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Kennewick Irrigation District
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Kennewick, WA 99337*

KENNEWICK IRRIGATION DISTRICT RESOLUTION 2022-40

Authorization for Collection of Surcharges for Properties in the MC 11.9-1, 12.2-1, 12.2-2, and 12.5-1 Service Areas

A **RESOLUTION** of the Board of Directors of Kennewick Irrigation District (KID), Benton County, Washington, relating to certain rates, charges and assessments; establishing certain rates, charges and surcharges and directing assessment process related to the MC 11.9-1, MC 12.2-1, MC 12.2-2 and MC 12.5-1 Service Areas; authorizing and directing actions.

Section 1. RECITALS AND FINDINGS.

1.1 The KID traditional service areas of MC 11.9-1, MC 12.2-1, MC 12.2-2 and MC 12.5-1 are all directly connected to the Main Canal for water delivery.

1.2 Property Owners within the subject Service Areas have expressed a desire to have KID provide pressurized water to each service area.

1.3 Pressurized Service can only be provided if a traditional service area elects to participate in on-demand service and enter into Irrigation Water Service Agreements.

1.4 Due to the consolidation of Turnouts on the Main Canal as part of the Canal lining projects, Pressurized Service is feasible to be provided to multiple traditional service areas.

1.5 Water delivery during times of low water supply will still be limited to a peak instantaneous amount and a monthly maximum volume pursuant to Board Action in the management of that low water supply year.

1.6 It is appropriate to charge customers for the additional availability and capacity of on-demand service.

1.7 This resolution applies to four (4) traditional services areas encompassing 10 parcels representing 132.93 irrigable acres. A map depicting the traditional service areas and corresponding properties

is attached as **Exhibit 1**. These four (4) areas have been selected by request from the customers and are within a current KID Canal lining project area.

- 1.8** This resolution applies to those participating properties through an Irrigation Water Service Agreement. Service is limited to those properties that either participate in an additional distribution service network installation (either the entire traditional service area or a portion) or the entire traditional service area elects to participate through Irrigation Water Service Agreements.

This Resolution sets forth KID's program for the system improvement and necessary financial support from assessments against benefited properties, and from rates and charges (including charges in lieu of assessments) for the MC 11.9-1, MC 12.2-1, MC 12.2-2 and MC 12.5-1 Service Areas.

Section 2. SERVICE AREAS. The Service Areas for this Resolution area as follows:

- A. MC 11.9-1 includes 1 parcel, 11.01 irrigable acres.
- B. MC 12.2-1 includes 3 parcels, 57.73 irrigable acres.
- C. MC 12.2-2 includes 4 parcels, 20.14 irrigable acres.
- D. MC 12.5-1 includes 2 parcels, 44.05 irrigable acres.

Section 3. SURCHARGE.

3.1 The following charges apply as "KID Surcharges for System Improvements." The surcharge applicable to these properties shall be calculated as follows.

3.2 The surcharge will be determined based on the Equivalent Irrigation Units (EIUs) that apply to a property, and will be the estimated cost of the project divided by the projected number of EIU, as follows:

- i. For farming units (single or multiple properties under one ownership), the number of EIUs applicable to the property is based on the difference of the base flow to the probable peak flow (2.8 gpm per irrigable acre) or the actual peak flow on record for that delivery(ies), whichever is higher; or
- ii. For individual properties (multiple properties, multiple ownerships), the number of EIUs applicable to the property is based on 2" service connections, each of which is equivalent to four (4) EIUs; or

3.3 Upon a building permit being issued for a property previously categorized as a part of a farming unit, the surcharge will be re-calculated as per Paragraph 3.2.ii. above.

3.4 The surcharge shall be determined based on construction estimates, since the work has not yet occurred, and this amount will be adjusted based on the actual costs of construction. The estimated cost for the project is \$1,607.98 per EIU. The surcharge will be collected as follows for properties that connect to the system during construction or prior to the date established in Paragraph 3.4.1:

3.4.1 In order to incentivize capital recovery, if the entire project costs are paid by April 30 following the completion of construction, the cost of the surcharge will be reduced to \$1,286.38 per EIU (if construction is completed by March 1 and April 30 of a given year, the entire project costs are due October 31 following the completion of construction).

3.4.2 If the entire project costs are not paid in full, at the reduced rate, by the date established in Paragraph 3.4.1, a property owner may elect to defer the surcharge by April 1 following completion of

construction (if construction is completed between March 1 and April 30 of a given year, the election to defer must be completed by October 1 following the completion of construction) and be charged \$120 per year until the earlier of:

3.4.2.1 Change in Property Ownership, at such point, the entire surcharge for project costs becomes due; or

3.4.2.2 Ten (10) deferment payments of \$120, at such point, the surcharge for project costs will be recovered through an annual surcharge of \$160.80 per EIU which will be added to the KID billing with equal one-half (1/2) installments due April 30 and October 31 of each year, for ten (10) years. If there is a change in property ownership after ten (10) deferment payments of \$120, the entire surcharge amount, less any annual surcharges paid, becomes due.

3.4.3 If the entire project costs are not paid in full or deferred by the date established in 3.4.1, an annual surcharge of \$160.80 per EIU will be added to the KID billing to the property as a separate Capital Surcharge, with equal one-half (1/2) installments due on April 30 and October 31 of each year, beginning April 30 following the completion of construction, for ten (10) years (if construction is completed between March 1 and April 30 of a given year, the first annual surcharge is due October 31 following the completion of construction). If there is a change in property ownership after connection to the system, the entire surcharge amount for the project costs, less any annual surcharges paid, becomes due..

3.5 For properties that connect to the system after the date established in Paragraph 3.4.1, an annual surcharge of \$160.80 per EIU will be added to the KID billing to the property as a separate Capital Surcharge, with equal one-half (1/2) installments due on April 30 and October 31 of each year, beginning on April 30 of the following year, for ten (10) years. If there is a change in property ownership after connection to the system, the entire surcharge amount for the project costs, less any annual surcharges paid, becomes due.

3.6 All properties paying a Capital Upgrade and Improvement Charge receive one (1) EIU credit.

Section 4. ASSESSMENT. All properties within the MC 11.9-1, MC 12.2-1, MC 12.2-2 and MC 12.5-1 water service areas may also be subject to annual assessments (or a charge in lieu of assessment) for the cost of irrigation water service.

Section 8. IMPLEMENTATION. The KID District Manager is hereby authorized and directed to take such action as appropriate and necessary to administer and enforce this Resolution.

Section 9. REPEALER; FUTURE ACTIONS. Any KID act prior to and inconsistent with this Resolution is hereby superseded and repealed. Nothing in this Resolution shall limit the future authority of KID to modify, rates charges and assessments.

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RESOLUTION 2022-40 IS HEREBY ADOPTED by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at a regular open public meeting with a quorum present thereof this 4th day of October, 2022.


Gene Huffman, President


David McKenzie, Vice President


Kirk Rathbun, Director


Arland Ward, Director

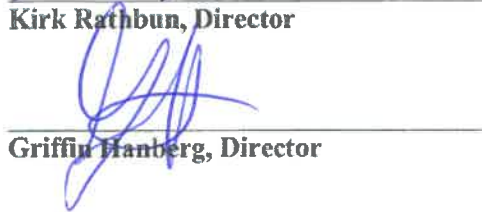

Griffin Hanberg, Director



Exhibit 1 Resolution 2022-11 Surcharge Service Areas

- Legend**
- Major Roads
 - Service Area

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