



## Thurston Conservation District

# RESOLUTION

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Resolution #2019-11

Subject: Rates & Charges – Adopting a System of Rates and Charges

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THURSTON CONSERVATION DISTRICT, RELATING TO A SYSTEM OF RATES AND CHARGES; PROPOSING A SYSTEM OF RATES AND CHARGES TO THURSTON COUNTY, WASHINGTON; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO, ALL AS MORE PARTICULARLY SET FORTH HEREIN.**

**THE BOARD OF SUPERVISORS OF THURSTON CONSERVATION DISTRICT, WASHINGTON, does hereby resolves as follows:**

### **SECTION 1. FINDINGS AND DETERMINATIONS.**

**The Board of Supervisors (the “Board”) of Thurston Conservation District, Thurston County, Washington (the “District”) hereby makes the following findings and determinations:**

1.1. The District is a governmental subdivision of the State of Washington and a public body corporate and politic, created in Thurston County and operating since 1947. As a requirement for District formation, the State Conservation Commission found that “the public health, safety, and welfare warrant the creation” of the District. RCW 89.08.080. In addition, the Legislature made express findings relating to conservation districts, stating that “the preservation of these lands is necessary to protect and promote the health, safety, and general welfare of its people” and that “it is hereby declared to be the policy of the legislature to provide for the conservation of the renewable resources of the state...and thereby...to protect and promote the health, safety, and general welfare of the people of the state.” RCW 89.08.010. Under chapter 89.08 RCW, the Legislature has provided that the services, improvements and programs of the District are necessary to the public health, safety and welfare of the District and the state. The District exercises public health, safety and welfare (police power) functions in those portions of unincorporated Thurston County, the municipalities of Lacey, Olympia, and Tumwater and those portions of the municipalities of Rainier, Tenino, and Yelm.

1.2 Improper land-use practices have caused and have contributed to, and are now causing and contributing to, a progressively more serious erosion of the lands of the District. It is necessary that land-use practices contributing to soil wastage and soil erosion be discouraged and discontinued, and appropriate soil-conserving land-use practices, and works of improvement for flood prevention of agricultural and nonagricultural phases of the conservation, development, utilization and disposal of water be adopted and carried out to preserve natural resources, protect public lands, and protect and promote the health, safety and general welfare of the people of the District (the “Conservation Projects”). The District programs assist land to be managed for sustainable, profitable production of food and crops as a better choice than lands left to become filled with noxious weeds or converted to polluting activities. Many District

programs are designed to help private land managers do a better job of protecting natural resources as they make a living from their land.

1.3 Pursuant to chapter 89.08 RCW, the District is responsible for and authorized to carry out Conservation Projects within the District, including but not limited to soil conservation; measures to address property compliance with Clean Water Act standards; habitat protection; habitat restoration and technical assistance; education; water quality monitoring; rain garden programs; invasive species programs; and, agriculture and forest land assistance. District programs, Conservation Projects and improvements include:

1.3.1 Purchase properties or conservation easements to protect high-quality wildlife habitat and productive working lands which support the District's resource conservation mission. Implement appropriate habitat restoration or enhancement projects. Maintain existing agricultural activities to preserve local farmland and support local agricultural producers, including providing access to fresh, local food to all residents of the District by working with Thurston County Food Bank, Garden Raised Bounty and Victory Farm, Catholic Community Services, area farmers markets, school and community gardens, and other programs. Operate the South Sound FarmLink program to connect farmers and landowners to keep farmland productive and support our local agricultural economy.

1.3.2 Cooperative activities to restore high-quality habitat include personal site visits with landowners; development of best management practices and conservation plan; recommendations for invasive/non-native weed eradication; project coordination and implementation (e.g. stream planting with volunteers). In addition, the district facilitates a cost share program to implement best management practices including, but not limited to: manure storage structures, livestock fencing, etc. that result in an economic benefit to working lands. Many local, state and federal agencies are working to save threatened and endangered species. Unlike most others, the District works directly with private landowners who have direct control over management activities on their lands, for the benefit of those properties and the land and waters of the District.

1.3.3 Promote District-wide best management urban, suburban and rural conservation practices through education and outreach activities such as workshops, community forums and field tours. Participate in local working groups such as Thurston EcoNetwork, Thurston County Agricultural Committee, Shellfish Protection District Stakeholders Group and South Sound Food Systems Network. Lead projects at the request of partners (cities and Thurston County) to help them meet Habitat Conservation Plan and Voluntary Stewardship Program goals and requirements, along with meeting Clean Water Act standards.

1.3.4 Provide District-wide water quality improvement upon urban, suburban and rural properties by conducting water quality trainings and workshops, such as the agricultural runoff and riparian buffer workshop. Lead field trips on topics including water quality, flood prevention, native plants, stormwater, stream ecology, and agricultural best management practice implementation. Promote best management practices at fairs, festivals and other public events. Lead community volunteer groups to restore riparian areas on streams and lakes of Thurston County. Restore access to and condition of fish habitat in streams and rivers in the District by removing fish passage barriers (culverts, etc.) and improving habitat conditions (instream and riparian). Partner with municipalities, the Thurston County Public Health and Social Services, the Washington Department of Ecology, and USGS on specific projects (e.g. TMDL monitoring, groundwater model). All of these programs offset the cost of Clean Water Act compliance on other entities and ratepayers.

1.3.5 Conserve and protect high quality agricultural soils by providing landowner education and development of a best management practices plan to help livestock owners comply with mandated County regulations, thereby offsetting the cost and burden of the impacts of certain agricultural impacts. Act as hub for county-wide partnership of individuals, organizations and government agencies to support local agricultural economy. Provide technical assistance and funding opportunities for market-based incentives which retain high quality agricultural soils through prevention of land conversion to residential or commercial land use. Serve local farm businesses and all market-based agricultural support organizations with technical assistance to the benefit of both the agricultural community and the District residences who receive increased and consistent access to local produce, meats and other products. Provide resources to help keep farmers on the land (e.g. mobile small farm equipment, poultry processing unit, soil fertility analysis and other agriculture infrastructure).

1.3.6 Educate the community through events along waterways draining into recreational and commercial shellfish production areas to prevent damage to shellfish beds caused by erosion and sedimentation of stream channels, reservoirs, dams, ditches, and harbors; loading the air with soil particles; loss of fertile soil material in dust storms; and the accumulation of soil on lower slopes and its deposit over alluvial plains. Educate the public about the importance of conservation and restoration of natural resources for the working waterfront, shellfish, aquatic health, food, water quality, slope stabilization, and habitat.

1.3.7 Ignite student curiosity and create hands-on learning opportunities through South Sound GREEN (Global Rivers Environmental Education Network). This watershed education program in Thurston County educates, empowers and connects about 50 classrooms and 1200 students in watershed studies annually. Through South Sound GREEN, participants engage in science and engineering practices related to water quality in South Sound. Participants include: North Thurston Public Schools, Olympia School District, Tumwater School District, Rainier School District, Griffin School District, St. Martin's College, The Evergreen State College, private schools and home-schooled students. Support is provided by private landowners; Thurston County; and the cities of Olympia, Lacey and Tumwater.

1.3.8 Improve forest health and reduce wildfire fuels by partnering with landowners, Fire Districts, non-governmental organizations, and local, state, federal agencies to complete projects to reduce wildland fire risks with a focus on Community projects that involve multiple landowners and to complete projects to improve forest health by reducing the potential of damage from pests and disease.

1.4 Part of the regulations and controls under both federal and state law regarding water pollution is the establishment and maintenance of appropriate measures for education and implementation of best management practices. See 33 U.S.C. 1251 et seq.; 40 CFR 122.26(d)(2)(iv) (required measures for State NPDES programs including education and planning to implement best management practices and control techniques to reduce pollutants). The District provides such service, both independently and together with Thurston County and cities within the District.

1.5 Certain properties within the District receive direct or indirect benefit from the carrying out of Conservation Projects. Direct benefits are those benefits arising out of Conservation Projects conducted on property that benefits such property. Indirect benefits are those benefits received by property (e.g., downstream or adjacent parcels), but arising out of Conservation Projects conducted on other property.

1.6 It is appropriate for property owners within the District that benefit either directly or indirectly from the Conservation Projects to pay for the cost of carrying out the District's Conservation Projects.

1.7 The District engaged FCS Group ("FCS"), an independent financial consulting firm that provides economic, public finance, management consulting, and financial (rates, charges, and fees) services to public sector entities throughout the country, including city and county governments, utilities, municipal corporations and ports, special purpose districts, and state agencies. FCS has evaluated the services provided by the District and has developed a rate structure, as part of the Thurston Conservation District Rate Study (FCS Group, 2017) that allocates the costs of District services to classes of property.

1.8 In determining a rate structure, the Board has considered the discretionary factors set forth by the Legislature in Chapter 60, Laws of 2012, including:

1.8.1 Services furnished, to be furnished, or available to landowners in the District;

1.8.2 Benefits received, or to be received, or available to property in the District;

1.8.3 The character and use of land in the District;

1.8.4 The nonprofit public benefit status of land users in the District;

1.8.5 The income level of persons served or provided benefits, including senior citizens and disabled persons; and

1.8.6 Other matters that present a reasonable difference as a grounds for distinction among properties.

1.9 The Board finds that ten classes or categories of property are appropriate: residential, commercial, transportation, trade, services, recreational, agricultural, resource lands, forest land, and undeveloped/open space, as further defined in this Resolution. There is a rational basis for distinguishing land within the District into classes on the basis of property use and the variation of properties within these classes is found to reflect differences in services and/or benefits received, to be received or available from the Conservation Projects.

1.10 The Board finds that it is appropriate to assign weighting factors to each class of property that reflect distinctions among those properties relating to the services and/or benefits received, to be received or available from the District. The weighting factors include (1) services and/or benefits received, to be received or available that are insignificant or immeasurable to certain property; (2) services and/or benefits received, to be received or available to classes of property to a lesser degree; and, (3) services and/or benefits received, to be received or available that more fully support property (compared to other classes of property). There is a rational basis for distinguishing services/benefits received or available from District services and Conservation Projects with the use of such weighting factors and the variation of services/benefits within these factors is found to be minor and to reflect only minor differences in services benefit received or available from the Conservation Projects.

1.11 The administrative cost of calculating the charge for each individual property and maintaining accurate information would be very high. Therefore, a flat charge for each parcel within each property class is less costly to administer than calculating a separate charge for each parcel and is equitable because of the similarities of the characteristics and uses within each property class. The District considered but determined a per acre charge may result in miscalculations and confusion among rate payers and was not appropriate for use at the current time.

1.12 The rates proposed to Thurston County ("County") by this Resolution were calculated within the parameters of a rate model from the FCS Rate Study. Under the rate model, the estimated annual costs of each Conservation Project were allocated to ratepayers as follows:

- 1.12.1 number of parcels in each of the property categories;
- 1.12.2 direct and indirect services/benefits received by or available to property within each property category, as generally described in this Resolution; and
- 1.12.3 a weighting factor reflecting the degree of services/benefits received by or available to each property class for each Conservation Project as described in Section 1.10, above.

1.13 The FCS Rate Study calculated rates per parcel per year for seven of the classifications, as follows: residential (\$5.3600), commercial (\$5.3500), transportation (\$5.3500), trade (\$5.3500), services (\$5.3500), recreational (\$5.3500), resources ag/agricultural (\$5.3600), resource (\$5.3500), forest land (\$5.3500), and undeveloped/open space (\$5.3500). The rate model provides a reasonable basis for establishing the rates proposed by this Resolution.

Land Use Category		Calculated Rates	
		Per Parcel	Per Acre
1	Residential	\$ 5.3600	\$ 0.1300
2	Commercial	\$ 5.3500	\$ 0.1300
3	Transportation	\$ 5.3500	\$ 0.1300
4	Trade	\$ 5.3500	\$ 0.1300
5	Services	\$ 5.3500	\$ 0.1300
6	Recreational	\$ 5.3500	\$ 0.1300
7	Resources AG	\$ 5.3600	\$ 0.1300
8	Resources	\$ 5.3500	\$ 0.1300
9	Resource Designated Forest Land	\$ 5.3500	\$ 0.1300
10	Undeveloped/Open Space	\$ 5.3500	\$ 0.1300
TOTAL			

As adjusted proportionally: residential (\$5.0000), commercial (\$4.9900), transportation (\$4.9900), trade (\$4.9900), services (\$4.9900), recreational (\$4.9900), resources ag/agricultural (\$5.0000), resource (\$4.9900), forest land (\$2.9900), and undeveloped/open space (\$4.9900), such rates do not exceed the maximum rates permitted under Chapter 60, Laws of 2012. These rates are an allocable share of the costs of services/benefits received or available to the property owners in the District from District services, programs and Conservation Projects, all for the preservation of natural resources, protection of public lands and waters, and protection and promotion of the health, safety and general welfare of the lands and people of the District.

Land Use Category		Calculated Rates	
		Per Parcel	Per Acre
1	Residential	\$ 5.0000	\$ 0.1000
2	Commercial	\$ 4.9900	\$ 0.1000
3	Transportation	\$ 4.9900	\$ 0.1000
4	Trade	\$ 4.9900	\$ 0.1000
5	Services	\$ 4.9900	\$ 0.1000
6	Recreational	\$ 4.9900	\$ 0.1000
7	Resources AG	\$ 5.0000	\$ 0.1000
8	Resources	\$ 4.9900	\$ 0.1000
9	Resource Designated Forest Land	\$ 2.9900	\$ 0.0100
10	Undeveloped/Open Space	\$ 4.9900	\$ 0.1000
<b>TOTAL</b>			

1.14 The rates proposed herein to pay the costs of carrying out the Conservation Projects are fees for which the federal government is liable under the Clean Water Act to the same extent as any other classification of land. 33 U.S.C. § 1323(a), and Pub.L. 111-378, § 1, 124 Stat. 4128 (2011); and, *United States of America v. City of Renton, et al.*, Western District of Washington Cause No. C11-1156JLR (2012).

1.16 The consideration, development, adoption and implementation of the rates proposed herein follows the public hearing held on June 20, 2019, held by the District pursuant to RCW 89.08.400(2), public notice of which was properly provided by postings in seven physical locations throughout the District and through publication in The Olympian (June 7<sup>th</sup>, 2019 and June 14<sup>th</sup>, 2019) and in The Nisqually Valley News (June 13<sup>th</sup>, 2019).

1.17 By Resolution No. 2019-12, the District has established a process providing for landowner appeals of the individual rates as may be applicable to a parcel or parcels.

## **SECTION 2. DEFINITIONS.**

2.1 "Billing year" means the calendar year that bills are sent through the property tax statement.

2.2 "Commercial land" means those parcels in the Thurston County Assessor's property classifications of: 21 - Commercial – Food; 24 - Commercial - Lumber and Wood; 29 - Commercial - Petroleum Refining and & Allied Industries; 34 - Commercial - Fabricated Metal Products; 35 -Commercial - Professional, Scientific, and Control Instruments, Photographic, Clocks, etc.; 39 - Commercial - Misc Commercial.

2.3 "Forest land" means those parcels in the Thurston County Assessor's property classifications of:

2.4 "Parcel" means the smallest separately segregated unit or plot of land having an identified owners(s), boundaries, and areas as defined by the Thurston County Assessor and recording in the Thurston County Assessor real property file or maps, and assigned a separate property tax account number.

2.5 "Recreational land" means those parcels in the Thurston County Assessor's property classifications of: 71 - Recreational – Cultural; 72 - Recreational - Public assembly; 73 - Recreational – Amusements; 74 - Recreational - Rec. Activities; 75 - Recreational - Resorts & Group Camps; 76 - Recreational – Parks; 79 - Recreational - Other Recreational.

2.6 "Residential land" means those parcels in the Thurston County Assessor's property classifications of: 11 - Residential - Single Family; 12 - Residential - 2-4 Units; 13 - Residential –

Multiunits; 14 - Residential – Condo; 15 - Residential - MH Park; 16 - Residential - Hotels/Motels; 17 - Residential - Institutional lodging; 18 - Residential - All other; 19 - Residential - Vacation and Cabin.

2.7 "Resource land" means those parcels in the Thurston County Assessor's property classifications of: 85 - Resource – Mining; 86 - Resource - Marijuana Grow Operations.

2.8 "Resource AG land" means those parcels in the Thurston County Assessor's property classifications of: 81 - Resource – Agriculture; 83 - Resource - Agriculture Current Use.

2.9 "Resource Designated Forest land" means those parcels in the Thurston County Assessor's property classifications of: 88 - Resource - Designated Forest Land.

2.10 "Services land" means those parcels in the Thurston County Assessor's property classifications of: 61 - Services - Finance/Insurance/RealEstate; 62 - Services – Personal; 63 - Services – Business; 64 - Services – Repair; 65 - Services – Professional; 66 - Services – Contract; 67 - Services – Governmental; 68 - Services – Educational; 69 - Services – Misc.

2.11 "Trade land" means those parcels in the Thurston County Assessor's property classifications of: 52 - Trade - Retail Trade; 53 - Trade - General Merchandise; 54 - Trade – Food; 55 - Trade – Auto; 56 - Trade – Apparel; 57 - Trade - Furniture & Equipment; 58 - Trade - Eating & Drinking; 59 - Trade – Other.

2.12 "Transportation land" means those parcels in the Thurston County Assessor's property classifications of: 41 - Transportation – Railroad; 42 - Transportation - Motor Vehicle; 43 - Transportation – Aircraft; 44 - Transportation - Marine Craft Transportation; 45 - Transportation – Highway; 46 - Transportation - Auto Parking; 47 - Transportation – Communication; 48 - Transportation – Utilities; 49 - Transportation – Other.

2.13 "Undeveloped/Open Space land" means those parcels in the Thurston County Assessor's property classifications of: 91 - Undeveloped – Land; 93 - Undeveloped - Water areas; 94 - Undeveloped - Open Space; 95 - Undeveloped - Timber Land Per RCW 84.34.

2.14 It is the intent of the District that all parcels within the District fall within one of the land classifications defined in this Section. In the event any parcel is inadvertently excluded from any of the land use classifications defined in the Resolution, or Thurston County adopts new land classifications or revises existing land use classifications after the effective date of this Resolution, or for any other reason, the omitted parcel shall be deemed to fall within the land use classification that is most similar to the omitted parcel.

**SECTION 3. RATE SCHEDULE.** The following rate schedule is proposed to the County for a term of five (5) years, unless modified by subsequent District action and County approval. The Board may recommend adjustment of these rates from time to time, to reflect the budgeted costs of carrying out the District's improvements, services and Conservation Projects and any changes in land categories. The rates are as follows.

3.1 The rate for residential land shall be \$5.00 per parcel per year.

3.2 The rate for commercial land shall be \$4.99 per parcel per year.

3.3 The rate for transportation land shall be \$4.99 per parcel per year.

3.4 The rate for trade land shall be \$4.99 per parcel per year.

3.5 The rate for services land shall be \$4.99 per parcel per year.

3.6 The rate for recreational land shall be \$4.99 per parcel per year.

3.7 The rate for resources ag land shall be \$5.00 per parcel per year.



3.8 The rate for resource land shall be \$4.99 per parcel per year.

3.9 The rate for forest land shall be \$2.99 per parcel per year.

3.10 The rate for undeveloped/open space land shall be \$4.99 per parcel per year.

Specific rates per parcel shall be shown on a spreadsheet provided by the District to the Thurston County Assessor, consistent with Chapter 89.08 RCW.

**SECTION 4. IMPLEMENTATION.** The Executive Director is 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, and correction of any parcel's classification or classification reference in Section 2.

**SECTION 5. RATIFICATION AND CONFIRMATION.** Any action taken consistent with the authority and prior to the effective date of this Resolution is hereby ratified, approved and confirmed.

**SECTION 6. EFFECTIVE DATE.**

This Resolution shall become effective immediately upon its adoption.

**ADOPTED BY THE BOARD OF THE THURSTON CONSERVATION DISTRICT,  
WASHINGTON ON JULY 2<sup>ND</sup>, 2019 AND EFFECTIVE IMMEDIATELY.**

**SIGNED:**

  
Paul Pickett, Board Chair

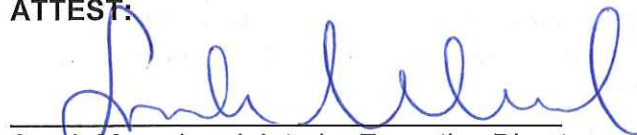
  
TJ Johnson, Vice Chair

  
David Iyall, Board Auditor

  
Betsie DeWreede, Board Member

  
Doug Rushton, Board Member

**ATTEST:**

  
Sarah Moorehead, Interim Executive Director