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1 December 6, 1985
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3 INTRODUCED BY BOB GREIVE
4 PROPOSED No. 85-650

5 ORDINANCE NO. 7444

6 AN ORDINANCE relating to the Museum of Flight
7 creating the King County Museum of Flight
8 Authority; approving a charter and initial
9 bylaws therefor; establishing a Board of
10 Directors to govern the affairs of the public
11 authority; providing how the public authority
12 shall conduct its affairs; and declaring an
13 emergency.

14 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

15 SECTION 1. AUTHORITY CREATED--COUNTY LIABILITY LIMITED.

16 A. AUTHORITY CREATED.

17 A public authority is hereby created, with powers and limi-
18 tations as set forth in its charter and this ordinance, exclu-
19 sively to undertake, assist with and otherwise facilitate or
20 provide for the development and operation of a first class air
21 and space museum as authorized under RCW 35.21.730 through
22 35.21.755.

23 B. COUNTY LIABILITY LIMITED.

24 The authority is an independent legal entity exclusively
25 responsible for its own debts, obligations and liabilities. All
26 liabilities incurred by the authority shall be satisfied exclu-
27 sively from the assets and credit of the authority; no creditor
28 or other person shall have any recourse to the assets, credit, or
29 services of the county on account of any debts, obligations,
30 liabilities, acts, or omissions of the authority.

31 SECTION 2. NAME. The name of the public authority shall be
32 the King County Museum of Flight Authority.

SECTION 3. DEFINITIONS. As used herein, the term:

A. "Board of directors" or "board" means the governing
body vested with the management of the affairs of the public
authority.

1 B. "Director" means a member of the board.

2 C. "Bylaws" means the rules adopted for the regulation or
3 management of the affairs of the public authority adopted by
4 this ordinance and all subsequent amendments thereto.

5 D. "Charter" means the articles of organization of the
6 public authority adopted by this ordinance and all subsequent
7 amendments thereto.

8 E. "County" means King County.

9 F. "Council clerk" means the clerk of the King County
10 Council or a person authorized to act on his or her behalf; and
11 in the event of reorganization of the office of council clerk, the
12 successor official performing such duties or a person authorized
13 to act on his or her behalf.

14 G. "County council" means the body established under
15 Article 2 of the King County Charter.

16 H. "County executive" means the County Executive of King
17 County, as established by Article 3 of the King County Charter.

18 I. "Public authority" or "authority" means the authority
19 created under this ordinance.

20 J. "Resolution" means an action of the board with the
21 quorum required in Section 10.

22 K. "State" (when used as a noun) shall mean the State of
23 Washington.

24 SECTION 4. POWERS--GENERALLY. Except as limited by the
25 state constitution, the King County Charter, this ordinance, or
26 the charter of the public authority, the public authority shall
27 have and may exercise all lawful powers necessary or convenient
28 to effect the purposes for which the public authority is orga-
29 nized and to perform authorized corporate functions, as provided
30 in its charter.

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1 SECTION 5. CHARTER. The charter of the authority (the
2 "charter"), Exhibit A of this ordinance, is hereby approved. The
3 charter shall be issued in duplicate originals, each bearing the
4 county Seal attested by the council clerk. One original shall be
5 filed with the county division of records and elections; a dupli-
6 cate original shall be provided to the authority. The charter
7 shall be amended only by county ordinance adopted at or after a
8 public hearing held with notice to the public authority and
9 authority directors and affording them a reasonable opportunity
10 to be heard and present testimony.

11 SECTION 6. EFFECT OF ISSUANCE OF CHARTER. The public
12 authority shall commence its existence effective upon issuance of
13 its charter. Except as against the state or the county in a pro-
14 ceeding to cancel or revoke the charter, delivery of a duplicate
15 original charter shall conclusively establish that the public
16 authority has been established in compliance with the procedures
17 of this ordinance.

18 SECTION 7. BOARD OF DIRECTORS. A board consisting of seven
19 directors (the "board of directors") is hereby established to
20 govern the affairs of the public authority. The directors shall
21 be appointed and serve their terms as provided in the charter.
22 All corporate powers of the public authority shall be exercised
23 by or under the authority of the board of directors; and the
24 business, property and affairs of the authority shall be managed
25 under the direction of the board of directors, except as may be
26 otherwise provided for by law or in the charter.

27 SECTION 8. ORGANIZATIONAL MEETING. Upon issuance of the
28 charter, the county executive or his or her deputy shall call an
29 organizational meeting of the initial board of directors within
30 ten days, giving at least three days' advance written notice to
31 each, unless waived in writing. At such meeting, the board shall
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1 organize itself, may appoint officers, and select the place of
2 business.

3 SECTION 9. BYLAWS.

4 A. The initial bylaws (the "bylaws") of the public
5 authority, Exhibit B of this ordinance, are hereby approved. The
6 power to alter, amend, or repeal the bylaws or adopt new ones
7 shall be vested in the board except as otherwise provided in the
8 charter. The bylaws shall be consistent with the charter.

9 B. As necessary and appropriate, the county council may
10 amend the authority bylaws by ordinance adopted at or after a
11 public hearing held with notice to the public authority and
12 authority directors and affording them a reasonable opportunity
13 to be heard and present testimony.

14 SECTION 10. QUORUM. At all meetings of the board of direc-
15 tors, a majority of the board of directors then in office shall
16 constitute a quorum.

17 SECTION 11. DISSOLUTION.

18 A. If the county council makes an affirmative finding
19 that dissolution is warranted for any reason, the existence of a
20 public authority may be terminated by ordinance of the county
21 council adopted at or after a public hearing, held with notice to
22 the public authority and authority directors and affording them a
23 reasonable opportunity to be heard and present testimony.

24 Dissolution shall be accomplished as provided in the charter, and
25 shall not take effect until proper provision has been made for
26 disposition of all authority assets.

27 B. Upon satisfactory completion of dissolution pro-
28 ceedings, the council clerk shall indicate such dissolution by
29 inscription of "charter cancelled" on the original charter of the
30 public authority, on file with the county and, when available, on
31 the duplicate original of the public authority, and the existence
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1 of the public authority shall cease. The council clerk shall
2 give notice thereof pursuant to state law and to other persons
3 requested by the public authority in its dissolution statement.

4 C. Upon dissolution of the authority and the winding up of
5 its affairs, title to all remaining assets or property of the
6 authority shall vest in King County unless the county council or
7 trustee or court has provided for the transfer of any authority
8 rights, assets or property to a qualified entity or entities
9 which will fulfill the purposes for which the authority was char-
10 tered.

11 SECTION 12. BOARD REMOVAL. If it is determined for any
12 reason that any or all of the board members should be removed
13 from office, after a full public hearing, the county may by ordi-
14 nance remove any or all voting board members from office. The
15 term of any board member removed pursuant to this section shall
16 expire when the removal ordinance takes effect. Vacancies
17 created under this section shall be filled in the same manner as
18 provided in the charter.

19 SECTION 13. ANCILLARY AUTHORITY. The county executive is
20 granted all such power and authority as reasonably necessary or
21 convenient to enable him or her to administer this ordinance
22 efficiently and to perform the duties imposed in this ordinance
23 or the authority charter.

24 SECTION 14. CONSTRUCTION. This ordinance shall be
25 liberally construed so as to effectuate its purposes and the pur-
26 poses of RCW 35.21.730-.755.
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SECTION 15. EMERGENCY CLAUSE. The county council finds as a fact and declares that an emergency exists and that this ordinance is necessary for immediate preservation of public peace, health or safety or for the support of county government and its existing public institutions.

INTRODUCED AND READ for the first time this 9th day of December, 1985.

PASSED this 16th day of December, 1985.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Gary Grant
Chairman

ATTEST

Joseph H. Owens
Clerk of the Council

APPROVED this 20th day of December, 1985.

Randy R. Will
King County Executive

MUSEUM OF FLIGHT AUTHORITY

CHARTER & BYLAWS

EXHIBIT A

CHARTER
OF THE
KING COUNTY MUSEUM OF FLIGHT AUTHORITY

Issued:

December 20, 1985

Jamethy M. Owens
Seattle, Washington

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TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	Name and Seal..... 1
	Section 1.01. Name..... 1
	Section 1.02. Seal..... 1
ARTICLE II	Authority and Limit on Liability..... 1
	Section 2.01. Authority..... 1
	Section 2.02. Limit on Liability..... 1
	Section 2.03. Mandatory Disclaimer..... 2
ARTICLE III	Duration..... 2
ARTICLE IV	Purpose..... 2
ARTICLE V	Powers..... 4
	Section 5.01. Powers..... 4
	Section 5.02. Limitation of Powers..... 8
ARTICLE VI	Board of Directors and Corporate Officers.. 11
	Section 6.01. Powers..... 11
	Section 6.02. Board Composition..... 11
	Section 6.03. Terms of Office..... 12
	Section 6.04. Quorum and Manner of Action. 13
	Section 6.05. Officers and Division of Duties..... 14
	Section 6.06. Bonding of Corporate Officers..... 14
	Section 6.07. Executive Committee..... 15
	Section 6.08. Removal of Board Members.... 15

851216 16

	<u>Page</u>
ARTICLE VII Meetings.....	15
Section 7.01. Board Meetings.....	15
Section 7.02. Parliamentary Authority.....	16
Section 7.03. Minutes.....	16
ARTICLE VIII Procedural Requirements.....	16
Section 8.01. Board Review and Concurrence.....	16
Section 8.02. Establishment and Maintenance of Office and Records.....	18
Section 8.03. Access to Records.....	18
Section 8.04. Deposit of Public Funds.....	19
Section 8.05. Reports and Information.....	19
Section 8.06. Audits and Inspections.....	19
Section 8.07. Insurance.....	20
Section 8.08. Bylaws.....	20
Section 8.09. Conflict of Interest.....	21
Section 8.10. Discrimination.....	23
ARTICLE IX Amendments to Charter and Bylaws.....	24
Section 9.01. Proposals to Amend Charter and Bylaws.....	24
Section 9.02. Charter Amendments.....	24
Section 9.03. Amendments to Bylaws.....	24
ARTICLE X Commencement.....	25

B51216 16

	<u>Page</u>
ARTICLE XI	
Dissolution	25
Section 11.01. Dissolution Process.....	25
Section 11.02. Trusteeship.....	26
ARTICLE XII	
Approval of Charter.....	27

801216 16

CHARTER
OF THE
KING COUNTY MUSEUM OF FLIGHT AUTHORITY

ARTICLE I

Name and Seal

Section 1.01. Name. The name of this authority shall be the KING COUNTY MUSEUM OF FLIGHT AUTHORITY (hereinafter referred to as the "Public Authority" or "Authority").

Section 1.02. Seal. The Public Authority's seal, as set forth below, shall be a circle with the name "KING COUNTY MUSEUM OF FLIGHT AUTHORITY" inscribed therein.

ARTICLE II

Authority and Limit on Liability

Section 2.01. Authority. The Authority is a public authority organized pursuant to RCW 35.21.730-.755 and King County Ordinance 7444.

Section 2.02. Limit on Liability. All liabilities incurred by the Authority shall be satisfied exclusively from the assets, credit, and properties of the Authority, and no creditor or other

851216 10

person shall have any right of action against or recourse to King County, its assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the Authority.

Section 2.03. Mandatory Disclaimer. The following disclaimer shall be posted in a prominent place where the public may readily see it in the Authority's principal and other offices. It shall also be printed or stamped on all contracts, bonds, and other documents that may entail any debt or liability by the Authority.

The King County Museum of Flight Authority is organized pursuant to King County Ordinance _____ and RCW 35.21.730-.755. RCW 35.21.750 provides as follows: "[A]ll liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority."

ARTICLE III

Duration

The duration of the Authority shall be perpetual except as provided in King County Ordinance 7444 .

ARTICLE IV

Purpose

The purpose of the Authority is to provide a legal entity under RCW 35.21.730 and King County Ordinance 7444 to undertake, assist with or otherwise facilitate or provide for

the development and operation of a first class air and space museum, which may include, but is not limited to, the following components:

- a) Operation of air and space museum, with related theater, educational, and archival-research activities;
- b) Operation of historical exhibits;
- c) Acquisition, display and maintenance of aircraft and aviation artifacts for museum purposes;
- d) Operation of gift shop in relation to museum activities;
- e) A restaurant or other food, beverage and banquet service facilities to enhance the attractiveness of the museum to visitors and increase the visibility of the museum to the public;
- f) Any other uses reasonably or necessarily related to the operation of a major air and space historical museum; and
- g) Ancillary parking.

To the extent appropriate and consistent with the needs and objectives of the County and the Authority's purpose, the Authority may acquire and manage real property, including but not limited to County real property dedicated to aviation museum purposes; secure financing; undertake or otherwise provide for the construction and development of museum and related structures integral thereto; enter into leases and other agreements with the Museum of Flight Foundation or its successors for the management and operation of the museum; and otherwise undertake and

851216 16

accomplish all activities and projects necessary for the development of the museum. The Authority shall have no purpose other than the development and operation of a first class air and space museum.

For the purpose only of securing the exemption from federal income taxation for interest on obligations of the Authority, the Authority constitutes an authority and instrumentality of King County (within the meaning of those terms in federal regulations and rulings pursuant to section 103 of the Internal Revenue Code of 1954 as amended).

ARTICLE V

Powers

Section 5.01. Powers. The Authority shall have and may exercise all lawful powers conferred by state law, county ordinance, this Charter and its bylaws, including, without limitation, the power to:

- A. Own and sell real and personal property;
- B. Contract for any corporate purpose with the United States, a state, and any political subdivision or agency of either, and with individuals, associations and corporations;
- C. Sue and be sued in its name;
- D. Lend and borrow funds;
- E. Do anything a natural person may do;
- F. Perform all manner and type of community services and activities;

G. Provide and implement such municipal and community services and functions as the County Council may by ordinance direct;

H. Transfer any funds, real or personal property, property interests, or services;

I. Receive and administer federal or private funds, goods, or services for any lawful public purpose;

J. Purchase, lease, exchange, mortgage, encumber, improve, use, or otherwise transfer or grant security interests in real or personal property or any interests therein; grant or acquire options on real and personal property; and contract regarding the income or receipts from real and personal property;

K. Issue negotiable bonds and notes in conformity with applicable provisions of state law in such principal amounts as in the discretion of the Authority shall be necessary or appropriate to provide sufficient funds for achieving any corporate purposes; provided, however, that all bonds and notes or liabilities occurring thereunder shall be satisfied exclusively from the assets, properties or credit of such Authority, and no creditor or other person shall have any recourse to the assets, credit or services of the county thereby, unless the County Council shall by ordinance expressly guarantee such bonds or notes;

L. Contract for, lease, and accept transfers, gifts or loans of funds or property from the United States, a state, and

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any municipality or political subdivision or agency of either, including property acquired by any such governmental unit through the exercise of its power of eminent domain, and from corporations, associations, individuals or any other source, and to comply with the terms and conditions therefor;

M. Manage, on behalf of the United States, a state, and any municipality or political subdivision or agency of either, any property acquired by such entity through gift, purchase, construction, lease, assignment, default, or exercise of the power of eminent domain;

N. Recommend to appropriate governmental authorities public improvements and expenditures in areas of the county in which the Authority by this charter has a particular responsibility;

O. Initiate, carry out, and complete such improvements of benefit to the public consistent with its charter as the United States, a state, and any municipality or political subdivision or agency of either may request;

P. Recommend to the United States, a state, and any municipality or political subdivision or agency of either, consistent with all applicable laws, such tax, financing, and security measures as the Authority may deem appropriate to maximize the public interest in activities in which the Authority by this charter has a particular responsibility;

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Q. Lend its funds, property, credit or services for corporate purposes, or act as a surety or guarantor for corporate purposes;

R. Provide advisory, consultative, training, educational, and community services or advice to individuals, associations, corporations, or governmental agencies, with or without charge;

S. Control the use and disposition of corporate property, assets, and credit;

T. Invest and reinvest its funds;

U. Fix and collect whatever charges it deems appropriate for services rendered or to be rendered, and establish the consideration (if any) for property transferred, all in pursuit of corporate purposes.

V. Maintain books and records as appropriate for the conduct of its affairs;

W. Conduct corporate affairs, carry on its operations, and use its property as allowed by law and consistent with this charter, and its bylaws; name corporate officials, designate agents, and engage employees, prescribing their duties, qualifications, and compensation; and secure the services of consultants for professional services, technical assistance, or advice;

X. Identify and recommend to the United States, a state, and any municipality or political subdivision or agency of either, the acquisition by the appropriate governmental entity-- for transfer to or use by the Authority--of property and

property rights, which, if so acquired, whether through purchase or the exercise of eminent domain, and so transferred or used, would materially advance the purpose for which the Authority is chartered; and

Y. Exercise and enjoy such other powers as may be authorized by law.

Section 5.02. Limitation of Powers. The public authority organized under this charter in all activities and transactions shall be limited in the following respects:

A. The Authority shall have no power of eminent domain nor any power to levy taxes or special assessments.

B. The Authority may not incur or create any liability that permits recourse by any party or member of the public to any assets, services, resources, or credit of the county. All liabilities incurred by the Authority shall be satisfied exclusively from the assets and credit of the Authority; no creditor or other person shall have any recourse to the assets, credit, or services of the county on account of any debts, obligations, liabilities, acts, or omissions of the Authority.

C. No funds, assets, or property of the Authority shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or ballot proposition; nor shall any funds or a substantial part of the activities of the Authority be used for publicity or educational purposes designed to support or defeat legislation pending before

the Congress of the United States, or the legislature of the State or the County Council; provided, however, that funds may be used for representatives of the Authority to communicate with members of Congress, state legislators or county council members concerning funding and other matters directly affecting the Authority, so long as such activities do not constitute a substantial part of the Authority's activities and unless such activities are specifically limited elsewhere in this charter or by county ordinance.

D. All funds, assets, or credit of the Authority shall be applied toward or expended upon services, projects, and activities authorized by this charter. No part of the net earnings of the Authority shall inure to the benefit of, or be distributable as such to, the board members, officers of the Authority or other private persons, except that the Authority is authorized and empowered to:

1. Compensate those persons or entities performing services for the Authority, including Authority employees and legal counsel, a reasonable amount for services rendered, and reimburse Authority Board members and others for reasonable expenses actually incurred in performing their duties;

2. Assist Authority officials as members of a general class of persons to be assisted by an Authority-approved project or activity to the same extent as other members of the class as long as no special privileges or treatment accrues to such

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corporate official by reason of his or her status or position in the Authority;

3. Defend and indemnify any current or former board member or employee and their successors, spouses and marital communities against all costs, expenses, judgments, and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with or resulting from any civil claim, action, or proceeding in which he or she is or may be made a party by reason of being or having been a corporate official, or by reason of any action alleged to have been taken or omitted by him or her as such official, provided that he or she was acting in good faith on behalf of the Authority and within the scope of duties imposed or authorized by law. This power of indemnification shall not be exclusive of other rights to which corporate officials may be entitled as a matter of law;

4. Purchase insurance to protect and hold personally harmless any of its officials, its employees, and its agents from any civil action, claim, or proceeding instituted against the foregoing individuals arising out of the performance, in good faith, of duties for, or employment with, the Authority and to hold these individuals harmless from any expenses connected with the defense, settlement, or monetary judgments from such actions, claims, or proceedings. The purchase of such insurance and its policy limits shall be discretionary with the board, and such insurance shall not be considered to be compensation to the

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insured individuals. The powers conferred by this subsection shall not be exclusive of any other powers conferred by law to purchase liability insurance; and

5. Sell assets for a consideration greater than their reasonable market value or acquisition costs, charge more for services than the expense of providing them, or otherwise secure an increment in a transaction, or carry out any other transaction or activity, as long as such gain is not the principal object or purpose of the Authority's transactions or activities and is applied to or expended upon services, projects, and activities otherwise authorized as corporate purposes.

E. The Authority organized under this chapter shall not issue shares of stock, pay dividends, make private distribution of assets, make loans to its board members or employees or otherwise engage in business for private gain.

ARTICLE VI

Board Of Directors And Corporate Officers

Section 6.01. Powers. The affairs of the Authority shall be governed by the Board of Directors. All corporate powers of the Authority shall be exercised by or under the authority of, and the business, property and affairs of the Authority shall be managed under the directions of, the board except as may be otherwise provided in this Charter, the enabling ordinance or state law.

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Section 6.02. Board Composition. The board shall be composed of seven members appointed by the King County Executive subject to confirmation by a majority of the County Council. Except for the initial members of the board, members shall be selected in the following manner:

A. Three members shall be appointed by the County Executive at large;

B. Three members shall be appointed by the County Executive from nominations made by the Board of Trustees of the Museum of Flight or its successor;

C. One member shall be appointed by the County Executive from nominations of the Board of Directors.

Section 6.03. Terms of Office.

A. The terms of office of the initially appointed members of the Board shall commence on the effective date of this charter and shall be staggered as follows:

1. Group I. Three members for two year terms;
2. Group II. Two members for three year terms; and
3. Group III. Two members for four year terms.

B. In making the appointments of the initial board members, the County Executive shall designate which members are assigned to the three groups identified in subsection 6.03.A above for purposes of determining the length of terms of such initial board members.

851216 16

C. The expired terms of Group I members shall be filled as follows:

1. One member appointed at large; and
2. One member each appointed from the nominations received from the Museum of Flight Board of Trustees and the Board of Directors of the Authority.

D. The expired terms of the Group II and Group III members shall each be filled as follows:

1. One member appointed at large; and
2. One member appointed from nominations received from the Museum of Flight Board of Trustees.

E. Except for the initial members of the board, each member shall be appointed to serve for a three year term. Each member shall continue to serve until his or her successor has been appointed and qualified as provided in the bylaws. Members may be reappointed to serve not more than four consecutive full terms.

F. Terms shall expire on the day prior to the anniversary date of the Charter of the year in which the respective group is scheduled to terminate. Nominations for new appointees or for reappointment of existing members shall be processed in the manner provided in the bylaws.

G. Vacancies occurring during the course of a term shall be filled by County Executive appointment in the manner provided in the Bylaws to complete the unexpired term to which appointed.

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Section 6.04. Quorum and Manner of Action. At all meetings of the Board, a majority of directors then in office shall constitute a quorum. The Board of Directors may adopt resolutions of the Board only by an affirmative vote of a majority of the directors then in office.

Section 6.05. Officers and Division of Duties.

A. The initial officers of the Authority shall be the President, Vice President, Secretary and Treasurer of the Board. In no event shall there be less than two officers designated, nor shall the same person occupy the office of president and that of treasurer, or any office responsible for custody of funds and maintenance of accounts and finances. Additional officers may be provided for in the Bylaws of the Authority.

B. The President shall be the agent of the Authority for service of process; the Bylaws may designate additional corporate officials as agents to receive or initiate process. The corporate officers, who shall be selected from among the membership of the Board as provided in the Bylaws, shall manage the daily affairs and operations of the Authority.

C. The Board shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed by County ordinance, and shall have stewardship for management and determination of all corporate affairs.

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Section 6.06. Bonding of Corporate Officers. Each corporate official responsible for handling accounts and finances shall file as soon as practicable with the public authority a fidelity bond in an amount determined by the public authority to be adequate and appropriate, and may hold the corporate office only as long as such a bond continues in effect.

Section 6.07. Executive Committee. The Bylaws may provide for an Executive Committee, which shall be appointed and/or removed by the Board, and shall have and exercise such authority of the Board in the management between meetings of the Board, as may be specified in the Bylaws.

Section 6.08. Removal of Board Members. The County may by ordinance remove with or without cause any or all voting members of the Board from office after a full public hearing. In the event of removal, members shall be replaced in the same manner as provided for in filling vacancies on the Board.

ARTICLE VII

Meetings

Section 7.01. Board Meetings.

A. The Board shall meet at least six (6) times each year; special meetings of the Board may be called as provided by the Charter, the Bylaws or RCW 42.30.010 et seq.

B. The Board shall be the governing body of a public agency as defined in RCW 42.30.020, and all meetings of the board shall be held and conducted in accordance with RCW 42.30.010 et

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seq. Notice of meetings shall be given in a manner consistent with RCW 42.30.010 et seq. In addition, the Authority shall routinely provide reasonable notice of meetings to any individual specifically requesting it in writing.

C. All board meetings, including executive and all other permanent and ad hoc committee meetings, shall be open to the public to the extent required by RCW 42.30.010 et seq. The Board and committees may hold executive sessions to consider matters enumerated in RCW 42.30.010 et seq., or privileged matters recognized by law, and shall enter the cause therefor upon its official journal. At all public meetings, any citizen shall have a reasonable opportunity to address the Board either orally or by written petition. Voting by telephone or by proxy is not permitted.

Section 7.02. Parliamentary Authority. The rules in Robert's Rules of Order (revised) shall govern the Authority in all cases to which they are applicable, where they are not inconsistent with the Charter or with the special rules of order of the Authority set forth in the Bylaws.

Section 7.03. Minutes. Copies of the minutes of all regular or special meetings of the Board shall be available to any person or organization that requests them. The minutes of all Board meetings shall include a record of individual votes on all matters requiring Board concurrence.

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ARTICLE VIII

Procedural Requirements

Section 8.01. Board Review and Concurrence.

A. At least quarterly, the Board shall review monthly statements of income and expenses which compare budgeted expenditures to actual expenditures. The Board shall review all such information at regular meetings, the minutes of which shall specifically note such reviews and include such information.

B. General or particular authorization or review and concurrence of the Board by resolution shall be necessary for any of the following transactions:

1. Transfer or conveyance of an interest in real estate other than release of a lien or satisfaction of a mortgage after payment has been received and the execution of a lease for a current term less than one year;

2. The contracting of debts, issuances of notes, debentures, or bonds, and the mortgaging or pledging of authority assets or credit to secure the same;

3. The donation of money, property or other assets belonging to the Authority;

4. An action by the Authority as a surety or guarantor;

5. All capital expenditures in excess of twenty-five thousand dollars (\$25,000), and all other transactions in which:
(i) the consideration exchanged or received by the Authority

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exceeds the greater of one percent of the previous year's operating budget or twenty-five thousand dollars (\$25,000) or (ii) the performance by the Authority shall extend over a period exceeding one year from the date of execution of an agreement therefor;

6. Any substantial project or major activity outside the boundaries of the county;

7. Adoption of an annual budget and a separate capital budget;

8. Certification of annual reports and statements to be filed with the County Council Clerk as true and correct in the opinion of the Board and of its members except as noted;

9. Proposed amendments to the charter and bylaws; and

10. Such other transactions, duties, and responsibilities as the charter shall repose in the Board or the Board may reserve.

Section 8.02. Establishment and Maintenance of Office and Records. The Authority shall:

A. Maintain a principal office at a location within the boundaries of King County;

B. File and maintain with the County Council Clerk a current listing of all authority officials, their positions and their home addresses, their business and home phone numbers, the

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address of its principal office and of all other offices used by it, and a current set of its bylaws; and

C. Maintain all of its records in a manner consistent with the Preservation and Destruction of Public Records Act, RCW Chapter 40.14.

Section 8.03. Access to Records.

A. The Authority shall keep an official journal containing the minutes of proceedings at all meetings of the Board and the resolutions of the Board.

B. Any person shall have access to records and information of the Authority to the extent required by State law.

Section 8.04. Deposit of Public Funds. All moneys belonging to or collected for the use of the Authority, coming into the hands of any corporate official or officer thereof, shall be deposited in a qualified public depository as determined by the Washington Public Deposit Protection Commission. Such monies may be invested at the direction of the Board, by resolution, in investments which would be lawful for the investments of county funds.

Section 8.05. Reports and Information. The Authority shall, within three months after the end of its fiscal year, file an annual report with the County Council and the County Executive containing a certified statement of assets and liabilities, income and expenditures and changes in its financial position

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during the previous year; a summary of significant accomplishments; a list of depositories used; a projected operating budget for the current fiscal year; a summary of projects and activities to be undertaken during the current year; a list of authority officials and a list of officials bonded pursuant to Section 6.06 of this Charter.

Section 8.06. Audits and Inspections. The Authority shall, at any time during normal business hours and as often as the County Executive, the County Council or the State Auditor deem necessary, make available to the County Executive, the County Council and the State Auditor for examination all of its financial records, and shall permit the County Executive, County Council and State Auditor to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all the aforesaid matters. The County shall control and oversee the Authority as required by State law. In exercising such control, the County Executive, County Council, and State Auditor shall have no right, power or duty to supervise the daily operations of the public authority, but shall oversee such operations through their powers to audit, modify the Authority Charter and Bylaws and to remove Board members all as set forth in this charter, all for the purpose of correcting any deficiency and assuring that the purposes of the Authority are reasonably accomplished.

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Section 8.07. Insurance. The Authority shall maintain in full force and effect public liability insurance in an amount sufficient to cover potential claims for bodily injury, death or disability and for property damage, which may arise from or be related to projects and activities of the Authority, naming the County as an additional insured, if such insurance shall be available at a reasonable price as determined by the Board.

Section 8.08. Bylaws.

A. The properly adopted Bylaws of the Authority shall be the official rules for the governing of meetings and the affairs of the Authority.

B. The Bylaws may be amended as provided in Article IX of this Charter in order to provide additional or different rules for governing the Authority and its activities as are not inconsistent with this Charter.

C. Amendments to the Bylaws shall be effective ten days after filing of same with the County Council Clerk, unless such amendment(s) shall have been passed by unanimous vote of the Board and an earlier effective date be set.

Section 8.09. Conflict of Interest.

A. Except as provided in this section, a Board member or employee of the Authority may not participate in Board decisions if that person or a member of that person's immediate family has a financial interest in the issue being decided unless the

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financial interest is a remote financial interest and participation is approved under subsection B of this section.

B. A Board member or employee may participate in a decision if that person or a member of that person's immediate family has only a remote financial interest, the fact and extent of the interest is disclosed to the Board in a public meeting and is noted in the minutes of the Board before any participation by the member in the decision, and thereafter in a public meeting the Board by vote authorizes or approves the participation. If the person whose participation is under consideration is a Board member, that person may not vote under this subsection. For purposes of this subsection, "remote financial interest" means:

(i) that of a nonsalaried officer or director of a nonprofit corporation;

(ii) that of an employee or agent of a contracting party where the compensation of the employee or agent consists entirely of fixed wages or salary and the contract is awarded by bid or by other competitive process;

(iii) that of a landlord or tenant of a contracting party, except in cases where the property subject to the lease or sublease is owned or managed by the public corporation;

(iv) that of a holder of less than one percent of the shares of the corporation or cooperative that is the contracting party; or

(v) that of an owner of a savings and loan or bank savings or share account or credit union deposit account if the interest represented by the account is less than two percent of the total deposits held by the institution.

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C. A Board member or employee is not considered to be financially interested in a decision when the decision could not affect that person in a manner different from its effect on the public.

D. No Board member or employee of the Authority shall accept, directly or indirectly, any gift, favor, loan, retainer, entertainment or other thing of monetary value from any person, firm or corporation having dealings with the Authority when such acceptance would conflict with the performance of a Board member or employee's official duties. A conflict, or possibility of conflict, shall be deemed to exist where a reasonable and prudent person would believe that it was given for the purpose of obtaining special considerations or influence; provided that application of this provision shall take into consideration the established customs and practices of the Authority.

E. The Board may adopt additional conflict of interest and ethical rules it considers appropriate.

F. For purposes of this section, "participate in a decision" includes all discussions, deliberations, preliminary negotiations, and votes.

G. For purposes of this section, "immediate family" means:

1. A spouse;
2. Any dependent parent, parent-in-law, child, son-in-law, or daughter-in-law; and

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3. Any parent, parent-in-law, child, son-in-law, daughter-in-law, sibling, uncle, aunt, cousin, niece or nephew residing in the household of the corporate official or employee.

H. Authority Board members shall comply with the financial disclosure requirements of Title 3, Chapter 4, King County Code.

Section 8.10. Discrimination.

A. Board membership may not directly or indirectly be based upon or limited by creed, age, race, color, religion, sex, national origin, marital status or the presence of any sensory, mental or physical handicap, unless such limitations are necessary for the performance of the role and no less discriminatory alternatives are available.

B. To ensure equality of employment opportunity, the Authority shall not discriminate in any matter related to employment because of creed, age, race, color, religion, sex, national origin, marital status or the presence of any sensory, mental or physical handicap, unless such limitations are necessary for the performance of the role and no less discriminatory alternatives are available. The Authority shall, in all solicitations or advertisements for employees placed by or on behalf of the public authority, state that all qualified applicants will receive consideration for employment without regard to creed, age, race, color, religion, sex, national origin, marital status or the presence of any sensory, mental or physical handicap, unless such limitations are necessary for the performance

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of the role and no less discriminatory alternatives are available.

ARTICLE IX

Amendments to Charter and Bylaws

Section 9.01. Proposals to Amend Charter and Bylaws.

A. The Authority may propose to the King County Council that its Charter be amended by resolution passed by a procedure outlined in its Bylaws at a regular or special meeting of the Board for which thirty days' advance written notice was given.

B. When required by law, the Authority shall propose to the King County Council an amendment to this Charter that will conform to and be consistent with said law.

C. As necessary and appropriate, the County Council may propose to amend this Charter on its own initiative.

Section 9.02. Charter Amendments. The Charter may be amended only by ordinance passed by a majority of the County Council, whether in response to a resolution passed by the Authority's Board of Directors, or on its own initiative, as provided in King County Ordinance 7444. After adoption of a charter amendment, the revised Charter shall be issued and filed in the same manner as the original Charter.

Section 9.03. Amendments to Bylaws. The Bylaws of the Authority may be amended by a resolution passed by a majority of the Board members in office at the time. Bylaws shall be reviewed annually after the election of officers with

recommendations, if any, for amending the bylaws proposed by the Executive Committee, if such committee is established, otherwise by an ad hoc Bylaws Committee appointed by the Board President. At any other time, necessary amendments to the Bylaws may be introduced to the Board for consideration by any Board member. As necessary and appropriate, the County Council may amend the Bylaws by ordinance, as provided in King County Ordinance 7444.

ARTICLE X

Commencement

The Authority shall commence its existence effective upon filing its Charter as issued and attested.

ARTICLE XI

Dissolution

Section 11.01. Dissolution Process.

A. If the Board makes an affirmative finding that dissolution is necessary or appropriate because the purposes of Authority may not be fulfilled for any reason, the Board may adopt a resolution requesting the County to dissolve the Authority.

B. Upon adoption of a motion by the County Council requesting the following information, or upon adoption by the Authority board of a resolution requesting its own dissolution, the Authority shall file a dissolution statement with the County Council Clerk setting forth:

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1. The name and principal office of the public authority;
2. The debts, obligations and liabilities of the Authority, including conditions of grants and donations, and the property and assets available to satisfy the same; the provisions to be made for satisfaction of outstanding liabilities and performance of executory contracts; and the estimated time for completion of its dissolution;
3. Any pending litigation or contingent liabilities;
4. The Board resolution requesting such dissolution and the date(s) and proceedings leading toward its adoption, whenever the dissolution be voluntary; and
5. A list of persons to be notified upon completion of dissolution.

Section 11.02. Trusteeship.

A. In the event of the insolvency or pending dissolution of the Authority, the Superior Court of King County shall have jurisdiction and authority to appoint trustees or receivers of corporate property and assets and supervise such trusteeship or receivership. Jurisdiction over dissolution arises in the event the dissolution ordinance enacted by the County Council requests Superior Court trusteeship.

B. The trustees appointed by the Superior Court shall take such actions as necessary during the trusteeship to achieve the object thereof as reasonable. The trustees shall have the power

and authority to reorganize the Authority and recommend amendment of its Charter and/or its Bylaws; suspend and/or remove Authority officials, and manage the assets and affairs of the Authority; and exercise any and all Authority powers as necessary or appropriate to fulfill outstanding agreements, to restore the capability of the Authority, to perform the functions and activities for which it is chartered, to reinstate its credit or credibility with its creditors or obligees, and, if so authorized by the Superior Court, to oversee its dissolution and appropriate subsequent transactions.

ARTICLE XII

Approval of Charter

APPROVED by Ordinance 7444 adopted by the King County Council on December 16, 1985.

ATTEST

Dorothy M. Owens
Clerk of the County Council
King County, Washington

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EXHIBIT B

BYLAWS

OF THE

KING COUNTY MUSEUM OF FLIGHT AUTHORITY

ARTICLE I

Board

Section 1.01. Composition of the Board. For the purpose of determining Board composition, the anniversary of the issuance of the Charter shall be December 20, 1985 of each year.

Section 1.02. Nominations - Expired Terms. Nominations for appointment or reappointment to fill expired terms on the Board shall be submitted along with resumes on the forms provided, to the County Executive not later than two months prior to the date the term is due to expire. Nominations shall be made by the bodies so designated in the Charter. Nominations from the County Council or any other interested group or agency may be submitted to the County Executive for consideration as an at-large appointment.

Section 1.03. Vacancies. Subject to Section 3 hereof, vacancies on the Board shall be filled by the County Executive appointing a person nominated by the body which made the original nomination to the vacant position. A vacancy or vacancies on the Board shall be deemed to exist in the case of the death, disability, resignation or removal from office of any Board member as

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provided herein. Upon such an occurrence, the Board shall notify the body that has the power to nominate a replacement for such a member and said body shall have the opportunity to nominate another person as Board member to fill the vacant term, subject to confirmation as prescribed in the Charter. If the nominating body, other than the County Executive, has not nominated another person as Board member to fill the vacant term described herein within two (2) calendar months from that body's receipt of notice of said vacancy, the vacancy shall be filled by the County Executive at large. Such person shall then be subject to confirmation as prescribed in the Charter.

Section 1.04. Status of Appointed Members. Members appointed by the County Executive, per Article VI of the Charter shall serve in an acting capacity unless confirmed by the County Council. Acting members may attend meetings and participate in the discussions of board's business, but shall not have a vote on matters before the board nor shall they be considered "in office" for purposes of determining a quorum. Once confirmed, appointees shall have the full power and responsibility of a board member provided by the Charter and these bylaws.

ARTICLE II

Officers and Committees

Section 2.01. Officers Designated. The officers of the Authority shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary

may be elected or appointed by the Board. No person may simultaneously hold more than one office. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Board may prescribe.

Section 2.02. Election, Qualifications and Term of Office.

Each of the officers shall be elected by the Board from among its members. The officers shall be elected by the Board at the first regular meeting after the term of new or reappointed Board members commences each year, for a one-year term, and each officer shall hold office during said one-year term and until his or her successor is elected. The first officers of the Board shall be elected by the Board at its organizational meeting.

Section 2.03. Powers and Duties.

a. President. The President shall be the chief executive officer of the Authority and shall have general supervision over the business of the Authority, subject, however, to the control of the Board of Directors. The President shall preside at all meetings of the Board of Directors. The President may sign and execute, in the name of the Authority deeds, mortgages, leases, bonds, contracts and other instruments duly authorized by the Board of Directors, and generally shall perform all duties incident to the office of President and such other duties as may from time to time be assigned to such office by the Board of Directors.

b. Vice-President. At the request of the President or in case of his or her absence or disability, the

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Vice-President shall perform all duties of the President and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. In addition, the Vice-President shall perform such other duties as may from time to time be assigned to that office by the Board of Directors or the President.

c. Secretary. The Secretary shall:

1. Certify and keep at the office of the Authority, or at such other place as the Board of Directors may order, the original or a copy of the Bylaws, as they may have been amended;

2. Keep at the office of the Authority, or at such other place as the Board of Directors may order, a book of minutes of all meetings of the directors, recording therein the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, and the proceedings thereat;

3. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;

4. Be custodian of the records and seal of the Authority;

5. Exhibit at all reasonable times to any director, upon request, the Bylaws and minutes of the proceedings of the directors of the Authority; and

6. In general, perform all duties of the office of Secretary and such other duties as may from time to time be

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assigned to such office by the Board of Directors or the President.

d. Treasurer. The Treasurer shall receive and have charge of all funds of the Authority and shall disburse such funds only as directed by the Board of Directors. The Treasurer shall, in general, perform all duties incident to the office of chief financial officer and such other duties as may from time to time be assigned to such office by the Board of Directors or the President.

Section 2.04. Removal. Upon reasonable prior notice to all Board members of the alleged reasons for dismissal, the Board by an affirmative vote of the majority of the Board members then in office may remove any officer from his or her office whenever in its judgment the best interests of the Authority will be served thereby.

Section 2.05. Vacancies. The Board shall fill any office which becomes vacant with a successor who shall hold office for the unexpired term and until his or her successor shall have been duly elected and qualified.

Section 2.06. Establishment of Committees. The Board, by resolution, may designate from among its members one or more committees, each consisting of at least three members, to represent the Board and, except as prohibited by the Charter, act for and on behalf of the Board. The designation of any such committee and the delegation thereto of authority shall not operate

to relieve any member of the Board of any responsibility imposed by law.

Section 2.07. Executive Committee. The Executive Committee of the Authority shall consist of the President, Vice President, the Secretary and the Treasurer of the Board and one member-at-large elected by the Board. The provisions for election, qualifications, term of office and removal of the member-at-large of the Executive Committee shall be identical to those of officers of the Board as provided herein in Sections 2.02, 2.04, and 2.05 of this Article.

Except as provided in the Charter, the Executive Committee shall have and exercise such powers of the Board of the Authority as the Board may from time to time provide by resolution.

ARTICLE III

Meetings

Section 3.01. Regular Board Meetings. Regular meetings of the Board shall be held at least once every other month on the _____ of each month at _____ p.m. at _____, Seattle; provided, however, that the Board may alter such regular meeting time and place by resolution.

Section 3.02. Special Board Meetings. Subject to Article VII of the Charter, special meetings of the Board may be held at any place at any time whenever called by the President or a majority of the members of the Board.

Section 3.03. Notice of Regular Board Meetings. No notice of the regular meeting shall be required, except of the first

regular meeting after any change in the time or place of such meeting adopted by resolution of the Board as above provided. Notice of such changed regular meeting shall be given by the Secretary or by the person or persons calling the meeting by personal communication over the telephone to each Board member at least twenty-four (24) hours prior to the time of the meeting or by at least three (3) days' notice by mail, telegram or written communication. If mailed, notice shall be mailed by United States mail, postage prepaid, to the last known address of each Board member. In addition, the Authority shall routinely provide reasonable notice of meetings to any individual specifically requesting it in writing. At any regular meeting of the Board, any business may be transacted and the Board may exercise all of its powers.

Section 3.04. Notice of Special Board Meetings. Notice of all special meetings of the Board shall be given by the Secretary or by the person or persons calling the special meeting by delivering personally or by mail written notice at least twenty-four (24) hours prior to the time of the meeting to each Board member and to each local newspaper of general circulation and to each radio or television station that has requested notice as provided in RCW 42.30.080. In addition, the Authority shall provide notice of special meetings to any individual specifically requesting it in writing.

The time and place of the special meeting and the business to be transacted must be specified in the notice. Final disposition shall not be taken on any other matter at such meetings.

Section 3.05. Waiver of Notice. Notice as provided in Sections 3.03 and 3.04 hereof may be dispensed with as to any member of the Board who at or prior to the time the meeting convenes files with the Board of the Authority a written waiver of notice or who is actually present at the meeting at the time it convenes. Such notice may also be dispensed with as to special meetings called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, where time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage. Notice, as provided in Article IX of the Charter concerning proposed amendments to the Charter or Bylaws and votes on such amendments, may not be waived.

Section 3.06. Notice to King County Council. Notice of all meetings and minutes of all meetings of the Board shall be given to the Clerk of the King County Council.

ARTICLE IV

Amendments to Charter and Bylaws

Section 4.01. Proposals to Amend Charter and Bylaws.

1. Proposals to amend the Charter or Bylaws shall be presented in a format which strikes over material to be deleted and underlines new material.

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2. Any Board member may introduce a proposed amendment to the charter or to the Bylaws (which may consist of new Bylaws) at any regular meeting or at any special meeting of which thirty (30) days' advance notice has been given.

Section 4.02. Board Consideration of Proposed Amendments.

If notice of a proposed amendment to the Charter or to the Bylaws, and information including the text of the proposed amendment and a statement of its purpose and effect, is provided to members of the board fifteen (15) days prior to any regular Board meeting or any special meeting of which thirty (30) days' advance notice has been given, then the Board may vote on the proposed amendment at the same meeting as the one at which the amendment is introduced. If such notice and information is not so provided, the Board may not vote on the proposed amendment until the next regular Board meeting or special meeting of which thirty (30) days' advance notice has been given and at least fifteen (15) days prior to which meeting such notice and information is provided to Board members. Germane amendments to the proposed amendment within the scope of the original amendment will be permitted at the meeting at which the vote is taken.

Section 4.03. Vote Required for Amendments to Charter or Bylaws. Resolutions of the Board approving proposed amendments to the Charter or Bylaws require an affirmative vote of a majority of the board members then in office as provided in the Charter.

Section 4.04. County Council Approval of Proposed Charter Amendments. Proposed Charter amendments adopted by the Board shall be submitted to the County Council. The Authority's Charter may be amended only by ordinance as provided in Article IX of the Charter.

ARTICLE V

Administrative Provisions

Section 4.01. Books and Records. The Authority shall keep current and complete books and records of account and shall keep minutes of the proceedings of its Board and its committees having any of the authority of the Board.

Section 4.02. Indemnification of Board Members. The Authority elects to defend and indemnify its present and former Board members and officers and their successors, spouses and marital communities to the full extent authorized by law and the Charter. In addition, the right of indemnification shall inure to each Board member or officer and his or her spouses and marital communities upon his or her appointment to the Board and in the event of his or her death shall extend to his or her heirs, legal representatives and estate. Each person who shall act as Board member or officer of the Authority shall be deemed to do so in reliance upon such indemnification and such rights shall not be exclusive of any other right which he or she may have.

Section 4.03. Principal Office. The principal office of the King County Museum of Flight Authority shall be _____

Section 4.04. Fiscal Year. The Fiscal Year of the Authority shall begin January 1 and end December 31 of each year, except the first fiscal year which shall run from the date the Charter was issued to December 31, 1986.

ARTICLE VI

Approval of Bylaws

APPROVED by Ordinance ~~744~~ adopted by the King County Council on Dec. 16, 1985.

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