#### Please return to:

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

# **KENNEWICK IRRIGATION DISTRICT RESOLUTION 2024-14**

Approving Voluntary Mitigation Development Agreement for Peach Farm

A RESOLUTION of the Board of Directors of Kennewick Irrigation District (KID), Benton County, Washington, for the purpose of approving a development agreement with <u>Peach Farm, LLC</u>, (hereinafter "Developer"),

#### Section 1. RECITALS AND FINDINGS.

- 1.1 The Board of Directors of KID (the Board) met in regular session on April 16<sup>th</sup>, 2024, with a quorum present.
- 1.2 Relating to that property owned by Developer in the City of Kennewick ("COK"), County of Benton, and State of Washington, tax parcel number: 1-1189-102-0006-006. The Property consists of 3.76 acres, of which approximately 3.76 acres are classified as irrigable and is proposed for subdivision into a development known as "Peach Farm" ("Subdivision").
- 1.3 The Property is being developed into a residential subdivision within the COK boundaries.
- 1.4 The Property is owned by the Developer and has an allotment of irrigation water from KID.
- 1.5 RCW 58.17.310 requires that irrigation water rights-of-way be provided for each parcel of land, and also requires that, if the subdivision lies within land within an irrigation district classified as irrigable, completed irrigation water distribution facilities for such land may be required by the irrigation district by resolution as a condition for approval of the short plat or final plat by the legislative authority of the city, town, or county.
- 1.6 KID Resolution 86-15A requires completed irrigation facilities as a condition for approval of the short plat or final plat.
- 1.7 KID Policy 4.19 "Standard Specifications" specifies what comprises completed irrigation facilities.
- 1.8 KID submitted a comment letter on June 22, 2022 requesting that the COK incorporate

certain conditions into its final decision approving the Subdivision.

- 1.9 The Developer agrees to make irrigation improvements on the Property, which include the installation of distribution piping and service connections to each property of the Subdivision.
- 1.10 The Developer and KID mutually agree that it is in each of their best interest for the Developer to contribute funds of \$48,540.95 towards KID's planned regional system in lieu of constructing a pump station and appurtenant facilities to serve the Peach Farm subdivision.
- 1.11 The KID cannot issue and sign an irrigation district certificate for any Final Plat phases of the Subdivision unless completed on-site irrigation systems are installed or bonded for, or the KID Board of Directors approves by resolution an acceptable security that creates a lien against the Property.
- 1.12 The parties desire to set forth their agreements on how Developer's contributions to irrigation facilities serving the Subdivision will be constructed, operated, maintained, and replaced.
- 1.13 The Developer and KID mutually agree that it is in each of their best interest for the Developer and KID to enter into the attached Voluntary Mitigation Development Agreement entitled, "PEACH FARM VOLUNTARY MITIGATION DEVELOPMENT AGREEMENT."
- 1.14 The attached Voluntary Mitigation Development Agreement describes the terms and conditions.
- **Section 2. IMPLEMENTATION.** The KID Board of Directors hereby adopts and approves the attached Voluntary Mitigation Development Agreement, and the KID District Manager is hereby authorized and directed to take such action as appropriate and necessary to administer and enforce this Resolution.

**RESOLUTION 2024-14 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 April 2024.

Gene Huffman, President

Kirk Rathbun, Vice President

Griffin Hanberg, Director

David McKenzie, Director

Arland Ward, Director

# PEACH FARM VOLUNTARY MITIGATION DEVELOPMENT AGREEMENT

<b>THIS AGREEMENT</b> , made and entered into and effective this	day of
, 2024 by and between the parties hereto, who are	identified as
follows:	
Peach Farm LLC, a Washington limited liability company "Developer"),	(hereinafter
and  Kennewick Irrigation District, an irrigation district formed pursuant to RCW Ch. 87.03, referred to herein as "KID,"	and operated

Relating to that property owned by Developer in the City of Kennewick ("COK"), County of Benton, and State of Washington, tax parcels numbered 1-1189-102-0006-006, legally described below as:

#### 1-1189-102-0006-006

That portion of the East 67.69 feet of Tract 7, lying North of Kennewick Irrigation District Canal; AND that portion of Tract 6, lying North of Kennewick Irrigation District Canal, All in The Highlands Plat C<sub>2</sub> according to the Plat thereof recorded in Volume 2 of Plats, Page 31, records of Benton County, Washington EXCEPT the East 175 feet of said portion of Tract 6 AND EXCEPT portion deeded to the City of Kennewick for Road Right of Way by deed recorded January 21, 1994 under Auditor's File No. 94-2609.

AND TOGETHER with the North 235 feet of the East 175 feet of Tract 6, The Highlands Plat C, according to the Plat thereof recorded in Volume 2 of Plats, Page 31, records of Benton County, Washington EXCEPT the East 95 feet thereof AND EXCEPT portion deeded to the City of Kennewick for Road Right of Way by deed recorded January 21, 1994 under Auditor's File No. 94-2608.

AND TOGETHER with that portion of the West 100 feet of the East 167.69 feet of Tract 7, lying North of the Kennewick Irrigation District Canal, The Highlands Plat C according to the Plat thereof recorded in Volume 2 of Plats, Page 31, records of Benton County, Washington, EXCEPT the North 140 feet thereof.

and the preliminary plat shown on Exhibit A, hereinafter referred to as the "Property."

WHEREAS, the Property is proposed for subdivision into a development known as "PEACH FARM" ("Subdivision") consisting 3.76 acres, of which approximately

3.76 acres is classified as irrigable, which are proposed to be subdivided into 17 lots; and

WHEREAS, the Subdivision is within the COK boundaries; and

WHEREAS, the Property is owned by the Developer and has an allotment of irrigation water from KID; and

WHEREAS, RCW 58.17.310 requires that irrigation water rights-of-way be provided for each parcel of land, and also requires that, if the subdivision lies within land within an irrigation district classified as irrigable, completed irrigation water distribution facilities for such land may be required by the irrigation district by resolution as a condition for approval of the short plat or final plat by the legislative authority of the city, town, or county; and

WHEREAS, KID Resolution 86-15A requires completed irrigation facilities as a condition for approval of the short plat or final plat; and

WHEREAS, KID Policy 4.19 "Standard Specifications" specifies what comprises completed irrigation facilities; and

WHEREAS, the Developer agrees to make irrigation improvements on the Property, but has not completed the construction of a pump station and appurtenant facilities to provide pressurized irrigation water to the subdivision as a completed irrigation facility; and

WHEREAS, the Developer and KID mutually agree that it is in the each of their best interest for the Developer to contribute funds towards KID's planned regional system in lieu of constructing a pond, pump station, and appurtenant facilities to service the Property; and

WHEREAS, the Developer and KID mutually agree that it is in each of their best interest for the Developer to contribute funds of \$48,540.95 towards KID's planned regional system in lieu of construction of a pump station and appurtenant facilities to serve the subdivision; and

WHEREAS, the KID cannot issue and sign an irrigation district certificate for any Final Plat phases of the Subdivision unless completed on-site irrigation systems are installed or bonded for, or the KID Board of Directors approves by resolution an acceptable security that creates a lien against the Property; and

WHEREAS, the parties desire to set forth their agreements on how Developer's contributions to irrigation facilities serving the Subdivision will be constructed,

operated, maintained, and replaced;

## NOW THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

# 1. The Developer's Obligations. Developer:

- a) Shall pay to KID a total sum of \$48,540.95, or approximately \$2,855.35 per irrigation service (17 lots) for Peach Farm, an amount mutually agreed upon by KID and the Developer. Payments shall be required upon completion of any one of the following:
  - i. Building permit application
  - ii. Utilization of irrigation water

### 2. <u>KID Obligations</u>. KID shall:

- a. Construct a temporary pump to provide pressurized water to Peach Farm.
- b. Install power and meter base for a temporary pump station.
- c. Provide a proportionate share of available irrigation water to the Subdivision starting May 31, 2024.

#### 3. Mutual Agreements.

- a. The parties agree that the Developer's obligations set forth in Paragraph 1 above shall be the only conditions of Subdivision approval relating to KID's irrigation facilities. Upon mutual execution of this Agreement, this Agreement shall only apply to the Property described on **Exhibits A** and shall not preclude the KID from commenting on or requesting conditions of approval for other property owned by the Developer located within the KID boundaries.
- b. The parties understand and agree that this Agreement shall supplement KID's requested conditions set forth in KID's comment letter date June 22, 2022 and the alternatives set forth within the June 24<sup>th</sup>, 2022 email to the COK for approval of the Subdivision and incorporated in the Hearing Examiner's decision on July 14, 2022.
- 4. <u>Hold Harmless/Indemnification</u>: The parties each agree for itself, its successors, and assigns to hold harmless and indemnify each other and its board of directors, officers, agents, consultants, contractors, representatives, attorneys, insurers and employees from any all claims, judgments, damages,

penalties, fines, costs, liabilities or losses arising from or related to their respective acts or omissions relating to work performed under this Agreement ("Claims"). This hold harmless and indemnification provision applies to claims of negligence and any other theory of liability related to or arising out of this Agreement or otherwise raised against KID or Developer that involve the Subdivision that is the subject of this Agreement. Notwithstanding the foregoing paragraphs, KID shall have no obligation to indemnify or hold harmless Developer for Claims arising from the sole negligence or willful misconduct of the Developer, its agents, officers, and employees; and Developer shall have no obligation to indemnify or hold harmless KID for Claims arising from the sole negligence or willful misconduct of KID, its agents, officials, and employees. Where such Claims result from concurrent acts or omissions of the parties, or their respective agents, employees or contractors, the hold harmless and indemnity provisions herein shall be valid and enforceable only to the extent such Claims are caused by each party's acts or omissions or those of their respective agents, employee and contractors.

- 5. <u>Water Rights Unaffected</u>: This Agreement does not create, grant, transfer, modify or affect any water rights of the Developer or KID.
- 6. Other Rights and Obligations Not Affected: No rights or obligations of the parties or to which the Property is subject are modified or affected hereby. Without limiting the generality of the foregoing, the Property, and all lots subsequently created from the Property, shall continue to be assessed in accordance with KID assessment rate structure and practices as they now exist and as they may be amended in the future.
- 7. Entire Agreement; Severability; Modification; Waiver: This Agreement contains the entire agreement of the parties and supersedes and replaces any and all prior or contemporaneous agreements or understandings, written or oral, express or implied, between the parties concerning the subject matter of this Agreement. Should any term or provision of this Agreement, or any part thereof, be held unenforceable for any reason, such unenforceable term or provision, or part thereof, shall not affect the remainder of this contract, it being agreed the provisions hereof are severable. This Agreement shall not be subject to modification except by written agreement signed by both parties. Failure of either party to enforce any of the provisions of this Agreement shall not be construed as a waiver by that party of any such provisions or of the right of such party to thereafter strictly enforce each and every provision of this Agreement.
- 8. <u>Injunctive Relief</u>: The Developer and KID agree and stipulate that

irreparable injury will result if either party fails to fully perform all of their obligations, and agree that if either party breaches this Agreement or fails to fully perform an obligation hereunder, the non-defaulting party shall be entitled to an injunction to restrain further breach and/or to force performance. Said injunctive relief shall be in addition to any other remedies either party may have at law or in equity.

- 9. <u>Personal Warranty of Representative Authority</u>: Each person signing this Agreement in a representative capacity covenants, represents and warrants that he or she has full authority to bind his or her principal to the terms of the Agreement, and hereby promises to hold the other parties hereto harmless from any claim or allegation that said person lacked such authority.
- 10. Attorney's Fees: In case litigation or arbitration is instituted arising directly or indirectly out of this Agreement, the substantially prevailing party or parties shall be awarded its reasonable attorney's fees, costs (including witness fees, expert witness fees and court reporter fees), at trial and on any appeal. In addition, in the event of arbitration, the substantially prevailing party shall be awarded its share of the arbitrator's fee.
- 11. Disputes, Default, Breach, Mediation and Arbitration: In the event any party alleges any default or breach against the other arising out of this Agreement and they are unable to resolve the same by direct negotiation within seven (7) days of written notification of same, then the following mediation and arbitration provisions shall apply. In the event of any such claims or disputes over this Agreement, and as a condition precedent to the commencing of any legal action on said Agreement, the parties agree that they will first submit said dispute to mediation and arbitration in Kennewick, Washington. Upon demand for mediation by either party, a single mediator shall be selected by agreement of the parties or, if the parties are unable to agree, by the presiding judge of Benton County Superior Court. Within ten (10) days of demand for mediation by a party, a mediator shall be selected by the parties. If the parties cannot agree on a mediator, either party may submit a request to the Benton County Superior Court presiding judge to appoint a mediator in compliance with this Agreement. The mediation shall held within forty-five (45) days of selection of the mediator. If mediation is not successful, the mediator shall thereafter become an arbitrator and shall make a decision on the dispute within ten (10) days of the mediation. The mandatory arbitration rules of the Benton/Franklin County Superior Courts shall be binding as to procedure, except as to the unique right of appeal which is not applicable. The limited right of appeal under the general arbitration laws of the State of Washington shall apply.

- 12. <u>Jurisdiction and Venue</u>: Any litigation arising under, related to, or in connection with this Agreement shall occur solely in the state court of appropriate subject matter jurisdiction for Benton County, State of Washington, and in no other court.
- 13. <u>Agreement is binding</u>: The terms of this Agreement are intended to be and shall constitute a binding agreement and a covenant running with the land. The benefits and obligations herein shall benefit and bind the parties and their successors and assigns in interest unless otherwise terminated by the parties hereto.
- 14. <u>Recording</u>: A Memorandum of this Agreement and any amendments thereto shall be filed for recording with the Benton County Auditor.
- 15. <u>Scrutiny</u>: This Agreement has been submitted to the scrutiny of all parties and their respective legal counsel and shall be given a fair and reasonable interpretation in accordance with the words hereof without consideration or weight being given to its being drafted by or for one of the parties. If in fact one of the parties has not submitted this Agreement to the scrutiny of their legal counsel, such party stipulates that, despite having had the opportunity to do so, they waived the same and elected to proceed without the benefit of such legal review.

IN WITNESS WHEREOF, the parties execute this Agreement as follows.

DEVELOPER:

Peach Farm LLC	
Signature	, 202
Print Name	
Authorized Member/Manager	

STATE OF WASHINGTON	)	
COUNTY OF BENTON	): ss )	
This record was acknowled	lged before me on this day of,, as authorized	
2024, by	, as authorized	
iviember/ivianager of Developer.		
	NOTARY PUBLIC,	
	State of Washington	
	Residing at My Commission Expires	
	May Commission Expires	
KENNEWICK IRRIGATION D	DISTRICT:	
	D	
SHANE LEONARD	Date Signed:, 2024	
Secretary Manager		
CENE INTERNANT	Date Signed:, 2024	
GENE HUFFMAN President of the Board of Directors	s.	
resident of the Dourd of Director	·	
	e Board of Directors in a regularly scheduled Board	
meeting on . 202	4	

STATE OF WASHINGTON	)
COUNTY OF BENTON	): ss )
	lged before me on this day of, Secretary Manager of Kennewick Irrigation District.
	NOTARY PUBLIC, State of Washington Residing at My Commission Expires
STATE OF WASHINGTON	)
COUNTY OF BENTON	): ss )
	dged before me on this day of, resident of the Board of Directors of Kennewick
	NOTARY PUBLIC, State of Washington
	Residing at My Commission Expires

Exhibit "A"