

Operational & Maintenance Impact

Projects in the FY2025-2029 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 Proposed FY2025-2029 CIP, there are 10 projects with O&M impacts totaling approximately \$35 million over the five years. In FY2025, personnel, services, supplies, and other O&M totals \$6.5 million.

Highlights of the Fiscal Year 2025-2029 Proposed 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 \$11.7 million within the five year span, related to personal, services, and supplies for new projects coming online.



FISCAL YEAR 2025-2029 CAPITAL IMPROVEMENT PLAN (\$ Thousands)

CITY OF HOUSTON - OPERATIONAL IMPACT*

Project Allocation						2025-2029
	2025	2026	2027	2028	2029	
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 5,000	\$ 2,680	\$ 5,420	\$ 7,624	\$ 2,912	\$ 23,636
Personnel	\$ -	\$ 102	\$ 204	\$ 209	\$ 214	\$ 729
Services	\$ 1,006	\$ 1,591	\$ 2,177	\$ 2,879	\$ 1,826	\$ 9,480
Supplies	\$ 175	\$ 278	\$ 382	\$ 476	\$ 291	\$ 1,603
Subtotal	\$ 6,181	\$ 4,652	\$ 8,183	\$ 11,188	\$ 5,244	\$ 35,448
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total	\$ 6,181	\$ 4,652	\$ 8,183	\$ 11,188	\$ 5,244	\$ 35,448
Source of Funds						
Aviation	\$ 1,156	\$ 1,947	\$ 2,738	\$ 3,539	\$ 2,332	\$ 11,712
General Fund	\$ 5,025	\$ 2,705	\$ 5,445	\$ 7,649	\$ 2,912	\$ 23,736
Houston Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Funds	\$ 6,181	\$ 4,652	\$ 8,183	\$ 11,188	\$ 5,244	\$ 35,448

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

OPERATIONAL IMPACT

2025-2029 CAPITAL IMPROVEMENT PLAN (\$ Thousands)

CIP No.	Project						2025-2029
		2025	2026	2027	2028	2029	
A-000666	Gate Expansion at Hobby Airport						
	Personnel	-	102	204	209	214	729
	Services	-	556	1,111	1,139	1,168	3,973
	Supplies	-	98	196	201	206	700
	Project Total	-	756	1,511	1,549	1,588	5,403
A-000765	DOMESTIC TERM A REDEVELOP PROGRAM - DRP						
	Services	-	-	-	643	659	1,302
	Supplies	-	-	-	84	85	169
	Project Total	-	-	-	727	744	1,471
A-000800	Executive Program Manager Services-ITRP						
	Services	981	1,011	1,041	1,072	-	4,104
	Supplies	175	181	186	192	-	733
	Project Total	1,156	1,191	1,227	1,264	-	4,838
L-000107	Bioremediation of Pollution Controls						
	Services	25	25	25	25	-	100
	Project Total	25	25	25	25	-	100
X-100060	HPD - DR Cloud Infrastructure						
	Other	-	-	-	1,112	-	1,112
	Project Total	-	-	-	1,112	-	1,112
X-100068	HPD - Police Scheduling Application						
	Other	3,500	700	700	700	700	6,300
	Project Total	3,500	700	700	700	700	6,300
X-340020	HPL - Integrated Library System Refresh						
	Other	-	-	-	-	400	400
	Project Total	-	-	-	-	400	400
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

OPERATIONAL IMPACT

2025-2029 CAPITAL IMPROVEMENT PLAN (\$ Thousands)

CIP No.	Project						2025-2029
		2025	2026	2027	2028	2029	
X-680104	HITS - Next Generation Network						
	Other	-	-	-	852	852	1,704
	Project Total	-	-	-	852	852	1,704
X-680108	HITS - Analog/POTS Service Replacement Project						
	Other	-	480	720	960	960	3,120
	Project Total	-	480	720	960	960	3,120
Total:	6,181	4,652	8,183	11,188	5,244	35,448	