

Capital Improvement Program (CIP)

- **Charter Requirement**
 - **Annually recommend a five year CIP**
 - **First year incorporated into the annual budget**
- **In the last citizen satisfaction survey, 97% of residents believe that Sugar Land is a great place to live**
- **Being a strong steward of public dollars requires continued reinvestment into facilities and infrastructure**

Leader in Financial Strength & Stewardship

- **Why does the City issue debt for capital projects?**
 - **When needed capital improvements cannot prudently be funded from current revenues or fund balances**
 - **Spreads payments over useful life of improvements- today's residents not responsible for full cost of project that will benefit future generations**
 - **Allocate available resources to high priority projects**

Responsible Borrowing

- Projects funded through debt result in capital assets with a useful life that matches or exceeds repayment term
- Debt not used to fund rehabilitation or maintenance
- High bond ratings allow the City to borrow at the lowest possible interest rates
 - Standard & Poor's AAA
 - Fitch Ratings AAA
- Aggressive repayment schedule minimizes interest costs

Project Funding in \$M

Project Type	FY18	FY19
Drainage	\$ 2.566	\$ 2.185
Municipal	0.956	7.070
Streets	3.662	4.666
Traffic	0.750	0.225
Total Project Funding	\$ 7.933	\$ 14.146

- Intent to Reimburse Resolution No. 18-03 for FY18 projects
- FY18 & FY19 planned as one bond issue late in 2018

Strengthened Resilience- Drainage

- **Responsive to fixing infrastructure deficiencies**
 - **Committed to protecting residents and their property**
- **Aggressive investment in drainage improvements in Five Year CIP**
- **Prioritized project list from drainage studies completed after Harvey**

Covington Woods- Jess Pirtle side streets/Greywood Dr

Covington Woods – SLMS/Sugar Mill Relief Line

Riverbend Sluice Gate Structure @ Dulles

Settlers Park Drainage Impr: Greenfield West & Mesquite North

Drainage studies and design work

Innovative Constraint- Public Safety & Facilities

- **Being a strong steward of public dollars requires investment & reinvestment into facilities**
- **Focus on public safety needs**
- **Increase accountability & transparency**

Animal Shelter	Foundation & Roof Repairs
EOC/Dispatch Building	Fuel System & Tank Upgrades
Public Safety Training Facility	PID Reimbursement
Fire Apparatus Replacement	ERP Replacement
Major Facility Rehabilitation	

Mobility Improvements

Targeted investment:

- Pavement reconstruction
- Intersection improvements
- Traffic management

Citizen survey top overall priority for improvement:

- Flow of traffic and congestion management

Major Pavement Rehabilitation Intersection Improvements

- SH6 at First Colony
- First Colony @ Soldiers Field

Major Street Reconstruction

- 7th St- Muirwood/Woodlake
- Country Club- SC to Chesterfield

Intersection Improvements

- Sweetwater/Elkins
- SH6/Settlers Way

Traffic Signal Management / ITS

Required Notice

- **State requires City to provide notice of intent to issue CO's**
 - **Notice must be published in newspaper**
 - **Once per week for two consecutive weeks**
 - **First notice must be 31+ days prior to the date of sale**
- **Notice must include**
 - **Date, time and place for ordinance**
 - **Maximum amount & purpose**
 - **Manner of repayment**

Recommendation & Timeline

Date	Step
October 9	Council Finance/Audit committee
October 16	Resolution of intent to issue CO's
October 24 & 31	Notice in official newspaper
Early November	Rating agency visits
December 4	Sale date, approve at Council meeting
January 9	Delivery of funds

Action Recommended

- **Approval of Resolution No. 18-36**
 - **City's intent to issue Certificates of Obligation on December 4, 2018**
 - **Authorize publication of notice in the City's official newspaper**

Questions?
