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

KENNEWICK IRRIGATION DISTRICT RESOLUTION 2024-42

A RESOLUTION RELATING TO ASSESSMENTS, RATES AND CHARGES; ADOPTING THE SOUTH RICHLAND MASTER PLAN; AND ESTABLISHING A CAPITAL SURCHARGE ASSESSMENT BENEFIT AREA AND COLLECTION METHOD.

The Board of Directors of the Kennewick Irrigation District hereby resolves as follows.

Section 1. RECITALS AND FINDINGS.

- 1.1 There is continued growth of the Tri-Cities and the rapid conversion of agricultural lands to urban uses. These changes create challenges for the Kennewick Irrigation District (KID). The alternatives to meet these challenges are limited. KID may meet that challenge through sound planning and engineering that, to the extent feasible, reduce risk to KID ratepayers, or not provide irrigation water services to certain areas.
- 1.2 Similar to the Southridge area in Kennewick, another rapidly developing region is located in Richland and is referred to by KID as the South Richland area. Much infrastructure has already been installed by the developing properties within the boundaries of this area. However, due to the continued growth of the area, future demands are expected to increase. Despite the amount of infrastructure that has already been installed, a key component is still missing in this region pressurized irrigation water via a regional pump station. Thus, KID has prepared the South Richland Irrigation Master Plan (KID, August 2024; "South Richland Irrigation Master Plan"). The Master Plan describes the Irrigation Master Plan Benefit Area, including the existing infrastructure, current and future land development, and the capital improvements needed to serve the South Richland Irrigation Master Plan Benefit Area.
- 1.3 The South Richland Irrigation Master Plan Benefit Area is located in Richland and bound by Keene Road to the northeast, I-182 to the northwest, the Badger East Lateral to the southwest, High Meadows Street to the south and Sheridan Place to the east. The one exception being a portion of Upper Country Ridge, which is located to the west of the Badger East Canal.
- 1.4 Implementation of the Master Plan is a multi-year, multi-phased project, with current cost estimates not to exceed \$9.4 million in 2024 dollars. KID intends to fund the costs of the Master Plan improvements through available financing means, including but not limited to assessments, rates and charges.
- Section 2. MASTER PLAN ADOPTED. The South Richland Irrigation Master Plan is hereby approved and adopted.

- Section 3. SERVICE LEVEL. The level of service provided to properties within the South Richland Irrigation Master Plan shall be based on equivalent irrigation units (EIU). Each EIU shall be the equivalent of a one-and-a-quarter-inch (1 ¼") service connection providing an instantaneous flow of 15 gallons per minute. Any larger service connections shall be calculated as a multiple of this base EIU, irrespective of development standards applicable to a property. Each EIU charge is initially set at \$4,072.20, and this is hereby established as the base charge with the following surcharges:
- 3.1 The surcharge for a two-inch (2.00) service connection, based on 4 EIUs and 60 gpm, is set at \$16,288.80. The surcharge for a four-inch (4.00) service connection, based on 8 EIUs and 120 gpm, is set at \$32,577.60. The surcharge for a six-inch (6.00) service connection, based on 21 EIUs and 315 gpm, is set at \$85,516.20. The surcharge for an eight-inch (8.00) service connection, based on 42 EIUs and 630 gpm, is set at \$171,032.40.
- 3.2 KID will allow a credit towards future EIUs surcharges based on the current property land use and current paid EIU surcharge above the base surcharge. Said credit shall only go toward additional EIU surcharges provided the property subdivides and meets the requirements for additional base connections of one-and-a-quarter-inch (1- $\frac{1}{4}$ "), (e.g. one (1) five-acre property pays for one (1) two-inch (2.00) service connection, equivalent to a \$16,288.80 surcharge. One year later, the same property then subdivides into ten (10) properties all requiring one-and-a-quarter-inch (1- $\frac{1}{4}$ ") service connections or a total of \$40,722.00 (10 x \$4,072.20 = \$40,722.00). The \$16,288.80 original surcharge will be applied as a credit towards the \$40,722.00 surcharges).
- Section 4. TRANSMISSION SURCHARGES. Each lot (a) within the Master Plan Area and (b) existing at the time of adoption of the Master Plan, is credited for one (1) transmission component or Master Plan Area EIU. Any lot receiving a new service connection, or upon subdivision requiring additional connections, shall be charged for any additional EIU(s).
- Section 5. DISTRIBUTION SURCHARGES. For all properties referenced in Section 4, any distribution charges related to installation of new distribution infrastructure (e.g. in the case of PLA conversions) shall be a separate and distinct charge from the Service Area Transmission Component Surcharge or Master Plan Service Area EIU Surcharge.
- Section 6. LOTS AND RECORDING. All preliminary and final-plats, plat expirations, or plat alterations approved after October 1, 2024, shall be governed by the South Richland Irrigation Master Plan and the capital charges and capital assessments contained herein (or as later modified by KID). The availability of irrigation water shall be subject to and conditioned upon this Resolution and subsequent KID resolutions and this condition shall be shown on the face of each subdivision and plat going forward from October 1, 2024, and each subsequent subdivision of land.

Section 7. SERVICE STANDARDS.

7.1 KID Policy and Procedure (4.19) entitled "Standard Specifications" and Policy and Procedure (4.3) entitled "Developer Risk Mitigation" provide the developing and building community guidance in building to district standards. However, the South Richland Irrigation Master Plan and the establishment of capital surcharge assessments shall prevail if in conflict with any existing KID policy and or procedure.

- 7.2 No On-Site Ponds or Pump Stations that may have previously been approved but not constructed will be further authorized by KID. All properties within the South Richland Irrigation Master Plan Benefit Area shall be served by the facilities described in the South Richland Irrigation Master Plan.
- **Section 8. FINANCES**. KID intends to distribute costs of Master Plan phase one improvements across all parcels to be served from the water transmission system improvements, and assess the capital charge or surcharge to such properties within an identified benefit area. Under law, including RCW 87.03.265, irrigation district assessments and charges constitute a lien against the property assessed or charged. KID intends to assess the costs of the improvements required by the South Richland Irrigation Master Plan as capital assessments together with any capital charges, in addition to the annual operations, maintenance and capital assessments levied across all KID-served land.
- **Section 9. IMPLEMENTATION.** The District Manager is directed to prepare a plan to fund the costs of the Master Plan improvements through available financing means, including but not limited to assessments and rates and charges.

This Resolution No. 2024-42 is hereby adopted by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at an open public meeting thereof, with a quorum present, this 1st day of October 2024.

Gene Huffman, President

Kirk Rathbun, Vice President

Griffin Hanberg, Director

David McKenzie, Director

Arland Ward, Director