

# Operational & Maintenance Impact

Projects in the FY2024-2028 CIP have been analyzed to determine their projected impact on the operational budget. Operational & Maintenance (O&M) costs identified by departments are funded from the General, Special and Enterprise Funds. Only projects with impacts above \$10,000 annually are presented.

O&M impact refers to the personnel, supplies, services, equipment, and non-capital costs related to a project and revenue and savings generated as a result of a project. Operating costs include staffing, maintenance or service (including electrical) costs related to new, renovated or expanded facilities.

Of the over 400 Public Improvement, Aviation and Houston Public Works projects within the Adopted FY2024-2028 CIP, there are 16 projects with O&M impacts totaling approximately \$37 million over the five years. In FY2024, personnel, services, supplies, and other O&M totals \$1.4 million.

## Highlights of the Fiscal Year 2024-2028 Adopted CIP include:

- The Houston Information Technology Services Department has estimated the upgrade of SAP, which is the City's financial system of record, to the SAP S4 HANA version will result in an operational cost of \$11 million within the five year span.
- The Houston Airport System has estimated an increased cost of \$6 million within the five year span, primarily related to services and supplies for the IAH Terminal Redevelopment Program (ITRP).



## FISCAL YEAR 2024-2028 CAPITAL IMPROVEMENT PLAN (\$ Thousands)

## CITY OF HOUSTON - OPERATIONAL IMPACT\*

Project Allocation						2024-2028
	2024	2025	2026	2027	2028	
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ 4,626	\$ 4,636	\$ 7,126	\$ 8,248	\$ 24,635
Personnel	\$ 15	\$ 53	\$ 157	\$ 261	\$ 267	\$ 753
Services	\$ 1,225	\$ 1,351	\$ 1,918	\$ 2,506	\$ 3,416	\$ 10,415
Supplies	\$ 181	\$ 197	\$ 310	\$ 414	\$ 516	\$ 1,618
<b>Subtotal</b>	<b>\$ 1,421</b>	<b>\$ 6,226</b>	<b>\$ 7,020</b>	<b>\$ 10,307</b>	<b>\$ 12,446</b>	<b>\$ 37,420</b>
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>*Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand total</b>	<b>\$ 1,421</b>	<b>\$ 6,226</b>	<b>\$ 7,020</b>	<b>\$ 10,307</b>	<b>\$ 12,446</b>	<b>\$ 37,420</b>
<b>Source of Funds</b>						
Aviation	\$ 1,201	\$ 1,247	\$ 2,050	\$ 2,844	\$ 3,871	\$ 11,214
General Fund	\$ 220	\$ 4,979	\$ 4,971	\$ 7,463	\$ 8,575	\$ 26,207
Houston Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Funds</b>	<b>\$ 1,421</b>	<b>\$ 6,226</b>	<b>\$ 7,020</b>	<b>\$ 10,307</b>	<b>\$ 12,446</b>	<b>\$ 37,420</b>

\*If applicable, revenue and savings are shown as offsets to planned operational costs.

**OPERATIONAL IMPACT**  
**2024-2028 CAPITAL IMPROVEMENT PLAN (\$ Thousands)**

CIP No.	Project						2024-2028
		2024	2025	2026	2027	2028	
A-000581	Terminal A Modernization Program - IAH						
	Services	-	-	-	-	643	643
	Supplies	-	-	-	-	84	84
	Project Total	-	-	-	-	727	727
A-000590	Rehabilitate & Expand ARFF Station 92						
	Services	68	70	72	74	76	358
	Supplies	11	11	12	12	12	58
	Project Total	78	81	83	86	88	416
A-000666	Gate Expansion at Hobby Airport						
	Personnel	-	-	102	204	210	516
	Services	-	-	556	1,111	1,145	2,811
	Supplies	-	-	98	196	202	495
	Project Total	-	-	756	1,511	1,556	3,823
A-000702	PN 966-Ground Transportation Mgmt Sys						
	Supplies	-	10	20	21	21	72
	Project Total	-	10	20	21	21	72
A-000760	Admin Building Construction						
	Services	-	-	-	-	200	200
	Supplies	-	-	-	-	5	5
	Other	-	-	-	-	10	10
	Project Total	-	-	-	-	215	215
A-000800	Executive Program Manager Services-ITRP						
	Services	953	981	1,011	1,041	1,072	5,057
	Supplies	170	175	181	186	192	904
	Project Total	1,123	1,156	1,191	1,227	1,264	5,960
F-000853	Brock Adventure Park (BAP)						
	Personnel	15	15	15	15	15	75
	Services	180	180	180	180	180	900
	Project Total	195	195	195	195	195	975

**OPERATIONAL IMPACT**  
**2024-2028 CAPITAL IMPROVEMENT PLAN (\$ Thousands)**

CIP No.	Project						2024-2028
		2024	2025	2026	2027	2028	
G-000224	<b>Property Room Freezer Addition</b>						
	Other	-	126	126	126	126	504
	Project Total	-	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>504</b>
L-000107	<b>Bioremediation of Pollution Controls</b>						
	Services	25	25	25	25	25	125
	Project Total	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>125</b>
X-100060	<b>HPD - DR Cloud Infrastructure</b>						
	Other	-	-	-	-	1,112	1,112
	Project Total	-	-	-	-	<b>1,112</b>	<b>1,112</b>
X-100064	<b>HPD - Records Management System Refresh</b>						
	Other	-	2,224	2,224	2,224	2,224	8,895
	Project Total	-	<b>2,224</b>	<b>2,224</b>	<b>2,224</b>	<b>2,224</b>	<b>8,895</b>
X-340010	<b>HPL - Radio Frequency ID Technology</b>						
	Other	-	-	10	-	-	10
	Project Total	-	-	<b>10</b>	-	-	<b>10</b>
X-380006	<b>HHD - Legacy Lab System Upgrade</b>						
	Services	-	95	75	75	75	320
	Project Total	-	<b>95</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>320</b>
X-510004	<b>OBO - Qualtrics - CRM System</b>						
	Personnel	-	38	40	42	42	162
	Project Total	-	<b>38</b>	<b>40</b>	<b>42</b>	<b>42</b>	<b>162</b>
X-680062	<b>HITS - SAP S4 HANA</b>						
	Other	-	1,500	1,500	4,000	4,000	11,000
	Project Total	-	<b>1,500</b>	<b>1,500</b>	<b>4,000</b>	<b>4,000</b>	<b>11,000</b>
X-680090	<b>HITS - Business Object Obsolescence</b>						
	Other	-	776	776	776	776	3,104
	Project Total	-	<b>776</b>	<b>776</b>	<b>776</b>	<b>776</b>	<b>3,104</b>
	Total:	1,421	6,226	7,020	10,307	12,446	37,420