

City of Phoenix

*Meeting Location:
City Council Chambers
200 W. Jefferson St.
Phoenix, Arizona 85003*



City of Phoenix

Agenda

Wednesday, November 20, 2024

10:00 AM

City Council Chambers

Transportation, Infrastructure, and Planning

Subcommittee

*Vice Mayor Debra Stark, Chair
Councilman Carlos Galindo-Elvira
Councilwoman Kesha Hodge Washington
Councilwoman Laura Pastor*

If viewing this packet electronically in PDF, open and use bookmarks to navigate easily from one item to another.

OPTIONS TO ACCESS THIS MEETING

Virtual Request to speak at a meeting:

- **Register online** by visiting the City Council Meetings page on phoenix.gov **at least 2 hours prior to the start of this meeting.** Then, click on this link at the time of the meeting and join the Webex to speak:

<https://phoenixcitycouncil.webex.com/phoenixcitycouncil/onstage/g.php?MTID=e93d58304a859b3def5fd78a743bc8362>

- **Register via telephone** at 602-262-6001 **at least 2 hours prior to the start of this meeting,** noting the item number. Then, use the Call-in phone number and Meeting ID listed below at the time of the meeting to call-in and speak.

In-Person Requests to speak at a meeting:

- Register in person at a kiosk located at the City Council Chambers, 200 W. Jefferson St., Phoenix, Arizona, 85003. Arrive **1 hour prior to the start of this meeting.** Depending on seating availability, residents will attend and speak from the Upper Chambers, Lower Chambers or City Hall location.

- Individuals should arrive early, 1 hour prior to the start of the meeting to submit an in-person request to speak before the item is called. After the item is called, requests to speak for that item will not be accepted.

At the time of the meeting:

- **Watch** the meeting live streamed on phoenix.gov or Phoenix Channel 11 on Cox Cable, or using the Webex link provided above.

- **Call-in** to listen to the meeting. Dial 602-666-0783 and Enter Meeting ID 2556 349 4358# (for English) or 2550 321 4842# (for Spanish). Press # again when prompted for attendee ID.

- **Watch** the meeting in-person from the Upper Chambers, Lower Chambers or City Hall depending on seating availability.

Para nuestros residentes de habla hispana:

- **Para registrarse para hablar en español**, llame al 602-262-6001 **al menos 2 horas antes del inicio de esta reunión** e indique el número del tema. El día de la reunión, llame al 602-666-0783 e ingrese el número de identificación de la reunión 2550 321 4842#. El intérprete le indicará cuando sea su turno de hablar.

- **Para solamente escuchar la reunión en español**, llame a este mismo número el día de la reunión (602-666-0783; ingrese el número de identificación de la reunión 2550 321 4842#). Se proporciona interpretación simultánea para nuestros residentes durante todas las reuniones.

- **Para asistir a la reunión en persona**, vaya a las Cámaras del Concejo Municipal de Phoenix ubicadas en 200 W. Jefferson Street, Phoenix, AZ 85003. Llegue 1 hora antes del comienzo de la reunión. Si desea hablar, regístrese electrónicamente en uno de los quioscos, antes de que comience el tema. Una vez que se comience a discutir el tema, no se aceptarán nuevas solicitudes para hablar. Dependiendo de cuantos asientos haya disponibles, usted podría ser sentado en la parte superior de las cámaras, en el piso de abajo de las cámaras, o en el edificio municipal.

Miembros del público pueden asistir a esta reunión en persona. El acceso físico al lugar de la reunión estará disponible comenzando una hora antes de la reunión.

CALL TO ORDER

MINUTES OF MEETINGS

- 1 **Minutes of the Transportation, Infrastructure and Planning Subcommittee Meeting**

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Attachments

[Attachment A - October 16, 2024 TIP Minutes](#)

CONSENT ACTION (ITEM 2)

- 2 **Route 27 service modification to provide bus service on Durango Street - District 7**

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Attachments

[Route 27 Durango map.pdf](#)

INFORMATION ONLY (ITEMS 3-4)

Page 14

- 3 **Water Services Department Six-Year Capital Improvement Program for Fiscal Years 2025-30 - Citywide**

Attachments

[2024 TIP Attachment A.pdf](#)

[2024 TIP Attachment B.pdf](#)

- 4 **Federal Bipartisan Infrastructure Law / Infrastructure Investment & Jobs Act and Federal Inflation Reduction Act - Discretionary Grant Funding Update - Citywide**

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Attachments

[Attachment A - City of Phoenix BIL / IIJA and IRA Discretionary Grant Funding Summary](#)

INFORMATION AND DISCUSSION (ITEM 5)

- 5 **Regional Transit Fare Collection System Improvement Project Update - Citywide**

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DISCUSSION AND POSSIBLE ACTION (ITEM 6)

- 6 **Ordinance to Establish the Network Infrastructure Services License by Creating New Chapter 5D of the Phoenix City Code and to Establish an Effective Date - Citywide**

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Attachments

[Attachment A - PCC Chapter 5D Network Infrastructure Services.pdf](#)

000 CALL TO THE PUBLIC

FUTURE AGENDA ITEMS

ADJOURN

For further information or reasonable accommodations, please call the City Council Meeting Request line at 602-262-6001. 7-1-1 Friendly.

Persons paid to lobby on behalf of persons or organizations other than themselves must register with the City Clerk prior to lobbying or within five business days thereafter, and must register annually to continue lobbying. If you have any questions about registration or whether or not you must register, please contact the City Clerk's Office at 602-534-0490.

Members:

Vice Mayor Debra Stark, Chair
Councilman Carlos Galindo-Elvira
Councilwoman Keshia Hodge Washington
Councilwoman Laura Pastor



City of Phoenix

Transportation, Infrastructure, and Planning
Subcommittee

Report

Agenda Date: 11/20/2024, Item No. 1

Minutes of the Transportation, Infrastructure and Planning Subcommittee Meeting

This item transmits the minutes of the Transportation, Infrastructure and Planning Subcommittee Meeting on October 16, 2024 for review, correction or approval by the Transportation, Infrastructure and Planning Subcommittee.

THIS ITEM IS FOR POSSIBLE ACTION.

The minutes are included for review as **Attachment A**.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the City Manager's Office.

**Phoenix City Council
Transportation, Infrastructure, and Planning (TIP) Subcommittee
Summary Minutes
Wednesday, October 16, 2024**

City Council Chambers
200 W. Jefferson St.
Phoenix, Arizona

Subcommittee Members Present

Vice Mayor Debra Stark (Chair)
Councilman Carlos Galindo-Elvira
Councilwoman Laura Pastor
Councilwoman Kesha Hodge Washington

Subcommittee Members Absent

CALL TO ORDER

Chairwoman Stark called the Public Safety and Justice Subcommittee to order at 10:00 a.m. with Vice Mayor Debra Stark, Councilman Carlos Galindo-Elvira, and Councilwoman Kesha Hodge Washington present.

CALL TO THE PUBLIC

None.

MINUTES OF MEETINGS

1. Minutes of the Transportation Infrastructure, and Planning Subcommittee Meeting

Councilman Galindo-Elvira made a motion to approve the minutes of the June 20, 2024, Transportation, Infrastructure, and Planning meeting. Councilwoman Hodge Washington seconded the motion which passed unanimously, 3-0.

CONSENT ACTION (ITEMS 2-3)

Items 2-3 were for consent action. No presentations were planned, but staff was available to answer questions.**2. Amend City Code – Section 36-158, Schedule I, Local Speed Limits at 20 Locations**

Eric Neilson spoke in support of a speed limit system to ensure safety to pedestrians.

Councilwoman Hodge Washington made a motion to approve Item 2. Councilman Galindo-Elvira seconded the motion which passed unanimously, 3-0.

3. Parks and Recreation Master Plan Update

Information only. No councilmember requested additional information.

Councilman Galindo-Elvira acknowledged the work of staff in collaborating with residents for the Parks Master Plan update.

Councilwoman Pastor arrived at 10:07am to the meeting.

INFORMATION AND DISCUSSION (ITEMS 4-5)

4. Asset Management Program Update – Water and Sewer Mains

Water Services Director Troy Hayes, Assistant Water Services Director Nazario Prieto, Deputy Water Services Director Darlene Helm, and Deputy Water Services Director Patty Kennedy presented on the item.

Chairwoman Debra Stark asked about the progress of replacing polyethylene water pipes.

Mr. Hayes stated the Water Services Department has a plastic service line replacement program which identifies and replaces outdated lines with copper.

Ms. Helm added the program is funded through the capitol budget.

Councilwoman Pastor asked how staff is determining where to complete replacements.

Mr. Hayes stated data modules predict the failures.

Ms. Helm outlined the risk module used to assess break rates, pipe material, and soil conditions for prioritizing neighborhood pipe replacements. She noted neighborhood characteristics and recurrence rates also factor into project selection.

Ms. Kennedy stated the wastewater systems are assessed through a rating system and sewer lines and manholes are assessed every 8 to 10 years.

Mr. Hayes emphasized the importance of analyzing asset data to inform the capital program. He noted the capital program is evaluated annually, with both teams presenting assessments in the summer.

Chairwoman Stark asked for more information about the the rehab and repair programming.

Mr. Hayes explained the capital program is reassessed annually based on infrastructure needs and condition assessments. He noted many wastewater pipes are over 100 years old but remain in good condition, while others do not meet the 75-year lifespan expectation.

Councilwoman Pastor acknowledged the importance of transparency concerning fee increases.

Councilwoman Hodge Washington inquired about the plan to balance the need for infrastructure replacement in conjunction with keeping water rates affordable for residents.

Mr. Hayes stated the asset management approach focuses on ensuring pipes are replaced only when necessary. He highlighted the importance of leveraging the AAA bond rating to secure low-cost financing, spreading costs over 30 years. He noted the adjustments to the rate structure promote affordability and conservation, allowing customers to receive reasonable rates by staying below fixed fee allowances.

Councilwoman Hodge Washington asked if there is any technology or strategies that will expand the useful life of infrastructure.

Mr. Hayes stated the industry has evolved to lining the pipes to support longevity.

Ms. Kennedy added the benefit of lining is the City will not have to dig up the roads to repair water lines.

Councilman Galindo-Elvira thanked staff for the presentation.

CALL TO THE PUBLIC

Chairwoman Stark opened the floor to public comment.

George Galliger stated he is a longtime user of Valley Metro and shares his concerns about the changes to the transit fare collection system. Mr. Galliger thanked staff for addressing some of these concerns.

Eric Neilson discussed suggestions for Valley Metro to improve their services including making the Valley Metro application more accessible.

Martin Shultz discussed the importance of transportation improvement and his personal experiences.

Tim Sierakowski thanked City staff for their leadership. The resident suggested measures for water conservation.

Jerry Van Gasse expressed concern regarding City parks.

Dianne Barker expressed concern regarding the new card for public transit.

FUTURE AGENDA ITEMS

Councilwoman Pastor requested a discussion item with Valley Metro staff regarding changes to the transit fare collection system. She also asked staff to provide an update regarding central city traffic patterns , impacts of proposed development, and any necessary infrastructure changes.

ADJOURNMENT

Chairwoman Stark adjourned the meeting at 11:02 a.m.

Respectfully submitted,

Destinee Sior
Management Fellow

DRAFT



Route 27 service modification to provide bus service on Durango Street - District 7

Request the Transportation, Infrastructure and Planning Subcommittee to recommend City Council approval for a Durango Street route modification on Route 27 (27th Avenue) beginning in January 2025 for a duration of one year.

THIS ITEM IS FOR CONSENT ACTION

Summary

The Public Transit Department received community input to evaluate adding bus service on Durango Street between 27th and 35th avenues to service the juvenile court and surrounding Maricopa County buildings and resources.

The deviation of Route 27 to Durango Street will be for a period of one year, during which time staff will evaluate ridership and service efficiency to determine the potential of making the routing permanent.

Route 27 service operates seven days a week with a base frequency of every 30 minutes and peak-hour frequency on weekdays at every 15 minutes. An illustration of the existing and proposed routing is in **Attachment A**.

Financial Impact

The inclusion of Durango Street between 27th and 35th avenues is estimated to cost \$729,000 annually. American Rescue Plan Act funding of \$500,000 will support the route modification for one year, during which time Phoenix will work with Maricopa County on a longer-term funding strategy if the service proves successful. Transportation 2050 (T2050) funding will also be utilized to fund the service.

Location

Durango Street between 27th and 35th avenues
Council District: 7

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit Department.

ATTACHMENT A

Route 27 map of current and proposed route.





Water Services Department Six-Year Capital Improvement Program for Fiscal Years 2025-30 - Citywide

This report provides the Transportation, Infrastructure, and Planning Subcommittee with information on the Water Services Department’s approved Fiscal Year 2024-25 and proposed Fiscal Year 2026-30 Six-Year Water and Wastewater Capital Improvement Programs.

THIS ITEM IS FOR INFORMATION ONLY.

Summary

The Water and Wastewater Capital Improvement Programs (CIP) provide for the infrastructure needed to supply high quality water and safely remove and treat wastewater; ensure adequate water and sewer capacity for future growth; enhance community sustainability through protection of the environment; ensure operational resiliency of the City's water and wastewater utilities; and provide for a sustainable and resilient supply of water now and into the future. The City’s water and wastewater utilities are financed through water and wastewater enterprise funds. Revenue is generated from sale of metered water, fees for services performed, sale of treated wastewater, bonds for capital projects, and development-related fees.

Payment for the Water and Wastewater CIPs generally comprise more than half of the budget of the City's water and wastewater utilities. Because of this, the CIP is one the most significant drivers of the revenue needed to maintain financially viable municipal water and wastewater utilities.

The approved Fiscal Year (FY) 2024-25 and proposed FY 2026-30 CIP budgets were carefully crafted to ensure safe, clean, reliable water deliveries to approximately 1.7 million people over 540 square miles, as well as safe removal and treatment of wastewater for close to 2.5 million people in metropolitan Phoenix. Projects are prioritized through a rigorous process designed to ensure the Water Services Department is building and/or replacing the right infrastructure at the right time and to ensure the most effective use of revenues.

Water CIP

The approved FY 2024-25 and proposed FY 2026-30 Water CIP totals \$3.1 billion. The approved FY 2024-25 and proposed FY 2026-30 projects are listed by fiscal year (**Attachment A**).

The proposed CIP includes, but is not limited to, the following key programs: \$1,261 million for water pipelines; \$211.2 million for booster pump stations; \$226.7 million for storage; \$755.6 million for water treatment plants, which includes \$80.2 million for power redundancy and \$169.5 million for energy, technology, facilities, etc. It also includes \$434 million for drought resiliency efforts to protect Phoenix water customers during Colorado River shortages.

Over the next year, some water capital projects under construction include major rehabilitation of aging infrastructure at the Deer Valley Water Treatment Plant and the 24th Street Water Treatment Plant, along with replacement activities at the Lake Pleasant, Union Hills and Val Vista Water Treatment Plants, replacement and rehabilitation of aging water transmission and distribution mains, replacement of galvanized service lines, replacement of aging booster pump stations, rehabilitating water storage facilities, upgrading and replacing process control and security systems, and continuing construction at new groundwater well facilities.

Wastewater CIP

The approved FY 2024-25 and proposed FY 2026-30 Wastewater CIP totals \$2.24 billion. The approved FY 2024-25 and proposed FY 2026-30 projects are listed by fiscal year (**Attachment B**).

The Wastewater CIP includes, but is not limited to, \$1,198 million for wastewater treatment plants, \$153.6 million for lift stations, \$739 million for sewer pipeline including \$2.3 million for odor control projects, and \$69.1 million for energy, technology, facilities, etc.

Within the overall Wastewater CIP, a total of \$165.7 million has been programmed for the Sub-Regional Operating Group interceptors and regional sewer capacity improvements. These improvements are required to ensure that sufficient capacity exists to convey flows to the treatment plants while meeting regulatory requirements.

Over the next year, capital funds will be expended on extensive rehabilitation of aging infrastructure at numerous facilities including the Cave Creek Water Reclamation Plant, 91st Avenue and 23rd Avenue Wastewater Treatment Plants, lift stations and odor control facilities. Construction will also occur on sewer pipe infrastructure to rehabilitate aging lines. In some locations, lines will be replaced with new larger sewers to allow for additional flows due to growth or infill. Safety is also a priority.

Modifications are planned for treatment plants and lift stations to improve operational safety, hinder vandalism, and deter cyber-attacks. Additionally, design and construction projects are ongoing in northwest Phoenix to support growth in the area. Construction began on a new 36-inch sewer line and 24-inch force main in the northwest valley.

The water and wastewater capital projects outlined will ensure reliable infrastructure performance and maintain compliance with environmental regulations. Staff are committed to monitor system needs, seek efficiency savings where possible, and make program adjustments as necessary to ensure program costs are reasonable and fiscally responsible.

Responsible Department

This item is submitted by Deputy City Manager Ginger Spencer and the Water Services Department.

**ATTACHMENT A - PROPOSED WATER CAPITAL IMPROVEMENT PROGRAM
FY 2024-2030**

Project Description	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	TOTAL
WATER TREATMENT PLANTS							
24th Street WTP Rehabilitation	\$ 2,017,000	\$ 6,760,000	\$ 25,960,000	\$ 33,145,000	\$ -	\$ 7,260,000	\$ 75,142,000
Deer Valley WTP Rehabilitation	\$ 4,444,000	\$ 30,000	\$ 7,775,000	\$ 23,305,000	\$ 54,500,000	\$ 30,000	\$ 90,084,000
Lake Pleasant WTP Rehabilitation	\$ 2,562,000	\$ -	\$ 30,000	\$ 9,425,000	\$ 35,560,000	\$ 29,445,000	\$ 77,022,000
Power Redundancy	\$ -	\$ 30,000	\$ 1,560,000	\$ 30,860,000	\$ 5,495,000	\$ 42,240,000	\$ 80,185,000
Replacement Fund - Five Plants	\$ 30,692,994	\$ 27,530,000	\$ 25,280,000	\$ 21,280,000	\$ 22,620,000	\$ 22,470,000	\$ 149,872,994
SRP Mobile Substation	\$ -	\$ -	\$ 6,244,650	\$ 61,440,000	\$ 9,000,000	\$ -	\$ 76,684,650
Union Hills WTP Rehabilitation	\$ 1,762,000	\$ -	\$ -	\$ 2,415,000	\$ 7,530,000	\$ 33,660,000	\$ 45,367,000
Val Vista WTP Rehabilitation	\$ 37,414,098	\$ 35,119,080	\$ 5,051,200	\$ 13,055,000	\$ 36,870,000	\$ 33,691,002	\$ 161,200,380
Subtotal - Water Treatment Plants	\$ 78,892,092	\$ 69,469,080	\$ 71,900,850	\$ 194,925,000	\$ 171,575,000	\$ 168,796,002	\$ 755,558,024
STORAGE							
Reservoir Rehabilitation and Improvement	\$ 20,627,933	\$ 32,380,000	\$ 84,543,272	\$ 39,850,000	\$ 22,360,000	\$ 26,915,000	\$ 226,676,205
Subtotal - Storage	\$ 20,627,933	\$ 32,380,000	\$ 84,543,272	\$ 39,850,000	\$ 22,360,000	\$ 26,915,000	\$ 226,676,205
BOOSTER PUMP STATIONS OR PUMPS							
Booster Pump Station Replacement Program	\$ 19,602,675	\$ 10,160,000	\$ 15,365,000	\$ 18,150,000	\$ 25,360,000	\$ 27,616,000	\$ 116,253,675
Improvements - Booster Stations	\$ -	\$ -	\$ -	\$ -	\$ 775,000	\$ -	\$ 775,000
Remote Facilities Replacement Fund	\$ 10,634,747	\$ 10,637,074	\$ 15,862,074	\$ 15,862,074	\$ 21,262,074	\$ 19,912,074	\$ 94,170,117
Subtotal - Booster Pump Stations or Pumps	\$ 30,237,422	\$ 20,797,074	\$ 31,227,074	\$ 34,012,074	\$ 47,397,074	\$ 47,528,074	\$ 211,198,792
PIPES							
Impact Fees for New Mains	\$ -	\$ 40,677,149	\$ -	\$ -	\$ -	\$ -	\$ 40,677,149
New Transmission Mains	\$ 17,059,962	\$ 844,500	\$ 73,310,000	\$ 12,080,400	\$ 28,715,000	\$ 47,629,300	\$ 179,639,162
New Water Distribution Mains	\$ 3,706,334	\$ 9,825,000	\$ 1,865,000	\$ 2,355,000	\$ 2,355,000	\$ 2,350,000	\$ 22,456,334
Replacement Mains - Valve, Hydrants, Services	\$ 78,914,818	\$ 30,102,000	\$ 29,340,200	\$ 25,652,700	\$ 27,073,200	\$ 37,287,200	\$ 228,370,118
Transmission Main Rehab & Replacement	\$ 48,735,671	\$ 21,650,000	\$ 45,535,000	\$ 95,345,240	\$ 65,162,900	\$ 44,119,200	\$ 320,548,011
Water Main Replacement Program	\$ 32,643,377	\$ 11,936,938	\$ 99,961,977	\$ 120,736,916	\$ 86,761,692	\$ 117,745,647	\$ 469,786,547
Subtotal - Pipes	\$ 181,060,162	\$ 115,035,587	\$ 250,012,177	\$ 256,170,256	\$ 210,067,792	\$ 249,131,347	\$ 1,261,477,321
ENERGY, TECHNOLOGY, FACILITIES, ETC. (OTHER)							
Business Automation	\$ 19,573,072	\$ 273,181	\$ 6,362,143	\$ 8,853,343	\$ 253,343	\$ 2,600,000	\$ 37,915,082
Energy Conservation	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 1,867,000	\$ 1,175,000	\$ 5,842,000
Process control improvements	\$ 4,364,090	\$ 2,705,000	\$ 2,745,000	\$ 1,005,000	\$ 1,105,000	\$ 1,205,000	\$ 13,129,090
Security improvements	\$ 6,247,000	\$ 5,200,000	\$ 4,700,000	\$ 4,500,000	\$ 9,000,000	\$ 9,000,000	\$ 38,647,000
Water Related Facilities Replacement	\$ 1,110,000	\$ 1,310,000	\$ 1,210,000	\$ 1,010,000	\$ 1,510,000	\$ 1,510,000	\$ 7,660,000
Water System Studies	\$ 14,674,026	\$ 6,306,945	\$ 9,000,000	\$ 10,000,000	\$ 10,300,000	\$ 16,000,000	\$ 66,280,971
Subtotal - Energy, Technology, Facilities, Etc. (Other)	\$ 46,668,188	\$ 16,495,126	\$ 24,717,143	\$ 26,068,343	\$ 24,035,343	\$ 31,490,000	\$ 169,474,143

**ATTACHMENT A - PROPOSED WATER CAPITAL IMPROVEMENT PROGRAM
FY 2024-2030**

Project Description	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	TOTAL
COLORADO RIVER RESILIENCY							
Aquifer Storage	\$ 41,267,377	\$ 36,261,462	\$ 18,531,694	\$ 18,322,602	\$ 18,918,736	\$ 19,735,404	\$ 153,037,275
Water Acquisition	\$ 44,119,301	-	-	-	-	-	\$ 44,119,301
Wells	\$ 52,625,000	\$ 20,790,000	\$ 41,065,000	\$ 23,840,000	\$ 58,165,000	\$ 40,340,000	\$ 236,825,000
Subtotal - Colorado River Resiliency	\$ 138,011,678	\$ 57,051,462	\$ 59,596,694	\$ 42,162,602	\$ 77,083,736	\$ 60,075,404	\$ 433,981,576
STAFF TIME / PERCENT FOR ARTS							
Percent for Arts	\$ 3,596,697	\$ 2,435,218	\$ 826,761	\$ 150,000	\$ -	\$ -	\$ 7,008,676
Staff Time	\$ -	\$ 6,490,433	\$ 6,490,433	\$ 6,490,433	\$ 6,490,433	\$ 6,490,433	\$ 32,452,165
Subtotal - Staff Time / Percent for Arts	\$ 3,596,697	\$ 2,435,218	\$ 826,761	\$ 150,000	\$ -	\$ -	\$ 7,008,676
PROGRAM TOTAL	\$ 499,094,172	\$ 320,153,980	\$ 529,314,404	\$ 599,828,708	\$ 559,009,378	\$ 590,426,260	\$ 3,097,826,902

**ATTACHMENT B - PROPOSED WASTEWATER CAPITAL IMPROVEMENT PROGRAM
FY 2024-2030**

Project Description	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	TOTAL
WASTEWATER TREATMENT PLANTS							
Energy, Technology, Facilities, Etc.	\$ 10,740,519	\$ 2,400,000	\$ 2,916,800	\$ 2,000,000	\$ 2,050,000	\$ 2,950,000	\$ 23,057,319
Instrumentation and Control	\$ 5,845,000	\$ 8,905,000	\$ 7,625,000	\$ 7,485,000	\$ 10,150,000	\$ 10,285,000	\$ 50,295,000
Operational Improvements	\$ 7,205,000	\$ 4,575,000	\$ 4,370,000	\$ 4,020,000	\$ 4,020,000	\$ 4,825,000	\$ 29,015,000
Plant Studies	\$ 1,200,000	\$ 1,050,000	\$ 760,000	\$ 35,000	\$ 2,865,000	\$ 2,065,000	\$ 7,975,000
Replacement Fund	\$ 373,487,331	\$ 108,610,000	\$ 157,855,000	\$ 170,730,000	\$ 138,905,000	\$ 138,097,242	\$ 1,087,684,573
Subtotal - Wastewater Treatment Plants	\$ 398,477,850	\$ 125,540,000	\$ 173,526,800	\$ 184,270,000	\$ 157,990,000	\$ 158,222,242	\$ 1,198,026,892
PIPES							
Area Impact Fees	\$ -	\$ 15,602,958	\$ 8,040,000	\$ 8,194,876	\$ -	\$ -	\$ 31,837,834
Emergency Repair Contract	\$ 4,140,000	\$ 4,015,000	\$ 4,615,000	\$ 5,015,000	\$ 6,415,000	\$ 8,015,000	\$ 32,215,000
Manhole Replacement/Rehabilitation	\$ 5,315,000	\$ 5,540,000	\$ 5,540,000	\$ 5,540,000	\$ 4,540,000	\$ 4,540,000	\$ 31,015,000
New Gravity Sewers & Force Mains	\$ 19,666,000	\$ 3,432,000	\$ 26,952,000	\$ 502,000	\$ 502,000	\$ 500,000	\$ 51,554,000
Odor Control	\$ 5,000	\$ 260,000	\$ 15,000	\$ 2,020,000	\$ -	\$ -	\$ 2,300,000
Regional Sewer Capacity Improvements	\$ 21,115,580	\$ 16,985,000	\$ 94,545,000	\$ 30,884,530	\$ 455,000	\$ 1,730,000	\$ 165,715,110
Relief Sewers	\$ 4,580,000	\$ 13,794,000	\$ 1,210,000	\$ 9,370,000	\$ 1,210,000	\$ 1,210,000	\$ 31,374,000
Sewer Main Rehabilitation	\$ 60,004,481	\$ 59,052,000	\$ 53,883,000	\$ 78,490,000	\$ 64,700,000	\$ 76,850,000	\$ 392,979,481
Subtotal - Pipes	\$ 114,826,061	\$ 118,680,958	\$ 194,800,000	\$ 140,016,406	\$ 77,822,000	\$ 92,845,000	\$ 738,990,429
LIFT STATIONS OR PUMPS							
Instrumentation and Control	\$ 1,765,000	\$ 1,380,000	\$ 980,000	\$ 1,470,000	\$ 980,000	\$ 1,710,000	\$ 8,285,000
New Lift Stations	\$ 5,585,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 5,600,000
Odor Control	\$ 4,115,000	\$ 1,635,000	\$ 1,885,000	\$ 1,635,000	\$ 1,635,000	\$ 1,635,000	\$ 12,540,000
Plant & Lift Station Studies	\$ 260,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 1,310,000
Replacement Fund	\$ 55,725,000	\$ 18,500,000	\$ 7,495,000	\$ 30,195,000	\$ 6,965,000	\$ 6,965,000	\$ 125,845,000
Subtotal - Lift Stations or Pumps	\$ 67,450,000	\$ 21,740,000	\$ 10,570,000	\$ 33,510,000	\$ 9,790,000	\$ 10,520,000	\$ 153,580,000
WATER REUSE							
Water Reuse	\$ 3,612,964	\$ 815,000	\$ 855,000	\$ 7,235,000	\$ 43,136,877	\$ 605,000	\$ 56,259,841
Subtotal - Water Reuse	\$ 3,612,964	\$ 815,000	\$ 855,000	\$ 7,235,000	\$ 43,136,877	\$ 605,000	\$ 56,259,841

**ATTACHMENT B - PROPOSED WASTEWATER CAPITAL IMPROVEMENT PROGRAM
FY 2024-2030**

Project Description	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	TOTAL
ENERGY, TECHNOLOGY, FACILITIES, ETC. (OTHER)							
Energy, Technology, Facilities, Etc.	\$ 19,537,462	\$ 8,407,240	\$ 6,443,765	\$ 4,880,565	\$ 4,280,565	\$ 6,359,500	\$ 49,909,097
Instrumentation and Control	\$ 3,615,000	\$ 2,515,000	\$ 1,865,000	\$ 4,115,000	\$ 2,315,000	\$ 4,815,000	\$ 19,240,000
Subtotal - Energy, Technology, Facilities, Etc. (Other)	\$ 23,152,462	\$ 10,922,240	\$ 8,308,765	\$ 8,995,565	\$ 6,595,565	\$ 11,174,500	\$ 69,149,097
STAFF TIME / PERCENT FOR ARTS							
Percent for Arts	\$ 1,410,875	\$ 2,026,128	\$ 1,927,924	\$ 350,000	\$ -	\$ -	\$ 5,714,927
Staff Time	\$ -	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 16,000,000
Subtotal - Staff Time / Percent for Arts	\$ 1,410,875	\$ 5,226,128	\$ 5,127,924	\$ 3,550,000	\$ 3,200,000	\$ 3,200,000	\$ 21,714,927
PROGRAM TOTAL	\$ 608,930,212	\$ 282,924,326	\$ 393,188,489	\$ 377,576,971	\$ 298,534,442	\$ 276,566,742	\$ 2,237,721,182



Federal Bipartisan Infrastructure Law / Infrastructure Investment & Jobs Act and Federal Inflation Reduction Act - Discretionary Grant Funding Update - Citywide

This report provides the Transportation, Infrastructure and Planning Subcommittee an update on the status of the City's efforts to pursue Federal Bipartisan Infrastructure Law (BIL) / Infrastructure Investment & Jobs Act (IIJA) and Federal Inflation Reduction Act (IRA) discretionary grant funding.

THIS ITEM IS FOR INFORMATION ONLY.

Summary

The BIL / IIJA contains approximately \$550 billion in new spending above previous funding levels, over five years, for existing and new programs nationwide. These programs are aimed at improving infrastructure, investing in disadvantaged communities and creating jobs. To achieve these goals, BIL- / IIJA-funded grants are advancing considerable improvements in areas such as roadway safety, active transportation, public transit, rail, airports, electric vehicles and related charging equipment needs, clean water, water resources, energy and environmental industries, cybersecurity and broadband, and other areas.

Signed into law by President Biden on November 15, 2021, BIL / IIJA has now surpassed the three-year mark and was intended to fund programs through allocations from Federal Fiscal Years (FFYs) 2021-22 through 2025-26. While FFY 2023-24 came to a close on September 30, 2024, many of the approximately 375 individual BIL / IIJA programs are still awaiting formal announcements of allocations, opportunities to apply, or are pending review of applications prior to award grant funds. City staff have been, and will continue, monitoring and pursuing announcements from the 16+ Federal agencies administering the programs, as well with the numerous state, county and other regional agencies who may be recipients of BIL funding and are also tasked with administering funding to local agencies.

Under the leadership of the Mayor and the City Council, to date, the City of Phoenix has been awarded over \$636 million in Federal BIL / IIJA and IRA funds. An additional \$76.1 million has been applied for and is pending award announcement. Several other opportunities currently have applications underway or are under review. Contained

below is an overview of the discretionary grant programs the City has been awarded since our last update and a description of the City projects that have been submitted and are currently pending review. For a complete table summary of the City's efforts to date, please see **Attachment A**.

BIL / IJJA and IRA Discretionary Grants

Awarded Since Last Update:

Affordable Connectivity Outreach Grant - Pilot Program Grants - FFY 2021-22

- Project Description - A multipronged approach to both educate Phoenix residents about, and enroll eligible Phoenix residents in, the Affordable Connectivity Program. City staff across multiple departments, including the Community and Economic Development, Housing, Human Services, Library, and Neighborhood Services departments, partnered with schools and community organizations to connect with residents through resources they know and trust.
- Award Amount - \$700,000

Airport Infrastructure Grants - FFY 2021-22

- Project Description - Design and construction of new Taxiway-U and enabling work that will relocate and/or modify existing facilities and infrastructure impacted by the project. The main enabling elements of the project include modifications to the existing City owned Facilities and Services Complex, Air Cargo apron and building modifications, sections of existing roadway and existing aprons.
- Award Amount - \$5.2 million

Building Resilient Infrastructure and Communities - FFY 2021-22

- Project Description - Develop and implement an annual, bilingual, community-facing education and engagement program that would: Build capacity of Phoenix area residents to participate in hazard planning and implementation with local governments; and advocate for hazard mitigation activities that protect public health.
- Award Amount - \$337,500

Clean Water State Revolving Fund (SRF) - FFY 2021-22

- Project Description - Funding will be used for rehabilitation or replacement of sewer lines owned by the Water Services Department (WSD). WSD has over 5,000 miles of sewer lines ranging in sizes up to 84" in diameter. Like water system infrastructure, aging wastewater infrastructure requires rehabilitation and replacement of sewer lines.
- Loan Amount - \$10,170,000
- Forgivable Principle - \$1 million

Drinking Water SRF - FFY 2021-22

- Project Description - Funding will be used for replacement of aging water mains owned by WSD. WSD has implemented a Water Main Replacement (WMR) program which evaluates and replaces existing aging 4-inch to 16-inch pipelines. In Phoenix, the major cause of breaks tends to be age of the infrastructure, resulting in water loss of water and costly emergency repairs.
- Loan Amount - \$10,857,000
- Forgivable Principle - \$1,532,000

Drinking Water SRF Lead Service Lines Replacement - FFY 2021-22

- Project Description - Funding will be used for replacement of WSD and customer, lead and galvanized service lines with copper lines, where identified. There are approximately 460,000 water services within the water system and approximately 200,000 services Citywide of unknown material. As part of the requirement for the Lead and Copper Rule Revision (LCRR), there is an ongoing effort to identify all service line material types on the City and customer side of all water meters and to replace those identified as lead or galvanized. The LCRR requires water system providers to address both lead and galvanized services.
- Loan Amount - \$40,575,418
- Forgivable Principle - \$10 million

Pilot Program for Transit Oriented Development (TOD) - FFY 2021-22

- Project Description - A cross-disciplinary implementation effort for equitable land-use, transportation, and infrastructure investments towards achieving the established South Central TOD Community Plan's "shared community vision for environmentally equitable, compact and connected communities; sustainable and resilient; incremental change and growth; towards a world-class regional destination that supports local small businesses, shares cultures, and improves health for all existing and future residents."
- Award Amount - \$1 million

Safe Streets and Roads for All (SS4A) Grant - FFY 2021-22

- Project Description - Based on City Council approval of the Vision Zero Road Safety Action Plan, implementation of a group of engineering, education, and evaluation strategies that have a high safety benefit and prioritize historically disadvantaged areas of Phoenix. Projects include: seven intersection improvement projects; seven mid-block crossings; 2.5 miles of corridor safety projects; vision zero education campaign; speed evaluation study; and pedestrian high-crash risk analysis.
- Award Amount - \$460,000

Strengthening Mobility and Revolutionizing Transportation (SMART) Grants - FFY 2021-22

- Project Description - Implementation of passive pedestrian, bicycle, and motorist detection technology at 10 locations with existing High-Intensity Activated CrossWalks (HAWKs) on a portion of the Grand Canal in central Phoenix.
- Award Amount - \$1,965,000

Congestion Relief Program - FFYs 2021-22 through 2023-24

- Project Description - A three-pronged congestion mitigation initiative designed to provide greater options for passengers to utilize public transit. Project EASE includes implementing three microtransit service zones within the City over a three-year period to increase coverage of the public transit system; providing commuter bus improvements that complement the new microtransit zones; and integrating new and existing microtransit services into the region's transit software application for trip planning, real-time tracking and fare payment.
- Award Amount - \$12,944,400

Climate Pollution Reduction Grants Program (CPRG) - Phase I - Planning Grants - FFY 2022-23

- Project Description - The Phoenix-Mesa-Chandler Metro Area is received this grant to develop a regional Priority Climate Action Plan (PCAP), led by the Maricopa Association of Governments (MAG), to reduce pollution. The development of a PCAP was a requirement to apply for CPRG - Phase II - Implementation Grants.
- Award Amount - \$1 million

Local and Regional Project Assistance Grants (RAISE) - FFY 2022-23

- Project Description - The PHX Cultural Corridor project will improve 3.52 miles of sidewalks and roadway between Downtown Phoenix and the Airport with enhanced pedestrian and bicycle facilities and signage, pavement markings, and wayfinding materials that highlight the area's rich history. This project is an element of the Phoenix Sky Harbor International Airport (PHX) Land Reuse Strategy, a collaborative effort between the City of Phoenix Aviation Department, neighborhoods, and other stakeholders to develop and implement market-driven strategies that can accelerate development of 743 City-owned parcels located west of PHX.
- Award Amount - \$10,220,242

Pilot Program for TOD - FFY 2022-23

- Project Description - The funding will be used to continue implementation of the six established ReinventPHX and 19 North Transit Oriented District Policy Plans. This proposal intends to make immediate and timely progress towards achieving a well-balanced and purposeful mixture of housing choices and supporting amenities in alignment with unique and diverse transit-oriented communities.
- Award Amount - \$1.2 million

SS4A Grant - FFY 2022-23

- Project Description - The ReVISIONing Indian School Road project seeks to address a critical corridor link in the Phoenix High Injury Network through targeted and proven safety countermeasures to address all-modal safety improvements and provide safety improvements to Phoenix's historically underserved Maryvale Village.
- Award Amount - \$24,962,742

Solar for All (Greenhouse Gas Reduction Fund) - FFY 2022-23

- Project Description - Solar for All (SFA) Arizonans is a transformational opportunity for Arizona, led by the State in collaboration with the City, to bring the benefits of the state's abundant solar resources to the state's low-income and disadvantaged communities. SFA Arizonans will create multiple innovative market mechanisms that accelerate distributed solar deployment in low-income and disadvantaged communities on rooftops, in neighborhood solar projects, and in solar-plus-storage systems.
- Award Amount - \$156,120,000

Urban and Community Forestry Assistance Program - FFY 2022-23

- Project Description - The Roots of Phoenix initiative will fund community-prioritized tree programs and Community Tree Stewards in underserved areas, including a grant program for neighborhood and school tree plantings. This project will add thousands of new trees, enhance urban forestry knowledge and skills, and bolster resilience in the most heat vulnerable areas of the City.
- Award Amount - \$10 million

Accelerating Vehicle to Everything (V2X) Deployment (Highway Research & Development Program - FFY 2023-24

- Project Description - The Connected Vehicle Acceleration Zone (CVAZ) project, led by the Maricopa County Department of Transportation (MCDOT) in collaboration with the City and other private and public agency partners, focuses on largescale development and deployment of V2X technologies and connected communications

that deliver real-time traffic information about road conditions, and allow vehicles to share and receive information such as notifications of road hazards ahead.

- Award Amount - \$19,655,242

Airport Infrastructure Grants - FFY 2023-24

- Project Description - Design and construction of new Crossfield Taxiway-U and enabling work that will clear the site and relocate and/or modify existing facilities and infrastructure impacted by the project.
- Award Amount - \$67,726,100

Airport Terminal Program - FFY 2023-24

- Project Description - Replacement of chillers, condensing water pumps, central plant piping, heat exchangers and cooling towers, as part of the 30-year-old Central Utility Plant upgrade.
- Award Amount - \$36 million

SS4A - FFY 2023-24

- Project Description - Planning Grant funding to analyze three major arterial corridors located on the Phoenix High Injury Network (HIN). These comprehensive corridor analyses will include conducting an enhanced Road Safety Assessment (RSA), developing planning-level corridor concepts, and conducting a feasibility analysis to provide an assessment of comprehensive safety corridor needs to identify actionable safety countermeasures. Each assessment additionally will include advanced data collection, deploy innovative safety analytics, and conduct a robust, localized public engagement opportunity to coalesce public support for the planning and development process. The three corridor assessments address 12 HIN locations, all within disadvantaged communities, and will be conducted along 19th Avenue, Northern Avenue and Broadway Road.
- Award Amount - \$1,092,500

Airport Terminal Program - FFY 2024-25

- Project Description - Phase II of Terminal 4 Central Utility Plant (CUP) modernization project focuses on the construction of a new CUP that improves efficiency by 14 percent while increasing its capacity, redundancy and resiliency; reduces overall emissions, and decreases operational and maintenance costs; supports future terminal growth; and improves market access. This project helps PHX achieve its target carbon neutrality emissions goal by 2050.
- Award Amount - \$35 million

Congestion Mitigation and Air Quality Improvement Program (System Management and Operations) - FFY 2024-25

- Project Description - Provide a necessary upgrade to the central software used to run the Downtown Traffic Management System (DTMS) and allow for the DTMS to be integrated with the management software implemented in other areas of Phoenix. Upgraded software supports the real-time traffic and event management procedures within the City of Phoenix which hosts numerous concurrent major events in the downtown core. Additionally, upgraded software will integrate the DTMS into one platform allowing integrated management decisions instead of a standalone, separate system.
- Award Amount - \$1,037,300

Multimodal Project Discretionary Grant (MEGA-INFRA-Rural) - FFYs 2024-25 through 2025-26

- Project Description - The US 60 (Grand Avenue)/35th Avenue/Indian School Road Grade Separation Project will elevate the 35th Avenue and Indian School Road intersection to help mitigate the complex issues around this six-legged highway/arterial intersection that also includes two at-grade railroad crossings.
- Award Amount - \$146,627,854

Pending Review / Announcement:

Energy Efficiency and Conservation Block Grant Program

- Project Description - The project proposes to commit towards the installation of solar covered parking projects identified by vendors under the City's Solar Qualified Vendor List. Rather than allocate all the funds toward one solar project, staff are proposing to use the funds to "buy-down" the cost of parking lot solar shading at multiple libraries and parks through Solar Service Agreements whereby the vendor will be required to build, own, operate, and maintain the solar equipment throughout its life, while the City's contractual obligation will be to purchase the energy it produces throughout its life at an agreed to rate that is below or close to the current utility electricity rate.
- Application Amount - \$1,340,660

Digital Equity Competitive Grant Program - FFYs 2021-22 through 2023-24

- Project Description - Building on the success of past programs, Phoenix is leveraging its experience and programmatic infrastructure to deliver comprehensive services aligned with the Digital Equity Act and Arizona's State Digital Equity Plan. These services address key barriers such as digital literacy gaps, broadband access, and technology adoption for Phoenix's underserved populations.
- Application Amount - \$11,840,537

Active Transportation Infrastructure Investment Program - FFY 2022-23

- Project Description - The Phoenix Rolling Forward project is a 2.2-mile bike boulevard in Downtown Phoenix that extends from Fillmore/Villa streets to Roosevelt Street, covering the area between 7th and 24th streets. It marks the City of Phoenix's inaugural bike boulevard, developed under the framework of Active Transportation Plan, Comprehensive Bicycle Master Plan, and Transportation 2050 Initiative (T2050).
- Application Amount - \$14,242,500

Environmental and Climate Justice Community Change Grant: Track I - FFY 2023-24

- Project Description - The "Track I" application would fund the following project components within disadvantaged census tracts in South Mountain Village Planning and Maryvale Village Planning areas: urban forestry and green stormwater infrastructure workforce development; business development training; and PhxCAN (Connected Active Neighborhoods) quick-build projects.
- Application Amount - \$19,372,361

Environmental and Climate Justice Community Change Grant: Track II - FFY 2023-24

- Project Description - The "Track II" application aims to serve as a foundation for a future regional-scale vision planning for the Rio corridor that will help to reimagine meaningful community engagement for equitable governance, create a regional sense of place and identity for the river corridor, and align diverse priorities in co-design with community. The primary goal of the project will be to build strong bridges between residents and government entities around environmental and climate justice planning and development.
- Application Amount - \$2,804,896

Innovative Water Infrastructure Workforce Development Grant Program - FFY 2023-24

- Project Description - The application would create a "Phoenix Water Conservation Corps" with the intention of providing a much-needed service to our community while breaking through barriers to entry into our nation's water sector workforce for the young and/or historically underserved members of our community.
- Application Amount - \$6.8 million

WaterSMART: Title XVI WIIN Act Water Reclamation and Reuse Projects - FFY 2023-24

- Project Description - The project would further bolster the Cave Creek Water Reclamation Plant's ability to recharge groundwater.
- Application Amount - \$3.25 million

Charging and Fueling Infrastructure Discretionary Grant Program (Round 2) - FFYs 2023-24 through 2024-25

- Project Description - The “Electrify Phoenix” project would implement a portion of the City’s Transportation Electrification Action Plan to accommodate 280,000 electric vehicles by 2030 by installing 146 Level 2, four Level 3 (Direct Current Fast Chargers), and 10 Level 2 portable solar-powered charging stations, as well as solar covered parking structures for 10 City-owned multi-family sites.
- Application Amount - \$15 million

Reconnecting Communities Pilot Program - FFYs 2023-24 through 2025-26

- Project Description - The application is for a planning grant to analyze possible crossing solutions, plan a continuous pathway, and prepare environmental documentation for the Grand Canalscape Phase IV project, which is a multiuse path that would stretch from 47th to 23rd avenues. If awarded, this would be the initial planning step to connect the larger improved sections stretching over 12 miles along the canal from Glendale through Phoenix to Tempe.
- Application Amount - \$1,440,000

Concurrence/Previous Council Action

The Transportation, Infrastructure and Planning Subcommittee received presentations on the Federal BIL / IIJA on:

- January 19, 2022; and
- October 19, 2022.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the City Manager's Office.

Attachment A
City of Phoenix BIL / IIJA and IRA Discretionary Grant Funding Summary

City of Phoenix BIL / IIJA and IRA Discretionary Grant Program Applications	Award Amount Total	Application Amount Total
Awarded	\$636,275,102	\$1,232,450,345
Affordable Connectivity Outreach Grant - Pilot Program Grants - FFY 2022	\$700,000	\$788,000
Airport Infrastructure Grants (Airport Improvement Program Discretionary Grants) - FFY 2022	\$5,261,200	\$5,261,200
Building Resilient Infrastructure and Communities - FFY 2022	\$337,500	\$83,618,619
Bus and Bus Facilities Competitive Grants - FFY 2022	\$8,181,300	\$8,181,300
Clean Water State Revolving Fund - FFY 2022*	\$10,170,000	\$10,170,000
Drinking Water State Revolving Fund - FFY 2022*	\$10,857,000	\$10,857,000
Drinking Water State Revolving Fund Lead Service Lines Replacement - FFY 2022*	\$40,575,418	\$40,575,418
Local and Regional Project Assistance Grants (RAISE) - FFY 2022	\$25,000,000	\$44,228,295
Low or No Emission (Bus) Grants - FFY 2022	\$8,181,300	\$8,181,300
Pilot Program for Transit Oriented Development (TOD) - FFY 2022	\$1,000,000	\$1,000,000
Safe Streets and Roads for All - FFY 2022	\$460,000	\$29,838,256
Strengthening Mobility and Revolutionizing Transportation (SMART) Grants - FFY 2022	\$1,965,000	\$1,965,000
Congestion Relief Program - FFYs 2022 - 2024	\$12,944,400	\$12,944,400
Climate Pollution Reduction Grants Program - Phase I - Planning Grants - FFY 2023	\$1,000,000	\$1,000,000
Local and Regional Project Assistance Grants (RAISE) - FFY 2023	\$10,220,242	\$15,920,424
Pilot Program for Transit-Oriented Development Planning - FFY 2023	\$1,200,000	\$1,200,000
Safe Streets and Roads for All - FFY 2023	\$24,962,746	\$24,962,746
Solar for All (Greenhouse Gas Reduction Fund) - FFY 2023**	\$156,120,000	\$250,000,000
Urban and Community Forestry Assistance Program - FFY 2023	\$10,000,000	\$32,738,420
Accelerating Vehicle to Everything Deployment (Highway Research & Development Program) - FFY 2024**	\$19,655,242	\$39,477,830
Airport Infrastructure Grants - FFY 2024	\$67,726,100	\$205,727,400
Airport Terminal Program - FFY 2024	\$36,000,000	\$139,133,600
Safe Streets and Roads for All - FFY 2024	\$1,092,500	\$1,092,500
Airport Terminal Program - FFY 2025	\$35,000,000	\$112,360,783
Congestion Mitigation and Air Quality Improvement Program (System Management and Operations) - FFY 2025	\$1,037,300	\$4,600,000
Multimodal Project Discretionary Grant (MEGA-INFRA-Rural) - FFYs 2025 - 2026	\$146,627,854	\$146,627,854
Submitted (Pending Award Announcement)		\$76,090,954
Energy Efficiency and Conservation Block Grant Program		\$1,340,660
Digital Equity Competitive Grant Program - FFYs 2022 - 2024		\$11,840,537
Active Transportation Infrastructure Investment Program - FFY 2023		\$14,242,500
Environmental and Climate Justice - Community Change Grants (Tracks I and II) - FFY 2024		\$22,177,257
Innovative Water Infrastructure Workforce Development Grant Program - FFY 2024		\$6,800,000
WaterSMART - Title XVI WIIN Act Water Reclamation and Reuse Projects - FFY 2024		\$3,250,000
Charging and Fueling Infrastructure Discretionary Grant Program (Round 2) - FFYs 2024 - 2025		\$15,000,000
Reconnecting Communities Pilot Program - FFYs 2024 - 2026		\$1,440,000
Not Awarded	\$0	\$3,068,925,711
Voluntary Participation in the Lower Colorado River Basin Conservation and Efficiency Program***	\$0	\$1,825,233,685
Airport Terminal Program - FFY 2022	\$0	\$59,680,000
Bridge Investment Program - FFY 2022	\$0	\$13,585,112
Consolidated Rail Infrastructure and Safety Improvements Program - FFY 2022	\$0	\$115,500,000

Consumer Recycling Education and Outreach (REO) Grant - FFY 2022	\$0	\$2,000,000
Flood Mitigation Assistance Grants - FFY 2022	\$0	\$11,413,475
Reconnecting Communities Pilot Program (Planning Grants) - FFY 2022	\$0	\$5,080,474
Solid Waste Infrastructure for Recycling (SWIFR) Grant - FFY 2022	\$0	\$8,000,000
Charging and Fueling Infrastructure Discretionary Grant Program (Round 1) - FFYs 2022 - 2023	\$0	\$15,000,000
Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program - FFYs 2022 - 2023	\$0	\$6,250,000
Consumer Electronics Battery Recycling, Reprocessing, and Battery Collection (Battery and Critical Mineral Recycling) - FFYs 2022 - 2024	\$0	\$1,250,000
Airport Terminal Program - FFY 2023	\$0	\$59,680,000
Building Resilient Infrastructure and Communities - FFY 2023	\$0	\$23,461,298
Community Wildfire Defense Grant - FFY 2023	\$0	\$250,000
Environmental Justice Government-to-Government Program (EJG2G) - FFY 2023	\$0	\$1,000,000
Reconnecting Communities and Neighborhoods (RCP and NAE combined) - FFY 2023	\$0	\$29,421,171
WaterSMART - Water Recycling and Desalination Planning - FFY 2023	\$0	\$1,000,000
Bridge Investment Program - Small Bridge Project Grants - FFYs 2023 - 2024	\$0	\$20,092,240
Consolidated Rail Infrastructure and Safety Improvements Program - FFYs 2023 - 2024	\$0	\$146,627,854
Railroad Crossing Elimination Grants - FFYs 2023 - 2024	\$0	\$146,627,854
Climate Pollution Reduction Grants Program - Implementation Grants - General Competition - FFY 2024	\$0	\$453,388,273
Local and Regional Project Assistance Grants (RAISE) - FFY 2024	\$0	\$34,300,000
Low or No Emission & Buses and Bus Facilities Competitive Programs - FFY 2024	\$0	\$73,584,276
Pilot Program for Transit-Oriented Development Planning - FFY 2024	\$0	\$1,500,000
Charging and Fueling Infrastructure Discretionary Grant Program (Round 1 - Resubmittals) - FFYs 2024 - 2025	\$0	\$15,000,000
Grand Total	\$636,275,102	\$4,377,467,010

*Loans with forgivable principle

**Awarded to partner Agencies

***Potential reconsideration for funding by Bureau of Reclamation



Regional Transit Fare Collection System Improvement Project Update - Citywide

This report provides the Transportation, Infrastructure and Planning Subcommittee with an update of the ongoing joint project by Valley Metro and the Phoenix Public Transit Department to upgrade the region's fare collection system.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Summary

The region's previous fare collection system project began in 2005, with new equipment introduced in 2007, and included the installation of new bus fare boxes across the regional transit fleet of almost 500 buses. Fare vending machines were installed at light rail stations and transit centers in 2008 when the initial 20 miles of light rail service began. This technology has become outdated with equipment that is beyond its useful life or cannot be repaired due to unavailability of parts.

The new fare collection system is focused on open architecture technology, rider ease of use, and provides the flexibility to perform updates and adjustments to fare programs and expanded features in the future.

The goals for a new fare collection system include:

- Improved fare payment options for customers.
- Improved data collection and ridership/revenue reconciliation.
- Enhanced capabilities for the management of media distribution and reduced fare programs.
- Availability of long-term alternatives with phased implementation.
- Replacement of aging hardware to provide an improved customer experience.

Of note is that there has been no change to existing fares.

The account-based system provides expanded access to buy and manage fares, along with protecting customers' funds with a registered card and account. The use of cash is still available to all riders to purchase fares or add funds to their account, including:

- Buying a 1-Ride fare onboard buses (780 new fare boxes installed on buses regionally) or at light rail platforms (55 new ticket vending machines installed system-wide, with additional units planned).
- Buying or loading a Copper card at retail locations, light rail stations, or customer service windows.
- Loading funds at retail locations directly to their account on the Valley Metro app.

Currently, transit customers can buy and/or reload funds to their Copper card at more than 850 retail locations Valley-wide. As of October 29, 6,413 Copper cards have been sold at retail locations and 9,453 reload transactions have also occurred at retail locations. The current network includes Circle K, Safeway, Albertsons, Walgreens, CVS and 30+ single location smaller retail stores, with more locations coming soon.

In addition, the system introduces a new program, Smart Fare (fare capping), which provides all customers with equal access to daily, weekly, and monthly fare pricing. Smart Fare gives riders access to a pay-as-you-go system where fares are charged until a daily, weekly, or monthly fare cap is reached rather than paying the full cost of a pass up front. The new system also provides expanded access to buy and manage bulk fare products for the region's Platinum Program, the Group Fares program (formerly Corporate Program) and the Social Services fare program (formerly Homeless Service Provider Program).

Public Outreach

Outreach for the system launch has included education at community events throughout the region and hosting pop-up events and fare system town halls, as well as conducting on-system outreach throughout the transit network. All information provided during outreach events, online, and on-board transit vehicles has been provided in English and Spanish.

The on-system outreach includes Valley Metro staff boarding buses and light rail trains throughout the region with information about the upcoming transition of the fare collection system, and promotional materials for fare town halls and pop-up events. Fare town halls and pop-up events provide riders with the opportunity to ask questions and, if eligible, apply for reduced fare.

Additionally, Valley Metro staff has attended community events throughout the region with information on the system transition. Events were chosen based on audience, proximity to transit, requests from regional partners/stakeholders, and in collaboration with key organizations.

The following is an overview of the 134 community outreach activities to date:

- 52: On-system outreach (bus & light rail, July - September 2024)
- 19: Fare pop-ups (August - October 2024)
- 13: Fare town halls (April - June 2024)
- 50: Community events attended with fare information

Additionally, beginning in October 2023, staff from Valley Metro and Colibri Collection, an outreach agency for the project, began engagements with frontline transit staff to provide information about the new system and key updates for the transition. This has resulted in 87 outreach visits and/or presentations, accounting for more than 5,000 engagements.

In an effort to maintain equity for the new system, Valley Metro has worked with regional partners to provide new Copper cards at no cost, while in the transition phase to the new fare collection system. As some transit riders previously utilized magnetic stripe fare media, all existing fare media value is transferred to the Copper card for future use. The Copper cards normally have a cost of \$4 without any loaded value.

Customer Resources

To help customers navigate the new fare collection system, multiple resources and channels have been established to assist with customer questions, reduced fare processing, crediting passengers with older fare media, and more.

- Fare Support Call Center: Customer support specific to the new account-based system, including everything from viewing Copper card balances to questions about the new fare machines and public website for managing an account.
- Fare Media Credit Processing: Throughout the transition and until December 31, 2024, Valley Metro and City of Phoenix staff are processing credits from old media (magnetic stripe paper passes) to Copper cards or the Valley Metro app at five transit centers across the Valley, as well as at fare pop-up events.
- In-Person Copper Card/Reduced Fare Assistance: Customers can visit Central Station, Ed Pastor Transit Center, Sunnyslope Transit Center, Tempe Transportation Center, or the Valley Metro Mobility Center to apply for reduced fare, request credits from old media to new, or for any assistance needed to obtain or load a Copper card.
- Online Resources: Customers can find information about the new system on the Valley Metro website at www.valleymetro.org/faretechnology or setup and manage their new fare account at www.valleymetrofares.org.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit Department.



Ordinance to Establish the Network Infrastructure Services License by Creating New Chapter 5D of the Phoenix City Code and to Establish an Effective Date - Citywide

This report requests the Transportation, Infrastructure and Planning (TIP) Subcommittee recommend City Council adopt an ordinance to establish the Network Infrastructure Services License by creating a new Chapter 5D of the Phoenix City Code to allow for companies that desire to provide fiber-to-the-home services for high-speed internet access.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Summary

This proposed City Code amendment will provide the framework for the City to enter into licenses with companies that desire to sell fiber-to-the-home (FTTH) services for high-speed broadband internet access (500 Megabits to 1 Gigabit per second) to end-user customers. The target customers are mostly residential and some small businesses.

City Code currently does not have a specific chapter to allow network infrastructure services to be installed and operated in the right-of-way and the creation of this code will enable the City to enter into Network Infrastructure Service Licenses with interested providers who desire to install fiber-optic cabling in the City’s rights-of-way (ROW) and sell high-speed internet access to residential customers through a FTTH services network.

The new Code section (**Attachment A**) will establish the framework for the license, the basis for the long-term agreement with these companies, and will outline the financial terms and payments that companies will remit to reimburse the City for services provided in the installation and operation of their networks, and a fee for the use of the ROW. The license will also outline the requirements for all work that is performed within the ROW and requires inspection and conformance with adopted City codes and requirements.

In 2022, the City of Mesa approved licenses for five companies to provide fiber-to-the-

home (FTTH) services for high-speed internet services. In 2023, the cities of Chandler and Gilbert approved similar licenses for the same purpose. During this timeframe, representatives from AT&T, Google, BAM Broadband/Desert iNet and Zoom Tech Arizona approached City staff to outline their interest and present proposals to build a FTTH network in Phoenix. In 2024, Flying Bull Internet, LLC, dba Novos Fiber, also expressed an interest in providing network infrastructure services.

On July 1, 2024, the City Council approved Temporary Network Services Construction Licenses for BAM Broadband and for Zoom Tech Arizona that allows the companies to begin the permit submittal process and to commence construction until Chapter 5D is adopted and full-term licenses can be issued in early 2025.

Concurrence/Previous Council Action

- On June 20, 2024, this matter was presented to the TIP Subcommittee for information and discussion.
- On June 21, 2023, this matter was presented to the TIP Subcommittee for information and discussion.

Public Outreach

The Street Transportation Department met with various industry stakeholders between May 2022 thru October 2024 with representatives of the network infrastructure service industry to discuss the new Code Chapter, applicable fees, and the City's proposed license requirements. Additionally, staff discussed the need to meet current City requirements that do not allow micro-trenching in the ROW and also the pavement restoration requirements for surface treatment. These requirements help mitigate negative driver/user experience while utilizing the ROW and ensure longevity of the asphalt. These are critical because the City has performed \$200M in pavement maintenance at the direction of the Mayor and City Council based upon resident concerns about the conditions of the City maintained streets over the last five years. Based on the feedback from these meetings and the June 21, 2023, TIP subcommittee, the City adjusted the annual fees for use of the City's right-of-way.

Google Fiber and Gigapower still have concerns about the 3 percent, 6 percent and Annual Minimum Fee. However, their most significant concerns are that the City does not allow for micro-trenching and the requirement to comply with pavement restoration requirements. The City is working with Google Fiber to install a micro-trench pilot area to evaluate the impacts to the ROW. The City has offered Gigapower the opportunity to do a pilot installation that utilizes ground penetrating radar instead of traditional boring methods to locate existing utilities.

The Communication Workers of America (CWA) union provided an email with concerns about the quality of work performed by FTTH contractors in Minnesota and Texas. The CWA provided a list of work quality and labor standards that included ROW Contractor Transparency, ROW Contractor Training & Certifications as well as Monitoring and Penalties. The City verifies that contractors provide proof of insurance and worker's compensation coverage and verifies that the contractor is licensed with the Arizona Registrar of Contractors. The City inspects contractor work to ensure compliance with all City requirements and has the ability to limit or to stop work by a contractor that is not performing work safely or is not following City approved construction requirements.

Financial Impact

The new Code section proposes a license fee based on a percentage of gross revenues from FTTH customers and an annual minimum fee based on the number of residential units passed for use of the City's ROW. In addition, the companies will reimburse the City for plan review and permits, inspections, ROW Management, and other fees for staff time that are directly related to the construction, operation, and repair of the facilities required for the FTTH networks. Staff lowered the upfront AMF from the initial \$12 per home, down to \$9 and now \$6 for each residential unit passed before the 3 percent or 6 percent cost structure would become active. This was done because of Industry concerns about the up front installation costs due to not allowing micro-trenching and the pavement restoration requirements. This lower up front AMF helps reduce upfront installation costs and the City created an category for FTTH installation concurrent with new subdivision developments that does not require payment until at least 50 percent of the homes in a subdivision are sold.

On October 18, 2024, in accordance with A.R.S. 9-499.15 and City of Phoenix Administrative Regulations 1.98, the City posted on its website and social media page that the new fees in Chapter 5D will be on a City Council agenda on December 18, 2024, or later.

Responsible Department

This item is submitted by Deputy City Managers Alan Stephenson and Inger Erickson, the Street Transportation Department, and the Office of the City Engineer.

ORDINANCE G-

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO AMEND THE PHOENIX CITY CODE BY ADDING A NEW CHAPTER 5D TITLED NETWORK INFRASTRUCTURE SERVICES.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX AS

FOLLOWS:

SECTION 1. ARTICLE I. PURPOSE, FINDINGS AND DEFINITIONS

SEC. 5D-1. PURPOSE AND FINDINGS.

A. THE PURPOSE OF THIS CHAPTER IS TO ESTABLISH A POLICY GOVERNING THE MANAGEMENT OF PUBLIC HIGHWAYS FOR THE PROVISION OF NETWORK INFRASTRUCTURE SERVICES AND OPEN ACCESS WHOLESALE SERVICES. THE POLICY ENABLES THE CITY TO:

1. ISSUE LICENSES TO NETWORK INFRASTRUCTURE SERVICE PROVIDERS AND OPEN ACCESS WHOLESALE SERVICE PROVIDERS WHO USE THE PUBLIC HIGHWAYS TO PROVIDE SERVICES ON A COMPETITIVELY NEUTRAL AND NONDISCRIMINATORY BASIS, EXCEPT IN CASES WHERE STATE LAW FORBIDS ESTABLISHMENT OF A LICENSE REQUIREMENT;
2. MANAGE THE PUBLIC HIGHWAYS IN ORDER TO MINIMIZE THE IMPACT AND COST TO PHOENIX CITIZENS FOR THE PLACEMENT OF FACILITIES WITHIN PUBLIC HIGHWAYS;
3. MANAGE THE HIGHWAYS TO MAXIMIZE THEIR EFFICIENT USE, THEREBY MINIMIZING THE FORECLOSURE OF FUTURE ADDITIONAL USES OF SUCH RIGHTS-OF-WAY; AND
4. PROVIDE FOR THE COMPENSATION FOR THE COMMERCIAL USE OF PUBLIC HIGHWAYS TO PROVIDE SERVICES.

B. THE PHOENIX CITY COUNCIL FINDS THAT THE PUBLIC HIGHWAYS CONSTITUTE A VALUABLE PUBLIC ASSET:

1. HAVING BEEN ACQUIRED AND MAINTAINED BY THE CITY OVER MANY YEARS AT GREAT TAXPAYER EXPENSE;

2. PROVIDING UNIQUELY VALUABLE PROPERTY THAT NETWORK INFRASTRUCTURE SERVICE AND OPEN ACCESS WHOLESAL SERVICE LICENSEES MAY WISH TO USE FOR PROFIT-MAKING PURPOSES THAT MAY NOT NECESSARILY BENEFIT ALL THE RESIDENTS OF THE CITY; AND

3. REPRESENTING PUBLIC INVESTMENTS FOR WHICH THE TAXPAYERS ARE ENTITLED TO A FAIR MONETARY RETURN ON THE CITY'S PAST AND FUTURE INVESTMENT IN THE CITY'S INFRASTRUCTURE.

C. THEREFORE, IN THIS ARTICLE THE PHOENIX CITY COUNCIL INTENDS:

1. TO CONSERVE THE LIMITED PHYSICAL CAPACITY OF THE PUBLIC HIGHWAYS HELD IN PUBLIC TRUST BY THE CITY; AND

2. TO ENSURE THAT THE CITY'S CURRENT AND ONGOING COSTS OF GRANTING AND REGULATING PRIVATE ACCESS TO AND USE OF THE PUBLIC HIGHWAYS ARE FULLY PAID BY THE PERSONS SEEKING SUCH ACCESS AND CAUSING SUCH COSTS.

SEC. 5D-2. DEFINITIONS.

FOR THE PURPOSE OF THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES, THE FOLLOWING TERMS, PHRASES, WORDS, AND THEIR DERIVATIVES SHALL HAVE THE MEANINGS GIVEN HEREIN.

ANNUAL MINIMUM FEE (AMF) MEANS THE ANNUAL FEE THAT IS REQUIRED FOR USE OF THE PUBLIC HIGHWAYS FOR THE INSTALLATION AND OPERATION OF THE NETWORK FACILITIES TO PROVIDE FIBER-OPTIC SERVICES.

CITY MEANS THE CITY OF PHOENIX, A MUNICIPAL CORPORATION OF THE STATE OF ARIZONA, AND ALL OF THE TERRITORY WITHIN ITS PRESENT AND FUTURE CORPORATE BOUNDARIES.

CITY CODE OR CODE MEANS PHOENIX CITY CODE.

COLLECTOR STREET MEANS ALL STREETS THAT PROVIDE DIRECT ACCESS TO RESIDENTIAL, COMMERCIAL, INDUSTRIAL, OR OTHER ABUTTING LAND, AND FOR TRAFFIC MOVEMENTS THAT CONNECT TO LOCAL OR ARTERIAL STREETS OR BOTH.

END-USER CUSTOMER MEANS A PERSON OR BUSINESS THAT IS A FEE-PAYING CUSTOMER OF THE NETWORK INFRASTRUCTURE SERVICE LICENSEE OR, IF

THE CUSTOMER'S INTERNET ACCESS IS PROVIDED THROUGH AN OPEN ACCESS WHOLESALE SERVICE, THE FEE-PAYING CUSTOMER OF THE INTERNET SERVICE PROVIDER.

FACILITIES MEANS THE PLANT, EQUIPMENT, AND PROPERTY USED IN THE PROVISION OF NETWORK INFRASTRUCTURE SERVICES AND OPEN ACCESS WHOLESALE SERVICES THAT ARE NOT OWNED BY THE CITY, INCLUDING BUT NOT LIMITED TO WIRES, PIPES, CONDUITS, PEDESTALS, AND OTHER APPURTENANCES PLACED IN, ON, ABOVE, OR UNDER PUBLIC HIGHWAYS.

GROSS REVENUES INCLUDES ALL REVENUES COLLECTED BY THE LICENSEE IN THE DELIVERY OF INTERNET ACCESS TO END-USER CUSTOMERS OR REVENUES COLLECTED IN THE FORM OF RENT OR LEASE PAYMENTS, INCLUDING THE FEE FOR SERVICE INSTALLATION AND ACTIVATION, MONTHLY FEE FOR INTERNET ACCESS, THE RENT OR LEASE PAYMENTS FROM THIRD-PARTY USE OF LICENSEE'S FIBER-OPTIC CIRCUITS, THE RENT OR LEASE PAYMENTS FOR CUSTOMER-PREMISE EQUIPMENT, AND ANY PROPERTY OR IN-KIND CONTRIBUTIONS (SERVICES OR GOODS) RECEIVED BY LICENSEE FROM ITS CUSTOMERS WITHIN THE CITY. GROSS REVENUES DOES NOT INCLUDE LICENSE FEES COLLECTED FROM CUSTOMERS PURSUANT TO SECTION 5D-5(A)(6).

LICENSE MEANS THE NON-EXCLUSIVE AUTHORIZATION GRANTED BY THE CITY TO CONSTRUCT, OPERATE, AND MAINTAIN FACILITIES WITHIN ALL OR PART OF THE CITY AND TO OCCUPY OR USE THE PUBLIC HIGHWAYS WITHIN THE CITY. THE LICENSE SHALL BE EVIDENCED BY A SEPARATE GRANTING ORDINANCE AND LICENSE DOCUMENT THAT ARE SUBJECT TO THE TERMS OF THIS CHAPTER.

LICENSEE MEANS THE PERSON OR ENTITY TO WHICH LICENSE IS GRANTED FOR THE CONSTRUCTION, OPERATION, MAINTENANCE, AND RECONSTRUCTION OF FACILITIES TO PROVIDE SERVICES TO END-USER CUSTOMERS.

LICENSE FEE MEANS EITHER THREE PERCENT (3%) OF GROSS REVENUES OR THE AMF, WHICHEVER IS HIGHER. THE LICENSE FEE FOR OPEN ACCESS WHOLESALE SERVICE MEANS (6%) OF GROSS REVENUES, OR THE AMF, WHICHEVER IS HIGHER.

LOCAL STREET MEANS ALL STREETS THAT PROVIDE DIRECT ACCESS TO RESIDENTIAL, COMMERCIAL, INDUSTRIAL, OR OTHER ABUTTING LAND AND FOR LOCAL TRAFFIC MOVEMENTS, AND THAT CONNECT TO COLLECTOR OR ARTERIAL STREETS OR BOTH.

NETWORK INFRASTRUCTURE SERVICE MEANS WIRED TRANSMISSION TECHNOLOGY THAT PROVIDES AN END-USER CUSTOMER CONNECTIVITY TO THE INTERNET FOR A FEE. THE SERVICES SHALL NOT INCLUDE CABLE SERVICES (AS DEFINED BY A.R.S. §9-505), VIDEO SERVICES (AS DEFINED BY A.R.S. §9-1401), COMMERCIAL MOBILE RADIO SERVICE (AS DEFINED IN A.R.S. §9-581), OR TELECOMMUNICATIONS SERVICES (AS DEFINED IN A.R.S. §9-581).

NETWORK INFRASTRUCTURE SERVICE PROVIDER MEANS THE PERSON OR COMPANY OFFERING NETWORK INFRASTRUCTURE SERVICES.

OPEN ACCESS WHOLESALE SERVICE MEANS A TYPE OF NETWORK INFRASTRUCTURE SERVICE WHERE THE FIBER-OPTIC CONNECTION TO THE END-USER CUSTOMER IS LEASED, RENTED, OR MADE AVAILABLE TO AN INTERNET SERVICE PROVIDER THAT OFFERS INTERNET ACCESS SERVICES DIRECTLY TO THE END-USER CUSTOMER.

OPEN ACCESS WHOLESALE SERVICE PROVIDER MEANS THE PERSON OR COMPANY THAT HAS A LICENSE TO OFFER NETWORK INFRASTRUCTURE SERVICES WITHIN THE CITY LIMITS WITH THE PRIMARY PURPOSE OF OFFERING WHOLESALE SERVICES.

PUBLIC HIGHWAY OR HIGHWAY MEANS ALL ROADS, STREETS AND ALLEYS AND ALL OTHER DEDICATED PUBLIC RIGHTS-OF-WAY AND PUBLIC UTILITY EASEMENTS OF THE CITY. A BRIDGE OWNED BY THE CITY OR OTHER PARTIES IS NOT A PUBLIC HIGHWAY OR A HIGHWAY; USE OF A CITY BRIDGE MAY REQUIRE A BRIDGE MASTER LICENSE AGREEMENT OR A REVOCABLE PERMIT.

RESIDENTIAL UNIT AS USED TO CALCULATE THE AMF MEANS ANY PROPERTY USED AS A RESIDENCE, REGARDLESS OF ZONING CLASSIFICATION. IF LICENSEE HAS A CONTRACT TO PROVIDE FIBER-OPTIC SERVICES TO A MULTIPLE DWELLING UNIT COMPLEX, INCLUDING CONDOMINIUMS OR APARTMENTS, LICENSEE SHALL INCLUDE THE TOTAL NUMBER OF RESIDENTIAL UNITS AVAILABLE WITHIN THE PROPERTY FOR CALCULATION OF THE AMF.

RIGHTS-OF-WAY OR ROW SHALL HAVE THE SAME MEANING AS PUBLIC HIGHWAY OR HIGHWAY.

TELECOMMUNICATIONS CORPORATION MEANS A CORPORATION WITH A VALID CITY TELECOMMUNICATIONS LICENSE TO OFFER TELECOMMUNICATIONS SERVICES THAT MAY PROVIDE END-USER CUSTOMERS CONNECTIVITY TO THE INTERNET FOR A FEE UNDER THE TERMS OF ITS TELECOMMUNICATIONS LICENSE.

ARTICLE II. LICENSE TO OCCUPY RIGHTS-OF-WAY

SEC. 5D-3. LICENSE REQUIRED.

A NETWORK INFRASTRUCTURE SERVICE PROVIDER OR AN OPEN ACCESS WHOLESALE SERVICE PROVIDER SHALL NOT INSTALL, MAINTAIN, CONSTRUCT, REPAIR, OR OPERATE FACILITIES IN ANY PUBLIC HIGHWAY IN THE CITY, OR PROVIDE SERVICES BY MEANS OF SUCH FACILITIES, UNLESS A LICENSE TO USE THE HIGHWAYS TO PROVIDE SERVICES HAS FIRST BEEN GRANTED BY THE PHOENIX CITY COUNCIL UNDER THIS CHAPTER.

SEC. 5D-4. LICENSE TERM.

LENGTH OF LICENSE. ANY LICENSE GRANTED BY THE CITY PURSUANT TO THIS CHAPTER SHALL COMMENCE UPON APPROVAL. THE LICENSE SHALL BE EFFECTIVE FOR A PERIOD OF FIVE (5) YEARS, AND SUBJECT TO THE CONDITIONS AND RESTRICTIONS PROVIDED IN THE LICENSE AND THIS CHAPTER.

5D-5. COMPENSATION.

A. LICENSEE SHALL:

1. PAY ANY APPLICABLE TRANSACTION PRIVILEGE TAX OR APPLICABLE USE TAX, AS MAY BE SPECIFIED FROM TIME TO TIME IN CHAPTER 14 OF THE PHOENIX CITY CODE.
2. PAY ALL FEES RELATED TO THE PLAN REVIEW AND ISSUANCE OF CONSTRUCTION PERMITS, INSPECTIONS FEES, RIGHT-OF-WAY AND TEMPORARY RESTRICTION AND CLOSURE SYSTEM (TRACS) PERMITS, AND PRE-CONSTRUCTION MEETING FEES. ALSO PAY ALL FEES RELATED TO PERMITS AND INSPECTIONS THAT MAY BE REQUIRED BY THE PLANNING & DEVELOPMENT DEPARTMENT.
3. REIMBURSE THE CITY FOR ITS ACTUAL AND DOCUMENTED COSTS IF THE CITY REASONABLY REQUIRES RETAINING OUTSIDE PERSONS TO REVIEW PLANS, OUTSIDE INSPECTORS TO MONITOR THE INSTALLATION OF FACILITIES, AND ANY OTHER CONSTRUCTION RELATED WORKERS TO MEET TIMEFRAMES DESIRED BY THE LICENSEE.
4. PAY ALL REASONABLE COSTS ASSOCIATED WITH THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF ITS FACILITIES IN THE PUBLIC HIGHWAYS USED TO PROVIDE

SERVICES, INCLUDING REASONABLE COSTS ASSOCIATED WITH DAMAGE CAUSED TO THE PUBLIC HIGHWAYS.

5. MAKE ALL PAYMENTS FOR PERMITS, INSPECTIONS, AND RIGHT-OF-WAY MANAGEMENT (ROWM) FEES WITHIN THIRTY (30) DAYS OF THE DATE ON THE INVOICE. ANY FEES NOT PAID ON A TIMELY BASIS ARE SUBJECT TO COLLECTIONS ACTION AND FEES AFTER 120 DAYS PAST DUE. THE COLLECTIONS FEE WILL BE ADDED TO THE PAST DUE AMOUNT AND MUST BE PAID TO HAVE THE ACCOUNT CURRENT. WHILE IN COLLECTIONS STATUS FOR ANY PAYMENTS, THE LICENSEE WILL NOT BE ABLE TO SUBMIT PERMITS, PERFORM CONSTRUCTION WORK IN THE ROW, OR REQUEST TRACS PERMITS.

6. ACKNOWLEDGE THAT THE CITY'S RIGHT-OF-WAY IS HELD IN PUBLIC TRUST AND IS A VALUABLE ASSET THAT REQUIRES FAIR AND REASONABLE COMPENSATION FOR ITS USE BY LICENSEE.

a. IF LICENSEE IS OFFERING INTERNET SERVICES DIRECTLY TO THE END-USER CUSTOMER AND IS THE INTERNET SERVICE PROVIDER (ISP), THE LICENSE FEE SHALL BE THE GREATER OF THE TWO OPTIONS: EITHER THREE (3%) PERCENT OF GROSS REVENUES, OR THE ANNUAL MINIMUM FEE.

b. IF LICENSEE IS PROVIDING OPEN ACCESS WHOLESALE SERVICE THAT LEASES, RENTS, OR OTHERWISE PROVIDES ITS FACILITIES TO AN ISP TO OFFER INTERNET ACCESS TO END-USER CUSTOMERS, THE LICENSE FEE SHALL BE THE GREATER OF THE TWO OPTIONS: EITHER SIX (6%) PERCENT OF GROSS REVENUES DERIVED FROM THE LEASE, RENT, OR AVAILABILITY OF ITS FACILITIES TO AN ISP, OR THE ANNUAL MINIMUM FEE.

c. ANNUAL MINIMUM FEE. AFTER 12-MONTHS FROM THE DATE THAT THE LICENSE IS EXECUTED, AND ON EACH SUCCESSIVE ANNIVERSARY OF THAT DATE, THE LICENSEE SHALL CALCULATE THE ANNUAL MINIMUM FEE (AMF) PAYABLE TO THE CITY.

i) THE AMF FOR JANUARY 1, 2025 THROUGH DECEMBER 31, 2029 IS \$6.00 (SIX DOLLARS) MULTIPLIED BY THE NUMBER OF RESIDENTIAL UNITS THAT LICENSEE HAS PASSED ON A LOCAL STREET AND A COLLECTOR STREET WITH ITS FACILITIES. THE AMF RATE FOR RESIDENTIAL UNITS PASSED SHALL

INCREASE AT EACH FIVE-YEAR RENEWAL BASED ON THE CUMULATIVE CONSUMER PRICES INDEX ALL URBAN CONSUMERS (CPI-U) U.S. CITY AVERAGE FOR THE MONTH OF JUNE DURING EACH YEAR OF THE LICENSE, PROVIDED THAT THE ANNUAL FEE FOR EACH RESIDENTIAL UNIT PASSED SHALL NOT BE LESS THAN THE FEE FROM THE PREVIOUS FIVE-YEAR LICENSE TERM.

d. IF LICENSEE IS PROVIDING INTERNET SERVICES DIRECTLY TO THE END-USER CUSTOMER AND THE THREE PERCENT (3%) OF GROSS REVENUES EXCEEDS THE AMF, THEN THE LICENSEE SHALL ONLY REMIT THE 3% OF GROSS REVENUES TO CITY.

i) IF 3% OF GROSS REVENUES DOES NOT EXCEED THE AMF, THEN LICENSEE SHALL REMIT ONLY THE AMF TO CITY.

e. IF LICENSEE IS PROVIDING ITS FACILITIES AS OPEN ACCESS WHOLESALE SERVICES TO INTERNET SERVICE PROVIDERS AND THE SIX PERCENT (6%) OF GROSS REVENUES EXCEEDS THE AMF, THEN THE LICENSEE SHALL ONLY REMIT THE 6% OF GROSS REVENUES TO CITY.

i) IF 6% OF GROSS REVENUES DOES NOT EXCEED THE AMF, THEN LICENSEE SHALL REMIT ONLY THE AMF TO CITY.

B. NEW RESIDENTIAL SUBDIVISIONS

1. LICENSEE MAY COORDINATE WITH THE DEVELOPER TO INSTALL NETWORK INFRASTRUCTURE FACILITIES WITHIN THE RIGHT-OF-WAY OF A RESIDENTIAL SUBDIVISION PRIOR TO COMPLETION OF THE STREET ASPHALT LAYER.
2. IF LICENSEE INSTALLS ITS FACILITIES IN THE RIGHT-OF-WAY CONCURRENT WITH NEW STREET CONSTRUCTION THAT DOES NOT DISTURB THE ASPHALT SURFACE, LICENSEE WILL NOT BE SUBJECT TO THE STREET RESTORATION REQUIREMENTS IN CITY CODE §31-49.1.
3. FACILITIES INSTALLED UNDER THIS SECTION WILL NOT BE SUBJECT TO THE MONTHLY LICENSE FEE AND ANY RESIDENTIAL UNITS PASSED WILL NOT BE INCLUDED IN THE CALCULATION OF AMF UNTIL THE DEVELOPER HAS CLOSED

ESCROW ON FIFTY-ONE PERCENT (51%) OF THE RESIDENTIAL UNITS.

- a. IF THE SUBDIVISION IS DEVELOPED IN PHASES, THEN THE MONTHLY LICENSE FEE OR AMF SHALL BE IMPLEMENTED WHEN THE DEVELOPER HAS CLOSED ESCROW ON FIFTY-ONE PERCENT (51%) OF THE RESIDENTIAL UNITS IN THAT PHASE OF THE SUBDIVISION.

C. LICENSEE SHALL REMIT QUARTERLY LICENSE FEE PAYMENTS.

1. AT THE END OF EACH CALENDAR QUARTER, LICENSEE SHALL CALCULATE AND REMIT TO CITY A LICENSE FEE PAYMENT.

2. THE LICENSEE SHALL SEND THE QUARTERLY LICENSE FEE PAYMENT SO THAT THE PAYMENT IS RECEIVED BY THE CITY ON OR BEFORE:

- a. 1Q (JANUARY 1 - MARCH 31) PAYMENT TO CITY BY MAY 31;
- b. 2Q (APRIL 1 – JUNE 30) PAYMENT TO CITY BY AUGUST 31;
- c. 3Q (JULY 1 – SEPTEMBER 30) PAYMENT TO CITY BY NOVEMBER 30;
- d. 4Q (OCTOBER 1 – DECEMBER 31) PAYMENT TO CITY BY FEBRUARY 28.

3. THE FIRST QUARTERLY FEE PAYMENT SHALL BE MADE AFTER CLOSE OF THE QUARTER DURING WHICH THE LICENSEE BEGINS PROVIDING SERVICE TO ANY END-USER CUSTOMERS.

4. THE LICENSEE MAY IDENTIFY AND COLLECT, AS A SEPARATE ITEM ON THE REGULAR BILL OF ANY END-USER CUSTOMER, THE AMOUNT OF THE LICENSE FEE ON GROSS REVENUES.

5. THE LICENSE FEE WILL NOT BE AN OFFSET TO THE TRANSACTION PRIVILEGE TAX OR ANY OTHER FEDERAL, STATE OR LOCAL TAX THAT MAY BE ASSESSED. LICENSEE ACKNOWLEDGES THAT CITY WILL PASS ON ITS TRANSACTION PRIVILEGE TAX LIABILITY AS A LICENSOR OF REAL PROPERTY TO LICENSEE AND LICENSEE SHALL PAY SUCH AMOUNT. LICENSEE MAY IDENTIFY AND COLLECT, AS A SEPARATE ITEM ON THE REGULAR BILL OF ANY END-USER CUSTOMER, THE AMOUNT SO PASSED ON.

6. LATE PAYMENT PENALTY FOR ALL FEES. ANY FEE PAYMENT DUE TO THE CITY THAT IS NOT RECEIVED BY THE DATE SPECIFIED IN SECTION 5D-5(C)(2) SHALL BE SUBJECT TO A LATE PAYMENT FEE OF ONE PERCENT (1%) PER MONTH.

SEC. 5D-6. CITY POLICE POWER; CONTINUING JURISDICTION.

A. THE LICENSEE SHALL AT ALL TIMES BE SUBJECT TO ALL LAWFUL EXERCISE OF THE POLICE POWER BY THE CITY, INCLUDING ANY AND ALL CHAPTERS, RULES, OR REGULATIONS WHICH THE CITY HAS ADOPTED OR MAY ADOPT, AND ALL LAWS, RULES, REGULATIONS, ORDERS, AND POLICIES OF THE STATE AND THE UNITED STATES GOVERNMENT. IN THE EVENT OF A CONFLICT BETWEEN THIS CHAPTER AND OTHER PROVISIONS OF THE CITY CODE, THE STRICTER REQUIREMENT SHALL APPLY.

B. THE CITY SHALL HAVE CONTINUING JURISDICTION AND SUPERVISION OVER ANY FACILITIES LOCATED WITHIN OR ON RIGHTS-OF-WAY. IT IS RECOGNIZED THAT THE DAILY ADMINISTRATIVE, SUPERVISORY, AND ENFORCEMENT RESPONSIBILITIES OF THE PROVISIONS OF THIS CHAPTER SHALL BE DELEGATED AND ENTRUSTED TO THE CITY MANAGER OR DESIGNEE TO INTERPRET, ADMINISTER, AND ENFORCE THE PROVISIONS OF THIS CHAPTER, AND TO PROMULGATE STANDARDS REGARDING THE CONSTRUCTION, RECONSTRUCTION, RELOCATION, MAINTENANCE, REPAIR, DISMANTLING, ABANDONMENT, OR USE OF THE FACILITIES WITHIN THE RIGHTS-OF-WAY.

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