

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S. Winqest
District General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Update to Board Policies 12.1, 13.1 and Practice 13.2 – Capital Planning, Budgeting and Reporting

STRATEGIC

PLAN REFERENCE(S): Long Range Principle #2 Finance

DATE: November 9, 2022

I. RECOMMENDATION

Staff recommends that the Board of Trustees:

- 1) Review, discuss and provide feedback on a updated draft of Board Policy 12.1.0, consolidating existing Board Policies 12.1 and 13.1 and Board Practice 13.2, and incorporating recommendations contained in Moss Adams' (#3) report related to review of Board Policies and Practices.

II. BACKGROUND

The District engaged the consulting firm of Moss Adams, LLC to review and provide recommendations on selected District policies and procedures related to capital planning, capital budgeting and capital reporting, as well a capitalization of fixed assets.

Moss Adams presented their final report and recommendations to the Board of Trustees on January 12th. The recommendations contained in the Moss Adams report informed updates to the District's policies and practices related to the capitalization of fixed assets (Policy 8.1.0, 9.1.0 and Practice 2.2.0) as well capital planning, capital budgeting and reporting (Policy 12.1.0, 13.1.0, and Practice 13.2).

Subsequently, the Board of Trustees approved new Board Policy 8.1.0 (Capitalization of Fixed Assets) on January 12, 2022. Additionally, based on feedback provided by the Board of Trustees on the Moss Adams recommendations

to Board policies and practices related to capital planning, capital budgeting, and capital reporting, a draft update of Board Policy 12.1 as presented to the Board at their meeting of June 29, 2022.

Moss Adams Report – *Summary of Recommendations:*

GFOA Best Practices -

- 1) *Update and expand Board Policy 12.1.0 and 13.1.0, and Board Practice 13.2.0, to address how the District will implement GFOA best practices including defining key specific roles and responsibilities.*

Roles and Responsibilities -

- 2) *We recommend that the District update the policy and practice documents to clearly detail the role of the Board of Trustees and District management as well as consider consolidating the policy and practice documents so that all information related to capital planning and budgeting can be found in one location and easily implemented.*

Master Planning and Advisory Committee -

- 3) *The District should update the existing policy and practice documents to include specific processes and procedures related to phased and detailed master planning and consider implementing an advisory committee (see Recommendation No. 3) to act as a liaison between the Board of Trustees and District management as well as encourage community involvement.*

At their meeting of June 29, 2022 the Board was presented an initial draft update of Policy 12.1.0 to include the following discreet sections:

- Multi-Year Capital Planning
- Annual Capital Budget
- Capital Project Delivery
- Capital Project Reporting

This agenda item presents for Board consideration and feedback, a revised and updated draft of Board Policy 12.1, which consolidates existing policies 12.1, 13.1 and practice 13.2. A final version of Board Policy 12.1.0 is anticipated to return to the Board at the meeting of December 14, 2022 for final approval.

III. DISCUSSION

The proposed draft of Board Policy 12.1.0 presented herein would, upon approval by the Board, supersede current Board Policies 12.1.0, 13.1.0 and Board Practice 13.2.0. As discussed at the June 29th Board meeting, key elements of the updated draft of Policy 12.1.0, incorporates the following revisions:

- Consolidation of Board Policies and Practices into a single policy document
- Incorporates GFOA Best Practices identified in the Moss Adams Report,
- Provides for a direct relationship between Strategic Planning, Master Plans, Multi-Year Capital Improvement Plans and the Annual Capital Budget
- Replaces portions of Board Practice 13.2.0 specific to roles and responsibilities with a Roles and Responsibilities matrix.
- Establishes discreet capital project reports, including quarterly CIP Popular Reports (budget-to-actual), Major Project status reports, and capital project close-out reports.
- Introduces use of Projects and Sub-Projects; used to distinguish “phases” and /or annual scope of ongoing, recurring multi-year projects.
- Updated factors in determining “priorities” for capital project planning
- *Capital Projects Advisory Committee* – the draft policy incorporates the recommendation from the Moss Adams report for the District to consider establishing a Capital Projects Advisory Committee. The goal of such a committee is to assist the District by serving as a liaison between the Board of Trustees and District management, as well as provide a forum for community input through the capital planning process.

Board Discussion and Feedback

To facilitate Board discussion on the updated draft of Policy 12.1.0, staff has identified the following areas of focus where Board feedback would be helpful in finalizing the new policy document:

Planning Process:

- How often should Master Plans be formally updated?
 - Annually
 - 3-5 years
 - 5-7 years
 - 7-10 years
- Projects identified in approved Master Plans should be reflected in the District’s Multi-Year Capital Improvement Plan. What planning period should Multi-Year Capital Improvement Plan cover:

- 5-years (current)
- 10-years
- 20-years

Prioritization of Capital Projects

- *Priority 1* – Existing facilities to support existing service levels, capital maintenance, replacement of rolling stock, equipment and software
- *Priority 2* – Projects that expand service capacity in existing facilities
- *Priority 3* – Projects that expand service capacity through construction or acquisition of new facilities with *new* resources
- *Priority 4* - Projects that expand service capacity through construction or acquisition of new facilities with *existing* funding

Consideration of Establishing a Capital Projects Advisory Committee:

- Appointed by Board (formal) or General Manager (informal)
- Focus of the Capital Projects Advisory Committee
 - Assist in the Development and Update of Master Plans
 - Review and inform updates to Multi-Year Capital Budget
 - Focus and Major Projects and Board Priority Projects
- Would Capital Projects Advisory Committee preclude the need for separate advisory committees on specific projects (ex. Pool, Snowflake Lodge, Beach House, etc.)?

Capital Project Reporting:

- Feedback on Updating (current Quarterly CIP Popular Status Report)
- Focus of Major Projects Status Report
 - Definition of “Major” Projects
 - Over \$1,000,000 and 20 years useful life (current)
 - Over \$5,000,000 and 20+ years useful life (proposed)
 - Board Priority Projects
- Project Close-out Reports
 - Major Capital Projects
 - Board Priority Projects
 - Other

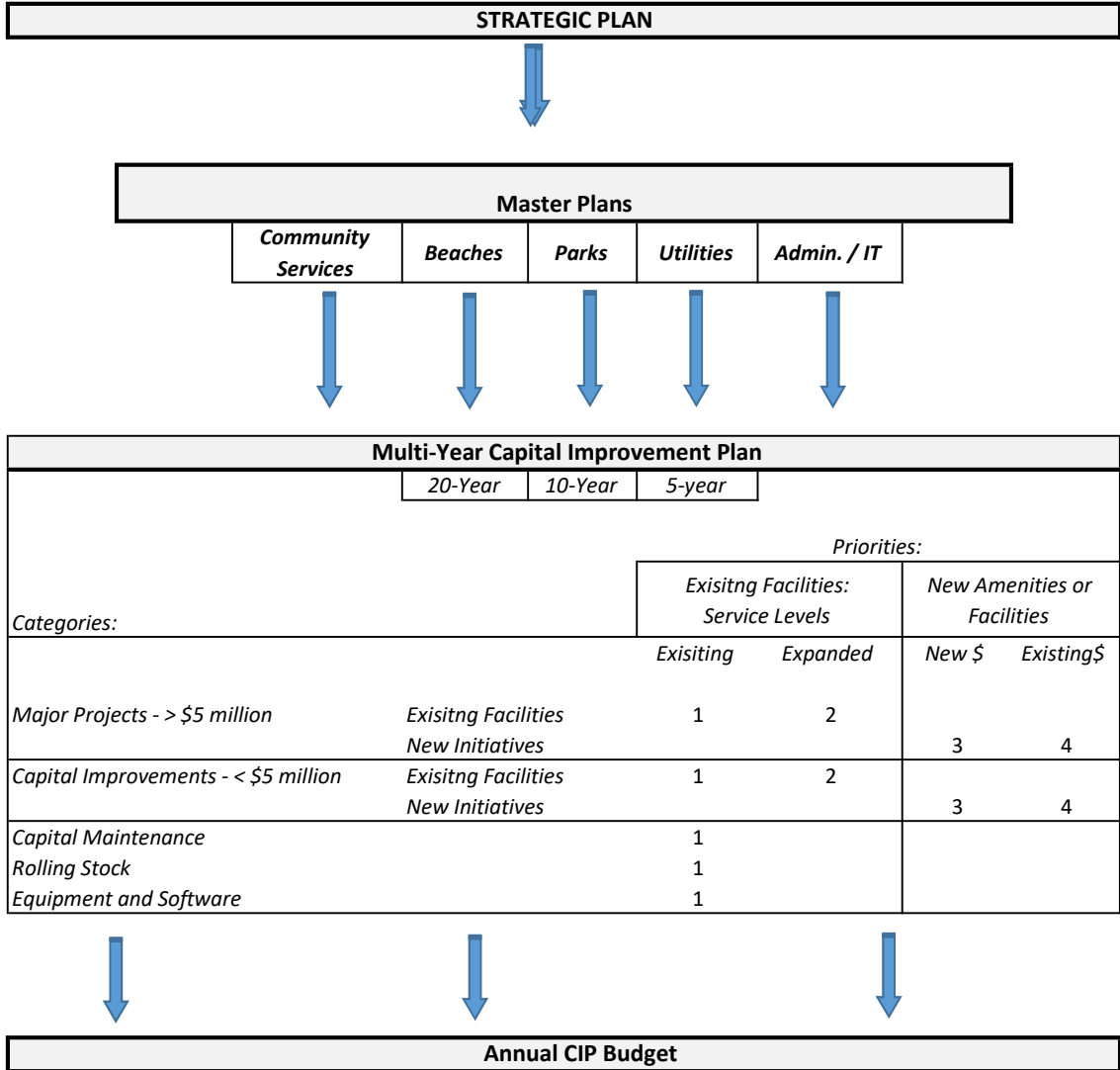
Capita Project Delivery – Roles and Responsibilities

- Board approval of project through budget process
- Board authority for contract award (< \$100,000)
- Board approval of final design and construction specifications prior to bidding
- General Manager’s authority to re-allocate resources
 - Between project phases (planning, design, construction)
 - Between capital projects or sub-projects

Attachments:

- 1) Multi-Year Capital Planning Flow Chart
- 2) Capital Planning, Budgeting and Project Reporting Framework
- 3) Moss Adams report EXCERPT – re Capital Projects Advisory Committee
- 4) DRAFT Board Policy 12.1.0 – Multi-Year Capital Planning, Capital Project Budgeting, Project Delivery and Reporting (*Supersedes existing Board Policy 12.1, 13.1 and Board Practice 13.2*)
Exhibit 1- Roles and Responsibilities Matrix
- 5) Current Board Policies and Practice
 - a. Policy 12.1.0
 - b. Policy 13.1.0
 - c. Practice 13.2.0

MULTI-YEAR CAPITAL PLANNING FLOW CHART



To Include:

- Summary Information
 - by Fund
 - by Function
 - by Venue / Service / Activity
- Schedule of Completion
- Scope / Benefits
- Operating budget impact
- Project Cost
- Funding Source(s)

CAPITAL PLANNING BUDGETING AND CIP PROJECT REPORTING FRAMEWORK

	GM	Senior Mgmt. / Venue Mgrs	Finance	PW Engineering
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Strategic Plan	x	x		
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*Comprehensive Strategic Plan update **every two-years** - coincides with Board term.*

Adopted: February (odd years)

***Bi-annual status report** - progress on achieving budgeted initiatives*

Master Plan	x	x	x	x
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Major Facility Master Plan documents should be comprehensively updated every **5-7 years**

Current service levels / unmet needs / potential facility improvement projects / cost
Consideration of alternative financing strategies

Master Plan updates

Project-specific updates: Cost estimates, schedules, funding sources

Consider more frequent facility (condition) assessment report for major venues/facilities

Recreation Center
Chateau / Aspen Grove
Golf Course Facilities
Beach Facilities
Diamond Peak Facilities

Multi-Year Capital Plan	x	x	x	x
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High-level 20 year CIP plan for Major Capital projects and Major Facilities / Venues - update 5-7 years

Develop expanded 10-year Capital Improvement plan for all major infrastructure and capital assets

with focus on Five-Year Capital Improvement Plan (with identified funding sources)

Prepare Companion Multi-Year Financing Plan, with identified funding sources / alternative financing strategies.

By Venue / Fund:

Major Projects - > \$5 million
Capital Improvements - < \$5 million
Capital Maintenance
Rolling Stock
Equipment and Software

CAPITAL PLANNING BUDGETING AND CIP PROJECT REPORTING FRAMEWORK

	GM	Senior Mgmt. / Venue Mgrs	Finance	PW Engineering
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Annual CIP Budget	x	x	x	x
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Formal approval of fiscal year Capital Budget, to include:

- Project scope, definition and benefits
- Updated project cost estimates, phases and schedule
- Formal cost estimate / funding authorization for Year 1 of Multi-Year Capital Plan

Quarterly Popular CIP Status Report - Nov. / Feb. / May / Aug.

- Expenditures vs. fiscal year budget (Q1, Q2, Q3, Q4)
- Reflects changes in approved budget (augmentations, reduction, re-allocation)

Individual contracts for planning, design, construction /acquisition require subsequent Board approval

- per District Policy and Purchasing procedures.
- Change order authorization to be established with each applicable contract award.

Capital Project Status Report		x	x	x
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Major Projects: Over \$5,00,000 plus Board Priority Projects

- Monthly CIP Project Status Reports (Website, GM Report)
- Detailed project status report covering significant activity
 - Progress report - work completed, next steps
 - Phase status - project milestones through planning, feasibility, design and construction
 - Cost Estimates - Approved; updates
 - Project expenditures
 - Fiscal year-to-date
 - Project-to-date
 - Summary of Board actions/approvals
 - Planned / scheduled Board actions (upcoming)

Project Close-out Report

- Final project reporting
- Acceptance of capital asset constructed / acquired
- Establishment of capital depreciation schedule, based on final capitalized costs
- Project objective accomplished
- Lessons learned



Construction Advisory Committee

The District should consider creating a Construction Advisory Committee or Capital Project Advisory Committee to work as a liaison between the Board of Trustees and District management. The establishment of an effective advisory committee would provide a forum for both the Board of Trustees and District management to discuss specific projects and provide input in an efficient and effective manner. As a result, when projects are presented to the Board of Trustees for either approval or status update, the advisory committee can act as a champion, for both the Board of Trustees and management, to present the decisions requiring full Board consideration/input. This approach tends to decrease the number of modifications or removal of projects that have already been executed or planned for.

The District should implement an advisory committee for the capital program and/or major capital projects that the District has planned or will plan in the future. The makeup of the advisory committee could consist of members of the Board of Trustees, District management (e.g., General Manager and Public Works staff members), and potentially District citizens for cases where a specific interest or area of expertise is presented; however, citizen involvement will be determined by the Board of Trustees and/or District Management based on Nevada Open Meeting Laws. The advisory committee(s) should meet periodically (e.g., monthly or quarterly) and be responsible for relevant to project planning and design, and for executing the programs and major projects to be submitted to the Board of Trustees for approval. The roles and responsibilities of the advisory committee(s) should be clearly defined in the applicable Board policies and practice documents and the specific situations or decisions that require the full Board of Trustees review and approval.

Capital Projects Board Appointed Committee

Questions to be answered

1. What are the qualifications for the members that the Board of Trustees is seeking? i.e. former business owner? Engineering degree? Certain numbers of years lived in the community? Home remodeling experience? Public sector experience? Other?
2. What will be the application process and what information do you desire to be included.
3. Once the applications are submitted, how will the appointments/selections be made? What is the maximum number of appointments to be made to this committee?
4. How will the committee operate? If it is Board appointed, it will be governed by the Nevada Open Meeting Law. Does it have to be Livestreamed? What will be their charge and/or desired outcome?
5. What projects will be reviewed? Is there a dollar level threshold or it is a venue specific determination? Or other?
6. What 1 or 2 Trustees will be appointed to serve on this committee? Which Trustee will be Chair? Or will the Board allow the Committee to self determine its Chair i.e. hold an election?
7. What will be the meeting schedule? Or will the Board allow the Committee to determine its own schedule? Other?
8. What materials are to be provided to the Committee members?



Capital Planning
Multi-Year Capital Planning,
Capital Project Budgeting, Project Delivery and Reporting
Policy 12.1.0

POLICY.

Multi-Year Capital Planning. The District will prepare, adopt and periodically review/update master plans and comprehensive multi-year capital plans to ensure effective management of capital assets.

- A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs.
- The capital plan should cover a period of at least five years, preferably ten or more.

Annual Capital Budget. The District will prepare and adopt a formal capital budget as part of their annual budget process.

- The capital budget will be directly linked to, and flow from, the Multi-Year Capital Improvement Plan.
- It may be necessary to modify projects approved in the capital plan before adopting them in a capital budget. Modifications may be necessary based on changes in project scope, funding requirements, or other issues. If these modifications are material, the District will consider the impacts these may have on its multi-year capital and financial plans.
- The capital budget should be adopted by formal action of the Board of Trustees, either as a component of the operating budget or as a separate capital budget. It will comply with all state and local legal requirements.

Capital Project Delivery. Decision-making responsibilities and duties to execute on capital projects shall be derived from specific authority provided by the Board of Trustees to the allocated by the General Manager.

- This Board policy will specify roles and responsibilities applicable to each phase of a capital project's life-cycle.
- Authority granted by the Board of Trustees to the General Manager may be delegated to specific members of the IVGID staff as provided herein.



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- The staff member so assigned may delegate “duties” to another, but shall remain “responsible” for their actions pertaining to the project.

Capital Project Reporting. The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget.

- Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects.
- Periodic reports will be issued routinely on all ongoing capital projects. The reports will compare actual expenditures to the original budget, identify level of completion of the project, and enumerate any changes in the scope of the project, and alert management to any concerns with completion of the project on time or on schedule.

Multi-Year Capital Planning.

1.0 Identify needs. The first step in the District’s capital planning is identifying needs. The District has a commitment to the maintenance of its existing infrastructure. The District’s Multi-Year Capital Plan will use information including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes to identify present and future service needs that require capital infrastructure or equipment. In this process, attention will be given to:

- 1.1 Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years.
- 1.2 Infrastructure improvements needed to support new development or redevelopment.
- 1.3 Projects with revenue-generating potential.
- 1.4 Improvements that support economic development.
- 1.5 Changes in policy or community needs.



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2.0 Determine costs. The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:

- 2.1 The scope and timing of a planned project should be well defined in the early stages of the planning process.
- 2.2 The District should identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues.
- 2.3 For projects programmed beyond the first year of the plan, the District should consider cost projections based on anticipated inflation.
- 2.4 The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified.
- 2.5 A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, pre-design, design, and construction or acquisition, contingency and post-construction costs.
- 2.6 Recognize the non-financial impacts of the project (e.g., environmental) on the community.

3.0 Prioritize capital requests. The District continually faces extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital plan preparation process. When evaluating projects the District will:

3.1 Categorize each submittal under Project Types:

3.1.1 Major Projects

- A non-recurring project with scope and management complexity with a project budget greater than \$1,000,000 **\$5,000,000** and a 25-year minimum asset life.



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3.1.2 Capital Improvement

- A non-recurring project with some scope and management complexity with a project budget generally less than ~~\$1,000,000~~ **\$5,000,000**.

3.1.3 Capital Maintenance

- A generally recurring project at an existing facility with limited scope and management complexity and a project budget less than \$1,000,000.

3.1.4 Rolling Stock

- On-going projects for the replacement of vehicles, heavy and light duty wheeled and tracked machinery, tractors, mowers, trailers, etc.

3.1.5 Equipment & Software

- On-going replacement of non-rolling stock and non-building system equipment (kitchen, ski rental, uniforms, furniture, service-ware, etc.), information technology hardware and software.

3.2 Prioritize Projects under these criteria:

3.2.1 Priority 1 are projects that address Existing Facilities or replace existing assets via Capital Maintenance, Rolling Stock, or Equipment & Software projects that have reached or are near the end of useful life and are necessary to meet existing programming, operations, or capacities that the community wants, needs and uses.

3.2.2 Priority 2 are New Initiative projects that address existing facilities and assets that have reached or are near the end of useful life in order to expand existing



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programming, operations, or capacities to meet the community's wants, needs and uses.

- 3.2.3 Priority 3 are New Initiative projects that create new amenities that are wanted by the community and will be funded by new sources.
- 3.2.4 Priority 4 are New Initiative projects that create new amenities that are wanted by the community and will be funded by existing sources.
- 3.3 Ongoing consideration of Project Types and Prioritization by District Staff will consider:
 - 3.3.1 Reflect the relationship of project submittals to financial and governing policies, plans, and studies.
 - 3.3.2 Allow venues to provide a prioritization recommendation.
 - 3.3.3 Incorporate input and participation from major stakeholders and the general public.
 - 3.3.4 The condition assessment of existing assets as it relates to asset life-cycle, industry best practices, manufacturer's guidelines, safety, and the aesthetic character of the facility.
 - 3.3.5 Adhere to legal and regulatory requirements and/or mandates.
 - 3.3.6 Anticipate the operations and operating budget impacts resulting from capital projects.
 - 3.3.7 Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., return on service,



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payback period, cost-benefit analysis, cash flow modeling).

3.3.8 Re-evaluate capital projects approved in previous multi-year capital plans.

3.3.9 The availability of outside funding (e.g. grants, direct community contribution, in-kind contribution, public private partnership) to support completion of a capital project.

3.4 Use of Sub-Projects is advisable in following cases:

3.4.1 For major projects with defined phases (typically funded over multiple fiscal years),

3.4.2 For ongoing, recurring, capital programs where annual funding is, in turn, appropriated for discreet scopes of work, via separate contract or task order. These may include water and sewer pipeline replacement, and pavement projects).

3.4.2 For Fleet Replacement (Rolling Stock). Projects would be included in the annual capital budget and multi-year capital plan appropriating and allocating funding required to meet each operating department or venue's vehicle and equipment replacement needs. Purchase orders and expenditures will be tracked at the individual vehicle, unit, or group level though the use of sub-projects.

4.0 Develop financing strategies. The District recognizes the importance of establishing a viable financing approach for supporting the multi-year capital plan. Financing strategies should align with expected project requirements while sustaining the financial health of the District. The capital financing plan should:



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- 4.1 Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans.
- 4.2 Prepare a flow of resources projection of the amount and timing of the capital financing and expenditure
- 4.3 Continue compliance with all established financial policies.
- 4.4 Recognize appropriate legal constraints.
- 4.5 Consider and estimate funding amounts from all appropriate funding alternatives.
- 4.6 Ensure reliability and stability of identified funding sources.
- 4.7 Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others.

Annual Capital Budget.

- 5.0 Preparing and Adopting the Capital Budget. The capital budget will include the following information:
 - 5.1 A definition of capital expenditure for the District.
 - 5.2 Summary information of capital projects by fund, function, venue/service or activity.
 - 5.3 A schedule for completion of the project, including specific phases of a project, estimated funding requirements for the upcoming year(s), and planned timing for acquisition, pre-design, design, and construction or acquisition activities and transition to complete operation.
 - 5.4 Descriptions of the general scope of the project, including expected service and financial benefits to the District.
 - 5.5 A description of any impact the project will have on the current or future operating budget.
 - 5.6 Estimated costs of the project, based on recent and accurate sources of information.
 - 5.7 Identified funding sources for all aspects of the project, specifically referencing any financing requirements for the upcoming fiscal year.



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- 5.8 Funding authority based either on total estimated project cost, or estimated project costs for the upcoming fiscal year. Consideration should be given to carry-forward funding for projects previously authorized.
- 5.9 Any analytical information deemed helpful for setting capital priorities.

The District needs a greater level of detail and information for non-routine capital projects than for routine projects. For non-routine projects, the capital budget should thoroughly describe the impact on the operating budget, number of additional positions required, tax or fee implications, and other financial or service impacts.

6.0 Reporting on the Capital Budget. The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget. Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects. Periodic reports will be issued routinely on all ongoing capital projects.

6.1 CIP Popular Status Report. In conjunction with publishing the District's Quarterly Budget Update(s), a CIP Popular Status Report shall be prepared that provides a comparison of actual capital project expenditures to the original and amended project budget for each capital project included in the current year capital budget.

6.2 Major Project Status Report. On a quarterly basis, a Major Project Status report will be presented to the Board. This report will include all "major" projects as well as any Board priority projects identified for inclusion. The report will identify the level of completion of the project, completed and pending project milestones, and enumerate any changes in the scope of the project, or issues that may impact the completion of the project on time, or on schedule.



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- 6.3. Capital Project Close-out Report. For “major” projects, or any project identified as a priority project by the Board, a Capital Project Close-out Report will be presented to the Board at the completion of the project. This report will include information related to actual project expenditures in relation to original and amended project budget; explain any significant variance in project completion schedule; list all change orders and/or contract amendments executed during the delivery of the project; and, where appropriate; include a summary of unforeseen circumstances or “lessons learned” that will assist the District in developing scope, budget and schedules for future capital projects.

Capital Project Delivery.

7.0 AUTHORITY

Decision-making responsibilities and duties on capital projects shall be allocated by the General Manager to specific members of the IVGID staff as provided herein. A Project Manager will usually be a representative of the IVGID department which will acquire or construct the project. The staff member so assigned may delegate “duties” to another, but shall remain “responsible” for their actions pertaining to the project.

8.0 CAPTIAL PROJECT FINANCING RESOURCES

Financial management of capital projects is controlled through the Board-Approved Multi-Year Capital Improvement Plan and each fiscal year’s Capital Improvement Project Budget. The ability to pay for the costs of a project will be based on appropriated, identifiable and predictable financing resources at the time of acquisition.

- 8.1 Establishment.** A capital project’s financing resources are established by action of the Board of Trustees through the



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adoption of a annual Capital Project Improvement Budget. Financing resources may be established for each fund; for each program; or for each project or group of projects.

8.2 Interest. For any project where part of the financing resources came from bond proceeds, the investment earnings must be attached to the project in order to determine and comply with IRS arbitrage regulations.

8.3 Expenditures. Funds identified as financing resources may only be expended consistent with appropriation authority provided – **at the project level** - by the Board of Trustees the District’s approved, or amended, Capital Improvement Project Budget.

Projects carrying over from one fiscal year to another are expected to be identified during the annual budget process to extend spending authority and facilitate completion of the construction or acquisition of the capital assets.

The General Manager has the authority to redirect the design or specifications affecting up to an aggregate of **\$50,000 if it does not exceed the total approved cost of the project.**

In addition, in cases where sub-projects are used to track project expenditures by project phase or component scope, the General Manager shall have the authority to re-allocate funding between sub-projects, up to an aggregate amount of \$50,000, provided the reallocation is within the same fund or sub-fund.

8.4 Exclusivity. All financing resources identified for a project, are considered exclusively for expenditures related to that project. No expenditures or obligations shall be made related to that project which cumulatively exceeds the available appropriations authorized by the Board of Trustees, based upon identifiable and predictable financing resources.



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- 8.5 Changes.** The amount of funds in identifiable and predictable financing resources may be increased or decreased by action of the Board of Trustees, provided that no decrease shall occur which causes the unexpended financing resources for any project to fall below the cumulative total of obligations outstanding pertaining to the project.
- 8.6 Close-out.** Upon completion or termination of a project, the unexpended financing resources for that project may be closed out by the General Manager, except for an action of the Board of Trustees, designating where the unexpended, if any, shall be transferred.

9.0 PROJECT LIFE CYCLE

Projects shall be managed in relation to the following typical project life cycle:

- 9.1 Definition.** The process of developing a document which describes a specific project, in terms of location, function, cost, and other parameters.
- 9.2 Feasibility.** The process of analyzing the practicality of a project, in terms of capital financing and cost, operating revenue and cost, environmental and permit conditions, and other factors.
- 9.3 Planning / Scheduling.** The process of developing documents which identify the location and function of projects, in relation to other projects and existing facilities, as well as identifying the cost, timing and financing of the capital project.

All capital project expenditures shall be evaluated through a Multi-Year Capital Improvement Plan, to include a supporting Financing Plan and authorized for expenditure through a specific fiscal year's Capital Budget. Inclusion of a project within



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an approved Multi-Year Capital Improvement Plan means the project has been “*planned and scheduled*”.

- 9.4 Funding.** The process by which funds are identified to support capital project costs. Inclusion of a project with funding included in the Multi-year Capital Plan means that project funding has been *identified*; when resources are appropriated through the annual Capital Improvement Project budget, a project is considered “*funded*.”
- 9.5 Design/Specification.** The process of determining the size, specifications, acquisition/construction methods, and other factors prerequisite to construction or acquisition, including the selection of the designers. A project is deemed “designed” upon approval of final design.
- 9.6 Construction/Acquisition.** The process entails constructing or acquiring a project’s assets, including the selection of contractors or vendors. A project is deemed “*completed*” upon approval of final payment and acceptance of the project by the District.
- 9.7 Close-out.** At completion, (construction, project acceptance, or acquisition) relevant project close-out tasks shall be completed, per check-lists for professional services contracts and construction contracts (based on contract dollar amount(s)). Upon processing of final payments and review of project budgets, purchase orders will be closed and unexpended funding available for re-allocation or reverting to fund balance, pursuant to formal action by the Board of Trustees.

10.0 PROJECT DELIVERY/EXECUTION

All projects may not be subject to all phases, or be phased in the same order. However, all capital projects shall be defined, planned/scheduled and



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funding sources identified to proceeding to design/specification. All construction projects shall be planned. Progress in completing all capital projects will be documented a “Capital Project Status Report” presented to the Board of Trustees no less than quarterly.

10.1 Roles and Responsibilities.

To facilitate effective delivery of capital projects, it is important to clearly define roles and responsibilities throughout the project life cycle.

Roles and responsibilities for defining, analyzing, planning/scheduling, funding, design, construction/acquisition and project close-out are defined in Exhibit A to this policy.

Project Phase	Board of Trustees	General Manager	CIP Capital Program Review Committee			New Capital Program Advisory Committee
			Department Director	Project Manager	Staff	
Definition	<i>Process of developing a document which describes a specific project, in terms of location, function, cost, and other parameters.</i>					
	Receive project definitions as part of capital Improvement Project Budget submittal	Approve Capital project definitions		Prepare initial Capital Project Data Sheet.		
Feasibility	<i>Process of analyzing the practicality of a project, in terms of capital financing and cost, operating revenue and cost, environmental and permit conditions, and other factors.</i>					
	Ensure feasibility of capital improvement projects prior to design and construction. 1) Determine when a feasibility study is needed 2) Award and execute consulting contracts exceeding GM procurement authority. 3) Review and accept final "CIP Budget"	1) Review and approve study scope 2) Authorize consultant contracts within GM procurement authority	1) Approve RFP on consulting contracts 2) Approve study methods and team	1) Define specific objectives, criteria and scope 2) Prepare RFP and solicitation process 3) Recommend approval of study contracts		
Planning / Scheduling	<i>Developing documents that identify location and function of projects, in relation to other projects and existing facilities, as well as identifying the cost, timing and financing of the capital project.</i>					
	1) Define general goals, constraints and direction. 2) Award and execute planning contracts exceeding GM procurement authority 3) Review and approve Multi-Year Capital Improvement Plan 4) Approve project amendments and substitutions, according to District purchasing policies.	Ensure plans are coordinated with Multi-year Capital Improvement Plan 1) Approve planning scope 2) Authorize planning contracts within GM procurement authority 3) Validate scheduling in terms of sound financial planning. 4) Review, and revise recommended capital improvement projects to the Board.	1) Approve RFP's 2) Approve planning methods and team 3) Recommend capital improvement projects to the GM 4) Recommend approval of planning contracts 5) Review and approve progress reports 6) Recommend preferred alternatives and final plans to GM and Board	1) Define specific objectives, criteria and scope 2) Prepare RFP and solicitation process 3) Coordinate project with public, staff and GM 4) Prepare progress reports 5) Make substantive and procedural decisions during the planning process 6) Recommend preferred alternatives and final plans to Department Head 7) Analyze alternative financing methodologies and prepare capital financing program coordinated with CIP budget and Multi-Year Capital Plan		

Funding	<i>The process by which funds are identified to support capital project costs.</i>				
	<p>Establish availability of appropriate, identifiable predictable financing resources. 1) Approve annual Capital Improvement Project Budget</p>	<p>Approve recommendations for project to proceed and increases in project financing resources beyond levels identified in Capital Project Report.</p>	<p>1) Review recommended actions to establish, increase, decrease or close-out financing resources. 2) Review impact of capital project on CIP budget and Multi-Year Plan.</p>	<p>Administration of project finances. 1) Produce periodic report on capital project financing resources, obligations and expenditures. 2) Recommend periodic action to establish, increase, decreased or close-out financing resources. 3) Consider impact of capital project on CIP budget and Multi-Year Plan.</p>	
Design / Specifications	<i>The process of determining the size, specifications, acquisition/construction methods, and other factors prerequisite to construction or acquisition, including the selection of the designers.</i>				
	<p>General oversight of design and specifications. 1) Award and execute design contracts exceeding GM procurement authority. 2) Accept regulatory permit conditions when over \$100,000, or not included in project budget.</p>	<p>1) Award and execute design contracts within GM procurement authority. 2) Review and accept regulatory permit conditions under \$50,000.</p>	<p>1) Approve design methods and team 2) Provide guidance to project manager during design. 3) Review and approve final design/specs on projects. 4) Provide direction to on major design alternatives and issues.</p>	<p>1) Prepare scope of services and requests for proposals for design services, and administer selection process for design team. 2) Prepare design contracts; recommend for award and execute design contracts. 3) Assemble cost estimates; prepare project budget and budget revisions; prepare project schedule and schedule revisions. 4) Coordinate activities of designers with the balance of the technical team, and operating staff. 5) Present major design alternatives and issues. Provide direction to on major design alternatives and issues. 6) Assemble and submit regulatory permit applications and coordinate regulatory process. 7) Approve all requests for payment.</p>	

Construction / Acquisition	<i>The process entails constructing or acquiring a project's assets, including the selection of contractors or vendors. A project is deemed "completed" upon approval of final payment and acceptance of the project by the District.</i>					
	<p>General oversight of contract awards, major payments and acceptance of capital assets constructed or acquired</p> <ol style="list-style-type: none"> 1) Award and execute construction/acquisition contracts in excess of GM authority 2) Approve change orders exceeding authority designated to staff. 3) Approve amendments (increase and decrease) to Capital Improvement Project budgets, including re-allocation of available resources among projects. 	<p>Ensure contracts and request for major payments submitted to the Board for approval meet requirements of CIP budget.</p>	<ol style="list-style-type: none"> 1) Approve change orders within authority limitations. 2) Upon substantial completion, approve release of retention for construction projects. 	<ol style="list-style-type: none"> 1) Recommend award and execute construction/acquisition contracts. 2) Recommend approval of change orders 3) Recommend release of retention to GM. 4) Recommend approval of final payment. 5) Coordinate final contract preparation 6) Establish and administer inspection and testing. 7) Supervise Construction Representative. 8) Serve as District's representative to contractor. 9) Approve all shop drawings; 10) approval all requests for equals; 11) approve all certificates of payment. 		
Close-Out						
	<ol style="list-style-type: none"> 1) Formal acceptance of major capital projects, via project close-out report. 	<ol style="list-style-type: none"> 1) Formal acceptance of capital projects within GM procurement authority. 2) Recommend formal project acceptance to BOT for projects exceeding GM procurement authority. 	<ol style="list-style-type: none"> 1) Review recommendation for project acceptance. 2) Authorize final payment, including retention amounts 3) Review and approve project close-out report. 	<ol style="list-style-type: none"> 1) Ensure all project deliverables have been met and documented. 2) Recommend "acceptance" of project 3) Authorize final payment, including retention amounts 4) Finalize file with all project documents and required approvals 5) Complete capital project close-out checklist and prepare project close-out report. 		



Capital Planning Multi-Year Capital Planning Policy 12.1.0

POLICY. The District will prepare and adopt comprehensive multi-year capital plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs. The capital plan should cover a period of at least five years, preferably ten or more.

1.0 Identify needs. The first step in the District's capital planning is identifying needs. The District has a commitment to the maintenance of its existing infrastructure. The District's Multi-Year Capital Plan will use information including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes to identify present and future service needs that require capital infrastructure or equipment. In this process, attention will be given to:

- 1.1 Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years.
- 1.2 Infrastructure improvements needed to support new development or redevelopment.
- 1.3 Projects with revenue-generating potential.
- 1.4 Improvements that support economic development.
- 1.5 Changes in policy or community needs.

2.0 Determine costs. The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:

- 2.1 The scope and timing of a planned project should be well defined in the early stages of the planning process.
- 2.2 The District should identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues.



Capital Planning Multi-Year Capital Planning Policy 12.1.0

- 2.3 For projects programmed beyond the first year of the plan, the District should consider cost projections based on anticipated inflation.
 - 2.4 The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified.
 - 2.5 A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, pre-design, design, and construction or acquisition, contingency and post-construction costs.
 - 2.6 Recognize the non-financial impacts of the project (e.g., environmental) on the community.
- 3.0 Prioritize capital requests.** The District continually faces extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital plan preparation process. When evaluating projects the District will:
- 3.1 Categorize each submittal under Project Types:
 - 3.1.1 Major Projects
 - A non-recurring project with scope and management complexity with a project budget greater than \$1,000,000 and a 25-year minimum asset life.
 - 3.1.1.1 New Initiatives
 - A project that creates a new amenity or significantly expands an existing facility with new programming, operations or capacities.
 - 3.1.1.2 Existing Facilities
 - A project that maintains, renews, and re-invests in existing facilities without significantly adding new programming, operations or capacities.



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3.1.2 Capital Improvement

- A non-recurring project with some scope and management complexity with a project budget generally less than \$1,000,000.

3.1.2.1 New Initiatives

3.1.2.2 Existing Facilities

3.1.3 Capital Maintenance

- A generally recurring project at an existing facility with limited scope and management complexity and a project budget less than \$1,000,000.

3.1.4 Rolling Stock

- On-going projects for the replacement of vehicles, heavy and light duty wheeled and tracked machinery, tractors, mowers, trailers, etc.

3.1.5 Equipment & Software

- On-going replacement of non-rolling stock and non-building system equipment (kitchen, ski rental, uniforms, furniture, serviceware, etc.), information technology hardware and software.

3.2 Prioritize Projects under these criteria:

3.2.1 Priority 1 are projects that address Existing Facilities or replace existing assets via Capital Maintenance, Rolling Stock, or Equipment & Software projects that have reached or are near the end of useful life and are necessary to meet existing programming, operations, or capacities that the community wants, needs and uses.

3.2.2 Priority 2 are New Initiative projects that address existing facilities and assets that have reached or are



Capital Planning Multi-Year Capital Planning Policy 12.1.0

near the end of useful life in order to expand existing programming, operations, or capacities to meet the community's wants, needs and uses.

- 3.2.3 Priority 3 are New Initiative projects that create new amenities that are wanted by the community and will be funded by new sources.
- 3.2.4 Priority 4 are New Initiative projects that create new amenities that are wanted by the community and will be funded by existing sources.
- 3.3 Ongoing consideration of Project Types and Prioritization by District Staff will consider:
 - 3.3.1 Reflect the relationship of project submittals to financial and governing policies, plans, and studies.
 - 3.3.2 Allow venues to provide a prioritization recommendation.
 - 3.3.3 Incorporate input and participation from major stakeholders and the general public.
 - 3.3.4 The condition assessment of existing assets as it relates to asset life-cycle, industry best practices, manufacturer's guidelines, safety, and the aesthetic character of the facility.
 - 3.3.5 Adhere to legal and regulatory requirements and/or mandates.
 - 3.3.6 Anticipate the operations and operating budget impacts resulting from capital projects.
 - 3.3.7 Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., return on service,



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payback period, cost-benefit analysis, cash flow modeling).

3.3.8 Re-evaluate capital projects approved in previous multi-year capital plans.

3.3.9 The availability of outside funding (e.g. grants, direct community contribution, in-kind contribution, public private partnership) to support completion of a capital project.

4.0 Develop financing strategies. The District recognizes the importance of establishing a viable financing approach for supporting the multi-year capital plan. Financing strategies should align with expected project requirements while sustaining the financial health of the District. The capital financing plan should:

- 4.1 Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans.
- 4.2 Prepare a flow of resources projection of the amount and timing of the capital financing and expenditure
- 4.3 Continue compliance with all established financial policies.
- 4.4 Recognize appropriate legal constraints.
- 4.5 Consider and estimate funding amounts from all appropriate funding alternatives.
- 4.6 Ensure reliability and stability of identified funding sources.
- 4.7 Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others.



Capital Planning Capital Project Budgeting Policy 13.1.0

POLICY. The District will prepare and adopt a formal capital budget as part of their annual budget process. The capital budget will be directly linked to, and flow from, the Multi-Year Capital Improvement Plan. It may be necessary to modify projects approved in the capital plan before adopting them in a capital budget. Modifications may be necessary based on changes in project scope, funding requirements, or other issues. If these modifications are material, the District will consider the impacts these may have on its multi-year capital and financial plans. The capital budget should be adopted by formal action of the Board of Trustees, either as a component of the operating budget or as a separate capital budget. It will comply with all state and local legal requirements.

- 1.0 Preparing and Adopting the Capital Budget. The capital budget will include the following information:
 - 1.1 A definition of capital expenditure for the District.
 - 1.2 Summary information of capital projects by fund, function, venue/service or activity.
 - 1.3 A schedule for completion of the project, including specific phases of a project, estimated funding requirements for the upcoming year(s), and planned timing for acquisition, pre-design, design, and construction or acquisition activities and transition to complete operation.
 - 1.4 Descriptions of the general scope of the project, including expected service and financial benefits to the District.
 - 1.5 A description of any impact the project will have on the current or future operating budget.
 - 1.6 Estimated costs of the project, based on recent and accurate sources of information.
 - 1.7 Identified funding sources for all aspects of the project, specifically referencing any financing requirements for the upcoming fiscal year.
 - 1.8 Funding authority based either on total estimated project cost, or estimated project costs for the upcoming fiscal year. Consideration should be given to carry-forward funding for projects previously authorized.



**Capital Planning
Capital Project Budgeting
Policy 13.1.0**

- 1.9 Any analytical information deemed helpful for setting capital priorities.

The District needs a greater level of detail and information for non-routine capital projects than for routine projects. For non-routine projects, the capital budget should thoroughly describe the impact on the operating budget, number of additional positions required, tax or fee implications, and other financial or service impacts.

- 2.0 Reporting on the Capital Budget. The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget. Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects. Periodic reports will be issued routinely on all ongoing capital projects. The reports will compare actual expenditures to the original budget, identify level of completion of the project, and enumerate any changes in the scope of the project, and alert management to any concerns with completion of the project on time or on schedule.



Capital Planning Capital Expenditures Practice 13.2.0

RELEVANT POLICIES: 1.1.0 Strategic Planning, 9.1.0 Establishing Appropriate Capitalization Threshold for Capital Assets, 12.1.0 Multi-Year Capital Planning, and 13.1.0 Capital Project Budgeting

1.0 AUTHORITY

Decision-making responsibilities and duties on capital projects shall be allocated by the General Manager to specific members of the IVGID staff as provided herein. The staff member so assigned may delegate “duties” to another, but shall remain “responsible” for their actions pertaining to the project.

A Project Manager will usually be a representative of the IVGID department which will acquire or construct the project. The Project Manager may seek the input or assistance of a representative of the IVGID department that will utilize the capital asset. A planner, analyst, designer, or construction representative usually reports to the Project Manager as an employee or through a contract for services.

2.0 CAPITAL PROJECT FINANCING RESOURCES

Financial management of capital projects is controlled through a system including the Multi-Year Capital Improvement Plan and each fiscal year’s Capital Improvement Project Budget. The ability to pay for the costs of a project will be based on identifiable and predictable financing resources at the time of acquisition.

2.1 Establishment. A capital project’s financing resources may be established by action of the Board of Trustees by the adoption of a Capital Project Report. Financing resources may be established for each fund; for each program; or for each project or group of projects. The preference is on each project to facilitate calculating the affects of each project on the Multi-Year Capital Improvement Plan.

2.2 Status. All financing resources identified and received for a Capital Improvement Project shall be held in cash or



Capital Planning Capital Expenditures Practice 13.2.0

investments and shall constitute an element of fund balance or net position until expended or released by an action of the Board of Trustees.

- 2.3 Interest.** Investment earnings on a project's financing resources shall accrue to the project to the extent they were included in the Capital Improvement Project Data Sheet or are deemed needed for possible project cost adjustments. In any project where part of the financing resources came from bond proceeds, the investment earnings must be attached to the project in order to determine and comply with IRS arbitrage regulations.
- 2.4 Expenditures.** Funds identified as financing resources may only be expended by action of the Board of Trustees according to the District's Capital Improvement Project Budget. Projects carrying over from one fiscal year to another are expected to be identified during each budget process to extend spending authority and facilitate completion of the construction or acquisition of the capital assets. The General Manager has the authority to redirect the design or specifications affecting up to an aggregate of \$50,000 if it does not exceed the total approved cost of the project.
- 2.5 Exclusivity.** All financing resources identified for a project, are considered exclusively for expenditures related to that project. No expenditures or obligations shall be made related to that project which cumulatively exceeds the available balance in identifiable and predictable financing resources.
- 2.6 Changes.** The amount of funds in identifiable and predictable financing resources may be increased or decreased by action of the Board of Trustees, provided that no decrease shall occur which causes the unexpended financing resources for any project to fall below the cumulative total of obligations outstanding pertaining to the project.



Capital Planning Capital Expenditures Practice 13.2.0

- 2.7 Close-out.** Upon completion or termination of a project, the unexpended financing resources for that project may be closed out by the General Manager, except when a previous action by the Board of Trustees, designates where the unexpended amount, if any, shall be transferred.

3.0 PROJECT LIFE CYCLE

Projects shall be managed in relation to the following typical project life cycle:

- 3.1 Definition.** The process of developing a document which describes a specific project, in terms of location, function, cost, and other parameters. Approval of a Capital Project Data Sheet means the project has been "**defined.**"
- 3.2 Planning.** The process of developing documents which identify the location and function of projects, in relation to other projects and existing facilities. Approval of a project plan document within an approved Capital Project Summary means the project has been "**planned.**"
- 3.3 Feasibility.** The process of analyzing the practicality of a project, in terms of capital financing and cost, operating revenue and cost, environmental and permit conditions, and other factors. Acceptance information stated on the Capital Project Data Sheet as a feasibility report, means the project has been "**justified.**"
- 3.4 Scheduling.** The process of developing an outline identifying the cost, timing and financing of the capital project. All capital project expenditures shall be evaluated through a Multi-Year Capital Improvement Plan and authorized for expenditure through a specific fiscal year's Capital Improvement Plan Budget. Inclusion of a project within an approved Multi-Year Capital Improvement Plan means the project has been "**scheduled.**"



Capital Planning Capital Expenditures Practice 13.2.0

- 3.5 Funding Identified.** The process by which funds are identified, as either planned or set aside to underwrite capital costs. Identification of predictable financing resources for inclusion of a project in a specific fiscal year's Capital Improvement Plan Budget means the project has been “**funded.**”
- 3.6 Design/Specification.** The process of determining the size, specifications, acquisition/construction methods, and other factors prerequisite to construction or acquisition, including the selection of the designers. Approval of final design means the project has been “**designed.**”
- 3.7 Construction/Acquisition.** The process entails constructing or acquiring a project’s assets, including the selection of contractors or vendors. Approval of final payment means the project has been “**completed.**”
- 3.8 Requirements.** All projects may not be subject to all phases, or be phased in the same order. However, all capital projects shall be defined. All capital projects shall be scheduled and have funding identified, prior to design/specification. All construction projects shall be planned. All construction projects shall be justified, prior to design/specification.

3.8.1.0 Definition

3.8.1.1 Trustees Responsibility: Relate District needs identified through the Strategic Plan to capital projects placed on the Multi-Year Capital Improvement Plan. **Duties:** Consider project definitions as part of Capital Improvement Project Budget submittal.

3.8.1.2 General Manager Responsibility: Ensure capital projects developed for consideration by the Board of Trustees relate to strategies and actions



Capital Planning Capital Expenditures Practice 13.2.0

developed under the District's Strategic Planning Process. **Duties:** Approve capital project definitions.

3.8.1.3 Staff Duties: Prepare an accurate and up to date Capital Project Data Sheet, containing statement of project cost, schedule, location, financing, and other factors.

3.8.2.0 Planning

3.8.2.1 Trustees Responsibility: Ensure adequate planning basis for capital improvement projects. **Duties:** Define general goals, constraints, and directions. Award and execute planning contracts according to Nevada Revised Statutes. Establish public input process. Review and approve final plan.

3.8.2.2 General Manager. Responsibility: Ensure all issues are addressed and plans are coordinated with the Multi-Year Capital Improvement Plan. **Duties:** Review and approve planning scope. Approve requests for proposals on consulting contracts. Approve planning methods and planning team. Provide guidance to Project Manager during planning.

3.8.2.3 Project Manager. Responsibility: Administration, quality and accuracy. **Duties:** Define specific objectives, alternatives, criteria, and scope. Prepare requests for proposals and administer selection process for planning team. Prepare planning contracts. Recommend approval for and executing planning contracts. Coordinate project with, public, staff, and General Manager. Review and approve progress reports, make substantive and procedural decisions during planning process, and



Capital Planning Capital Expenditures Practice 13.2.0

recommend preferred alternatives and final plans to the General Manager and Board of Trustees.

3.8.2.4 Engineering and Staff. Duties: Provide input to planning scope, methods, analysis, conclusions, and recommendations.

3.8.2.5 Planner Duties: Conduct analysis and produce planning documents and reports, for review by Project Manager.

3.8.3.0 Feasibility

3.8.3.1 Trustees. Responsibility: Ensure feasibility of capital improvement projects prior to design and construction. **Duties:** Determine when feasibility studies are required. Identify issues to be addressed. Award and execute consulting contracts according to Nevada Revised Statutes.. Review and accept the final "Capital Improvement Project Budget" as a basis for decision-making.

3.8.3.2 General Manager. Responsibility: Ensure critical issues are addressed and conservative approach to feasibility is applied. **Duties:** Review and approve study scope. Approve requests for proposals on consulting contracts. Approve study methods and team. Provide guidance to the Project Manager during study.

3.8.3.3 Project Manager. Responsibility: Administration, quality and accuracy. **Duties:** Define specific concerns, alternatives, criteria, and scope. Prepare requests for proposals and administer selection process for study team. Prepare study contracts. Recommend award and execute study contract. Coordinate project with, staff and General



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Manager. Review and approve progress reports, make substantive and procedural decisions during study process, and approve conclusions and recommendations.

3.8.3.4 Finance, Engineering, and Staff. Duties: Provide input to study contract, scope, methods, analysis, conclusions, and recommendations.

3.8.3.5 Analyst. Duties: Conduct analysis and produce study documents and reports for review by the Project Manager.

3.8.4.0 Scheduling

3.8.4.1 Trustees. Responsibility: Prioritization and prudent investment of capital assets. **Duties:** Review and approve Multi-Year Capital Improvement Plan considering financing programs, priorities and needs and validity to proceed as scheduled. Approve project amendments and substitutions according to District purchasing policies.

3.8.4.2 General Manager. Responsibility: Validate scheduling in terms of sound financial planning and the ability to construct or acquire the capital assets. **Duties:** Review, revise and recommend capital improvement projects to the Board of Trustees.

3.8.4.3 Engineering Staff. Responsibility: Accuracy of cost projections and coordination of project scheduling. **Duties:** Identify capital project scheduling issues correlated to timing of expenditures and acquisition of the capital assets. Coordinate input of operating staff receiving the capital asset.



Capital Planning Capital Expenditures Practice 13.2.0

3.8.4.4 Finance Staff Responsibility: Adequacy of identifiable and predictable financing resources to meet the timing of expenditures. **Duties:** Analyze alternative financing schemes and prepare capital financing program coordinated with appropriate Capital Improvement Project Budget and the Multi-Year Capital Improvement Plan.

3.8.5.0 Funding

3.8.5.1 Trustees. Responsibility: Adequate identifiable and predictable financial resources exist for the project prior to the approval to proceed. **Duties:** Establish appropriate identifiable predictable financing resources are available. Increase and decrease funding level.

3.8.5.2 General Manager Responsibility: Approve recommendations for project to proceed and increases in project financing resources beyond levels identified in Capital Project Report, prior to submitted to Board. **Duties:** Review updated financial analysis for the capital project with Finance Staff for adequate financing resources and cash flows. Approve close-out upon project termination or completion.

3.8.5.3 Project Manager. Responsibility: Accuracy. **Duties:** Assemble and update project cost estimates.

3.8.5.4 Finance Staff. Responsibility: Administration of project finances. **Duties:** Produce periodic report on capital project financing resources, obligations and expenditures. Recommend periodic action to establish, increase, decrease, and close out



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financing resources. Consider the current affects of projects on the Capital Improvement Project Budget and the Multi-Year Capital Improvement Plan.

3.8.5.5 Engineering Staff. Duties: Coordinate estimates of project cost for periodic funding report.

3.8.6.0 Design/Specification

3.8.6.1 Trustees. Responsibility: General oversight of project design and specifications. **Duties:** Award and execute design contract according to Nevada Revised Statutes. Review and accept regulatory permit conditions on construction projects, if \$50,000 or more.

3.8.6.2 General Manager. Responsibilities: Ensure design and specifications correlate to defined capital project. **Duties:** Approve design methods and team. Provide guidance to Project Manager during design. Review and approve final design/specification reports on projects. Review and accept regulatory permit conditions.

3.8.6.3 Project Manager. Responsibility: Administration, detailed oversight and design functionality. **Duties:** Prepare scope of services and requests for proposals for design services. Administer selection process for design team. Prepare design contracts. Recommend for award and execute design contracts. Assemble cost estimates; prepare project budget and budget revisions. Prepare project schedule and schedule revisions. Approve project budget and budget revisions. Approve project schedule and schedule revisions. Establish, execute, and administer arrangements for surveys, analysis, environmental



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studies, and other forms of technical support. Supervise designers. Establish functional and performance requirements. Coordinate activities of designers with the balance of the technical team, and operating staff. Present major design alternatives and issues. Provide direction to on major design alternatives and issues. Review and approve ongoing design reports and documents. Sign all regulatory permits and permit applications. Review, approve, and correct ongoing design reports and documents, including all technical specifications. Prepare construction contract forms. Assemble and submit regulatory permit applications and coordinate regulatory process. Approve all requests for payment.

3.8.6.4 Designer Duties: Analysis of design alternatives. Preparation of plans and specifications. Preparation of support material for permit applications, and other contract documents. Coordination of various members of the design team. Preparation of cost estimates.

3.8.7.0 Construction/Acquisition

3.8.7.1 Trustees. Responsibility: General oversight of contract awards, major payments and acceptance of capital assets constructed or acquired. **Duties:** Award and execute construction/acquisition contract according to Nevada Revised Statutes. Approve change orders cumulatively exceeding 10% of construction contract or \$50,000, whichever is the greater.

3.8.7.2 General Manager. Responsibility: Ensure contracts and requests for payments submitted to the Board of Trustees for approval meet the



Capital Planning Capital Expenditures Practice 13.2.0

requirements outlined in the Capital Improvement Project Budget. **Duties:** Approve change orders cumulatively not exceeding 10% of construction contract or \$50,000. Upon substantial completion, approve release of retention for Construction projects.

3.8.7.3 Project Manager Responsibility: Detailed oversight. **Duties:** Recommend award and execute construction/acquisition contracts. Recommend approval of change orders. Recommend release of retention to General Manager and Board of Trustees. Recommend approval of the final payment. Administer bid process. Recommend contract award. Coordinate final contract preparation, including insurance, bonding, and certificates. Establish, administer and execute arrangements for inspection and testing. Supervise construction representatives. Review all inspection, testing and construction observation reports. Serve as District's representative to contractor and regulatory agencies. Approve all shop drawings. Approve requests for equals. Approve all certificates for payment. Update construction schedule.

3.8.7.4 Construction Representative. Duties: Observe construction and testing. Prepare construction observation reports. Advise Project Manager of deficiencies when noted. Notify Project Manager of deviations from plans and specifications. Prepare and execute notice to proceed.