



AGENDA MEMO

Business of the City Council

City of Sweeny, Texas

Meeting Date	1/30/2024	Agenda Item	
Approved by City Manager	Yes	Presenter(s)	Lindsay Koskiniemi, City Manager
Reviewed by City Attorney	No	Department	Capital Projects
Subject	Discussion and possible action to adopt a capital improvement projects plan.		
Attachments	Presentation of capital needs including Water, Wastewater, Streets, Drainage, Sidewalks and Parks.		
Financial Information	Expenditure Required:	N/A	
	Amount Budgeted:	N/A	
	Account Number:		
	Additional Appropriation Required:		
	Additional Account Number:		

Executive Summary

A general best practice in managing municipalities is having capital improvement project plan (CIP) adopted by the governing body that gives staff direction on how to save for capital needs and provides a blueprint for budgeting and planning for infrastructure upgrades and replacements. A CIP, if managed properly, can help cities respond proactively to capital needs.

City of Sweeny has never had a formally adopted CIP. There are several underserved departments that reflect decades of avoiding investment into upkeep of city assets such as the roads – many of which are potholed, cratered, and show signs of repeated filling that has failed. Most of Sweeny’s roads are asphalt, which do not have the life expectancy of concrete roadways, and many of the asphalt roads need to be resurfaced. Some roads actually need to be replaced.

There is an estimated 17 miles of 2” steel waterlines in Sweeny. The size and composition of these lines are inconsistent with today’s standards and are believed to be a huge contributing factor to the brown water observed by residents.

While roads and water are just two examples of major capital needs currently, a CIP includes any cost that is at least \$50,000 and improves or adds to the fixed asset portfolio. This CIP draft includes Water, Wastewater, Streets, Drainage, Sidewalks, and Parks. Facilities and Equipment are not included, because more research is needed to accurately determine those needs.

The CIP draft was initially intended to be presented to City Council for review and approval in March, however, there is an urgent need to present earlier. Due to the expansive possible waterline replacement project previously discussed at the Council meeting on January 16, 2024, the City intends to submit a low interest loan request to the Texas Water Development Board. The preliminary application, or, Project Information Form (PIF) is due to be submitted on or before March 01, 2024 to be eligible to be invited to submit the full application.

TWDB low interest loans are incredibly competitive because these loans have little or no interest rate and offer partial principal forgiveness to eligible entities. An adopted CIP is considered among



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the rating criteria, as shown from the TWDB PIF below. Having an adopted CIP will allow the City to be more competitive, as a CIP is a standard practice for cities.

Furthermore, if the City is going to plan for a 2025 General Obligation bond to go to the voters, the City will need to know how much the bond will be for and how it will be used. This CIP draft takes the proposed 2025 GO Bond into consideration.

The screenshot shows a web browser window displaying the Texas Water Development Board's online form for creating a Project Information Form (PIF). The page title is "Rating Criteria for All Projects - Effective Management". The user is logged in as "citymanager@sweenytx.gov". The main content area contains the following text:

Note: Information that is not submitted as requested will not be considered.

A. Asset Management

1 a. In the past 5 years, has an asset management plan been adopted by the entity's governing body that incorporates an inventory of all assets, an assessment of the criticality and condition of the assets, a prioritization of capital projects needed, and a budget? Note: A Capital Improvement Plan (CIP) alone does not constitute an asset management plan.

Yes No

Assistance with establishing an asset management plan is offered through TCEQ's FMT contract. Contact TCEQ, at (512) 239-4691 or pdms@tceq.texas.gov to schedule a meeting.

2. Has asset management training been administered to the entity's governing body and employees?

Yes No

At the bottom of the form, there are three buttons: "Reset", "Back", and "Next".

Recommended Action

Staff recommends City Council review and comment on the CIP draft and direct the City Manager to make changes agreed on by City Council and present a final CIP at the next City Council meeting.