

CAPITAL IMPROVEMENT PLAN SUMMARY

In November 1983, the City Council established a five-year capital improvement planning process for physical improvements to public facilities and infrastructure. By resolution, it became City policy to engage in a continuous five-year capital improvement planning process that includes annual review, revision, and adoption of a five-year Capital Improvement Plan (CIP). The five-year CIP is revised annually to include new projects, reflect changes in priorities, and extend the plan an additional year. The first year of the plan is the current Capital Budget, and it is revised throughout the year as needs dictate or when changes are made to existing approved capital projects.

The CIP provides a schedule for capital project implementation and anticipated project allocations. Details on capital projects for public improvement programs which include allocation toward Fire, General Government, Homeless & Housing, Library, Parks, Police, Health, and Solid Waste Management projects; enterprise capital programs which include Airport, Wastewater, and Water projects; programs implemented citywide such as Storm Drainage System, Street & Traffic Control, Information Technology, Fleet, Equipment and Other projects; and component units.

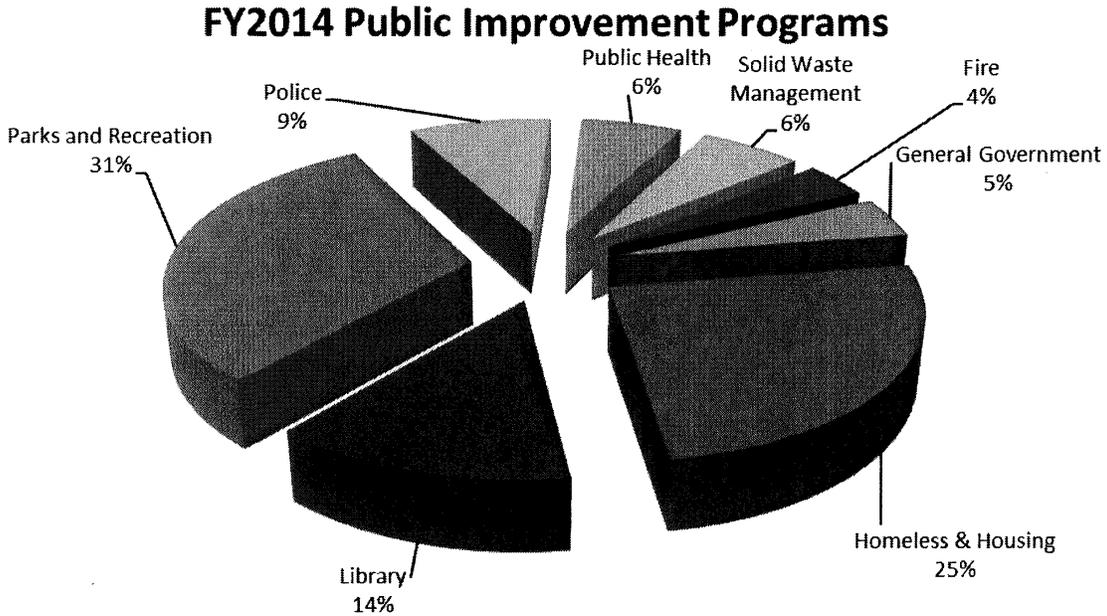
Presented below is a summary of the planned appropriations for the FY2014-18 CIP:

	2014	2015	2016	2017	2018	Total 2014 - 2018
Public Improvement Programs						
Fire	7,270	12,589	18,224	4,233	6,360	48,676
General Government	8,033	2,374	2,358	1,431	2,286	16,482
Homeless & Housing	44,442	54,774	-	-	-	99,216
Library	23,793	2,509	10,066	9,697	13,092	59,157
Parks and Recreation	54,383	51,397	51,244	33,065	27,304	217,393
Police	15,722	38,558	16,325	2,140	2,140	74,885
Public Health	11,146	9,242	42,654	14,652	12	77,706
Solid Waste Management	11,383	8,493	8,390	4,925	1,734	34,925
Subtotal	176,172	179,936	149,261	70,143	52,928	628,440
Enterprise Programs						
Aviation Facilities	192,398	206,177	325,210	154,953	205,159	1,083,897
Waste Water	194,243	202,194	161,040	167,584	231,809	956,870
Water	179,845	175,776	235,783	266,975	114,808	973,187
Subtotal	566,486	584,147	722,033	589,512	551,776	3,013,954
Citywide Programs						
Storm Drainage System	69,226	60,993	93,526	75,031	112,958	411,734
Street & Traffic Control	181,815	196,444	113,438	130,012	122,219	743,928
Technology	42,932	10,354	6,141	4,141	3,968	67,536
Fleet	44,218	30,092	33,803	24,150	23,203	155,466
Equipment & Other	6,150	5,292	5,292	5,292	5,292	27,318
Subtotal	344,341	303,175	252,200	238,626	267,640	1,405,982
Component Units	199,521	147,449	100,455	138,741	79,600	665,766
Overlap Between Component Units and Public Improvement Programs	(40,250)	(38,250)	(40,000)	(25,300)	(24,600)	(168,400)
Grand Total	1,246,270	1,176,457	1,183,949	1,011,722	927,344	5,545,742

The FY2014 Capital Improvement Plan calls for the appropriation of \$1.2 billion in FY2014. Of the total appropriations planned for FY2014, \$566 million is from Enterprise Programs with user-fee supported funds, which addresses a full range of capital facility and infrastructure improvements. Among other funding sources are the issuance of tax-supported Public Improvement Bonds (PIBs) and citywide programs. The citizens of Houston approved a Bond Election for \$625 million in November 2006 and \$410 million in November 2012.

Of the \$176 million in public improvement programs, the Parks and Recreation program is the largest making up 31% which is \$54 million of the planned appropriations in FY2014 (See Figure 1), followed by Homeless & Housing with \$44 million at 25% of the FY2014 total.

Figure 1.

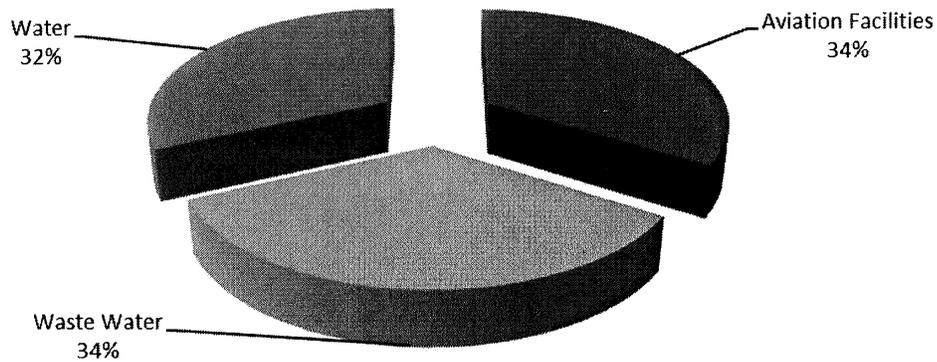


Public improvement projects include vertical and horizontal construction projects for general public use, services, and safety. Significant projects are the continued construction, rehabilitation and renovation of the library system; continued implementation of the "Parks Master Plan" program; public safety facilities; replacement, rehabilitation and construction of fire stations; and replacement or upgrading of solid waste facilities.

The Enterprise Programs include projects that are primarily funded from user-fee-supported revenues. The Enterprise Programs for FY2014 total \$566 million. This is distributed among the three programs as illustrated in Figure 2. The Water and Wastewater combined constitutes 68% of the enterprise programs and represents \$368 million of the planned appropriations. Aviation Facilities Improvements represent \$192 million.

Figure 2.

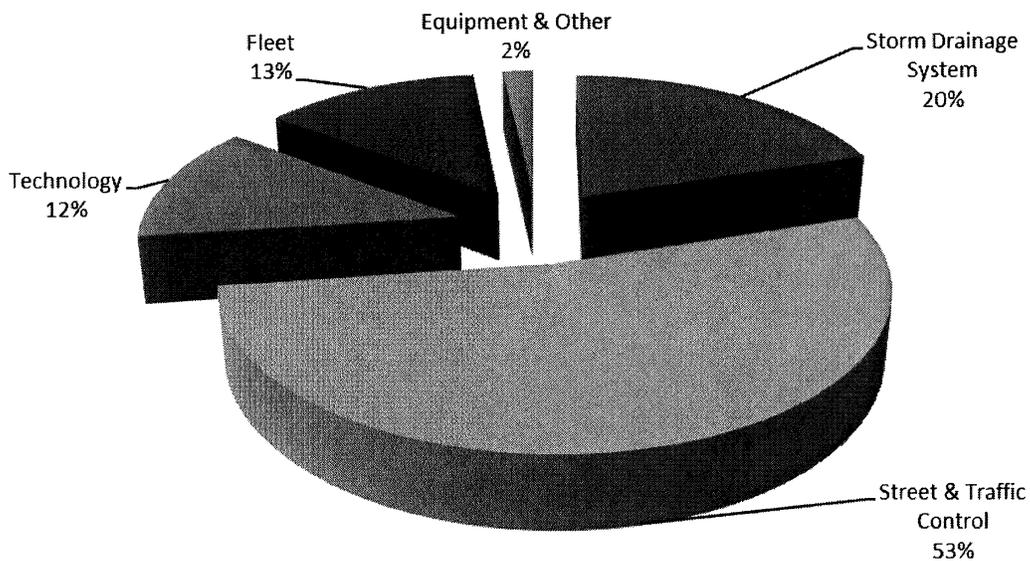
FY2014 Enterprise Programs



The Citywide programs include projects which have an impact on all departments' operations. The Citywide programs for FY2014 total \$344 million. The largest impact is Street & Traffic Control which constitutes 53% of funding allocation with \$182 million; followed by Storm Drainage System projects at \$69 million (see Figure 3).

Figure 3.

FY2014 Citywide Programs



FISCAL YEAR 2015 BUDGET

Funding sources which support the CIP include bond proceeds and commercial paper, Community Development Block Grants, Metropolitan Transit Authority funds, Harris County funds, Federal Aviation Administration funds, Airport Improvement funds, Environmental Protection Agency funds, Texas Department of Transportation funds, and enterprise system user fees.

Capital improvement costs in the CIP are classified into two categories: direct project costs and associated increases to annual operational costs. Examples of direct project costs include purchases of land or facilities, design and construction of new facilities or renovation of existing facilities, and initial equipment purchases for new or renovated facilities. Operating cost includes staffing, maintenance or service (including electrical) costs related to new, renovated or expanded facilities, and also debt expenditures related to Tax Supported and Revenue bonds. The impacts of operating costs are monitored closely for inclusion in each department's annual operating budget.

As of April 15, 2014, a working draft is in progress to document operational cost and the operational impact on the capital budget. Efforts are in place to provide this information into the capital budget description.

The following chart outlines anticipated appropriations within the Capital Improvement Plan for FY2014 for both Public, Enterprise, and Citywide programs over \$10 million. These projects include all funding sources available to the City of Houston, including partnerships with other governments and private entities. Planned appropriations are correlated to spending, however, due to the nature and length of construction timelines, spending can span multiple fiscal years.

Project ID	Project Name	Planned Appropriation (\$)
Various	FIN - Bayou Greenways Initiative	54,383,000
A-000594	Parking Technology	11,000,000
A-000509	Landside Roadway Improvements - IAH	12,000,000
A-000592	Hobby Roadway Relocation	12,000,000
A-000310	Refurbish Parking Garage	50,300,000
A-000600	PN 719 Term D Intl Facility IMP & ADD	61,100,000
M-000290	Montrose/Midtown Drainage and Paving	10,877,000
N-000597	Brittmoore Paving & Drainage	10,844,000
N-000784	Buffalo Speedway Paving & Drainage	11,536,000
N-000708	Parker Road Paving & Drainage	12,165,000
N-000670	Railroad Crossing Improvements	13,190,000
N-000398	NSR Project 465	15,541,000
N-000400	NSR Project 467	16,144,000
N-000696	Northline Paving & Drainage	17,404,000
N-000573	Broadway Paving & Drainage	17,538,000
P-000012	HCD - Mayor's Plan to End Chronic Homelessness PSH Implementation	44,442,000
R-000295	Citywide TCEQ Compliance Program	13,170,000
R-000266	Neighborhood Sewer Rehabilitation Program	38,000,000
R-000267	Lift Station Renewal & Replacement	48,239,000
R-000265	Waste Treatment Plant Improvements	49,826,000
S-000012	Southeast Water Purification Plant	10,510,000
S-001000	Pump Station Program	18,188,000
S-000066	Northeast Water Purification Plant	18,741,000
S-000900	Surface Water Transmission Program	19,334,000
S-000056	East Water Purification Plant	30,693,000
S-000035	Neighborhood Water Main Replacement	35,183,000
W-208305	Combined Utility System Gen Purpose	10,935,000
X-160017	HITS - C SMART	12,000,000
X-100010	HPD Records Management System	13,473,086