

**PLEASE RETURN TO:
Kennewick Irrigation District
12 W. Kennewick Avenue
Kennewick, WA 99336**

**KENNEWICK IRRIGATION DISTRICT
RESOLUTION 2009-26**

FORMATION OF LID #192 - RED MOUNTAIN SOUTH

A **RESOLUTION** of the Board of Directors of the Kennewick Irrigation District deciding in favor of the construction, operation and maintenance of a pressurized irrigation system for the delivery of irrigation water pursuant to property owners' petition; establishing Local Improvement District No. 192, Red Mountain South, and the boundaries thereof; authorizing the Treasurer of the District to secure financing for the funding of preliminary costs and construction of the pressurized irrigation system for said Local Improvement District; providing that payment for the improvements be made by special assessments upon the property in the Local Improvement District; and directing a certified copy of the Resolution to be delivered to the Benton County Assessor.

WHEREAS, petitions for the creation of a local improvement district (LID) to provide for the construction of a pressurized irrigation system for the delivery of irrigation water to individual properties within Kennewick Irrigation District (the "District"), all of the cost thereof to be borne by the property included in the LID and benefited, were filed with the Board of Directors (the "Board") of the District on February 1, 2007 and are kept on file; and,

WHEREAS, the Board, with the assistance of competent engineers from the KID Engineering Department and an independent consulting firm, has investigated the feasibility, cost, and need of the proposed local improvement together with the ability of the lands to pay the cost, and has investigated the performance and installation of the irrigation system to meet the requests of the property owners and the current KID standards, and has found it to be feasible and needed, and has found that the lands to be included have the ability to pay the cost; and

WHEREAS, notice of the public hearing by the Board to consider comments, objections and protests to the proposed LID was given as required by RCW 87.03.485, establishing July 21, 2009, 9:00 a.m., as the hearing date at 12 W. Kennewick Avenue, Kennewick, Washington;

WHEREAS, the Board, on July 21, 2009, after hearing all persons desiring to object or otherwise be heard on matters affecting the formation of the LID, the cost thereof, and operation and maintenance of the improvements therein, continued the hearing to August 18, 2009, and at the August 18, 2009 meeting, continued the hearing to September 1, 2009; and

WHEREAS, the Board has been determined to remove any lands whose owner did not want their lands to be included in the LID and has been informed by staff that any lands whose owner did not want to be included in said LID have been removed from the proposed LID;

WHEREAS, the Board did not receive, at or before the hearing, protests against the establishment of the LID signed by a majority of the holders of title in the proposed LID; and

WHEREAS, it will be necessary for the Treasurer of the District to secure bonds for the preliminary costs and construction of the pressurized irrigation system, said funding to be

paid in twenty-five annual installments at an estimated interest rate of six percent interest;
and

WHEREAS, said bonds shall be an assessment to the property owner to be paid in annual assessments, the first payment due on April 30 and the remainder due by October 31 of each year, and late payments shall accrue interest at the statutory rate for irrigation assessments; and

WHEREAS, early payment of a financial obligation by a property owner can be paid without interest prior to the District entering into a contract with the bonding agent to issue bonds; and

WHEREAS, the Board has determined it to be in the best interests of the District that the improvements as hereinafter described be carried out and that an LID be created in connection therewith;

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. Ordering of Construction and Acquisition. The Board renders a decision in favor of and orders the construction of a pressurized irrigation system and acquisition of the irrigation water facilities as District Facilities, the plan, character and extent of which is described in Exhibit A, which is attached hereto and hereby incorporated herein by this reference as though fully set forth, on the condition that the Board hereafter is able to enter into contracts for funding and other matters with the United States and/or the Washington Department of Ecology that the Board deems reasonable and sufficient for the construction, operation and maintenance of the LID.

2. Creation of LID 192. For the betterment and acquisition as District Facilities, there is created an LID to be designated and known as Local Improvement District No. 192 of Kennewick Irrigation District (“LID 192, Red Mountain South”), the boundaries thereof

being more particularly described in Exhibit B, which is hereby incorporated herein by this reference as though fully set forth, on the condition that the Board hereafter is able to enter into contracts for funding and other matters with the United States and/or the Washington Department of Ecology that the Board deems reasonable and sufficient for the construction, operation and maintenance of the LID.

3. Operations and Maintenance Expenses of LID. This LID will be dissolved when the contractual notes have been satisfied and the facilities constructed for this LID shall be District-owned facilities, after which time the lands within the Pressurized Service Area (PSA) will continue to be assessed the operations and maintenance costs of the PSA by land assessments or toll assessments, or both as determined by the KID Board in the future in amounts, which assessments shall be based on the acreage for which water is available from the PSA, whether or not those lands actually take and use the water available to them in any particular year.

4. Basis (method) of Assessment. The basis for assessment shall be irrigated acres, which are estimated to be 1,785 acres.

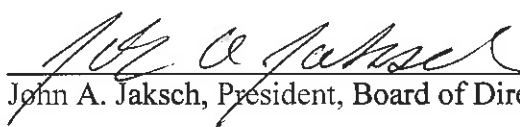
5. Total Assessable Units. Which shall be the number of irrigated acres multiplied by 1.5 acre feet of water per year.

6. Payment of Cost of Construction and Acquisition. The cost of carrying out the preliminary feasibility investigation and construction of the system has been calculated, based on the number of acres in the parcels included in the LID, at an estimated \$7,031.79 per acre, without interest, for a total of \$12,551,740. Actual assessments may vary from assessment estimates so long as they do not exceed a figure equal to the increased true and fair value the improvement adds to the property pursuant to RCW 87.03.486. The District Treasurer shall secure financing for payment of said preliminary costs and construction and the interest rate shall be at a rate established by the bonding company which is approximated to be six percent. Said bonds shall be secured for a period of twenty-five years.


7. Preliminary Assessment Roll. Attached as Exhibit A.

8. Lands in the LID. Attached as Exhibit B.

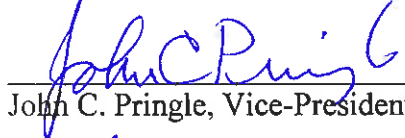
RESOLUTION 2009-26 IS HEREBY ADOPTED by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at a regular open public meeting thereof, this 25th day of September, 2009.



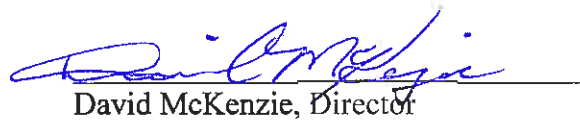
John A. Jaksch, President, Board of Directors



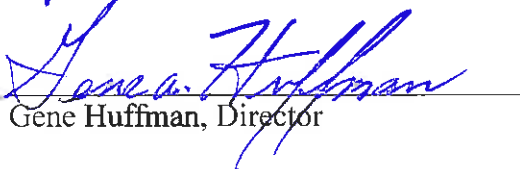
Patrick McGuire, Director



John C. Pringle, Vice-President



David McKenzie, Director



Gene Huffman, Director

Approved as to form:



Brian Miller, District Legal Counsel

Red Mountain LID Assessment Roll

9/15/2009

Owner	Mailing Address1	Mailing Address2	Parcel #	Total Area (acres)	Irrigable Area (acres)	Total Capital Investment Cost	Annual Cost for 25-Year Repayment
1 American Wine Trade Inc.	900 Lenora Street, Unit 103	Seattle, WA 98121	104973000002000	48.8	43	\$ 302,335	\$ 23,651
2 Ann and Mike Czebotar	35525 N. Schumacher PR	Benton City, WA 99320	116971000009002	20	5	\$ 35,155	\$ 2,750
3 Kiona Vineyards	44617 N Sunset Rd	Benton City, WA 99320	108974000001000	58.6	57.6	\$ 404,988	\$ 31,681
4 Kiona Vineyards	44612 N Sunset Rd	Benton City, WA 99320	108974011231005	16.2	4	\$ 28,124	\$ 2,200
5 Chris Upchurch & Theodora Vanderbeid-Upchurch	15 Lake Bellevue Drive, Suite 102	Bellevue, WA 98004	117974012663004	18.42	15.2	\$ 106,872	\$ 8,360
6 Darl M & Marilee Axtman	32905 M Demoss Rd	Benton City, WA 99320	117973011206005	14.8	14.7	\$ 103,956	\$ 8,085
7 Donald G Wilson & Billie Wilson Thompson	5644 Westheimer Unit 144	Houston, TX 77056	115971000002000	40	39.8	\$ 279,836	\$ 21,891
8 Dreaming Tree Ventures LLC	100506 E Ridge View	Kennewick, WA 99338	116973060008010	8.45	8.25	\$ 58,006	\$ 4,538
9 Dreaming Tree Ventures LLC	100506 E Ridge View	Kennewick, WA 99338	116973030008007	5	4.8	\$ 33,749	\$ 2,640
10 Edward D & Toni Schumacher	34809 N Schumacher Pr	Benton City, WA 99320	116971000009003	20.2	5	\$ 35,155	\$ 2,750
11 Edward T & Eve A Shaw	Po Box 309	Benton City, WA 99320-0309	109974012326003	5.02	4	\$ 28,124	\$ 2,200
12 Edward T & Eve A Shaw	Po Box 309	Benton City, WA 99320-0309	109974012326004	5.02	4	\$ 28,124	\$ 2,200
13 Edward T & Eve A Shaw	Po Box 309	Benton City, WA 99320-0309	109974012326002	5.02	5	\$ 35,155	\$ 2,750
14 Emmons General Contractors Inc	6103 West Arrowhead	Kennewick, WA 99336	104974000007000	20	20	\$ 140,621	\$ 11,000
15 Frederick Anthony Artz	412 N Hartford	Kennewick, WA 99336-0000	108972000007000	40	23	\$ 161,714	\$ 12,650
16 Frederick Anthony Artz	412 N Hartford	Kennewick, WA 99336-0000	108972000006002	11.13	11	\$ 77,341	\$ 6,030
17 Grand Ciel LLC	Po Box 2233	Woodinville, WA 98072	109972000002001	20	17	\$ 119,528	\$ 9,350
18 Hedges Bel Villa Estates LLC	900 Lenora Street, Unit 103	Seattle, WA 98121	104974000005000	20	19.1	\$ 134,293	\$ 10,505
19 Hedges Bel Villa Estates LLC	900 Lenora Street, Unit 103	Seattle, WA 98121	104974000006000	20	18.2	\$ 127,965	\$ 10,010
20 Jacqueline E Highlower	17146 E 583 PR NE	Benton City, WA 99320	105971011458002	5	2.5	\$ 17,578	\$ 1,375
21 James J & Patricia A Holmes	4361 King Dr	West Richland, WA 99353-9388	109973000002000	40	31.5	\$ 221,478	\$ 17,325
22 James J & Patricia A Holmes	4361 King Dr	West Richland, WA 99353-9388	109973000001000	40	31.5	\$ 221,478	\$ 17,325
23 James J & Patricia A Holmes	4361 King Dr	West Richland, WA 99353-9388	109972000002003	20	15.5	\$ 108,981	\$ 8,525
24 James J & Patricia A Holmes	4361 King Dr	West Richland, WA 99353-9388	109972000002004	20	15.5	\$ 108,981	\$ 8,525
25 Jeffrey & Sheila Jirka	1006 Grant Ave. S	Renton, WA 98055	117971010810002	5.38	4.68	\$ 32,905	\$ 2,574
26 Jeffrey F & Eva M Brown	2530 Albemarle Court	Richland, WA 99352	105971000008000	10	7	\$ 49,217	\$ 3,850
27 John Scott & Vicky C Williams	58311 N Sunset Rd	Benton City, WA 99320	104972000006001	20	10	\$ 70,310	\$ 5,500
28 Johnnie D & Katherine A Ledbetter	23205 E Limestone Rd	Benton City, WA 99320	116973030008008	5	5	\$ 35,155	\$ 2,750
29 Joseph & Marion Ford	32107 N Demoss RD	Benton City, WA 99320	117973000002001	12.5	5	\$ 35,155	\$ 2,750
30 Juergen HE & Hon Rasmussen Trustees	1761 George Washington Way, #123	Richland, WA 99354	105971011458001	5.06	4.49	\$ 31,569	\$ 2,470
31 Juergen HE & Hon Rasmussen Trustees	1761 George Washington Way, #123	Richland, WA 99354	105971011458004	5.1	4.3	\$ 30,233	\$ 2,365
32 Juergen HE & Hon Rasmussen Trustees	1761 George Washington Way, #123	Richland, WA 99354	105971011458003	5.08	4.63	\$ 32,554	\$ 2,547
33 Kathryn A & Terry Wheeler	29749 E Ambassador Prne	Benton City, WA 99320	109974000007000	15.5	10	\$ 70,310	\$ 5,500
34 Keith E & Rena S Pilgrim	34711 N Demoss Rd	Benton City, WA 99320	117974000003000	28.68	25	\$ 175,776	\$ 13,750
35 Keith E & Rena S Pilgrim	34711 N Demoss Rd	Benton City, WA 99320	117972000014000	123.57	100	\$ 703,104	\$ 55,002
36 Keith E & Rena S Pilgrim	34711 N Demoss Rd	Benton City, WA 99320	117972000013000	6.38	1.5	\$ 10,547	\$ 825
37 Keith E & Rena S Pilgrim	34711 N Demoss Rd	Benton City, WA 99320	117973011206006	10.2	3.5	\$ 24,609	\$ 1,925
38 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	116973000002000	41.36	37	\$ 260,149	\$ 20,351
39 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	121972000002000	3.57	3	\$ 21,093	\$ 1,650
40 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	115972000002000	160	158.4	\$ 1,113,717	\$ 87,122
41 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	116971000001000 (port	82.4	80.8	\$ 568,108	\$ 44,441
42 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	115971000001000	80	65	\$ 457,018	\$ 35,751
43 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	109973000003000	79.09	79.09	\$ 556,085	\$ 43,501
44 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	116971000001000 (port	41.01	41.01	\$ 288,343	\$ 22,556
45 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	108974000002000	79.1	79.1	\$ 556,155	\$ 43,506
46 Kennewick Irrigation District	1030 N Center Parkway, Suite 211	Kennewick, WA 99336	108971000002001	78.0	77.1	\$ 542,093	\$ 42,406
47 Klipsun Vineyards	4636 West Canal Drive	West Richland, WA 99353	117972000002000	10.88	10	\$ 70,310	\$ 5,500
48 Klipsun Vineyards	4636 West Canal Drive	West Richland, WA 99353	117972000001000	10.88	10	\$ 70,310	\$ 5,500
49 Klipsun Vineyards	4636 West Canal Drive	West Richland, WA 99353	117972000004000	10.87	10	\$ 70,310	\$ 5,500
50 Klipsun Vineyards	4636 West Canal Drive	West Richland, WA 99353	117972000003000	10.87	10	\$ 70,310	\$ 5,500
51 Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011497001	1.07	1	\$ 7,031	\$ 550
52 Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011497002	1.3	1.1	\$ 7,734	\$ 605
53 Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011497003	1.3	1.1	\$ 7,734	\$ 605

Exhibit A

Red Mountain LID Assessment Roll

9/15/2009

	Owner	Mailing Address1	Mailing Address2	Parcel #	Total Area (acres)	Irrigable Area (acres)	Total Capital Investment Cost	Annual Cost for 25-Year Repayment
54	Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011497004	1.3	1.2	\$ 8,437	\$ 660
55	Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011394001	1.25	1.15	\$ 8,086	\$ 633
56	Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011394002	1.25	1.15	\$ 8,086	\$ 633
57	Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011394003	1.25	1.15	\$ 8,086	\$ 633
58	Lawrence R Pearson	20206 E 583 Prne	Benton City, WA 99320	105971011394004	1.25	1.15	\$ 8,086	\$ 633
59	Marcia A McGee	29712 E Ambassador Dr	Benton City, WA 99320	109974010697002	5.03	4.78	\$ 33,608	\$ 2,629
60	Marcia A McGee	29712 E Ambassador Dr	Benton City, WA 99320	109974010697004	5.03	4.98	\$ 35,015	\$ 2,739
61	Mark Hewitt	540 Meadows Dr S	Richland, WA 99352	109971000000002	40	38.7	\$ 272,101	\$ 21,286
62	Mark W & Laurel A Bohnet & Toby M & Natalie McKay	2708 N Road 60	Pasco, WA 99301	103973000002000	19.7	9	\$ 63,279	\$ 4,950
63	Michael R & Teresa L Sizemore	14019 Pine St	Trona, CA 93562	116971012723001	10.2	10	\$ 70,310	\$ 5,500
64	Paul E & Susan L McBride	404 289Th Pl Ne	Carnation, WA 98014	104974000008000	19.61	16	\$ 112,497	\$ 8,800
65	Peggy & John Thurtle	12206 NE 61st St	Kirkland, WA 98033	109974000004002	5	4	\$ 28,124	\$ 2,200
66	Quilceda Associates LLC	11306 52Nd St Se	Snohomish, WA 98290	109972000002002	20	17.5	\$ 123,043	\$ 9,625
67	Red Mountain Properties LLC	PO Box 1052	Benton City, WA 99320	116971000008002	14.8	14.8	\$ 104,059	\$ 8,140
68	Red Mountain RidgeLine, LLC	701 5th Ave Suite 7100	Seattle, WA 98111-1052	103973000001001	138.35	14	\$ 98,435	\$ 7,700
69	Red Mountain Viticulture LLC	701 5th Ave Suite 7100	Seattle, WA 98104	109974000001000	20	18	\$ 126,559	\$ 9,900
70	Red Mountain Viticulture LLC	701 5th Ave Suite 7100	Seattle, WA 98104	117971000006000	4.8	4	\$ 28,124	\$ 2,200
71	Red Mountain Viticulture LLC	701 5th Ave Suite 7100	Seattle, WA 98104	10997401798004	1.2	1.2	\$ 8,437	\$ 660
72	Robbin & Krena G Duncan	16928 E 583 Pr Ne	Benton City, WA 99320	105971000009000	10	9.7	\$ 68,201	\$ 5,335
73	Robert & Christine Gamache	1201 Basin Hill Road	Mesa, WA 99343	105974011187003	2.94	2.94	\$ 20,671	\$ 1,617
74	Robert & Christine Gamache	1201 Basin Hill Road	Mesa, WA 99343	105974011187004	2.7	2.7	\$ 18,984	\$ 1,485
75	Rockwell Brown Vineyard	10106 422nd Lane SE	North Bend, WA 98045	117971000005001	20.84	20.84	\$ 146,527	\$ 11,462
76	Stanley & Carol Ann Clarke	Po Box 627	Waitsburg, WA 99361	105974000002000	10	10	\$ 70,310	\$ 5,500
77	Thomas Edwards	PO Box 4100	West Richland, WA 99353	109974000008000	10	5	\$ 35,155	\$ 2,750
78	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104972000003000	20.75	10	\$ 70,310	\$ 5,500
79	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104972000002000	20.7	16	\$ 112,497	\$ 8,800
80	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104972000001000	20.66	15	\$ 105,466	\$ 8,250
81	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104971000009000	20.61	12	\$ 84,373	\$ 6,600
82	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104974000001000	20.22	8	\$ 56,248	\$ 4,400
83	Three Monkeys LLC	425 Shoreland Dr Se	Bellevue, WA 98004	104974000002000	20	9	\$ 63,279	\$ 4,950
84	Timothy J & Kelly A Hightower	1941B E 583 Pr Ne	Benton City, WA 99320	105971000003000	10.1	8.5	\$ 59,764	\$ 4,675
85	Timothy J & Kelly A Hightower	1941B E 583 Pr Ne	Benton City, WA 99320	105971000004000	5.1	4.2	\$ 29,530	\$ 2,310
86	Trustee Gerald V Stanton	21505 Lakegreen Dr	Mundelein, IL 60060	115972000001000	80	41	\$ 288,273	\$ 22,551
87	Via Montis LLC	46415 E Badger Rd	Benton City, WA 99320	105974011187001	2.68	2.68	\$ 18,843	\$ 1,474
88	Via Montis LLC	46415 E Badger Rd	Benton City, WA 99320	105974011187002	2.46	2.46	\$ 17,296	\$ 1,353
89	Vitis Ventures LLC	Po Box 1052	Seattle, WA 98111-1052	116973012347001	0.779	0.779	\$ 5,477	\$ 428
90	Vitis Ventures LLC	Po Box 1052	Seattle, WA 98111-1052	104971000013000	20	14	\$ 98,435	\$ 7,700
91	Whitaker Hill Estates LLC	311 S Fillmore	Kennewick, WA 99336	104971000010000	20	15	\$ 105,466	\$ 8,250
92	Whitaker Hill Estates LLC	311 S Fillmore	Kennewick, WA 99336	104971000011000	20	5	\$ 35,155	\$ 2,750
93	Whitaker Hill Estates LLC	311 S Fillmore	Kennewick, WA 99336	104974000003000	20	20	\$ 140,621	\$ 11,000
94	Whitaker Hill Estates LLC	311 S Fillmore	Kennewick, WA 99336	104974000004000	20	20	\$ 140,621	\$ 11,000
95	William L. & Diane M. Krossin	23406 E Kennedy Rd. NE	Benton City, WA 99320	116973012556003	2.84	2.84	\$ 19,968	\$ 1,567
96	Tom Sizemore	36939 N Schumacher PR	Benton City, WA 99320	116971012723002	10.2	10.2	\$ 71,717	\$ 5,610
97	Ronald L & Joyce E Brodzinski	286 Meadow Hills Dr	Richland, WA 99352	117974000002000	5.1	4.8	\$ 33,749	\$ 2,640
98	Ronald L & Joyce E Brodzinski	286 Meadow Hills Dr	Richland, WA 99352	117971000008000	31.5	31.5	\$ 221,478	\$ 17,325
99	O2B3 & Associates	286 Meadow Hills Dr	Richland, WA 99352	117974000001000	4.8	4	\$ 28,124	\$ 2,200
100	Thomas D & Cheryl R Hodgins	1600 Gray Lynn Drvne	Walla Walla, WA 99362	103972000016000	25.37	21	\$ 147,652	\$ 11,550
101	Efeste Vineyard LLC	15 Lake Bellevue Drive, Suite 102	Bellevue, WA 98004	117974000004000	22.43	22.3	\$ 156,792	\$ 12,765
102	James & Jane Cooper	31702 Alamos Way PR	Benton City, WA 99320	117973010757002	1.66	1.16	\$ 8,156	\$ 638
103	James & Jane Cooper	31702 Alamos Way PR	Benton City, WA 99320	117973010757003	1.66	1.56	\$ 10,968	\$ 858
104	James & Jane Cooper	31702 Alamos Way PR	Benton City, WA 99320	117973010757004	1.97	1.82	\$ 12,796	\$ 1,001
105	Curtis and Judith Giles	21408 E Kennedy Road	Benton City, WA 99320	116973012653001	2.7	2.5	\$ 17,578	\$ 1,375
					TOTAL	1785	\$ 12,551,740	\$ 981,881



Exhibit B