

## 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 CIP 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 appropriation of capital projects. Details on capital projects for public improvement programs include allocations toward Fire, General Government, Homeless & Housing, Library, Parks, Police, Health, and Solid Waste Management projects. Enterprise capital programs include Airport, Storm Drainage System, Street & Traffic Control, Wastewater, and Water projects. Programs implemented citywide include Information Technology and Fleet projects. The City of Houston Fiscal Year 2022 – 2026 Adopted Capital Improvement Plan is available online at <http://www.houstontx.gov/cip/22cipadopt/>.

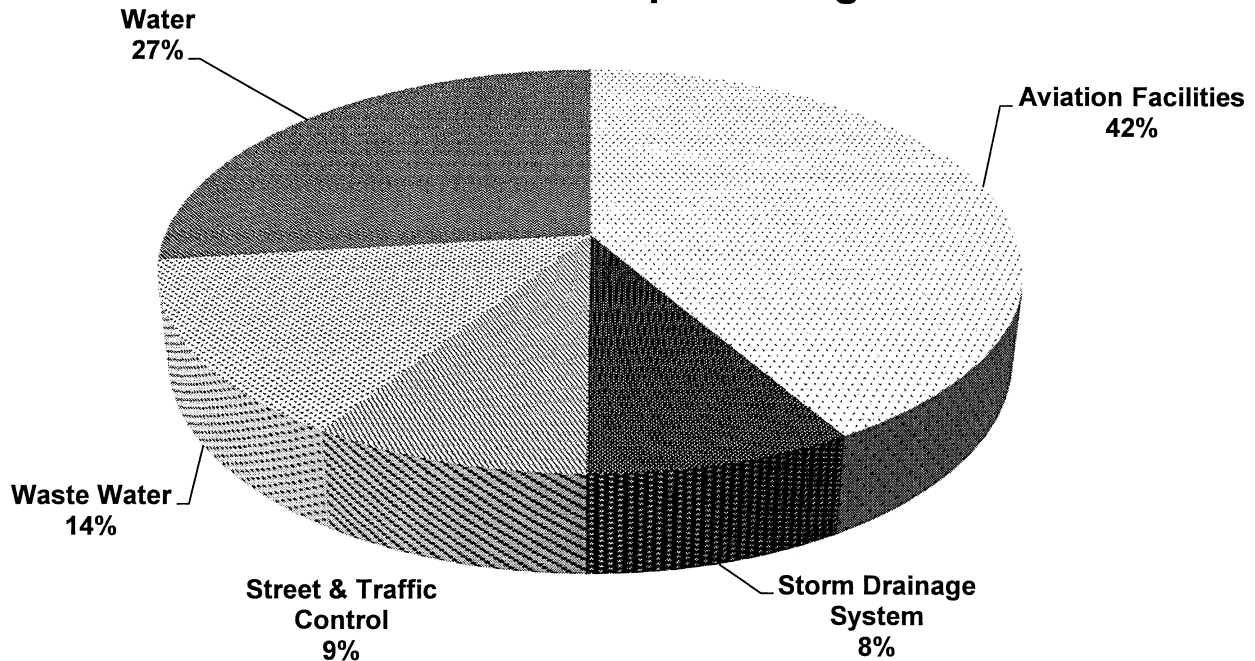
Presented below is a summary of the planned appropriations for the Adopted FY2022 - FY2026 CIP:

FY2022 - FY2026 Adopted CIP (\$ Thousands)						
	2022	2023	2024	2025	2026	Total 2022-2026
<b>Public Improvement Programs</b>						
Fire	22,380	16,356	6,697	7,949	24,962	78,345
General Government	59,674	90,631	6,459	1,366	3,366	161,495
Health	5,514	10,248	14,846	853	853	32,315
Homeless & Housing	3,120	-	-	400	880	4,400
Library	7,483	3,265	19,652	18,868	866	50,134
Parks and Recreation	20,527	27,298	30,962	16,188	4,654	99,629
Police	16,355	22,730	12,973	5,973	5,064	63,096
Solid Waste Management	2,254	1,273	1,084	514	514	5,639
<b>Subtotal</b>	<b>137,308</b>	<b>171,802</b>	<b>92,674</b>	<b>52,111</b>	<b>41,158</b>	<b>495,053</b>
<b>Enterprise Programs</b>						
Aviation Facilities	960,827	325,598	117,425	3,579	-	1,407,429
Storm Drainage System	195,769	291,333	218,070	134,863	86,485	926,519
Street & Traffic Control	202,893	262,807	139,723	321,952	111,593	1,038,968
Wastewater	325,628	494,210	237,485	220,534	182,358	1,460,216
Water	622,936	259,536	349,694	233,921	186,508	1,652,596
<b>Subtotal</b>	<b>2,308,052</b>	<b>1,633,484</b>	<b>1,062,398</b>	<b>914,849</b>	<b>566,945</b>	<b>6,485,728</b>
<b>Citywide Programs</b>						
Technology	18,930	8,753	7,541	3,298	938	39,460
Fleet	54,707	31,020	31,310	25,909	32,094	175,040
<b>Subtotal</b>	<b>73,637</b>	<b>39,773</b>	<b>38,851</b>	<b>29,207</b>	<b>33,032</b>	<b>214,500</b>
<b>City Programs Total</b>	<b>2,518,997</b>	<b>1,845,059</b>	<b>1,193,923</b>	<b>996,167</b>	<b>641,135</b>	<b>7,195,282</b>
<b>Component Units</b>	<b>353,267</b>	<b>352,315</b>	<b>178,115</b>	<b>146,386</b>	<b>27,077</b>	<b>1,057,161</b>
<b>Overlap Between Component Units and Public Improvement Programs</b>	<b>(2,911)</b>	<b>(65,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68,611)</b>
<b>Grand Total</b>	<b>2,869,354</b>	<b>2,131,674</b>	<b>1,372,038</b>	<b>1,142,553</b>	<b>668,212</b>	<b>8,183,831</b>

## Enterprise Programs

The Adopted Capital Improvement Plan calls for the appropriation of \$2.9 billion in FY2022. Of the total appropriations planned for the current plan year, \$2.3 billion are from Enterprise Programs. Enterprise programs include projects that are primarily funded from user-fee supported funds, which address a full range of capital facility and infrastructure improvements and distributed among the five programs as illustrated in the chart below. Of all enterprise funding the largest program, with 42% of the enterprise allocation, is Aviation Facilities Improvements. These improvements are funded from various sources including the Airport Improvement Fund (Fund 8011), Airport Renewal and Replacement Fund (Fund 8010), Commercial Paper / General Airport Revenue Bonds and passenger facility charges.

### FY2022 Enterprise Programs



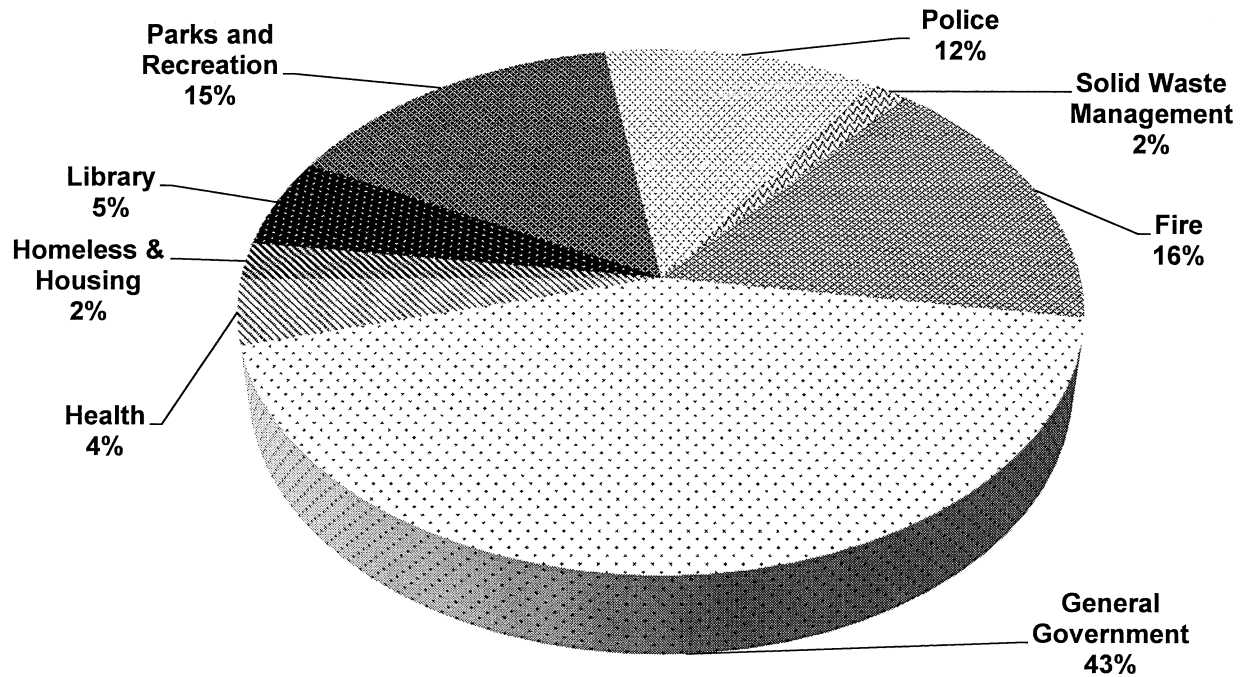
*\* The Dedicated Drainage and Street Renewal Funds for Street & Traffic Control, Storm Drainage and METRO Projects Construction are not technically enterprise funds, but are grouped with Enterprise Programs for clarity.*

## Public Improvement Programs

The citizens of Houston approved a Bond Election for \$625 million in November 2006, \$410 million in November 2012 and \$495 million in November 2017. 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. However, the focus of the Fiscal Year 2022-2026 Adopted Capital Improvement Plan is Hurricane Harvey Recovery.

Of the \$137 million in the public improvement programs, General Government utilizes approximately \$60 million at 43% of the total. Public improvement programs are funded with both non-debt and debt funding sources. The majority of the FY2022 public improvement program projects will be funded with General Obligation bonds.

## FY2022 Public Improvement Programs

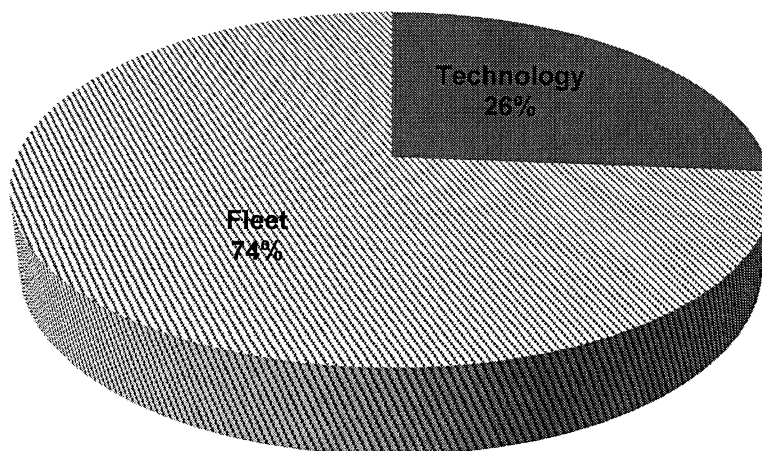


*Note: Figures may not add to 100% due to rounding.*

### Citywide Programs

The Citywide programs include projects that may impact the Houston area citywide or departmental operations. The Citywide programs for FY2022 total about \$74 million. Fleet Management constitutes 74% of the funding allocation with \$55 million. Technology projects make up the remainder with a \$19 million allocation. The Fleet and Technology programs provide improvements and equipment necessary for City services and business processes. Fleet will use funding to purchase new vehicles for departments citywide.

## FY2022 Citywide Programs



### Non-Debt Funding Sources

Funding sources which support the CIP include but are not limited to bond proceeds and commercial paper, Metropolitan Transit Authority funds, Harris County funds, Houston Parks Board funds, Federal Aviation Administration funds, Airport Improvement funds, Texas Department of Transportation funds, and Enterprise system user fees. Both Public Improvement and Citywide programs use non-debt funding sources to supplement department needs.

Presented below is a summary of the planned appropriations for FY2022 - FY2026 with the percentage of non-debt funding sources used by each program:

<b>General Obligation Bond Summary Fiscal Year Planned Appropriations (\$ Thousands)</b>		
	<b>FY2022- FY2026</b>	<b>Leverage of Non-Debt Funding Sources</b>
<b>Public Improvement Programs</b>		
Fire	78,345	0%
General Government	155,495	4%
Health	32,315	0%
Homeless & Housing	4,400	0%
Library	50,134	0%
Parks and Recreation	87,734	12%
Police	52,396	17%
Solid Waste Management	5,639	0%
<b>Subtotal</b>	<b>466,459</b>	<b>6%</b>
<b>Citywide Programs</b>		
Technology	39,460	0%
Fleet	151,809	13%
<b>Subtotal</b>	<b>191,269</b>	<b>11%</b>

### Impact to Operating Budget

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 costs include staffing, maintenance or service (including electrical) costs related to new, renovated or expanded facilities. The impacts of operating costs on capital projects are monitored closely for inclusion in the annual operating budget.

## FISCAL YEAR 2022 BUDGET

Presented below is a summary of the projected General, Aviation and Houston Public Works operational costs associated with the Adopted FY2022 - FY2026 CIP:

Fiscal Year Planned Operational Cost (\$Thousands)						
	2022	2023	2024	2025	2026	Total 2022 - 2026
Equipment	-	-	-	-	-	-
Other	1,986	22,982	65,554	86,666	171,346	348,534
Personnel	600	725	725	763	765	3,578
Services	837	1,576	2,191	2,223	2,180	9,007
Supplies	-	170	189	194	199	753
<b>Subtotal</b>	<b>3,423</b>	<b>25,453</b>	<b>68,659</b>	<b>89,846</b>	<b>174,491</b>	<b>361,872</b>
Revenue	-	20,996	63,568	84,680	142,262	311,506
Savings	-	-	422	428	441	1,291
<b>*Subtotal</b>	<b>-</b>	<b>20,996</b>	<b>63,990</b>	<b>85,108</b>	<b>142,703</b>	<b>312,797</b>
<b>Grand total</b>	<b>3,423</b>	<b>4,457</b>	<b>4,669</b>	<b>4,738</b>	<b>31,787</b>	<b>49,074</b>
<i>Source of Funds</i>						
Aviation	-	1,123	1,245	1,282	1,320	4,969
General Fund	3,423	3,334	3,846	3,884	3,811	18,298
Houston Public Works	-	-	(422)	(428)	26,657	25,807
<b>Total funds</b>	<b>3,423</b>	<b>4,457</b>	<b>4,669</b>	<b>4,738</b>	<b>31,787</b>	<b>49,074</b>

\*Revenue and savings are shown as offsets to planned operational costs.

Of the \$3.4 million of projected operational costs for FY2022, 17.5% will cover new staffing previously not needed for the issuance of city services with the majority of personnel being related to the Houston Police Department's Body Cameras project.

Presented below is the project listing of the operational impacts planned for FY2022. A complete list is available within the City of Houston Fiscal Year 2022 - 2026 Adopted Capital Improvement Plan and online at <http://www.houstontx.gov/cip/22cipadopt/>.

OPERATIONAL IMPACT 2022-2026 CAPITAL IMPROVEMENT PLAN (\$ Thousands)					
CIP No.	Project	Operational Costs	Revenue	Savings	Net Impact
D-000211	City Wide Key Program	25	-	-	25
D-000226	Facility Condition Reassessments	103	-	-	103
E-000240	Pleasantville HPL Express	459	-	-	459
F-000849	Restroom Building Upgrades	37	-	-	37
F-000853	Brock Adventure Park (BAP)	195	-	-	195
L-000107	Bioremediation of Pollution Controls	25	-	-	25
X-100052	HPD - Body Cameras	533	-	-	533
X-250002	GSD - Work Order System	15	-	-	15
X-340010	HPL - Radio Frequency ID Technology	57	-	-	57
X-680015	HITS - Network Refresh	64	-	-	64
X-680038	HITS - IT Help Desk Software Upgrades	100	-	-	100
X-680044	HITS - Managed Contract Services	1,810	-	-	1,810
<b>Total:</b>		<b>3,423</b>	<b>-</b>	<b>-</b>	<b>3,423</b>

## Anticipated Appropriations

The following table outlines anticipated appropriations within the Capital Improvement Plan for FY2022 for Public Improvement, 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.

Projects Over \$10 Million		
CIP No.	Project Name	FY2022 Planned Appropriations (\$ Thousands)
A-000800	Executive Program Manager Services-ITRP	649,734
S-000065	NE Water Purification Plant Expansion	401,136
S-000900	Surface Water Transmission Program	122,537
R-000267	Lift Station Renewal & Replacement	103,981
N-321040	Citywide Street & Traffic Rehabilitation	94,721
R-000536	Wastewater Treatment Plant Consolidation	76,065
A-000701	PN 965-Concessions Work at IAH & HOU	70,000
R-000266	Neighborhood Sewer Rehab Program	48,690
M-43HCFC	Harris County Flood Control Dist Agrmt	44,051
A-000527	Non-Standard FAA Taxiways at HOU	43,193
R-000265	Wastewater Treatment Plant Improvements	41,505
A-000683	PN 948-Axiom Spaceport Development	40,196
A-000515	Rehab Taxiway SA,SB & RA - GBIAH	37,450
M-430296	Regional Stormwater Detention	32,442
S-000056	East Water Purification Plant	29,008
T-1635B0	Memorial Park Infrastructure Phase I	28,400
R-000298	Alameda Sims Wastewater Treatment Plant	25,834
A-000684	PN 949 - Project Anchor	25,600
D-200001	Central Police Renovation and HPC Garage	23,062
T-0523A0	Shepherd Drive Reconstruction Project	21,500
D-160010	MCD - Replacement Facility	20,105
N-100021	Fondren Paving and Drainage	18,223
M-410006	Arlington Heights Area	17,578
M-420HUD	CDBG Disaster Recovery Program	17,515
M-430006	Storm Water Action Team (SWAT)	17,500
N-000815	Westpark Paving & Drainage	16,074
A-000590	Rehabilitate and Expand ARFF Station-HAS	15,857
M-430241	Stormwater Pump Station & Flood Warning	15,738
S-000500	Water Improvements under M/N	15,232
N-210001	Houston Heights, John Brasher, Memorial	14,997
S-001000	Pump Station Program	12,416
M-410014	Wynnewood Acres Area	12,302
T-191400	Shepherd Drainage System Improvements	12,080
M-420126	Local Drainage Program (LDP)	12,000
T-052500	Reconstruct Bridges Over White Oak	12,000
N-100029	Kirkwood Paving and Drainage	11,310
W-12ERES	HFD - Emergency Response Vehicles	10,271
N-100008	Fondren Road Paving & Drainage	10,154
W-10ERES	HPD - Emergency Response Vehicles	10,133