



Kittitas County Conservation District

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July 28, 2016

Kittitas County Board of Commissioners
205 W 5th Ave Ste 108
Ellensburg WA 98926-2887

RE: System of Rates & Charges

Dear Board of County Commissioners,

As you know, the Kittitas County Conservation District (KCCD) is seeking to renew our local funding currently collected through a Special Assessment as allowed by Chapter 89.08.400 RCW. The Kittitas Board of County Commissioners approved the Special Assessment in 2006 for collection over a period of 10 years beginning in 2007. This year is the final year of our Special Assessment.

In reviewing options for renewal, the KCCD Board of Supervisors determined that a system of rates, authorized by Chapter 89.08.405 RCW, is the preferred option. A rate is a charge intended to recover the cost of public programs based on services received or negative impacts customers impose. In a "rate construct" the services received and the impacts charged for may be indirect. Further, the rate may show consideration for "services furnished, to be furnished, or available to the landowner" or "benefits received, to be received, or available to the property" in addition to other factors. The KCCD enlisted the assistance of the FCS GROUP to create a rate structure and supporting analysis that features distinct rates by land use, based on the benefits and services received from each District program. The *Kittitas County Conservation District Rate Study Report* was finalized in July 2016.

After conducting the necessary public hearings and soliciting public comment on the proposed system of rates, the KCCD Board of Supervisors approved Resolution 2016-002 on July 14, 2016. As the District Manager, I was authorized and directed to take all appropriate and necessary acts to implement this Resolution, including presentation of this Resolution to the County and coordination with the County, including the County Assessor. The following information is enclosed with this letter for your consideration:

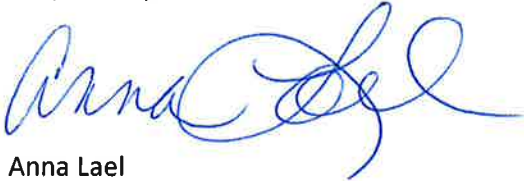
- [Resolution 2016-002](#) Proposing a system of rates for a period of 10 years beginning in 2017
- [Resolution 2016-003](#) Establishing a process for land owner appeals of rates and charges
- [Kittitas County Conservation District Rate Study Report](#) (July,2016)
- [Estimate of Revenues](#) expected from this system of rates for land use category
- [Proposed Budget for 2017](#) for expenditure of the estimated revenues
- [Draft Interlocal Agreement](#)

The Proposed Budget for 2017 is a combination of the programs detailed in the Rate Study Report and the annual reports KCCD has provided to the Board of Commissioners since 2007. The budget categories include the programs (Water, Fish & Wildlife, Forestry, Education) in the Rate Study Report, but also detail the administrative and operations costs, instead of pro-rating them among the programs as was

done in the Rate Study Report. This is similar to the past annual reports and reflects the KCCD Board of Supervisors desire to see those costs detailed separately for your review.

I'm looking forward to working with you and your staff to take the next steps in this process. Please let me know if I can provide any additional information or documents.

Respectfully,



Anna Lael
District Manager

CC: Mark Moore, Chair