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

## KENNEWICK IRRIGATION DISTRICT RESOLUTION 2024-04

Authorization for Collection of Surcharges for the PLA Properties in the S. AP 2.9-1 Benefit Area, Amending Resolutions 2023-08 and 2023-28

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 KID S. AP 2.9-1 Benefit Area; authorizing and directing actions.

#### Section 1. RECITALS AND FINDINGS.

- 1.1 Resolution 2023-08 set forth KID's program for system improvement and necessary financial support from assessments against benefited properties, and from rates and charges (including charges in lieu of assessments) for the S. AP 2.9-1 Benefit Area within the previously established private line area. The distribution surcharge was estimated at \$12,714.60 per EIU.
- 1.2 Resolution 2016-33 established the transmission surcharge for the Southridge Benefit Area at \$2,795.25 for one EIU. Each of the properties in the S. AP 2.9-1 Benefit Area are allowed credit for one transmission component EIU (per Resolution 2020-29).
- 1.3 Resolution 2023-28 set out the transmission and distribution surcharge amounts for Lots 1 and 4 of Short Plat 228, within the S. AP 2.9-1 Benefit Area. The transmission surcharge is \$5,590.50 for both lots, as per Resolution 2016-33. One EIU distribution surcharge (estimated at \$12,714.60) will be incurred for one 2-inch connection which will serve both lots.
- 1.4 The conversion of S. AP 2.9-1 Private Line Area (PLA) has been completed.

#### Section 2. AMENDMENTS TO RESOLUTIONS 2023-08 and 2023-28.

Resolutions 2023-08 and 2023-28 shall be amended as follows:

- 2.1 The S. AP 2.9-1 Benefit Area is revised to include only the following properties:
  - LOTS 1-4, SHORT PLAT 1264, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 1264 RECORDS OF BENTON COUNTY, WASHINGTON (AF#864530, 7/29/1982). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
    - o 117891011264001

- o 117891011264002
- o 117891011264003
- o 117891011264004
- LOT 1, SHORT PLAT 1989, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 1989 RECORDS OF BENTON COUNTY, WASHINGTON (AF#93-40564, 12/30/1993). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - 0 117891011989001
- LOT 1, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228001
- LOT 4, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). EXCEPT THE NORTHERLY 15 FEET (AF#2016-035954, 11/28/2016). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228004
- LOT 2 SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). TOGETHER WITH THE SOUTH 50.00 FEET OF LOT 3 SHORT PLAT 228, RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976, AS RECORDED UNDER AUDITOR'S FILE 2015-004576, 2/19/2015). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - 0 117891010228005
- THE WEST HALF OF THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 8 NORTH, RANGE 29 EAST, W.M., RECORDS OF BENTON COUNTY, WASHINGTON. EXCEPT THE SOUTH 30 FEET AS CONVEYED TO BENTON COUNTY BY INSTRUMENT RECORDED UNDER AUDITOR'S FILE NO. 365930, FOR ROAD PURPOSES. SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - 0 117891000005000
- 2.2 The distribution surcharge (previously estimated at \$12,714.60 per EIU), is \$7,469.90 per EIU. If the entire project costs are paid by April 30, 2024, the cost of the surcharge will be reduced to \$5,975.92. If not deferred or paid in full by April 30, 2024, the project costs will be recovered through an annual surcharge of \$746.99.
- 2.3 All other provisions of Resolutions 2023-08 and 2023-28 remain in full force and effect.

**RESOLUTION 2024-04 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 16<sup>th</sup> day of January, 2024.

Gene Huffman, President

David McKenzie. Director

Griffin Happerg, Director

Kirk Rathbun, Vice President

Arland Ward, Director

# Copy of Resolution 2023-08 (Replacing Resolutions 2016-38 and 2017-16)

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

# KENNEWICK IRRIGATION DISTRICT RESOLUTION 2023-08

Authorization for Collection of Surcharges for the PLA Properties in the S. AP 2.9-1 Benefit Area, Replacing Resolutions 2017-16 and 2016-38.

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 KID S. AP 2.9-1 Benefit Area; authorizing and directing actions.

#### Section 1. RECITALS AND FINDINGS.

- 1.1 Some areas within the KID have been served by privately constructed and operated irrigation systems. Many of those systems were not constructed to KID standards, and not subject to regular operation and maintenance or needed repair and replacement. KID attempts to serve the community by acquisition or assumption of such systems and to provide a program for system improvements.
- 1.2 S. AP 2.9-1 Private Line Area (PLA) is such an area. An unauthorized connection was made to the KID system to provide pressurized water to the PLA. This unauthorized connection point will be restored to its previously approved state or locked out before the start of the 2023 irrigation season. The KID Board of Directors has previously approved surcharges for PLAs that allow for the collection of funds from development and private property owners with the intent that once sufficient funds are collected, installation of the project would proceed. If sufficient interest and water service agreements are entered into, KID may allow for continuation of the unauthorized connection providing pressurized delivery through the private system until such time at which the project could be installed.
- 1.3 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 S. AP 2.9-1 Benefit Area within the previously established private line area.
- Section 2. S. AP 2.9-1 BENEFIT AREA. The S. AP 2.9-1 Benefit Area is hereby established to include all of the following property:
  - LOTS 1-4, SHORT PLAT 1264, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 1264 RECORDS OF BENTON COUNTY, WASHINGTON (AF#864530, 7/29/1982).
    SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
    - o 117891011264001

- o 117891011264002
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- o 117891011264004
- LOT 1, SHORT PLAT 1989, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 1989 RECORDS OF BENTON COUNTY, WASHINGTON (AF#93-40564, 12/30/1993). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891011989001
- LOT 1, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228001
- LOT 4, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). EXCEPT THE NORTHERLY 15 FEET (AF#2016-035954, 11/28/2016). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228004
- LOT 2 SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228
  RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). TOGETHER
  WITH THE SOUTH 50.00 FEET OF LOT 3 SHORT PLAT 228, RECORDS OF BENTON
  COUNTY, WASHINGTON (AF#708527, 8/6/1976, AS RECORDED UNDER AUDITOR'S
  FILE 2015-004576, 2/19/2015). SUBJECT TO EASEMENTS AND RESTRICTIONS OF
  RECORD.
  - o 117891010228005
- LOT 3 SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). EXCEPT THE SOUTH 50.00 FEET OF SAID LOT 3 (2015-004576, 2/19/2015). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228006
- LOT 1 SHORT PLAT 2221, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 2221 RECORDS OF BENTON COUNTY, WASHINGTON (AF#1995-025046, 11/3/1995). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891000006001
- THE WEST HALF OF THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 8 NORTH, RANGE 29 EAST, W.M., RECORDS OF BENTON COUNTY, WASHINGTON. EXCEPT THE SOUTH 30 FEET AS CONVEYED TO BENTON COUNTY BY INSTRUMENT RECORDED UNDER AUDITOR'S FILE NO. 365930, FOR ROAD PURPOSES. SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891000005000

#### Section 3. SURCHARGE.

- 3.1 Except as provided in this Resolution, the S. AP 2.9-1 Benefit Area shall be subject to KID Policy 2.41. The following charges apply as "KID Surcharges for System Improvements." The surcharge applicable to these properties upon connection shall be calculated as follows.
- 3.2 The level of service provided to properties within the S. AP 2.9-1 Benefit Area shall be based on equivalent irrigation units (EIU). Each EIU shall be the equivalent of a one and one- quarter (1 1/4) inch service connection providing an instantaneous flow of fifteen (15) gallons per minute. Any larger service

connections shall be calculated from as a multiple of this base EIU, irrespective of development standards applicable to a property.

- 3.3 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 \$12,714.60 per EIU.
- 3.4 The surcharge will be collected as follows for properties that connect to the system during construction or prior to the date established in 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 \$10,171.68 per EIU (if construction is completed between 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 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 surcharges, at such point, the surcharge for project cost will be recovered through an annual surcharge of \$1,271.46 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 surcharges, the entire surcharge amount for the project costs, 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 \$1,271.46 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 3.4.1, an annual surcharge of \$1,271.46 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 For properties that are subdividing prior to construction the legal property owner will enter into a Water Service Agreement with KID and pay the entire estimated surcharge of \$1,271.46 per EIU for each service within the development.
- Section 4. ASSESSMENT. All properties within the S. AP 2.9-1 Benefit Area may be subject to annual assessments (or a charge in lieu of assessment) for the cost of a pressurized system.

- Section 5. SERVICE AGREEMENT. Prior to properties within the S. AP 2.9-1 Benefit Area connecting to the KID improvements, the properties will be required to enter into an Irrigation Water Service Agreement, to provide necessary security for payment for the KID system improvements.
- Section 6. UNAUTHORIZED CONNECTIONS ADDITIONAL CHARGES. A S. AP 2.9-1 Benefit Area property that does not enter into an Irrigation Water Service Agreement and is later found to be connected to the system, will be charged a tampering/unauthorized access fee in accordance with KID's most recent fee resolution. This additional charge is in part to recover the costs to KID to manage and remedy the improper connection, including but not limited to administrative costs, service call(s), and deferred financing. An annual surcharge of \$1,271.46 per EIU will be added to the KID billing for such property 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.
- **Section 7. ADDITIONAL PROPERTIES.** Properties (lots or parcels) newly-created through a platting process, or otherwise, which connect to the pressurized system, shall pay the appropriate surcharge in full at the time of land division unless approved by the KID Board (i.e., Voluntary Mitigation Agreement).
- 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.

**RESOLUTION 2023-08 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 7<sup>th</sup> day of March, 2023.

Gene Huffman, President

Kirk Rathbun, Director

Griffin Hanberg, Director

David McKenzie, Vice President

Arland Ward, Director

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 1/2 inch service connection, the amount to pay for the improvements in full is

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
- b. If not paid in full by October 31, 2017, an annual surcharge of <u>\$148.41</u> 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 1<sup>st</sup> day of November, 2016.

David McKenzie, President

Gene Huffman, Vice President

Dean Dennis, Director

Patrick McGuire, Director

Kirk Rathbun, Director

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

# **KENNEWICK IRRIGATION DISTRICT RESOLUTION 2017-16**

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 1/4 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 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 \$11,181.00.
  - d. If not paid in full by October 31, 2017, an annual surcharge of \$1,452.31 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 2017-16 IS HEREBY ADOPTED** by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at a regular open public meeting thereof this 2<sup>nd</sup> day of May, 2017.

Gene Huffman, President

Dean Dennis, Vice President

David McKenzie, Director

Kirk Rathbun, Director

# Copy of Resolution 2023-28 (Specific to Lots 1 and 4 of Short Plat 228)

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

# KENNEWICK IRRIGATION DISTRICT RESOLUTION 2023-28

Authorization for Collection of Surcharges for S. AP 2.9-1 Benefit Area, Specific to Lots 1 and 4 of Short Plat 228.

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 KID S. AP 2.9-1 Benefit Area; authorizing and directing actions.

### Section 1. RECITALS AND FINDINGS.

- 1.1 Per Resolution 2016-33 surcharges for the Southridge Benefit Area are \$2,795.25 per EIU. A two inch (2") service connection is based on 4 EIU's. The transmission component for the affected properties in Section 2 will be considered 4 EIU's.
- 1.2 Per Resolution 2020-29 section 2.2 the affected properties have a total of two credits for transmission component EIU.
- 1.3 The S. AP 2.9-1 Private Line Area (PLA) is within the Southridge Benefit Area. Per Resolution 2023-08, a distribution component surcharge was established for system improvements to provide new infrastructure to properties within this service area. This resolution supersedes those portions of Resolution 2023-08 that are in conflict with this action related to the affected properties in Section 2.
- 1.4 Within the S. AP 2.9-1 Benefit Area, all properties except the affected properties are serviced utilizing a 1 1/2" service connection. The affected properties will be serviced utilizing one (1) 2" service connection. As this connection is similar in scope to all other connections in this area, for purposes of the distribution component, the affected properties in Section 2 will be considered 1 EIU.
- 1.5 If additional service connections are desired by the property owner, or the property is sold, additional service connections will be required.
- 1.6 This Resolution sets forth KID's program for the system improvement and necessary financial support from assessments against the affected properties in Section 2, and from rates and charges (including charges in lieu of assessments) for the S. AP 2.9-1 Benefit Area within the previously established private line area.

## Section 2. Affected Properties The properties affected by this resolution are as follows:

- LOT 1, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - o 117891010228001
- LOT 4, SHORT PLAT 228, RECORDED IN VOLUME 1 OF SHORT PLATS, PAGE 228 RECORDS OF BENTON COUNTY, WASHINGTON (AF#708527, 8/6/1976). EXCEPT THE NORTHERLY 15 FEET (AF#2016-035954, 11/28/2016). SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.
  - 0 117891010228004

#### Section 3. SURCHARGE.

- 3.1 Except as provided in this Resolution, the affected properties in Section 2 shall be subject to KID Policy 2.41. The following charges apply as "KID Surcharges for System Improvements." The surcharge applicable to these properties upon connection shall be calculated as follows.
- 3.2 Transmission Component The transmission component is based on 2 EIU's and is established at \$5.590.50.
- 3.3 Distribution Component 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 \$12,714.60 per EIU.
- 3.4 Surcharge Options The surcharge will be collected as follows for the affected properties that connect to the system during construction or prior to the date established in 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 \$15,762.18 (if construction is completed between 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 3.4.1, the 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 of either Lot 1 or Lot 4, at such point, the entire surcharge for project costs becomes due; or
  - 3.4.2.2 Ten (10) deferment surcharges, at such point, the surcharge for project cost will be recovered through an annual surcharge of \$1,830.51 which will be added to the KID billing for Lot 4 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 of either Lot 1 or Lot 4 after ten (10) deferment surcharges, the entire surcharge amount for the project costs, 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 \$1,830.51 will be added to the KID billing for Lot 4 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 of either Lot 1 or Lot 4 after connection to the system, the entire surcharge amount for the project costs, less any annual surcharges paid, becomes due.

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.

**RESOLUTION 2023-28 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 6<sup>th</sup> day of July, 2023.

Gene Huffman, President

Kirk Rathbun, Director

Griffin Hanberg, Director

David McKenzie, Vice President

Arland Ward, Director