Please return to:

Executive Assistant
Kennewick Irrigation District
2015 South Ely Street
Kennewick, WA 99337

KENNEWICK IRRIGATION DISTRICT RESOLUTION 2016-38

Authorization of Collection of Surcharges for PLA properties in S. AP 2.9-1 service area in the Southridge Benefit Area

A RESOLUTION of the Board of Directors of Kennewick Irrigation District (KID), Benton County, Washington, for the purpose of authorizing collection of surcharges for the Southridge Benefit Area.

WHEREAS, the KID Board approved Resolution 2016-14, "A Resolution Relating to Assessments, Rates and Charges; Adopting the Southridge Irrigation Master Plan; Establishing a Capital Surcharge Assessment Benefit Area and Collection Method; and, Directing Implementation of the Southridge Irrigation Master Plan Phase One Improvements"; and

WHEREAS, the KID Board approved Resolution 2016-33, "Southridge Equivalent Irrigation Unit (EIU) Surcharges"; and

WHEREAS, property owners within the traditional S. A.P. 2.9-1 service area, a private line area (PLA), in the Southridge Benefit Area have shown interest into connecting to the KID pressurized system being installed per the Southridge Irrigation Master Plan. These improvements are subject to Policy 2.41, "KID Surcharges for System Improvements". The surcharges applicable to these properties upon connection shall be calculated as follows:

- 1. The transmission surcharge shall be determined per the appropriate EIU service connection rate set in Resolution 2016-33:
 - a. For a 1 ½ inch service connection, the amount to pay for the improvements in full is \$2,795.25.
 - b. If not paid in full by October 31, 2017, an annual surcharge of \$366.31 per acre will be added to the KID billing to the property as a separate Capital Charge, with equal one-half (1/2) installments due on April 30 and October 31 of each year, beginning on April 30, 2018, for ten (10) years.
 - c. For a 2 inch service connection, the amount to pay for the improvements in full is \$11,181.
 - d. If not paid in full by October 31, 2017, an annual surcharge of \$1,452.31 per acre will be added to the KID billing to the property as a separate Capital Charge, with equal one-half (1/2) installments due on April 30 and October 31 of each year, beginning on April 30, 2018, for ten (10) years.
- 2. The distribution surcharge shall be determined based construction estimates since the work has not occurred yet and adjusted based on actual costs of construction.

- a. The initial estimated amount to pay for improvements in full is \$1,146.00 per irrigable acre
- b. If not paid in full by October 31, 2017, an annual surcharge of \$148.41 per acre will be added to the KID billing to the property as a separate Capital Charge, with equal one-half (1/2) installments due on April 30 and October 31 of each year, beginning on April 30, 2018, for ten (10) years.

WHEREAS, PLA properties in S. AP 2.9-1 will be required to enter into an Irrigation Water Service Agreement, guaranteeing that KID will be paid for the improvements; and

WHEREAS, new properties created through the platting process connecting to the pressurized system shall pay the appropriate EIU Charge in full at the time of connection or lot sale unless approved by the KID Board (i.e. Voluntary Mitigation Agreement). These surcharges will not include financing fees and will be determined based on the EIU surcharges corresponding with their service connection; and

WHEREAS, the Board of Directors of Kennewick Irrigation District met in regular session on November 1, 2016, with a quorum present,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Kennewick Irrigation District that the collection of surcharges for PLA properties in S. AP 2.9-1 service area in the Southridge Benefit Area is hereby authorized.

RESOLUTION 2016-38 IS HEREBY ADOPTED by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at a regular open public meeting thereof this 1st day of November, 2016.

David McKenzie, President

Gene Huffman, Vice President

Dean Dennis, Director

Patrick McGuire, Director

Kirk Rathbun, Director