MOTION NO. 2014 0682

MOTION by Council Member Stardig that the recommendation of the Director of the Finance Department, for approval of the Fiscal Year 2015-2019 Capital Improvement Plan (CIP) and to establish a charge for copies, be adopted, and the 2015-2019 Capital Improvement Plan as amended by Motion Nos. 2014-667, 2014-668, 2014-669, 2014-671, 2014-672, 2014-674, 2014-675, 2014-678, 2014-679, 2014-680, 2014-681 together with the attached recommended modifications is hereby approved by the City Council, and a charge of $75.00, plus tax and postage, for the sale of Volume One, Volume Two and the Executive Summary and $5.00 plus postage for a CD version, is hereby established for the sale of said documents.

Seconded by Council Member Cohen and carried.

Mayor Parker, Council Members Stardig, Cohen, Martin, Nguyen, Pennington, Gonzalez, Gallegos, Laster, Green, Costello, Robinson, Kubosh, Bradford and Christie voting aye
Nays none
Council Members Davis and Boykins absent

PASSED AND ADOPTED this 9th day of July 2014.

Pursuant to Article VI, Section 6 of the City Charter, the effective date of the foregoing motion is July 15, 2014.

City Secretary

ACKNOWLEDGEMENTS

Finance Department

Kelly Dowe, Chief Business Officer

Jennifer Olenick, Assistant Director

Public Works and Engineering

Dan Menendez, Deputy Director

John Silva, Assistant Director

General Services Department

Richard Vella, Assistant Director

Morgan Porter, Deputy Assistant Director

Houston Airport System

Mario Diaz, Director

Department CIP Coordinators and Support Staff

Lisa Johnson, General Services
Carter Roper, Library
Les Jones, Airport
Alpna (Simmi) Khana, Airport
Keith Goodwin, Airport
Charlie Lee, Solid Waste
Lance Tillman, Public Works
Al Owens, Fleet Management
Chief M. Donovan, Fire
Calvin Curtis, Fire
Mark Ross, Parks
Stephen Hanner, Police
Claudette Manning, Public Health
Gary Readore, Solid Waste
Frank Simoneaux, Public Works
Mark Board, Public Works
Angela Simon, Housing

Treasury and Capital Management Division, Finance Department

Jaime Alvarez
Veronica Lizama
Steve Francis
James Clay
Christopher Gonzales
Mary Thomas
Candice Johnson
Erikah Abdu

Image Solutions

David T. Zepeda

CITY OF HOUSTON
ELECTED OFFICIALS

Annise D. Parker	Mayor
Ronald C. Green	City Controller
Brenda Stardig	District A
Jerry Davis	District B
Ellen Cohen	District C
Dwight Boykins	District D
Dave Martin	District E
Richard Nguyen	District F
Oliver Pennington	District G
Edward Gonzalez	District H
Robert Gallegos	District I
Mike Laster	District J
Larry Green	District K
Stephen C. Costello	At Large Position 1
David W. Robinson	At Large Position 2
Michael Kubosh	At Large Position 3
C.O. "Brad" Bradford	At Large Position 4
Jack Christie	At Large Position 5

CITY OF HOUSTON
DEPARTMENT DIRECTORS

Departments	Directors
Administration and Regulatory Affairs	Tina Paez
Aviation	Mario C. Diaz
City Secretary	Anna Russell
Finance	Kelly Dowe
Fire	Chief Terry Garrison
Fleet Management	Kenneth Hoglund
General Services	Scott Minnix
Health & Human Services	Stephen L Williams
Housing and Community Development	Neal Rackleff
Houston Emergency Center	David F. Cutler
Human Resources	Omar Reid
Information Technology	Charles T. Thompson
Legal	David Feldman
Library	Dr. Rhea Brown Lawson
Municipal Courts	Barbara E. Hartle
Neighborhoods	Katherine Tipton
Office of Business Opportunity	Carlecia Wright
Parks & Recreation	Joe Turner
Planning & Development	Patrick Walsh
Police	Chief McClelland
Public Works and Engineering	Daniel W. Krueger, P.E.
Solid Waste Management	Harry Hayes

Abstract

The Fiscal Year 2015-2019 Capital Improvement Plan (CIP) is a forward looking document outlining the City of Houston's infrastructure improvement strategy. This plan organizes projects by priority, project capacity and timing constraints, and identifies funding sources for all anticipated projects. This organization creates a realistic plan to address the current and expected infrastructure needs of Houston, subject to resource constraints.

The Executive Summary book is organized by department for easier reference to specific projects. Each section provides a summary of funding sources (Form D), and then an expanded list of funding sources by project (Form C). For each project identified in the Form C, a detail page (Form A) is provide in the separate Capital Project Profiles Book in project number order. The Form A provides specific information for each project including description, justification, and location. Unlike previous years CIP, an additional form (Form R) has been included to provided to select sections. The Form R provides project that relevant to the department but is listed in another section. For example, the EMS Patient Database project is located in the Information Technology section because of its technological element but referenced on the Houston Fire Departments Form R because it's the requesting department.

EXECUTIVE SUMMARY

The Capital Improvement Plan is vital to our City. It is a plan for physical improvements to public facilities and infrastructure throughout Houston. The underlying motive behind these programs is to improve safety, mobility, and lifestyles of Houstonians, and in turn to have a positive impact on the local economy. Recognition of this importance prompted City Council in November 1983 to establish the five-year capital improvement planning process. By resolution, it became City policy to engage in a continuous process that includes annual review, revision, and adoption of a five year Capital Improvement Plan. Public meetings are also held annually in each City Council District to provide citizens an opportunity to comment on the process and recommend projects to be included in the plan.

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 City's current fiscal year, which runs from July 1, 2014 through June 30, 2015. It is adjusted throughout the year, as needs dictate or when changes are made to existing approved projects. This year's CIP continues the Administration's priorities of rehabilitation and replacement of the City's existing facilities.

The current Adopted and Active CIP can be viewed online at www.houstontx.gov/cip/index.html.

The Adopted FY2015-2019 CIP: Major Parts

The FY2015-2019 CIP calls for the appropriation of $6.91 billion during the five-year period for the major categories of programs: enterprise and public improvement programs. Of the total planned appropriations, $6.09 billion is for projects in the enterprise fund programs (Houston Airport System and Public Works & Engineering).

The Houston Airport System program is supported by revenues from the air travel industry.

The Combined Utility System program is supported by revenues from water and wastewater commercial and residential customers.

EXECUTIVE SUMMARY

The ReBuild Houston program planned total of 1.19 billion, is supported by fees, Metro funds, and other sources. The remaining $821 million addresses a full range of capital facility and infrastructure improvements, which will be financed with Public Improvement Bonds (PIBs) and other miscellaneous funding sources such as grants. These programs include Fire, Library, Parks, Police, Public Health, Solid Waste Management, General Government, Storm Drainage, Technology, Fleet, Streets and Traffic Control, and Housing.

In the FY2015-2019 CIP are the capital improvements of the Component Units of the City of Houston.

Public Improvement Bond Program amounts authorized by the voters in November 2012 are broken down as follows:

Public Safety Facilities Improvement Bonds	144 Million
Parks and Recreation Facility Improvement Bonds	166 Million
General Public Improvement Bonds	57 Million
Library Improvement Bonds	28 Million
Affordable Housing Bonds	15 Million
	$ 410 Million

In the FY2015 CIP, a Capital Improvement Council District Service Project Program was established by council amendment, which allocates up to $6 million from the Unused General Obligation Bond Fund Balance and the Dedicated Drainage Street Renewal Fund (DDSRF). Each District Council Member shall be allocated an equal amount to be used on neighborhood needs and would be spent on projects as permitted by voter authorized category, State law, City Charter, ordinances, contractual obligations, and with approval by the Mayor.

All Funding Sources

Fiscal Year Planned Appropriations ($ Thousands)

	2015	2016	2017	2018	2019	2015- 2019
Public Improvement Programs						
Fire	18,431	24,145	5,867	5,950	8,012	62,405
General Government	4,362	6,620	14,343	46,939	3,510	75,774
Homeless & Housing	36,712	41,217	13,300	13,300	13,300	117,829
Library	12,591	10,257	10,106	14,697	1,679	49,330
Parks and Recreation	72,850	91,904	69,137	47,373	26,466	307,730
Police	61,942	54,051	16,106	1,755	1,689	135,543
Public Health	7,458	15,439	15,942	7,689	1,166	47,694
Solid Waste Management	13,173	2,507	7,533	1,306	243	24,762
Subtotal	**227,519**	**246,140**	**152,334**	**139,009**	**56,065**	**821,067**
Enterprise Programs						
Aviation Facilities	277,111	220,481	306,336	131,400	281,628	1,216,956
Storm Drainage System	101,047	95,935	74,061	81,746	96,007	448,796
Street & Traffic Control	179,542	133,107	159,945	140,262	129,098	741,954
Waste Water	181,887	185,787	167,782	188,435	268,227	992,118
Water	339,643	385,697	924,266	611,609	435,316	2,696,531
Subtotal	**1,079,230**	**1,021,007**	**1,632,390**	**1,153,452**	**1,210,276**	**6,096,355**
Citywide Programs						
Technology	23,270	5,866	7,503	3,442	3,124	43,205
Fleet	46,922	34,137	35,531	36,101	36,770	189,461
Subtotal	**70,192**	**40,003**	**43,034**	**39,543**	**39,894**	**232,666**
Component Units	**271,696**	**257,048**	**170,835**	**113,863**	**38,441**	**851,883**
Overlap Between Component Units and Public Improvement Programs	(16,216)	(58,955)	(35,506)	(20,158)	(17,440)	(148,275)
Grand Total	**1,632,421**	**1,505,243**	**1,963,087**	**1,425,709**	**1,327,236**	**7,853,696**

General Obligation Bond Summary

	Fiscal Year Planned Appropriations ($ Thousands)						Non-Debt Funding Sources
	2015	2016	2017	2018	2019	2015- 2019	
Public Improvement Programs							
Fire	17,231	24,145	5,867	5,950	8,013	61,206	2%
General Government *	4,362	6,620	14,343	46,939	3,510	75,774	7%
Homeless & Housing	6,285	-	3,000	3,000	3,000	15,285	87%
Library *	5,336	9,908	10,106	14,697	1,679	41,726	15%
Parks and Recreation	26,660	45,974	39,240	15,807	11,557	139,238	55%
Police	40,942	20,451	6,911	1,755	1,689	71,748	47%
Public Health *	7,458	15,439	15,942	7,689	1,166	47,694	0%
Solid Waste Management *	13,173	2,507	7,533	1,306	243	24,762	0%
Subtotal	**121,447**	**125,044**	**102,942**	**97,143**	**30,857**	**477,433**	**43%**
Citywide Programs							
Technology	16,007	4,288	6,395	2,177	2,016	30,883	29%
Fleet	25,515	16,671	17,580	17,563	17,563	94,892	50%
Traffic	10,119	-	-	-	-	10,119	99%
Subtotal	**51,641**	**20,959**	**23,975**	**19,740**	**19,579**	**135,894**	**98%**
Projects with a Dedicated Funding Source for Debt Service **	(8,610)	-	-	-	-	(8,610)	
Grand Total	**164,478**	**146,003**	**126,917**	**116,883**	**50,436**	**604,717**	
Principal Payable from Ad valorem taxes on Existing Debt	**182,179**	**185,694**	**219,819**	**233,124**	**203,454**	**1,024,270**	
Net Increase (Decrease) to Outstanding Debt	**(17,701)**	**(39,691)**	**(92,902)**	**(116,241)**	**(153,018)**	**(419,553)**	

* Based on projections, these programs will require a Future Bond Election to fund Fiscal Year 2018 & 2019, which is expected as bond elections are typically structured to last approx. 5 years. The 2012 Bond Election therefore was expected to fund FY 2013-2017. The CIP would require a Future Bond Election to occur no later than November 2016.

** Fund 1850 is used for projects that is expected to generate sufficient revenues or expenditure savings such that those revenues or expenditures savings will be used directly to cover associated debt service, and therefore, does not rely on the "Transfer to PIB Bonds Debt Service" from the General Fund.