



# Budget Discussion #3

# Capital Improvement Plan

Monday, August 28, 2023



# Today's Agenda

## Section I: Property Tax-Backed Issuances

- Background
- Ability to Pay
- Tax Rates
- Considerations When Reorganizing Projects
- Capital Projects Overview
- O&M Impacts of CIP
- Discussion

## Section II: Enterprise (Water & Sewer) Revenue-Backed Issuance

- Background/Process Overview
- Capital Projects Overview
- O&M Impacts of CIP
- Discussion

# Future with Purpose



<b>Why (Community)</b>	<p align="center"><b><u>Strategic Priorities</u></b>  <i>Helps to focus the attention of Council and Staff on priorities important to creating community</i></p>						<p align="center"><b><u>Community Survey</u></b>  <i>Community feedback that influences planning</i></p>				
<b>How (Strategic Planning)</b>	<p align="center"><b><u>Comprehensive Plan</u></b>  <i>The policy document that assists in anticipating and guiding future development trends and service needs to promote balanced growth and a superior quality of life</i></p>										
	<p align="center"><b>Sound Infrastructure</b></p> <table border="0"> <tr> <td data-bbox="311 644 711 1017"> <p align="center"><b><u>Water Master Plan</u></b>  <i>Keeps water coming to Pearland for years to come</i></p> </td> <td data-bbox="711 644 1111 1017"> <p align="center"><b><u>Wastewater Master Plan</u></b>  <i>Treats the water coming out of houses and businesses</i></p> </td> <td data-bbox="1111 644 1512 1017"> <p align="center"><b><u>Drainage Master Plan</u></b>  <i>Keeps water moving out of Pearland</i></p> </td> <td data-bbox="1512 644 1912 1017"> <p align="center"><b><u>Thoroughfare Plan</u></b>  <i>Helps to keep traffic moving through Pearland</i></p> </td> <td data-bbox="1912 644 2134 1017"> <p align="center"><b><u>Multimodal Plan</u></b>  <i>Helps shape how people get around Pearland</i></p> </td> </tr> </table>					<p align="center"><b><u>Water Master Plan</u></b>  <i>Keeps water coming to Pearland for years to come</i></p>	<p align="center"><b><u>Wastewater Master Plan</u></b>  <i>Treats the water coming out of houses and businesses</i></p>	<p align="center"><b><u>Drainage Master Plan</u></b>  <i>Keeps water moving out of Pearland</i></p>	<p align="center"><b><u>Thoroughfare Plan</u></b>  <i>Helps to keep traffic moving through Pearland</i></p>	<p align="center"><b><u>Multimodal Plan</u></b>  <i>Helps shape how people get around Pearland</i></p>	<p align="center"><b>Connected Community</b></p> <p align="center"><b><u>Parks and Recreation Master Plan</u></b>  <i>Leverages community feedback to provide direction for quality of life features in Pearland</i></p>
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# CIP Planning & Budgeting Overview



Today's meeting is a culmination of:

- Pre-award Memos
- Project Update Memos
- Bi-Monthly Milestone Report
- Quarterly CIP Update Series

**Today** we will discuss what we are building, and what it takes to fund, operate and maintain these projects.

# 2024 CIP Planning & Budgeting Overview



## Past CIP Update Series

- Monday, July 25, 2022, 6:30 pm – CIP Adoption by Resolution
- Monday, October 17, 2022, 4:00 pm – Parks & Facilities CIP Update Series
- Monday, December 12, 2022, 4:00 pm – Water & Wastewater CIP Update Series
- **Monday, March 20, 2023, 4:00 pm – CIP Workshop**
- Monday, June 19, 2023, 6:30 pm – Planning and Zoning CIP Recommendation
- Monday, June 26, 2023, 4:00 pm – Drainage & Transportation CIP Update Series

## Upcoming CIP Items

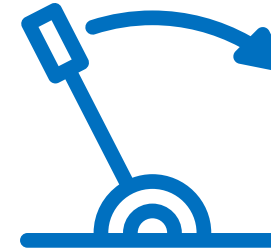
- Monday, September 11, 2023, 6:30 pm – CIP Adoption by Resolution
- Monday, October 16, 2023, 4:00 pm – Parks & Facilities CIP Update Series
- Monday, December 11, 2023, 4:00 pm – Water & Wastewater CIP Update Series

# Capital Project Financing Overview



## Policy & Planning

- March 2023: CIP Workshop
- September 2023: CIP Adoption



Council decisions here will affect **FY25** DS Tax Rate and Utility Rate

## Execution

- August 2023: FY24 Budget Presented
- September 2023: FY24 Budget Adopted
- October 2023: Intent to Reimburse Approved

Commits funding to allow work to begin on FY24 projects

## Operational

- May 2024: Annual Debt Issuance Approved
- June 2024: Notices Posted, Rating/Due Diligence Calls
- Q3 2024: Sale of Debt
- **Fiscal Year 2024: Payments for FY23 Debt Issuance Begin**



# Section 1

## *Property Tax Backed Issuances*



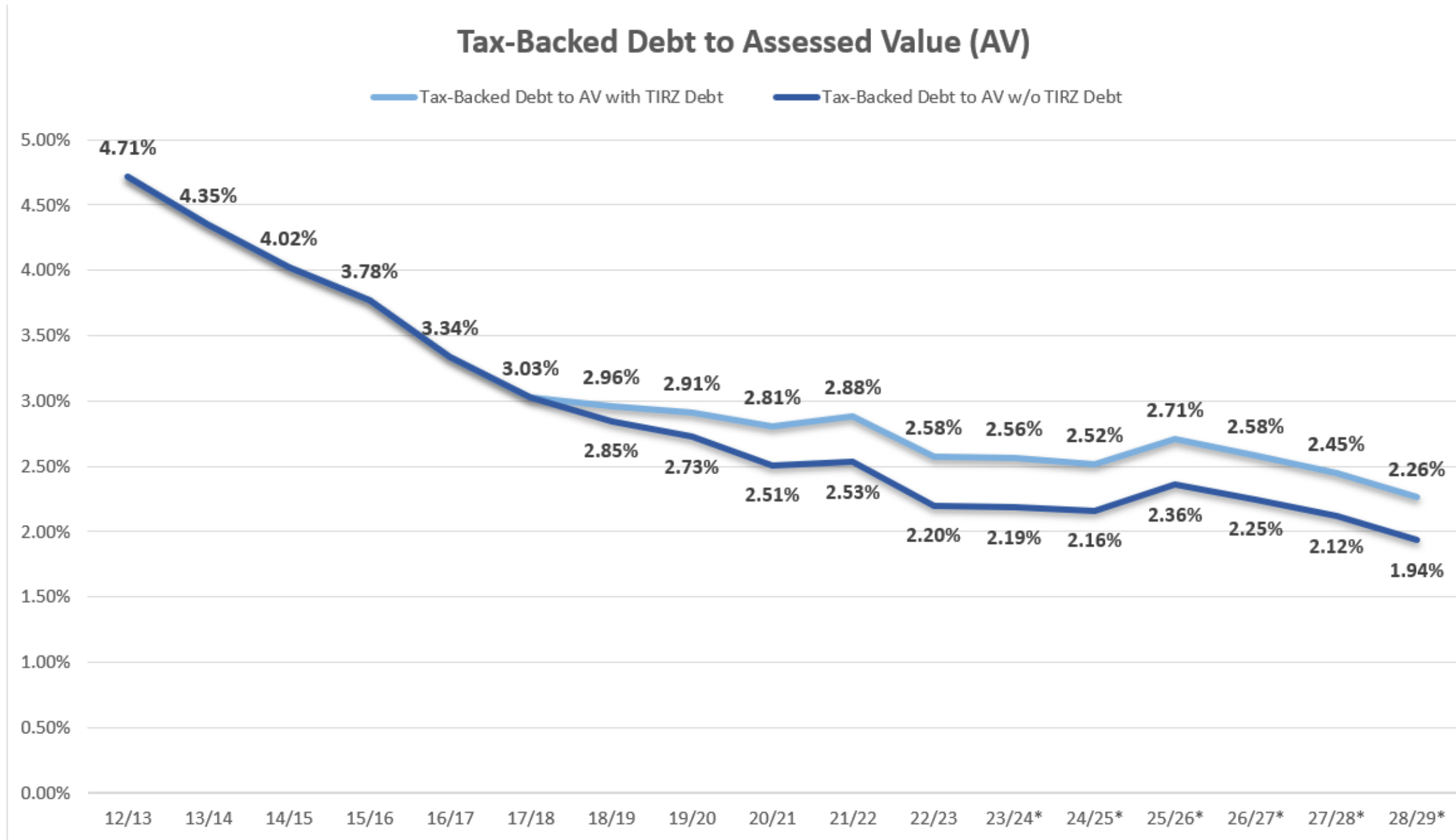
# Background

- The City is legally required to levy a debt service tax rate to generate enough revenue to pay debt service obligations
- Debt Service is separate and distinct from Operations & Maintenance portion of the rate.
- **The debt service *amount* for upcoming FY 24 is already fixed (\$47,249,580)\***
  - Projects in the execution and operational phases
- The proposed debt service rate for FY24 is .3329 per \$100 in assessed valuation. This proposed property tax rate will bring in a total of \$41,089,476 in property taxes. Additional expenditures will be offset by a TIRZ reimbursement in order to pay the full debt service amount.
- Discussions hinge today for policy and planning phases, FY 25 and beyond





# Debt to AV Rate Over Time



\*Estimated

# Forecasted Debt Service Tax Rate



Tax Rate Impact Analysis			
Fiscal Year End	Tax Year	Assessed Valuation Growth	2024-2028 CIP
2023	2022	13.90%	\$0.3388
2024	2023	14.08%	<b>\$0.3329</b>
2025	2024	5.00%	0.3475
2026	2025	4.00%	0.3500
2027	2026	3.00%	<b>0.3625</b>
2028	2027	2.00%	<b>0.3625</b>
2029	2028	1.00%	<b>0.3625</b>
2030	2029		0.3325
2031	2030		0.2875
<b>Max Rate:</b>			<b>\$0.3625</b>
<b>Projected Tax Rate Increase (Total):</b>			<b>\$0.0296</b>

- FY24 Tax Rate lower than February forecast of .3425 with bond election.
- Maximum forecasted debt service rate lower than February forecast of .3650
- Projected total increase from FY23 debt service rate is .0237
- Debt Service increased from \$283,248,121 to \$302,927,506 primarily due to addition of FY28 projects and inflationary increases.

# Bond Sale Proceeds



## Summary of Bond Sale Proceeds Capital Improvement Program (2024-2028 CIP)

Fiscal Year	Issue	Proceeds*	Assumed AV Growth Rate
2021	CO & GO (City)	\$26,566,250	7.0%
	CO (TIRZ)	\$18,472,464	
2022	CO & GO (City)	\$36,276,418	2.9%
	CO (TIRZ)	\$8,380,000	
2023	CO & GO (City)	\$18,392,720	13.9%
	CO (TIRZ)	\$9,394,000	
2024	CO & GO (City)	\$89,923,824	14.08%
	CO (TIRZ)	\$8,525,000	
2025	CO & GO (City)	\$55,723,382	5.0%
2026	CO & GO (City)	\$124,575,580	4.0%
2027	CO & GO (City)	\$48,951,000	2.0%
2028	CO & GO (City)	\$30,712,000	1.0%

\*Proceeds reflect the amount of revenue from bond sales inclusive of bond premiums, not the total amount being borrowed.



# Capital Improvement Program (FY23-FY24)

Priority 1: These projects are generally tied to outside funding obligations

Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts FY25 DS Rate (0.XXXX)	Future Debt (FY25+)	Project in Progress	Tied to Another Project	Voter Approved (GO)	AFA/TIP Commitment	TIRZ	GLO Grant (100% Grant Funds)	Interlocal	Certificates of Obligation	Cash/Other Funding	Critical Ranking
Master Drainage Plan Update	1,200,000												✓	1
Hickory Creek Subdivision Drainage Improvement	5,441,000									✓			✓	1
Garden Acres Subdivision Drainage Improvements	4,091,000									✓			✓	1
Herridge Miller/Brookland Acre Subdivision Drainage Improvement	1,499,000									✓			✓	1
Hickory Slough Embankment Slope Replacement	689,263									✓			✓	1
Knapp Activity Center Outdoor Expansion	681,000		\$ 259,783		✓					✓		✓	✓	1
Emergency Distribution Warehouse	1,503,757	\$ 201,782			✓							✓		1
Clear Creek Trail (Barry Rose WRF to UHCL)	10,715,000	\$ 750,000		\$ 2,880,872	✓		✓				✓			1
Shadow Creek Trail Phase II - Along Clear Creek Relief Ditch & Library Trail	1,850,000	\$ 15,750,000	\$ 275,000		✓				✓					1
Mykawa Road Widening - BW8 to FM 518	21,404,303	\$ 8,163,682		\$ 10,995,580	✓		✓	✓					✓	1
Smith Ranch Road Extension (CR 94) - Hughes Ranch Road to Broadway	13,696,000	\$ 2,214,728	\$ 4,770,385		✓		✓	✓				✓		1
Shadow Creek Parkway Landscaping, Street Lighting & Sidewalks	8,520,000	\$ 7,970,000	\$ 550,000		✓		✓		✓			✓		1
Broadway Expansion Phase 1 - SH 288 to Old Chocolate Bayou	1,000,000		\$ 592,500											1
Intersection Improvements in Shadow Creek Ranch	9,045,000	\$ 1,345,000	\$ 7,700,000		✓				✓			✓		1
Mobility & Thoroughfare Plan Update	450,000												✓	1
Median Landscaping on Kingsley & Kirby	500,000												✓	1
FM 518 Corridor Study	600,000												✓	1
FM 521 Signal Upgrade at Broadway	60,000												✓	1

# Capital Improvement Program (FY23-FY24)

Priority 2: These projects are new/repair/replacement of critical infrastructure



Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts FY25 DS Rate (0.XXXX)	Future Debt (FY25+)	Project in Progress	Tied to Another Project	Voter Approved (GO)	AFA/TIP Commitment	TIRZ	GLO Grant (100% Grant Funds)	Interlocal	Certificates of Obligation	Cash/Other Funding	Critical Ranking
West Lea Subdivision Drainage Improvements	10,259,112	\$ 6,542,000	\$ 931,406		✓		✓					✓		2
Hickory Slough Sportsplex Detention Pond Ph 2	4,260,000	\$ 499,000	\$ 3,761,000		✓		✓							2
Fiber Backbone (Cullen Parkway from Magnolia to Hughes Ranch Rd)	393,000	\$ 91,000			✓								✓	2
Hickory Slough Detention Storm Water Pump Station Generator	940,000	\$ 110,000	\$ 830,000		✓							✓		2
Veterans Drainage Improvements	11,330,000	\$ 1,350,000	\$ 9,980,000		✓		✓					✓		2
Longwood Park (Roadside Ditch and Culvert)	4,838,000		\$ 660,000	\$ 4,178,000			✓							2
Southwest Quadrant of Old Town (McLean to SH35 South of Broadway)	10,179,000	\$ 1,439,000	\$ 8,740,000		✓		✓							2
Shady Crest and Creek View Subdivision Drainage Improvement	14,378,000		\$ 1,828,000	\$ 12,550,000			✓							2
Shadow Creek Ranch – Ocean Point Ct 100 Year Overflow at Cul-De-Sac	100,000		\$ 100,000				✓							2
Orange Street Service Center Phase 2	29,503,800	\$ 1,128,250	\$ 7,350,000	\$ 1,704,260	✓							✓	✓	2
Law Enforcement Training Center	6,067,000	\$ 5,967,000			✓							✓	✓	2
Public Safety Building Renovations	1,646,000	\$ 1,646,000			✓							✓		2
Hillhouse Road Annex Phase II	28,475,000	\$ 1,738,500	\$ 20,046,750		✓							✓		2
Natorium Air Handling Replacement	5,399,000	\$ 5,399,000			✓							✓	✓	2
Fiber Backbone (Magnolia from Cullen to Business Center)	705,000		\$ 352,500									✓	✓	2
Recreation Center Boiler Replacement	608,000	\$ 608,000			✓							✓		2
PSB Detention Area Plumbing Replacement	648,000	\$ 648,000			✓							✓		2
Natorium Recapitalization	2,070,000	\$ 2,070,000			✓							✓		2
West Pearland Community Center HVAC Replacement	240,000		\$ 240,000									✓		2
Fire Administration HVAC Replacement	348,000	\$ 348,000			✓							✓		2
Park Equipment Recapitalization Program	300,000	\$ 300,000			✓		✓							2
Bailey Road Expansion - Veterans Dr to Main	18,458,000	\$ 6,685,000	\$ 11,773,000		✓		✓							2
Pearland Parkway at Broadway Intersection Improvements	1,734,000		\$ 984,000									✓	✓	2
Traffic Signal Upgrades	2,145,000												✓	2
Street Reconstruction - Sherwood	5,380,000	\$ 930,000	\$ 4,450,000		✓		✓							2
Hughes Road - Pearland Parkway to City of Pearland City Limit	12,246,000	\$ 2,786,000	\$ 9,460,000		✓		✓					✓		2



# Capital Improvement Program (FY23-FY24)

Priority 3: These projects *could* be postponed with moderate impact

Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts FY25 DS Rate (0.XXXX)	Future Debt (FY25+)	Project in Progress	Tied to Another Project	Voter Approved (GO)	AFA/TIP Commitment	TIRZ	GLO Grant (100% Grant Funds)	Interlocal	Certificates of Obligation	Cash/Other Funding	Critical Ranking
Fire Station #7 - Bailey Road	17,444,000	\$ 30,750		\$ 17,413,250			✓						✓	3
Fire Station #6 (Formerly Fire Station #11) - County Road 100	16,225,000	\$ 575,000		\$ 15,650,000								✓		3
Reflection Bay WRF Fuel Island	1,077,000		\$ 1,077,000									✓		3
Centennial Park Restrooms (Fields 5 & 6)	586,544												✓	3
Hickory Slough Sportsplex Phase II	17,370,000	\$ 220,000					✓							3
Road Network Condition Assessment	365,000				✓								✓	3
Dixie Farm Road Transition near Mary's Creek and Cowart's Creek Bridge	616,000	\$ 540,000	\$ 76,000		✓							✓		3
Concrete Sidewalk Gaps and Replacement	15,400,000		\$ 2,200,000	\$ 13,200,000			✓							3
PER for Future Fire Admin Complex	75,000												✓	4

# Capital Improvement Program (FY23-FY24)

Priority 4: These projects could be postponed with no major repercussions



Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts FY25 DS Rate (0.XXXX)	Future Debt (FY25+)	Project in Progress	Tied to Another Project	Voter Approved (GO)	AFA/TIP Commitment	TIRZ	GLO Grant (100% Grant Funds)	Interlocal	Certificates of Obligation	Cash/Other Funding	Critical Ranking
PER for Future Fire Admin Complex	75,000												✓	4



# Totals by Criticality Ranking

Priority 1 = \$14,147,668 in FY24 Debt Issuances

Priority 2 = \$81,486,656 in FY24 Debt Issuances

Priority 3 = \$3,353,000 in FY24 Debt Issuances

Priority 4 = \$0 in FY24 Debt Issuances

Total = \$98,987,324

Priority 1: These projects are tied to outside funding obligations

Priority 2: These projects are new/repair/replacement of critical infrastructure

Priority 3: These projects could be postponed with moderate inconvenience

Priority 4: These projects could be postponed with no major repercussions



# General Fund Operation & Maintenance Impacts



- Each project has an Operations and/or Maintenance component associated with the project
- For General Fund projects completed in FY23, the additional O&M budget requirement in FY24 is \$280,612.
- For General Fund projects completed in FY24, the additional O&M budget requirement in FY25 is \$2,086,504.



# Legislative Changes

- HB3699-Relating to municipal regulation of subdivision and approval of subdivision plans or plats
  - May require revisions to UDC
  - May not require dedication of land for a future street that is not included, funded and approved in a CIP.

# Tax Backed Debt



Questions?



## **Section 2**

# *Water & Sewer Revenue Supported Issuances*



# Background

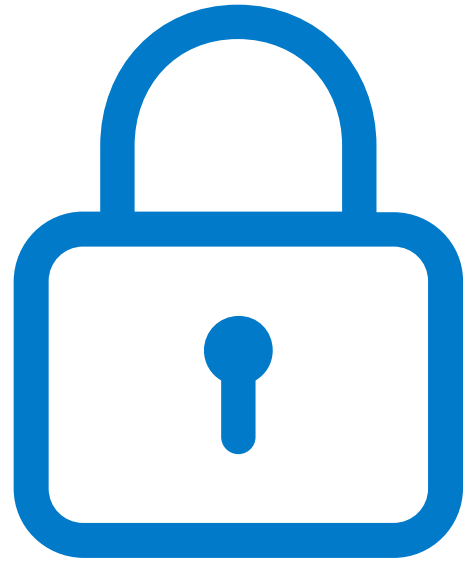
- The City is legally required to generate enough Water & Sewer (W&S) revenue to pay debt service obligations
- In FY22, the City created a W&S Debt Service Fund separate from W&S Operations
- In FY24, Water and Sewer rates are proposed to increase by 14%
- The FY25, Water and Sewer rates are projected to increase by 17% which is a decrease from the FY23 projection of 19%
- The debt service payment *amount* (\$34M) for upcoming FY24 is already fixed

# Water & Sewer CIP Background

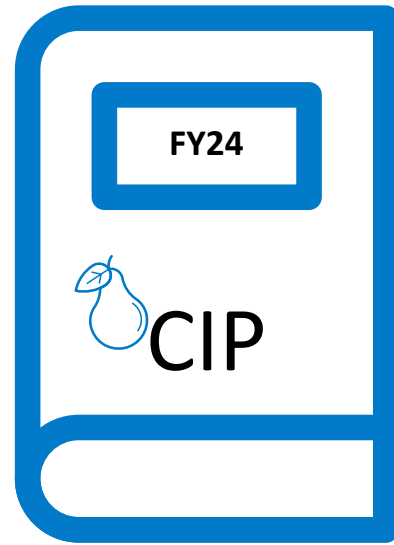


- Projects in this CIP funded by W&S revenue are needed to ensure a safe and reliable system with adequate capacity to serve customers.
- This CIP contains \$117 million in ongoing projects and planned debt to be sold in FY24. Among this, \$18.1 million will be paid back using impact fees

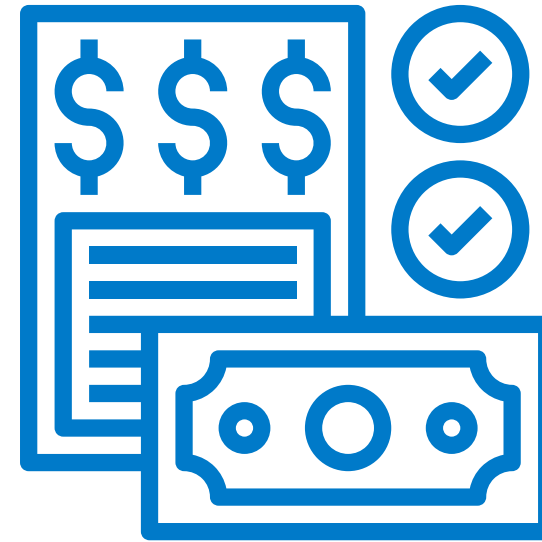
# CIP Funding



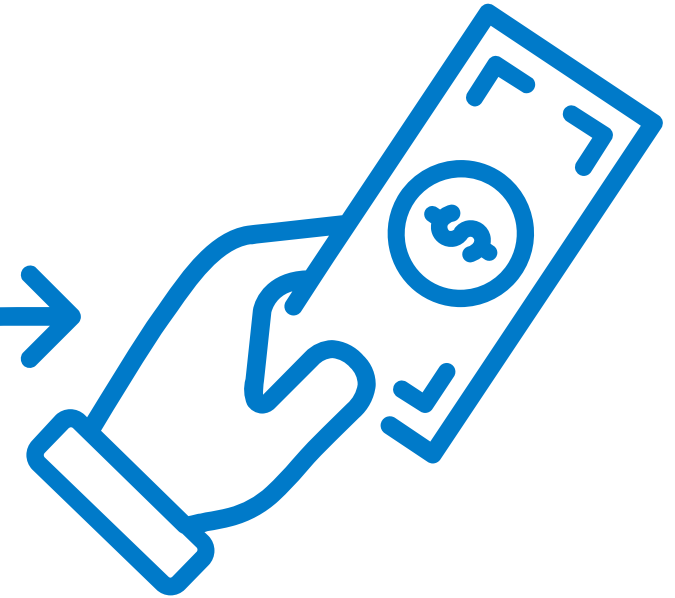
Current Debt  
Obligation



FY24 CIP



Sell Debt  
for FY24  
CIP  
Projects



Debt  
Payments  
Begin in  
FY25

# CIP Funding



Debt  
Payments



Paid for by  
User Fees &  
Impact Fees



Major Driver  
of Water &  
Sewer Rates





# Three Key Metrics that Determine The Minimum Utility Rate Increase

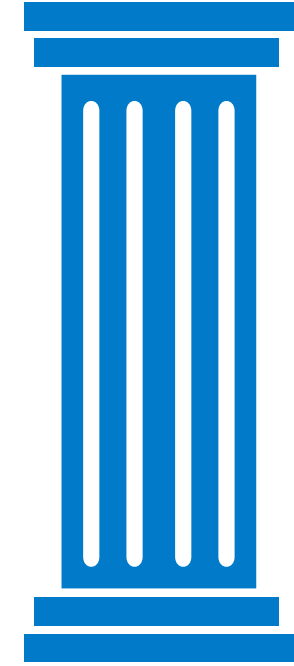


Bond Coverage Ratio  
(1.15X)  
Bond Covenant  
Requirement



Restricted For Debt Service  
(20% of Average Debt  
Service)  
Bond Covenant  
Requirement

Aggregated  
Enterprise Fund  
Reserve  
(25% of Operating  
Expense)  
City Policy



Enterprise Fund  
Operating Reserve  
(15% of Operating  
Expense)  
City Policy

# Bond Coverage Ratio Requirement



- Enterprise Fund Revenue must be able to satisfy the following condition remain in compliance with W/S Revenue Bond Ordinances ([Ord. 1600](#)) and the adopted [Financial Policy](#)
- If the City wants to issues Enterprise COs :
  - The City must meet a **1.15X** Bond Coverage Ratio
  - Issuance of CO's does not require a debt reserve outside of normal operating reserve (much smaller)

$$FY24 \text{ Bond Coverage} = \frac{FY24 \text{ Revenue} - FY24 \text{ Operating Expenses}}{FY24 \text{ Debt Services}}$$



# Enterprise Projects



# Capital Improvement Program (FY23-FY24)

Priority 1: Projects in process and/or are tied to funding obligations with TWDB, TxDOT, or Developers

Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts Water/Sewer FY25	Future Debt (FY25+)	Project in Progress	Tied to Another Project	TWDB	Revenue Bonds	W/S Certificates of Obligation	Impact Fees Debt/Cash	Cash/Other Funding	Critical Ranking
FM 518 Utility Relocations - SH288 to Old Chocolate Bayou	\$6,800,000	\$ 250,000		\$ 6,550,000	✓				✓			1

# Capital Improvement Program (FY23-FY24)



Priority 2: Projects are new/repair/replacement of critical infrastructure; many are tied to another project

Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts Water/Sewer FY25	Future Debt (FY25+)	Project in Progress	Tied to Another Project	TWDB	Revenue Bonds	W/S Certificates of Obligation	Impact Fees Debt/Cash	Cash/Other Funding	Critical Ranking
Barry Rose WRF Replacement and Expansion	\$229,380,000	\$ 46,236,791	\$ 36,198,000	\$ 145,732,000	✓			✓	✓	✓		2
Longwood Water Reclamation Facility Decommissioning	\$38,073,000	\$ 4,708,000	\$ 18,865,000	\$ 14,500,000	✓			✓	✓			2
Mykawa Road Sewer Relocation - Jasmine to S Orange Circle	\$378,000	\$ 324,000			✓				✓			2
Sanitary Sewer Rehabilitation - Old Town District & Barry Rose Service Area	\$4,165,000	\$ 3,415,000	\$ 750,000		✓			✓	✓			2
SCADA - Waste Water	\$5,350,000	\$ 3,000,000			✓				✓		✓	2
Bella Vita Regional Lift Station Rehabilitation	\$1,829,970	\$ 1,829,970			✓				✓			2
Sanitary Sewer Rehabilitation - Barry Rose Service Area (BR-03)	\$4,150,000	\$ 400,000	\$ 3,750,000		✓				✓			2
Autumn Lakes Lift Station Rehabilitation	\$1,515,000	\$ 1,515,000			✓				✓			2
Sunrise Lakes Lift Station Rehabilitation	\$950,000	\$ 774,000	\$ 176,000		✓				✓			2
Veterans 2 Regional Lift Station Rehabilitation	\$4,424,000	\$ 548,000	\$ 3,876,000		✓				✓			2
Dixie Farm North Regional Lift Station Rehabilitation	\$1,994,000	\$ 274,000	\$ 1,720,000		✓				✓			2
Barry Rose Gravity Sewer - Plum from Galveston to Barry Rose WRF	\$11,003,000		\$ 1,223,000	\$ 9,780,000					✓			2
Water Operations Building (Alice St.)	5,069,000	\$ 1,849,000	\$ 3,220,000		✓						✓	2
Riverstone Ranch Regional Lift Station Capacity Expansion	\$3,420,000		\$ 300,000	\$ 3,120,000					✓			2
Lakes of Country Place Lift Station Rehabilitation	\$832,000		\$ 832,000						✓			2
Southdown Lift Station Rehabilitation	\$1,200,000		\$ 1,200,000						✓			2
Shady Crest and Creek View Subdivision Sanitary Sewer Rehabilitation	\$2,804,000		\$ 334,000	\$ 2,470,000					✓			2
Whispering Winds Lift Station Relocation	\$1,431,000		\$ 159,000	\$ 1,272,000					✓			2
Orange Street Service Center Phase 2	29,503,800	\$ 953,250	\$ 13,650,000	\$ 3,237,000	✓			✓	✓			2
Hillhouse Road Annex Phase II	28,475,000	\$ 486,750	\$ 6,682,250		✓			✓	✓			2
Reflection Bay WRF Fuel Island	1,077,000		\$ 538,500						✓			2
Wooten Road Lift Station Decommissioning	\$294,000		\$ 294,000						✓			2

# Capital Improvement Program (FY23-FY24)



Priority 2: Projects are new/repair/replacement of critical infrastructure; many are tied to another project

Project	Total Project Budget	Debt Thru FY23	Proposed FY24 Debt Issuance - Impacts Water/Sewer FY25	Future Debt (FY25+)	Project in Progress	Tied to Another Project	TWDB	Revenue Bonds	W/S Certificates of Obligation	Impact Fees Debt/Cash	Cash/Other Funding	Critical Ranking
Sanitary Sewer Rehabilitation - Longwood Service Area (LW-03)	\$9,012,000		\$ 9,012,000						✓			2
FM 518 Utility Relocations - SH288 to Old Chocolate Bayou	\$7,469,000	\$ 549,000		\$ 6,745,000	✓			✓	✓		✓	2
South Corrigan Subdivision Transite Pipe Water Line Replacement	\$3,175,000	\$ 3,175,000			✓				✓			2
Westminister Subdivision Water Line Replacement	\$1,430,000	\$ 150,000	\$ 1,280,000		✓				✓			2
McLean Water Production Facility Rehabilitation	\$1,885,000	\$ 1,715,000			✓				✓		✓	2
Green Tee Transite Pipe Water Line Replacement	\$6,635,000	\$ 450,000	\$ 6,185,000		✓				✓			2
Somersetshire Estates Subdivision Waterline Replacement	\$1,532,000	\$ 1,171,000	\$ 361,000		✓				✓			2
Cullen Elevated Storage Tank Rehabilitation	\$843,775				✓	✓					✓	2
Liberty Water Production Facility Rehabilitation	\$2,784,000		\$ 2,784,000		✓				✓			2
Southeast (Bailey) Elevated and Magnolia Ground Storage Tank	\$2,060,000	\$ 2,060,000			✓				✓			2
Sherwood Waterline Replacement	\$1,750,000	\$ 250,000	\$ 1,500,000		✓				✓			2
Country Place Water Well Generator Replacement	\$842,000	\$ 62,000	\$ 208,500		✓				✓		✓	2
Garden Water Well Generator	\$657,000	\$ 72,000	\$ 273,000		✓				✓		✓	2
Water Plant Chemical Containment Structures	\$1,396,000		\$ 94,000	\$ 1,302,000					✓			2
Wood Creek Transite Pipe Water Line Replacement	\$5,600,000		\$ 500,000	\$ 5,100,000					✓			2
Cullen Ground Storage Tank Replacement	\$3,130,000		\$ 390,000	\$ 2,740,000					✓			2
CR 100 Water Line - Harkey to Pearland Sites	\$375,000		\$ 375,000						✓			2
Creek View and Shady Crest Transite Pipe Water Line Replacement	\$5,350,000		\$ 550,000	\$ 4,800,000					✓			2



# Totals by Criticality Ranking

- Priority 1 = \$0 in FY24 Debt Issuances
- Priority 2 = \$117,379,750 in FY24 Debt Issuances

Priority 1: These projects are tied to outside funding obligations

Priority 2: These projects are new/repair/replacement of critical infrastructure

Priority 3: These projects could be postponed with moderate inconvenience

Priority 4: These projects could be postponed with no major repercussions

# Operation & Maintenance Impacts



- Each project has an Operations and/or Maintenance component associated with the project.
- For Enterprise projects completed in FY24, the additional O&M budget requirement in FY25 is \$82,692





# Questions