



***Public Notice Pursuant to A.R.S. § 38-431.02***

March 7, 2024

TO: Members of the Sub-Regional Operating Group Committee of the Joint Municipal Water Reclamation System

FROM: Ms. Tara Ford, Chair, Tempe

SUBJECT: **MEETING NOTICE AND AGENDA**

**Wednesday, March 13, 2024 – 11:00 a.m.**

**This meeting will be held via AMWUA Zoom**  
**Access this [Link](#) to join.**

The next meeting of the Sub-Regional Operating Group Committee will be held at the above time and place. If you have any questions, please call the AMWUA office.

**AGENDA – ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

1. Call to Order
2. Approval of Minutes of the February 14, 2024 Meeting
3. Set Next Meeting Date

The next regularly scheduled meeting will be held on Wednesday, April 10, 2024, at 11:00 a.m.

4. Consideration of Items for Consent

The following items listed under the consent agenda will be considered as a group and acted upon by one motion with no separate discussion of said items unless a Committee member so requests. In that event, the item(s) will be removed from the agenda for separate action.

**Arizona Municipal Water Users Association**

A. Recommendation to Authorize the City of Phoenix to Enter a Contract Change Order with PCL – Solids Phase I Rehab Project

In an email dated February 9, 2024, the SROG Advisory Committee recommended that the SROG Committee authorize the City of Phoenix to enter a contract Change Order with PCL Construction, Inc for an amount not to exceed \$8,500,000 for additions to the scope, fee and schedule for services related to the Solids Phase 1 Rehab project, WS90100111, regarding the Digester 16 Dome Displacement.

Please refer to Agenda Item #4A.

B. Recommendation to Authorize the City of Phoenix to Enter a Contract Change Order with Arcadis – Solids Phase I Rehab Project

In an email dated February 9, 2024, the SROG Advisory Committee recommended that the SROG Committee authorize the City of Phoenix to enter a contract Change Order with Arcadis, Inc for an amount not to exceed \$1,500,000 for additions to the scope, fee and schedule for design and CA&I services related to the Solids Phase 1 Rehab project, WS90100111, Digester 16 Dome Displacement.

Please refer to Agenda Items #4B.

5. Joint Exercise of Power Agreement (JEPA) Negotiations

This is a standing item on the agenda in the event the Committee would like to discuss the JEPA negotiations.

6. Meeting of the SROG Advisory Committee

There was no SROG Advisory Committee meeting in February 2024.

7. Future Agenda Items

8. Adjournment

\*The order of the agenda may be altered or changed by the SROG Managers Committee. More information about AMWUA and SROG public meetings is available in the AMWUA office, online at [www.amwua.org/what-we-do/public-meetings](http://www.amwua.org/what-we-do/public-meetings), or by request.

## SUB-REGIONAL OPERATING GROUP COMMITTEE

### MEETING MINUTES

February 14, 2024

#### MEMBERS

Craig Caggiano for Tara Ford, Chair, Tempe  
Brian Biesemeyer, Scottsdale  
Chris Hassert, Mesa  
Ron Serio, Glendale  
Nazario Prieto, Phoenix

#### OTHERS

Michelle Barclay, AMWUA  
Tara Gonzales, Phoenix

#### 1. Call to Order

Mr. Caggiano called the meeting to order at 11:22 a.m.

#### 2. Approval of the Minutes from the November 8, 2023 Meeting

Upon a motion by Mr. Biesemeyer, a second by Mr. Serio, and unanimous approval, the SROG Committee approved the minutes of the November 8, 2023 meeting.

#### 3. Set Next Meeting Date

The next meeting will be held on Tuesday, March 13, 2024.

#### 4. Consideration of Items for Consent

Mr. Prieto made a motion to approve the following item for consent:

- A. Recommendation to Approve the Proposed Fiscal Year 2024-25 Operations and Maintenance Budget and Operating Fund Reserve Balance for the 91<sup>st</sup> Avenue WWTP

In emails dated December 20, 2023 and January 17, 2024, the SROG Advisory Committee recommended that the SROG Committee approve the proposed Fiscal Year 2024-25 Operations and Maintenance Budget base request of \$71,515,058 and that the Operating Fund Balance Reserve be increased \$729,776 in order to maintain the required 12.5% of the Fiscal Year 2024-25 budget.

B. Recommendation to Approve the Proposed Fiscal Year 2024-25 Multi-City SROG User Charge Rates

In an email dated January 17, 2024, the SROG Advisory Committee recommended that the SROG Committee approve the Fiscal Year 2024-25 Multi-City SROG User Charge Rates based upon the sewage volumes and strengths as presented.

C. Recommendation to Approve the Fiscal Year 2024-25 Capital Improvement Projects Cash Flow Estimate for the 91<sup>st</sup> Avenue WWTP

In an email dated November 16, 2023, the SROG Advisory Committee recommended that the SROG Committee approve the Fiscal Year 2024-25 Capital Improvement Projects Cash Flow Estimate for the 91<sup>st</sup> Avenue WWTP as presented.

D. SROG Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2023, and Year-End Settlement

In an email dated January 17, 2024, the SROG Advisory Committee recommended that the SROG Committee accept the SROG Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023, and Year-End Settlement, as presented, for the same fiscal year.

Mr. Serio seconded the motion, which was unanimously approved.

Mr. Prieto reminded the committee that in November they authorized the City of Phoenix to enter an on-call engineering contract related to the Local Limits Review project. At that time the plan was to use Brown and Caldwell for this project, however by the time this item made it through the SROG approval process, Brown and Caldwell's on-call contract no longer had enough funding available to perform this work. Discussion with the SPEC Committee resulted in the selection of Hazen to perform this work instead through their on-call contract. There was no objection from the Committee regarding the switch to Hazen, and the SROG Committee was in agreement with this decision.

**5. Joint Exercise of Power Agreement (JEPA) Negotiations**

There was no discussion on this item.

**6. Meeting of the SROG Advisory Committee**

There was no discussion on this item.

**7. Future Agenda Items/Comments**

There was no discussion on this item.

**8. Adjournment**

Mr. Caggiano adjourned the meeting at 11:28 a.m.

March 7, 2024

TO: Members of the SROG Committee

FROM: Michelle Barclay, SROG Manager

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT CHANGE ORDER FOR ADDITIONS TO SOLIDS REHAB PHASE I CONTRACT – DIGESTER 16 - PCL

This request would authorize the City of Phoenix to enter a contract Change Order with PCL Construction, Inc for an amount not to exceed \$8,500,000 for additions to the scope, fee and schedule for services related to the Solids Phase 1 Rehab project, Digester 16 Dome Displacement under Phase I of the Solids Rehab project at the 91<sup>st</sup> Ave WWTP.

The solids facilities were identified as one group of assets in the most critical need of rehabilitation as part of the 91<sup>st</sup> Ave WWTP Facility Assessment completed by Arcadis and this contract was initially approved in June 2020 by this committee.

On January 11, 2024, Digester 16 had an unexpected dome displacement event which is being studied by Arcadis, and they are providing regular updates to SPEC. The estimate for repair of Digester 16 at this time is \$10,000,000. Construction costs are estimated at \$8.5 million and Design and CA&I estimated at \$1.5 million.

As this was an emergency event with significant unexpected costs, the city of Phoenix is requesting to increase the Solids Rehab contract WE90100111 to include repair costs for Digester 16. Funds are available in the current approved cash flow. The Solids Rehab project timeline will be adjusted to include the Dome Replacement work.

#### RECOMMENDATION

In an email dated February 9, 2024, the SROG Advisory Committee recommended that:

the SROG Committee authorize the City of Phoenix to enter a contract Change Order with PCL Construction, Inc for an amount not to exceed \$8,500,000 for additions to the scope, fee and schedule for services related to the Solids Phase 1 Rehab project, Digester 16 Dome Displacement for a total contract amount not to exceed \$72,500,000. Funds for these services are available in the SROG CIP Cash Flow for Fiscal Year 2024-25. The project number is WS90100111 using billing schedule 56 with the following percentages: 6.45% Glendale, 14.29% Mesa, 55.16% Phoenix, 9.9% Scottsdale, and 14.2% Tempe.



March 7, 2024

TO: Members of the SROG Committee

FROM: Michelle Barclay, SROG Manager

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT CHANGE ORDER FOR ADDITIONS TO SOLIDS REHAB PHASE I CONTRACT – DIGESTER 16 - ARCADIS

This request would authorize the City of Phoenix to enter a contract Change Order with Arcadis, Inc for an amount not to exceed \$1,500,000 for additions to the scope, fee and schedule for design and CA&I services related to the Solids Phase 1 Rehab project, Digester 16 Dome Displacement under Phase I of the Solids Rehab project at the 91<sup>st</sup> Ave WWTP.

The solids facilities were identified as one group of assets in the most critical need of rehabilitation as part of the 91<sup>st</sup> Ave WWTP Facility Assessment completed by Arcadis and this contract was initially approved in June 2020 by this committee.

On January 11, 2024, Digester 16 had an unexpected dome displacement event which is being studied by Arcadis, and they are providing regular updates to SPEC. The estimate for repair of Digester 16 at this time is \$10,000,000. Construction costs are estimated at \$8.5 million and Design and CA&I estimated at \$1.5 million.

As this was an emergency event with significant unexpected costs, the city of Phoenix is requesting to increase the Solids Rehab contract WE90100111 to include repair costs for Digester 16. Funds are available in the current approved cash flow. The Solids Rehab project timeline will be adjusted to include the Dome Replacement work.

#### RECOMMENDATION

In an email dated February 9, 2024, the SROG Advisory Committee recommended that:

the SROG Committee authorize the City of Phoenix to enter a contract Change Order with Arcadis, Inc for an amount not to exceed \$1,500,000 for additions to the scope, fee and schedule for design and CA&I services related to the Solids Phase 1 Rehab project, Digester 16 Dome Displacement for a total contract amount not to exceed \$12,630,000. Funds for these services are available in the SROG CIP Cash Flow for Fiscal Year 2024-25. The project number is WS90100111 using billing schedule 56 with the following percentages: 6.45% Glendale, 14.29% Mesa, 55.16% Phoenix, 9.9% Scottsdale, and 14.2% Tempe.