

	COLUMBIA IRRIGATION DISTRICT Policy 3.3 "Capital Improvements"				APPROVED: <u>Jerry Sleater</u> President Board of Directors	
	Effective Date: 1 November 2011 Revision: No. 0				DATE: <u>3 April 2012</u>	
<i>Revised</i>	<i>Revised</i>	<i>Revised</i>	<i>Revised</i>	<i>Revised</i>	<i>Revised</i>	<i>Revised</i>
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A. Purpose

A wide range of District facilities and equipment shall be considered in planning Capital Improvements. Columbia Irrigation District (District) must use careful financial and management planning to maintain the value of its current capital assets and to provide for future needs, improvements, and growth. This Policy is intended to simplify the review and the definition of capital improvement projects, processes and the procedures that aid in developing such a management plan to achieve needed Capital Improvements to the District.

B. Policy

Capital improvement expenditures shall be based on the District's approved Capital Improvement Plan (CIP). The District shall:

1. Make all Capital Improvements in accordance with an adopted 10-year CIP and adjust as needed.
2. Enacting capital budgets based on the 10-year capital improvement plan. Future capital expenditures necessitated by changes in District boundaries, changes in real estate development, changes in materials and/or products or changes in economic base will be calculated and included in capital budget projections.
3. Maintaining current assets at a level adequate to protect the District's capital investment and to minimize future maintenance and replacement costs.
4. Project equipment and maintenance needs as a part of the 10-year CIP plan. From this projection, and in conjunction with the Fleet Maintenance program, a replacement schedule for equipment will be developed and followed.
5. Identify estimated costs and potential funding sources for each capital improvement project before submitting it to the Board of Directors.

C. Definitions

Capital Improvements: the construction, major repair, reconstruction, replacement or purchasing of capital items such as: canals, pipelines, pump stations, Rights-of-Way, buildings, access roads, and heavy equipment.

D. References N/A