City of Denton

City Hall
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AGENDA INFORMATION SHEET

DEPARTMENT: **Office or Strategy, Budget, and Performance**

ACM: **Christine Taylor**

DATE: **August 4, 2026**

SUBJECT
Receive a report, hold a discussion, and give staff direction regarding the Fiscal Year 2026-27 preliminary Capital Improvement Program.

BACKGROUND
The purpose of this work session is to provide an update on the preliminary capital improvement program. This work session will review the Preliminary Capital Improvement Budget for FY 2026-27 and the highlight of the program in the major funds.

General Government:
The General Government category includes all Governmental, Special Revenue, and Internal Service Funds. The preliminary requests for General Government funding total $48.9M for fiscal year 2026-27. Staff is projecting a debt issuance of $40.8M, including $5.8M in GO Bonds, and a transfer of $3.2M from operating, as well as impact fees of $5.0M.

Water Fund:
The preliminary requests for Water Fund funding total $107.9. Staff is projecting a debt issuance of $48.7M, including $34.9M in GO Bonds, and a transfer of $3.2M from operating, as well as impact fees and TRIP Funds of $5.0M each.

Highlights in the Water Fund include:
- Plant Improvements: $69.2M
- Replacement Lines: $20.0M
- Taps, Fire Hydrants & Meters: $9.3M

Wastewater Fund:
The preliminary requests for Wastewater Fund funding total $147.3M. Staff is projecting a debt issuance of $143.8M, which includes revenue bonds through the Texas Water Development Board program, WIFIA funding of $44.1M and $3.5M from cash funding.

Highlights in the Wastewater Fund include:
- Plant Improvements: $95.2M
- Line Replacements: $28.5M
- Lift station Improvements: $15.3M

Drainage Fund:
The preliminary requests for Wastewater Fund funding total $4.0M for infrastructure repairs. Staff is projecting the use of operating dollars.

Solid Waste Fund:
The preliminary requests for Solid Waste Fund funding total $22.9M. Staff is projecting a CO debt issuance of $5.2M and a transfer of $7.3M from operating to fund vehicle replacements.

Highlights in the Solid Waste Fund include:
- Building Construction (Design Phase): $1.4M
- Vehicles (New and Replacement): $11.1M

Electric Fund:
The preliminary requests for Electric Fund funding total $67.9M. Staff is projecting a CO debt issuance of $59.5M and a transfer of $3.5M from operating, and $5.0M in development contributions.

Highlights in the Electric Fund include:
- New Residential and Commercial: $9.5M
- Distribution Transformers and Substations: $24.3M
- Transmission Lines and Substations: $12.2M
- Feeder Extensions and Improvements: $12.9M
- Meter Improvements: $1.9M
- Street Lighting and Power Factor Improvements: $0.7M
- Technology and Electric Relocations: $7.9M
- Vehicles: $3.0M
- Building Construction: $2.0M

EXHIBITS

Exhibit 1 – Agenda Information Sheet
Exhibit 2 – Presentation

Respectfully submitted:
Aimée Kaslik
Chief Strategy Officer
Office of Strategy, Budget, and Performance