

SANTIAM WATER CONTROL DISTRICT - Assessment and Fee Policy

Santiam Water Control District (SWCD or District) establishes the following policy for the levying and collection of assessments and for the imposition and collection of charges.

I. LEVY OF ASSESSMENTS AND IMPOSITION OF CHARGES BY RESOLUTION OF THE DISTRICT BOARD OF DIRECTORS.

During the regularly scheduled October Board Meeting, the District board of directors (Board) will determine the annual budget by resolution (Annual Budget Resolution). The Board will base the Annual Budget Resolution upon a calculation of the total revenue necessary for performing District obligations for the upcoming calendar year (Annual Budget). When making this calculation, the Board will consider funds necessary for the following line items:

- a) The care, operation, and maintenance of District facilities;
- b) Reasonable reserve funds for major maintenance, improvement, and replacement of capital improvements and facilities;
- c) The acquisition of land or water rights;
- d) Bond or interest payments, or payments due or to become due to the United States or the State of Oregon under any contract of the district with the United States or the State of Oregon; and
- e) Other District expenses anticipated in performance of District obligations.

A. Levy of Assessments

In order to raise the funds required by the District for the construction, purchase, operation, maintenance and improvement of works and facilities for purposes set forth in in any subdistrict, and in order to pay the general overhead and other expenses of the District which are not chargeable directly to any one subdistrict, the lands benefited by any or all of such types of works and by the operation of the District shall be subject to special assessments of the following classes.

1) preliminary assessment, 2) construction assessment, 3) maintenance and operation assessment, 4) improvement assessment. All assessments shall be levied by an order of the Board. The order shall state the description of the land assessed, the name of the owner of the land as such name appears on the records of the District, or the records of the county assessor, the type and kind of assessment, the amount of the assessment due, and the due date.

The District will file a copy of the order with the county clerk and mail an invoice to each landowner by March 15th. Once the order is filed it will become a lien upon the land assessed.

All District assessments are due April 15th. All accounts not paid by the due date will be charged an interest at the rate of 12 percent per annum. On May 1st, all past due accounts will be charged a Past Due Account Fee. On November 1st all past due accounts become Delinquent and will

have water withheld and may be assessed additional fees. Any time after April 15th the Board, by resolution, may direct that all delinquent assessments then unpaid be foreclosed by the District.

B. Levy of Assessments- Irrigation Sub-District

In order to raise the funds required by the District for the construction, purchase, operation, maintenance and improvement of works and facilities for purposes set forth in in any subdistrict, and in order to pay the general overhead and other expenses of the District which are not chargeable directly to any one subdistrict, the lands benefited by any or all of such types of works and by the operation of the District shall be subject to special assessments of the following classes. 1) preliminary assessment, 2) construction assessment, 3) maintenance and operation assessment, 4) improvement assessment. All assessments shall be levied by an order of the Board. The order shall state the description of the land assessed, the name of the owner of the land as such name appears on the records of the District, or the records of the county assessor, the type and kind of assessment, the amount of the assessment due, and the due date.

The District will file a copy of the order with the county clerk and mail an invoice to each landowner by March 15th. Once the order is filed it will become a lien upon the land assessed.

All District assessments are due April 15th. All accounts not paid by the due date will be charged an interest at the rate of 12 percent per annum. On May 1st, all past due accounts will be charged a Past Due Account Fee. On November 1st all past due Irrigation Sub-District accounts become Delinquent and will have water withheld and may be assessed additional fees. Any time after April 15th the Board, by resolution, may direct that all delinquent assessments then unpaid be foreclosed by the District.

C. Levy of Assessments – McKinney SubDistricts, A and B

In order to raise the funds required by the District for the construction, purchase, operation, maintenance and improvement of works and facilities for purposes set forth in the McKinney subdistricts, and in order to pay the general overhead and other expenses of the District which are not chargeable directly to any one subdistrict, the lands benefited by any or all of such types of works and by the operation of the District shall be subject to special assessments of the following classes. 1) preliminary assessment, 2) construction assessment, 3) maintenance and operation assessment, 4) improvement assessment. All assessments shall be levied by an order of the Board.

All District assessments are due April 15th. All accounts not paid by the due date will be charged an interest at the rate of 12 percent per annum. On May 1st, all past due accounts will be charged a Past Due Account Fee. On November 1st all past due McKinney Sub-District accounts become Delinquent and will be assessed additional fees, including a Delinquent Account Lien Fee. Any time after April 15th the Board, by resolution, may direct that all delinquent assessments then unpaid be foreclosed by the District.

In December, all delinquent accounts within the McKinney Sub-District, without a Board approved written payment plan in place, will have a notice of claim of lien filed and recorded at the county recorder, per resolution of the Board of Directors at their regularly scheduled December Board Meeting. Once the order is filed it will become a lien upon the land assessed. The order shall state the description of the land assessed, the name of the owner of the land as such name appears on the records of the District, or the records of the county assessor, the type and kind of assessment, the amount of the assessment due, and the due date.

D. Imposition of Charges

Annually each October the Board will adopt the Annual Budget for the upcoming year. At the December Board Meeting, the Board will review the budget and adopt a general fee structure establishing charges for the benefit of the works, facilities and services of the District, amending the budget as necessary.

II. DETERMINATION OF BENEFITS

The District includes three sub-districts: the Irrigation sub-district, McKinney A soil and erosion control sub-district, and McKinney B soil and erosion control sub-district.

The Irrigation sub-district owns the system of ditches and canals operated by the District (District Facilities) used for the purpose of improving the agricultural use of District lands. The District Facilities are used for irrigation delivery, drainage, and control of flood and surface waters for the benefit of all District lands.

A. Irrigation Sub-District Benefits

All lands within the Irrigation sub-district are benefited by District Facilities. Additionally, each tract of land with District-appurtenant water rights, according to certificates issued by the Oregon Water Resources Department, are benefitted lands.

Historically, the cost of District operations, including the operation and maintenance of the District Facilities, was based on the cost of services performed over the irrigation season (April 1 – Sept 30) even though the District Facilities provide year-round drainage functions and require year-round operation and maintenance. Development, urbanization, increased impervious area, and increased regulatory requirements continue to increase costs unrelated to irrigation. The District Facilities now provide greater drainage benefits to District lands during the winter months.

District lands were determined as benefitted lands at the time of district formation or inclusion in the District (District Lands). The Board now clarifies that in order to waive assessments upon any District lands, the District must first receive and approve an engineering determination that the

subject District lands are no longer benefitted by the District Facilities (Non-Benefitted Lands). In order to qualify as Non-Benefitted Lands, the subject parcel may not discharge any storm water into any drainage impacting or relied upon by the District Facilities. If a landowner wishes to terminate an irrigation contract but continues to rely upon the District Facilities for drainage or any other benefits, as determined by the Board, will enter into a new contract determining those uses and benefits.

B. Soil Erosion and Control Sub-District Benefits

The soil and erosion control sub-districts care for the system of revetments, both privately installed and those installed by the U.S. Army Corp of Engineers. The sub-district serves as the local sponsor for the operation and maintenance of those facilities and serves as the recipient of FEMA funds to repair damage that may occur during any federally declared flood disaster. The sub-district benefit roll was established during formation and generally includes the lands within the District that are within the 100-year floodplain of the North Santiam River.

III. APPORTIONMENT OF ASSESSMENTS

The sum of money needed to be raised by each sub-district, as determined by the Board, shall be apportioned by the Board to the lands owned or held by each person, so that each acre of land within each Sub-District within the District specific to each benefitted use is required to pay the same amount. The Board will also set an appropriate administrative fee to collect for tasks and costs specific to each tax lot, such that each tax lot is assessed the same fee as benefitted.

IV. DELINQUENT NOVEMBER 1st

The assessment schedule is as follows:

Assessments Mailed, levy order by Board	March 15th
Due & Payable	April 15th
Past Due fee assessed, irrigation water withheld	May 1st
Irrigation Sub-District Delinquent and water withheld	November 1st
McKinney Sub-District Delinquent and lien placed	November 1st

If payment is not made by November 1st, or the first business day thereafter, the account will be deemed delinquent, and a delinquent account fee will be assessed. Water will be withheld from all delinquent accounts pursuant to ORS 553.230 unless a Board- approved written payment plan is agreed upon.

Any benefitted landowner unable to make their assessment payment in full may request a payment schedule. The request must be submitted in writing, include a proposed payment schedule, be approved by the Board, and signed by the water user and the Board. Acceptable payment plans for

delinquent accounts must provide for payment of 1/3 of the delinquent principal each year plus current charges and interest, unless otherwise approved by the District Board.

V. RENTERS OF DELINQUENT LANDS

This section outlines the process for rented land within the district where assessments are delinquent to continue to receive water. Current policy, in compliance with ORS 553.230, dictates that water is to be withheld from all delinquent accounts unless a Board-approved written payment plan is agreed upon. Should the property owner not provide the written payment plan and not make payments on delinquent assessments, water shall be withheld.

The District has established this process to allow a renter to continue to use the land and receive irrigation water during the current irrigation season as follows:

1. The renter must pay the full amount of the current year's assessment before the irrigation season starts. This payment by the renter enables the district to continue to provide water for the current season.
2. The lien placed on the land for the current year, as well as any additional delinquent assessment years will remain in place until the property owner pays all delinquent assessments in full.
3. The current District process is to apply payments to the oldest debt, starting with interest and move forward to current assessments until the payment has been fully applied. When assessments are paid by the renter these payments made on behalf of the landowner will be exempt from the payment application process and will only be applied to the current year assessment for the purpose of continuation of water delivery for use by the renters.

VI. GENERAL FEES

The annual District fee structure for office and administrative charges, as well as equipment and labor will be updated and are posted in the District office. A resolution adopting the fee structure will be approved at the regularly scheduled December Board Meeting.

AMENDMENT ADOPTED BY BOARD OF DIRECTORS THIS 20th Day of October, 2025.

President, Board of Directors

ATTEST:

Secretary, Board of Directors