



Fiscal Year 2026-31 Preliminary Five-Year Capital Improvement Program

This report transmits the Preliminary Five-Year Capital Improvement Program (CIP) for information and discussion. The City Charter requires the City Manager to submit the Preliminary CIP prior to adoption of the final budget.

The CIP represents investments in the long-term needs of the community through infrastructure development and maintenance. The five-year program totals \$11.4 billion, with a \$2.7 billion program for 2026-27. The full report is available on the Budget and Research website at phoenix.gov/budget.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Summary

The five-year Preliminary CIP presented totals \$11.4 billion. The first year of the program, totaling \$2.7 billion, will ultimately be updated for carryover and resource availability and presented to the City Council for appropriation. The remainder of the CIP is presented for responsible planning purposes and is dependent upon resource availability.

Sources of five-year Preliminary CIP funding include \$186.6 million in General Funds, \$2,634.3 million in Special Revenue Funds, \$3,422.5 million in Enterprise Funds, \$273.4 million in General Obligation Bond Funds, \$2,094.1 million in Other Bond Funds, and \$2,817.3 million in Other Capital Funds.

The Preliminary CIP reflects the \$500 million voter approved 2023 General Obligation Bond Program, less expenditures projected through the current 2025-26 fiscal year. Projects and funding distribution are consistent with the General Obligation Bond Executive Committee recommendations presented to, and adopted by, the City Council in December 2022. \$250 million in General Obligation bonds have been sold, and the remaining \$250 million is anticipated to be sold this calendar year. Schedule 7 of the Preliminary CIP document provides the allocation of funds by project and fiscal year. As the program progresses and costs are finalized, this schedule will capture any proposed funding reallocations in comparison to the original approved program; however, all allocations currently match the original Council-approved allocations.

The proposed program's \$186.6 million in General Funds and \$192.7 million in General Fund-backed excise tax bonds reflect a commitment to infrastructure and technology investment.

Substantial investments funded directly through General Funds include:

- \$111.1 million in Facilities Management for facility major maintenance and assessments
- \$31.9 million in Information Technology for enterprise applications and network infrastructure
- \$28.9 million in Street Transportation and Drainage for flood hazard mitigation, cool pavement, and Roadway Safety Action Program projects
- \$2.9 million in Municipal Court for Case Management System replacement
- \$5.0 million in Sustainability for energy and water efficiency projects

Notable projects to be funded with excise tax bond proceeds include:

- \$82.7 million in Fire for new fire stations, new and replacement fire apparatus, and the Fire Computer Aided Dispatch System replacement
- \$48.6 million in Information Technology for enterprise asset management and public safety radio replacements
- \$25.0 million in Economic Development for the Innovation 27 advanced education and workforce development facility
- \$19.2 million in Facilities Management for security access control system replacement

The nearly 1,000 projects within the Preliminary Capital Improvement Program are detailed on the Budget and Research website at phoenix.gov/budget. A summary of sources, uses, and project selection methods by program is provided below.

Arts and Cultural Facilities

The Arts and Cultural Facilities program totals \$25.5 million and is funded by General Obligation Bond funds.

Projects are typically prioritized based on community input obtained during the development of periodic General Obligation Bond programs.

The program provides funding for construction, renovation and expansion of arts and cultural facilities operated primarily by non-profit partner entities.

Aviation

The Aviation program totals \$2,100.0 million and is funded by Aviation, Aviation Bond, Capital Grant, Customer Facility Charge, and Passenger Facility Charge funds.

The Aviation program includes improvements at Phoenix Sky Harbor International, Phoenix Deer Valley and Phoenix Goodyear Airports.

Various divisions of the Aviation Department are responsible for identifying and requesting new CIP projects as they are needed for airport expansion and replacement of existing infrastructure. They work with stakeholders to determine the impact of a project and, where necessary, to develop a business case which includes a scope, schedule, and budget, including a return-on-investment analysis, for the project. As part of the business case, a points-based score is developed for the project. Scoring is based on the project's return-on-investment, cost reduction or net present value; efficiency or productivity improvements; impact on the airport's sustainability goals; regulatory mandates; safety and security risk mitigation; and level of service or community relations needs. The business case is then presented to Aviation's executive team for approval or revision. If approval is received, the project awaits available funding and incorporation into the Aviation CIP.

Major projects include:

- Construction of new Terminal 3 North 2 apron construction of new Crossfield Taxiway U
- Strengthening and reconstruction of Taxiway A (A3-A4)
- Construction of Terminal 3 North 2 Concourse
- Repair and upgrade of Terminal 3 Processor and Baggage Handling System
- Construction of the Facility & Services Tonto Lot Campus Phase 1
- Repair and replacement of Terminal 4 vertical and horizontal transportation
- Repair and replacement of Terminal 4 Central Plant
- Replacement of Rental Car Center fire alarm system and vertical transportation
- Reconstruction and strengthening of Phoenix Deer Valley Airport Runway 7R/25L

Economic Development

The \$78.6 million Economic Development program is funded by Downtown Community Reinvestment, Operating Grant, Other Restricted, Sports Facilities, 2023 General Obligation Bond, and Other Bond funds.

The Community and Economic Development Department identifies new CIP projects by various methods which include: alignment with strategic planning objectives; collaboration with business, government and educational partners; and, engagement

with community groups and business associations. The City commits funds and expertise to partner with private and public entities. These partnerships help to expand the City's economy through the creation of new infrastructure and civic improvements, that trigger regional revitalization, enhance public tax revenues, facilitate the growth of the knowledge workforce, and promote higher education opportunities. Other benefits include achieving affordable and workforce housing objectives, and support of historic preservation and adaptive reuse projects.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Major projects include:

- Downtown Redevelopment Area project facilitation and assistance
- Workforce Training Facility
- ASU Health Technology Center development assistance
- ASU Thunderbird School of Global Management development assistance
- Historic Preservation and Conservation facilitation and assistance
- Arizona Biomedical Corridor project facilitation and assistance

Environmental Programs

The \$2.4 million Environmental Programs CIP is funded by Other Restricted and 2023 General Obligation Bond funds. The program facilitates eligible citywide general stormwater compliance and brownfields redevelopment projects.

Stormwater capital improvement projects are implemented to advance the City's efforts to comply with stormwater management requirements and regulations. Any City department may propose a potential stormwater project, provided that the project meets the criteria outlined in the Stormwater Capital Improvement Project Fund Eligibility and Funding Protocol. The proposed projects are reviewed by the Stormwater Working Group and then the requesting department presents for approval to the Stormwater Executive Committee based on criteria established in the funding protocol, including: risk of regulatory non-compliance, ability for the project to achieve sustained compliance, degradation to the City's Municipal Separate Storm Sewer System, need for remediation, and other associated risks.

Redevelopment of brownfields property results in the elimination of environmental exposures and reuse that can eliminate blight, increase community benefits, jobs, and often serves as a catalyst for revitalization of the area. City brownfields project funding will assist City departments with predevelopment costs associated with

environmentally contaminated properties, such as environmental assessments, asbestos/lead-based paint surveys and abatement, and remediation. Project selection is based on several factors including location, benefit to community and job creation. Additionally, brownfields funding for the Rio Reimagined Land Acquisition program may include environmental assessments and cleanup to prepare economically attractive sites along the Rio Salado.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Facilities Management

The Facilities Management program totals \$143.2 million and is funded by General, Other Restricted, 2023 General Obligation Bond, Other Bond and Other Capital funds.

The Facilities Management program includes various major maintenance projects for City facilities and fuel infrastructure. Additional citywide efforts to be implemented by Facilities Management primarily include: security access control, Glenrosa Fleet Building, energy efficient retrofits, fire and life safety systems, HVAC systems, roofs, parking lots, fuel/oil tanks, plumbing, generators, and electrical systems.

Most Facilities Management capital projects are requested and prioritized under the annual General Fund Facilities Project Prioritization Process. New project requests originate from facility lifecycle replacement plans, facility assessments, engineering studies, testing results, citizen requests, regulatory compliance, and identification of asset deterioration by City facilities staff. Projects are reviewed by a committee of subject matter experts from various departments and are evaluated and prioritized on the basis of human safety, service continuity, damage avoidance, aesthetic deficiency mitigation, regulatory considerations, and potential for increasing efficiency.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Fire Protection

The \$146.4 million Fire Protection program is funded by Other Restricted, 2023 General Obligation Bond, Other Bond, Capital Grant, and Development Impact Fee funds.

The Phoenix Fire Department plans for CIP projects through a prioritized strategic forecasting process. The most significant projects for the department are construction of future fire stations that have been forecasted through the creation of a twenty-year fire station implementation plan. The forecast plan was developed through analysis of a variety of factors such as: existing fire stations' location and capacity, key performance indicators, and planned growth. Additionally, other identified new CIP project needs are presented to the Fire Department executive staff in the form of business cases that are then evaluated based on the potential positive impact on service delivery to the Phoenix community.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council. This Capital Improvement Program includes three stations funded by the bond program, with a fourth - the replacement of Fire Station 15 (new location near 45th Avenue and Camelback Road) - already under construction.

In addition to the General Obligation Bond Program, in April 2025, the City Council approved the sale of excise tax bond obligations that are being used in this Capital Improvement Program to construct two fire stations, acquire new fire apparatus, and replace existing fire apparatus.

Major projects include:

- Implementation of a new Computer Aided Dispatch System and Records Management System
- Acquisition of fire apparatus
- Construction of new Fire Station 51 located near 51st Avenue and SR 303
- Construction of new Fire Station 71 located near 60th Street and Mayo Boulevard
- Construction of new Fire Station 93 located near I-17 and Peoria Avenue
- Replacement of Fire Station 7 (new location near 4th Street and Townley Avenue)
- Replacement of Fire Station 13 (new location near 50th Street and Thomas Road)

Historic Preservation & Planning

The Historic Preservation and Planning program totals \$3.0 million and is funded by 2023 General Obligation Bond funds.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Housing

The Housing program totals \$177.9 million and is funded by Operating Grant, Other Restricted, 2023 General Obligation Bond, and Capital Grant funds.

The program provides funding for the creation and preservation of public and affordable housing units for low-income families, individuals, seniors, and special populations throughout the city. Grant-funded projects are planned based on the availability of these funds.

2023 General Obligation Bond projects will fund the preservation of City-owned affordable housing units and creation of affordable units in the Edison-Eastlake community. Grant funds include the U.S. Department of Housing and Urban Development's (HUD) Choice Neighborhoods development projects, HUD HOME Investment Partnership Program multifamily loan and redevelopment, HUD HOME American Rescue Plan to serve qualifying populations, and the conversion or modernization of existing public housing units through the HUD Capital Fund Program.

Housing Department capital improvement projects are identified based on City management's priority list and the Mayor and Council's Affordable Housing Initiative, in coordination with planned redevelopment programs, feedback from the Public Housing Resident Advisory Board, the Affordable Housing Development Community, and other stakeholders. The department's program and fiscal staff actively participate in prioritizing funding availability and addressing community housing needs and contractual terms of co-developers.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Human Services

The Human Services program totals \$6.9 million and is funded by Other Restricted and 2023 General Obligation Bond funds.

The Human Services program includes acquisition, design, and

renovation/construction of shelters and senior centers.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Major projects include:

- Senior Center in Laveen
- Renovation of the McDowell Senior Center

Information Technology

The \$119.1 million Information Technology program is funded by General, Arizona Highway User Revenue, Development Services, Other Restricted, Transportation 2050, Aviation, Convention Center, Solid Waste, Wastewater, Water, Other Bond, Solid Waste Bond, Wastewater Bond, Water Bond, and Development Impact Fee funds.

Information Technology CIP projects typically go through a review process and are managed by IT project managers. The review process provides City leadership visibility into information technology spending across the organization and helps ensure technology purchases are in alignment with current and future technology needs. Projects are evaluated and approved by various Information Technology Services divisions for security, application, and infrastructure considerations.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Major projects include:

- Implementation of an enterprise time and labor system
- Replacement of public safety radios that are at end-of-life
- Data network infrastructure modernization

Libraries

The Libraries program totals \$34.2 million and is funded by General, Development Impact Fee, and 2023 General Obligation Bond funds.

Improvement and renovation projects are requested and prioritized under the annual

General Fund Facilities Project Prioritization Process. New project requests originate from facility lifecycle replacement plans, facility assessments, engineering studies, testing results, citizen requests, regulatory compliance, and identification of asset deterioration by City facilities staff. Projects are reviewed by a committee of subject matter experts from various departments and are evaluated and prioritized on the basis of human safety, service continuity, damage avoidance, aesthetic deficiency mitigation, regulatory considerations and potential for increasing efficiency.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Major projects include:

- Expansion of the Yucca Branch Library
- Construction of a new Estrella Civic Space Library at 99th Avenue and Lower Buckeye Road
- Construction of a new Desert View Civic Space Library at Deer Valley Drive and Tatum Boulevard

Municipal Court

The Municipal Court program totals \$2.9 million and is funded by General funds.

The program includes the Court Case Management System replacement project which targets the Phoenix Municipal Court's primary business application. This multi-year project envisions replacing the existing almost 27-year-old system which is no longer sustainable with a modern application. The new application will increase efficiency, expand self-service options for the public, enhance the Court's ability to offer remote contact and participation, reduce existing technical debt, and enable the Court's ability to move to real-time paperless processing.

Neighborhood Services

The Neighborhood Services program totals \$4.8 million and is funded by Operating Grant funds.

The Neighborhood Services program seeks to stabilize neighborhoods and improve infrastructure by acquiring properties for revitalization. By partnering with City departments, projects such as landscaping, sidewalks, lighting and other infrastructure improvements provide enhancements to City neighborhoods.

The Neighborhood Services Department considers new CIP projects through the efforts of their Neighborhood Enhancement and Infrastructure Team, which works closely with program staff, to identify potential CIP projects. Projects may also be proposed by the City Council or City management and evaluated based on availability of funding, eligibility of project area and scope which meets a HUD National Objective. Additionally, qualitative feedback is collected through community workshops, stakeholder consultations, and public requests, for projects such as: facility renovations, improvements to community centers, playgrounds, and other enhancements to community public infrastructure. Large projects, like acquisition of strategic or blighted properties, may be identified through other City programs and initiatives to expand the impact and/or better address the needs of the community such as providing affordable housing or creating Safe Routes to Schools.

Non-Departmental Capital

The non-departmental capital program totals \$656.6 million and is funded by General, Aviation Bond, Other Bond, Solid Waste Bond, Wastewater Bond, Water Bond, Capital Grant, Capital Reserve, Customer Facility Charge, Federal, State and Other Participation, and Passenger Facility Charge funds.

The non-departmental capital program consists of existing and anticipated future capital debt service, including payments of principal, interest, issuance costs and related expenditures such as trustee fees for bonds issued. The capital debt program reflects debt service for capital projects funded in other capital improvement programs.

The non-departmental capital program additionally includes a contingency budget for future capital grant awards, a set-aside to support operating costs on future capital projects, and reserves to provide local matching funds for potential federal capital grants.

Parks, Recreation & Mountain Preserves

The Parks, Recreation and Mountain Preserves program totals \$321.6 million and is funded by Parks and Preserves Initiative, Golf, 2023 General Obligation Bond, and Development Impact Fee funds.

The program includes land acquisition; improvement and rehabilitation of city parks, trails, sports fields, and pools; installation and replacement of security and sports field lighting; parking lot improvements; construction of ADA accessible amenities; and other citywide park infrastructure improvements.

Projects in the Parks and Recreation Department's CIP are prioritized within the five-year planning window based primarily on park needs and priority criteria. This process includes a three-tiered rating system that takes into account the life span of amenities. The rating identifies amenities that are new, at half-life or ready for replacement. Ratings are updated annually. Further, when a need is identified at a park facility, a holistic look is used to evaluate if other needs can also be addressed at the same time. This approach results in cost effectiveness, efficiencies and reduces redundancy of services to the same site and minimizes impact to the community. Also, a consideration for new park projects and preserve land acquisitions is population growth, creating the need for parks expansion.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public and ultimate adoption by the City Council.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council and passed by voters on the November 2023 ballot.

Major projects with various funding sources include development, improvements and/or repairs to Cortez Park, Encanto Park Lake, Estrella Civic Space, Granada Park, Highline Park, Lone Mountain Park, Maryvale Park Regional Pool and Two Splash Pad Sites, and North Mountain Park.

Phoenix Convention Center

The Phoenix Convention Center program totals \$43.6 million and is funded by Sports Facilities, Biosciences, and Tourism, Convention Center and Other Bond funds.

In addition to the Convention Center, this program includes projects and improvements for the Herberger Theater Center and Orpheum Theatre, Symphony Hall, and the Heritage and Convention Center parking garages. General Fund-supported excise tax bonds are programmed for renovations of the 100 West Washington building.

The Phoenix Convention Center has a multi-discipline CIP committee comprised of members of the department including management, facility and capital project managers, fiscal, as well as subject matter experts. The committee meets monthly to identify and discuss potential CIP projects. CIP projects are initially submitted, and subsequently modified, through a project request form. The projects are then reviewed and ranked by staff for inclusion to a perpetual 10-year CIP forecast that is constantly evaluated and updated. Project considerations include life safety, revenue generation, facility enhancement, and business and customer impact.

Major projects include:

- Symphony Hall Theatrical Venue Improvements
- Herberger Theater Center Theatrical Improvements
- 100 West Washington Renovations
- Roof Repairs for the South Building
- Replace the Digital Audio Distribution System at the South Building
- North and West Buildings Heating, Ventilation, and Air Conditioning and Fire Alarm System Replacement
- North and West Buildings Security Systems Replacement
- Orpheum Theatre Improvements
- Pit Lift Replacements at the Herberger Theater, Orpheum Theatre, and Symphony Hall

Police Protection

The \$46.5 million Police Protection program is funded by Capital Reserve, Development Impact Fee, and 2023 General Obligation Bond funds.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council.

Major projects include:

- Replacement of the Cactus Park Precinct
- Renovation of the Police Property Management Warehouse

- Replacement of Aerial Fleet Assets

Public Art Program

The Public Art Program totals \$15.8 million and is funded by Percent-for-Art funds. Established in 1986, the Public Art Program allocates one percent of eligible Capital Improvement Program funding for the acquisition of temporary and permanent artwork for public buildings, infrastructure, and spaces. The program maintains more than 200 permanent artworks and manages and exhibits the City's 1,200 portable works in multiple public buildings.

The program works closely with all capital departments, City Council offices and the Phoenix Arts and Culture Commission to determine and approve projects to be included in the annual Public Art Plan. Public art projects included in the Plan are prioritized based on opportunities to integrate artwork into individual Capital Improvement Program projects and their potential impact on the neighborhood and the broader arts community.

Public Transit

The Public Transit program totals \$1,438.1 million and is funded by Operating Grant, Regional Transit, and Transportation 2050 funds.

Public Transit staff and management identify project needs by utilizing several planning documents - the Transportation 2050 Plan, the fleet replacement plan, the Maricopa Association of Governments Transportation Improvement Program, and the Transit Life Cycle Program element of the Regional Transportation Plan. Additionally, public assets are considered for potential refurbishment, upgrade, or replacement. Staff from each division submit project requests to Public Transit management for review, prioritization, and funding consideration.

Major projects include:

- Purchase of new and replacement buses, Dial-A-Ride vehicles and commuter vans
- Bus Rapid Transit program development
- Construction of bus stop improvements, lighting and shade structures
- Design and construction of the North Transit Facility Operations and Maintenance Garage
- Design and construction of the West Phoenix Maryvale light rail extension is not reflected but is planned to be incorporated in the final Capital Improvement Program

Regional Wireless Cooperative

The Regional Wireless Cooperative (RWC) program totals \$89.6 million and is funded through the contributions of RWC member agencies.

The RWC capital program's objective is to develop and assist member agencies with projects necessary to procure, install and upgrade major components of the radio systems over which the RWC has responsibility - for example, major system expansions to enhance capabilities, functions, or redundancy, or to incorporate technologies or functions required through legal mandates or vendor-driven changes.

The RWC identifies capital improvement projects via a governance and policy process. Projects and inventory are tracked, prioritized, and scheduled by the RWC Network Manager, the City of Phoenix Information Technology Services Department, which presents the projects' explanations and expected budgetary needs to RWC Administration. The costs are then distributed based on the number of radios in use by each agency, or by special assessments, and are then presented by the RWC Executive Director to the RWC Board of Directors for action. Specific RWC Working Groups may also be asked to consider and draft large-scale CIP projects as needed.

Solid Waste Disposal

The \$112.3 million Solid Waste Disposal program is funded by Solid Waste, Solid Waste Bond, and Solid Waste Remediation funds.

The Solid Waste Disposal program includes various projects at the City's landfills and transfer stations to ensure environmental compliance and support infrastructure upgrades.

New Solid Waste Disposal CIP projects are evaluated and prioritized using an annual project evaluation process. Staff submit a business case to provide information about the new program or project request. The evaluation report describes the project scope and identifies the essential needs criteria for the successful operation of the utility. The Public Works Director and Assistant Directors review the requests and evaluate and prioritize the projects in the following areas: customer service, system benefits and efficiency, project benefits and impact, system reliability, operational flexibility, system security, system replacement and rehabilitation, regulatory compliance, and system growth. In addition to staff reviews, a Citizens Solid Waste Rate Advisory Committee performs an advisory role in reviewing the Solid Waste Utility Financial Plan and advising on the operating and capital program expenses and projects.

Major projects include:

- 27th Avenue Materials Recovery Facility, Transfer Station, and Composting Facility Infrastructure Improvements and Expansion
- 27th Avenue Resource Innovation Campus Water, Sewer, and Electrical Infrastructure Improvements
- North Gateway Materials Recovery Facility and Transfer Station Infrastructure Improvements and Expansion
- SR 85 Landfill Infrastructure Improvements and Expansion
- Maintenance and monitoring of open and closed landfill gas systems
- Vehicle replacements

Street Transportation & Drainage

The Street Transportation and Drainage program totals \$1,198.1 million and is funded by General, Arizona Highway User Revenue, Capital Construction, Transportation 2050, Wastewater, 2023 General Obligation Bond, Capital Reserve, Development Impact Fee, and partner agency contribution funds.

The program includes ongoing major maintenance of streets and bridges, new and expanded streets, mobility improvements, pedestrian traffic safety improvements including the Roadway Safety Action Plan, technology enhancements and storm water improvements, and prioritizes an accelerated citywide pavement maintenance program.

The Street Transportation Department maintains an ongoing annual project identification and prioritization process. The process begins with the collection of “Call for Projects” forms submitted by staff. These forms require various quantitative data on the projects such as: relative traffic volume, speeds, collision history, existing pre-design efforts or studies, and ADA requirements. The requests are gathered and evaluated. Immediate funding needs for existing funded projects and programs, and local funding matches required to leverage outside funding, are prioritized. Prioritization of new project and program proposals considers immediate life safety needs; the existence of completed pre-design studies with economical, feasible and publicly supported recommendations; and equity in project distribution. Project prioritization outcomes are presented to department management for review.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City’s Infrastructure Financing Plan, which is reviewed by a citizens’ committee prior to public hearings and ultimate adoption by the City Council.

Projects funded by the 2023 General Obligation Bond Program were reviewed and prioritized by a citizens' General Obligation Bond Committee prior to approval by the City Council. They include the Hohokam Drainage and Laveen Flood Mitigation Programs, Residential Overlay, and Vision Zero Program Implementation.

Major projects planned include improvements to the following locations:

- Paradise Ridge Drainage Improvements
- Indian School Road: 39th Avenue to 91st Avenue
- Rio Salado River Bicycle/Pedestrian Bridge at 3rd Street
- Southern Avenue: 51st Avenue to 37th Drive
- Dobbins Road: SR 303 to 27th Avenue
- North Valley Parkway Bridge over the Sonoran Wash

Sustainability

The \$5.0 million Sustainability program is funded by General funds.

The Sustainability program provides funding for various citywide energy and water efficiency projects that reduce energy and water usage, while also decreasing ongoing operational costs. Cost savings realized from implementation of these projects may be used to replenish this fund for additional future projects.

Wastewater

The Wastewater program totals \$1,880.9 million and is funded by Wastewater, Wastewater Bond, Development Impact Fee, and Other Cities' Share in Joint Venture funds.

The Wastewater program includes infrastructure, safety, maintenance, technology and efficiency enhancements for the 91st Avenue and 23rd Avenue wastewater treatment plants, Cave Creek Water Reclamation Plant, North Gateway Advanced Water Reclamation Plant, multi-city and Phoenix sewer line systems, lift stations, support facilities and other related initiatives.

The need for a new water or wastewater CIP project is identified by various means such as: an identifiable operational issue, the result of a study, a condition assessment, age of equipment or infrastructure, new technology, growth, increased number of pipe breaks, developer requests, City Council requests, and neighborhood requests. Once it has been determined a project has merit, staff submit a project request form, and the proposed project is included in the department's annual Project Charter Process. The department's deputy directors of water and wastewater

engineering then determine optimal timing, the approach for lowest cost, and coordinate with the affected operational division. All current and new CIP projects are presented to department executive staff and prioritized based on factors including risk of failure, criticality, timing and funding availability. Staff recommendations are reviewed by the Water and Wastewater Rates and Advisory Citizens' Committee, and then by the City Council's Transportation, Infrastructure and Planning Subcommittee.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Water

The Water program totals \$2,775.0 million and is funded by Water, Wastewater, Water Bond, Solid Waste Bond, Capital Grant, Development Impact Fee, and Other Cities' Share in Joint Venture funds.

The Water program includes a new North Gateway Advanced Water Purification Plant, infrastructure improvements, technology and efficiency enhancements for water treatment plants, water storage facilities, wells, pressure reducing valve stations, booster pump stations, water and transmission mains and other water related initiatives. Investments in power redundancy and water resiliency programs ensure stable water delivery for customers.

The need for a new water or wastewater CIP project is identified by various means such as: an identifiable operational issue, the result of a study, a condition assessment, age of equipment or infrastructure, new technology, growth, increased number of pipe breaks, developer requests, City Council requests, and neighborhood requests. Once it has been determined a project has merit, staff submit a project request form, and the proposed project is included in the department's annual Project Charter Process. The department's deputy directors of water and wastewater engineering then determine optimal timing, the approach for lowest cost, and coordinate with the affected operational division. All current and new CIP projects are presented to department executive staff and prioritized based on factors including risk of failure, criticality, timing and funding availability. Staff recommendations are reviewed by the Water and Wastewater rates and advisory citizens' committee, and then by the City Council's Transportation, Infrastructure and Planning Subcommittee.

Development Impact Fee-funded projects are identified in accordance with state statutes, ensuring capital funding for service levels in planning areas is consistent with service levels in developed areas of the City. Identified projects are incorporated in the City's Infrastructure Financing Plan, which is reviewed by a citizens' committee prior to public hearings and ultimate adoption by the City Council.

Responsible Department

This item is submitted by City Manager Ed Zuercher, Deputy City Manager Amber Williamson, and the Budget and Research Department.