuators	\$250,000	Decrease \$100,000
	Secondary Basins	\$250,000	\$250,000
	Primary Basins	\$750,000	Decrease \$250,000
	Pumps	\$250,000	\$250,000
	RAS Screw Replacement	\$300,000	Increase \$800,000
	Chemical Feed, Handling & Storage	\$750,000	Decrease \$250,000
	Drying Bed Rehabilitation	\$750,000	Decrease \$100,000
	Compliance Samplers	\$300,000	\$300,000
	Process Air Blower System	\$500,000	Decrease \$200,000
	Emergency Repairs	\$550,000	Increase \$2,500,000.00
	City Staff Charges (EAS, DSD, WSD)	\$250,000	\$250,000.00
	Professional Consultant Engineering Services	\$0	\$0.00
		\$ 8,000,000	\$ 8,000,000