

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
Subtotal	\$ 1,421	\$ 6,226	\$ 7,020	\$ 10,307	\$ 12,446	\$ 37,420
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total	\$ 1,421	\$ 6,226	\$ 7,020	\$ 10,307	\$ 12,446	\$ 37,420
Source of Funds						
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Funds	\$ 1,421	\$ 6,226	\$ 7,020	\$ 10,307	\$ 12,446	\$ 37,420

*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	Property Room Freezer Addition						
	Other	-	126	126	126	126	504
	Project Total	-	126	126	126	126	504
L-000107	Bioremediation of Pollution Controls						
	Services	25	25	25	25	25	125
	Project Total	25	25	25	25	25	125
X-100060	HPD - DR Cloud Infrastructure						
	Other	-	-	-		1,112	1,112
	Project Total	-	-	-	-	1,112	1,112
X-100064	HPD - Records Management System Refresh						
	Other	-	2,224	2,224	2,224	2,224	8,895
	Project Total	-	2,224	2,224	2,224	2,224	8,895
X-340010	HPL - Radio Frequency ID Technology						
	Other	-	-	10	-	-	10
	Project Total	-	-	10	-	-	10
X-380006	HHD - Legacy Lab System Upgrade						
	Services	-	95	75	75	75	320
	Project Total	-	95	75	75	75	320
X-510004	OBO - Qualtrics - CRM System						
	Personnel	-	38	40	42	42	162
	Project Total	-	38	40	42	42	162
X-680062	HITS - SAP S4 HANA						
	Other	-	1,500	1,500	4,000	4,000	11,000
	Project Total	-	1,500	1,500	4,000	4,000	11,000
X-680090	HITS - Business Object Obsolescence						
	Other	-	776	776	776	776	3,104
	Project Total	-	776	776	776	776	3,104
Total:		1,421	6,226	7,020	10,307	12,446	37,420