

CHARTER OF THE PORT ANGELES  
HURRICANE RIDGE  
PUBLIC DEVELOPMENT AUTHORITY

ARTICLE I  
NAME AND SEAL

Section 1.01 NAME. The name of this authority shall be the Hurricane Ridge Public Development Authority (hereinafter referred to as the "Authority").

Section 1.02 SEAL. The Authority's seal shall be a circle with the name "Hurricane Ridge Public Development 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-.7579, as amended (the "Act") and Ordinance 3061 of the City of Port Angeles, Washington (the "Ordinance") and operating pursuant to an Interlocal Agreement with Clallam County, Washington.

Section 2.02 Limit on Liability. All liabilities incurred by the Authority shall be satisfied (a) in the case of obligations or liabilities of the Authority which are not limited recourse in nature, exclusively from the assets, credit, and properties of the Authority, or (b) in the case of obligations or liabilities of the Authority which, by their terms, are limited recourse obligations or liabilities, exclusively from the assets, revenues, or properties specifically pledged to the payment of such limited recourse obligation and no creditor or other person shall have any right of action against or recourse to the City of Port Angeles, Washington (the "City"), or the County of Clallam (the "County"), their assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the Authority.

Section 2.03 Mandatory Disclaimers. 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 Hurricane Ridge Public Development Authority is a public authority organized pursuant to Ordinance of the City of Port Angeles an Interlocal Agreement between the City of Port Angeles and Clallam County, and the laws of the State of Washington, RCW 35.21.730 through RCW 35.21.759. 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."

In the case of any obligations or liabilities of the Authority which by their terms, are limited recourse in nature, in lieu of the foregoing disclaimer, the following disclaimer shall be printed or stamped on all contracts, bonds and other documents relating to or evidencing such limited recourse obligations or liabilities of the Authority:

The obligations of the Authority with respect to [describe the contract, bond or other limited recourse obligation] shall be and remain limited recourse obligations of the Authority payable solely and only from [describe the particular properties, assets or revenues of the Authority from which the limited recourse obligations payable]. In no event shall such obligations be payable from or by recourse against any properties, assets or revenues of the Authority (other than those described in the preceding sentence), nor shall such obligations be payable from or by recourse against any properties, assets or revenues of the City of Port Angeles, Washington, Clallam County, Washington, the State of Washington or any other political subdivision of the State of Washington. No person to whom such obligations are owed shall have any recourse or right of action against the Authority, the City of Port Angeles, Washington, Clallam County, Washington, the State of Washington or any other political subdivision thereof on account of such obligations or any liabilities, or whatsoever nature, arising in connection therewith except to enforce the payment thereof out of [describe the particular properties, assets or revenues of the Authority from which the limited recourse obligation is payable].

ARTICLE III  
DURATION

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

ARTICLE IV  
PURPOSE

The purpose of the Authority is to provide an independent legal entity under State law and City Ordinance to undertake, assist with and otherwise facilitate or provide concession operations at Hurricane Ridge within Olympic National Park, including, but not limited to: Public education programs, recreation and art programs, alpine skiing facilities and programs, Nordic skiing facilities and programs; food service, beverage service, equipment rental, sales of souvenirs and gifts all designed to serve essential public services by providing enhanced recreational opportunities and educational programs for citizens of the local community and the traveling public; creating a significant tourist destination and attraction, enhancing opportunities for appreciation and enjoyment of the natural resources of Olympic National Park; development of other public recreational facilities and expanding and reinforcing the viability of the tourism industry and facilitating private investment which will build the City's tax base and create jobs, all of which are in the public interest. The Authority shall acquire and manage the Hurricane Ridge Concession in Olympic National Park, secure financing, undertake renovation of facilities and enter into agreements with other entities in furtherance of its purposes.

For the purpose of securing the exemption from federal income taxation for interest on obligations of the Authority, the Authority constitutes an authority and instrumentality of the City of Port Angeles (within the meaning of those terms in regulations of the United States Treasury and ruling of the Internal Revenue Service prescribed pursuant to Section 103 and Section 145 of the Internal Revenue Code of 1986, as amended).

ARTICLE V  
POWERS

Section 5.01 Powers. The Authority shall have and may exercise all lawful powers conferred by state laws, the Ordinance, this Charter and its Bylaws. The Authority in all of its activities and transactions shall be subject to the powers, procedures, and limitations contained in the Ordinance.

Section 5.02 Indemnification. To the extent permitted by law, the Authority may protect, defend, hold harmless and

indemnify any person who becomes a director, officer, employee or agent of the Authority, and who is a party or threatened to be made a party to a proceeding by reason related to that person's conduct as a director, officer, employee or agent of the Authority, against judgements, fines, penalties, settlements and reasonable expenses (including attorneys' fees) incurred by him or her in connection with such proceeding, if such person acted in good faith and reasonably believed his or her conduct to be in the Authority's best interests and if, in the case of any criminal proceedings, he or she had no reasonable cause to believe his conduct was unlawful. The indemnification and protection provided herein shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract or by vote of the Board of Directors. The authority may purchase and maintain appropriate insurance for any person to the extent provided by the applicable law.

#### ARTICLE VI BOARD

Section 6.01 Board. Management of all Authority affairs shall reside in the Board. The Board shall be composed of seven (7) members. Three Board members shall be nominated by the Hurricane Ridge Winter Sports Club, one by the Superintendent of the Port Angeles School District, one by Clallam County Commissioners, and two by the Mayor of the City of Port Angeles. All Board Members shall be subject to confirmation by the City Council of the City of Port Angeles. If a nominated Board Member is not so confirmed, the agency with authority to nominate for that Board seat shall continue to offer nominees until one is confirmed.

#### Section 6.02 Terms of Office.

6.02.1 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:

- a. Group I. Two members for two-year terms;
- b. Group II. Two members for three-year terms;  
and
- c. Group III. Three members for four-year terms.

6.02.2 In making the appointments of the initial board members, the City Council shall designate which members are assigned to the three groups identified in subsection 6.02.1 above for purposes of determining the length of terms of such initial board members. Board members nominated by the same person or entity shall not be assigned to the same group.

6.02.3 Except for the initial members of the board, each member shall be appointed to serve for a four year term. Each member shall continue to serve until his or her successor has been appointed and qualified.

6.02.4 Terms shall expire at the end of the day prior to the anniversary of the effective date of the Charter of the year in which the respective group is scheduled to terminate. New appointees or re-appointees shall be processed in the manner provided herein.

Section 6.03 Board Concurrence and Quorum Defined. "Board concurrence," as used in this Article, may be obtained at any regular or special Board meeting by an affirmative vote of a majority of the Board members voting on the issue, provided that such majority equals not less than four (4) votes.

A quorum to commence a Board meeting shall be no fewer than four (4) members. The Bylaws of the Authority may prescribe Board quorum restrictions that equal or exceed the quorum restrictions imposed in this Section 6.03. Board members present at a duly convened meeting may continue to transact business notwithstanding the departure of enough members to leave less than a quorum.

Section 6.04 Officers and Divisions of Duties. The Authority shall have three or more officers. The same person shall not occupy both the office of President and any office responsible for the custody of funds and maintenance of accounts and finances. The initial officers of the Authority shall be the President and Secretary-Treasurer. Additional officers may be provided for by the Bylaws of the Authority. The President shall be the agent of the Authority for service of process. The Authority may appoint an Executive Director who shall be the chief administrative staff person to the Board of Directors. Subject to supervision by the Board of Directors, the Executive Director shall have primary responsibility for all matters involving day-to-day operations of the Authority and shall make recommendations to the Board of Directors on practices, policies and programs of the Authority. The Executive Director shall have such powers and perform such duties as may be prescribed from time to time by the Board and he or she shall be entitled to notice of all meetings of the Board of Directors. The Board shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed by city ordinance, and shall have stewardship for management and determination of all corporate affairs.

Section 6.05 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 6.06 Committees. The appointment of other committees shall be provided for in the Bylaws.

Section 6.07 Removal of Board Members. If it is determined by at least five (5) members of the Board that a member should be removed for misfeasance or malfeasance in office and such action is concurred in by a majority of the City Council, then the City Council may by resolution remove any Board member. The term of any Board member removed pursuant to this section shall expire when the member receives a copy of the resolution removing him or her and a letter signed by the Mayor advising him or her that he or she has been removed pursuant to this section.

A vacancy or vacancies on the Authority Board of Directors shall be deemed to exist in case of the death, disability resignation or removal. Vacancies on the Board shall be filled by nomination and confirmation in the same manner in which members of the Board are regularly appointed. Nomination for a vacant seat shall be made by the same agency which nominated the Board member who has vacated the seat. Any person selected to fill a vacancy on the Board shall serve the balance of the term of the person being replaced.

## ARTICLE VII MEETINGS

### Section 7.01 Board Meetings.

7.01.1 The Board shall meet as necessary, but no less than two (2) times a year.

7.01.2 Special meetings of the Board may be called as provided in the Bylaws.

Section 7.02 Open Public Meetings. Notice of meetings shall be given, to the extent required by law, in a manner consistent with the Open Public Meetings Act, Chapter 42.30 RCW. As such meeting, any citizen shall have a reasonable opportunity to ask to address the Board either orally or by written petition. Voting by telephone or by proxy is not permitted.

Section 7.03 Parliamentary Authority. The rules of 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 7.04 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 as required by state law; minutes with respect to closed executive sessions need not be kept or alternatively, need not be made available. The minutes of all Board meetings shall include a record of individual votes on all matters requiring Board concurrence.

#### ARTICLE VIII BYLAWS

The initial Bylaws may be amended by the Board to provide additional or different rules governing the Authority and its activities as are not inconsistent with this Charter. The Board may provide in the Bylaws for all matters related to the governance of the Authority, including but not limited to matters referred to elsewhere in the Charter for inclusion therein.

#### ARTICLE IX AMENDMENT TO CHARTER AND BYLAWS

Section 9.01 Proposals to Amend Charter and Bylaws.

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

9.01.2 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 ten (10) days' advance notice has been given to members of the Board.

Section 9.02 Board Consideration of Proposed Amendment. 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 ten (10) days prior to any regular Board meeting or any special meeting of which fifteen (15) 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 fifteen (15) days' advance notice has been given and at least ten (10) 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 9.03 Vote Required for Amendments to Charter or Bylaws. Resolutions of the Board approving proposed amendments to the Charter or approving amendments to the Bylaws require an affirmative vote of a majority of the Board members voting on the issue, provided that such majority equals not less than three votes.

Section 9.04 City Counsel Approval of Proposed Charter Amendments. Proposed Charter amendments adopted by the Board shall be submitted to the City Council for approval. The Authority's Charter may be amended only by ordinance as provided in the Ordinance.

#### ARTICLE X COMMENCEMENT

The Authority shall commence its existence effective upon the issuance of its Charter as sealed and attested by the City Clerk and the holding of the initial board meeting.

#### ARTICLE XI DISSOLUTION

Dissolution of the Authority shall be in the form and manner required by state law, City ordinance, and the Bylaws. Upon dissolution of the Authority and the winding up of its affairs, title to all remaining property or assets of the Authority shall vest in accordance with the ordinance.

#### ARTICLE XII APPROVAL OF CHARTER

ORIGINAL CHARTER APPROVED by Ordinance 3061 adopted by the Port Angeles City Council on the 19th day of September, 2000.

#### CERTIFICATE

I, the undersigned, City Clerk of the City of Port Angeles, Washington, DO HEREBY CERTIFY that the attached CHARTER OF THE HURRICANE RIDGE PUBLIC DEVELOPMENT AUTHORITY is a true and correct original of that charter as authorized by Ordinance 3061 of the City of Port Angeles.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the City of Port Angeles this 19th day of September, 2000.

  
\_\_\_\_\_  
City Clerk  
City of Port Angeles, Washington

**BYLAWS**  
**OF**  
**HURRICANE RIDGE PUBLIC DEVELOPMENT AUTHORITY**

**ARTICLE I**  
**Principal Office**

The principal office for the transaction of the business of the Authority is hereby fixed and located at 403 South Peabody (mailing address of PMB 218, 136 East Eighth Street) Port Angeles, Washington, 98362. The Board of Directors may at any time, or from time to time, change the location of the principal office from one location to another in Clallam County.

**ARTICLE II**  
**Seal**

The seal of the Authority shall be inscribed with the name, HURRICANE RIDGE PUBLIC DEVELOPMENT AUTHORITY and it shall further contain the date of creation of the Authority.

**ARTICLE III**  
**Governing Documents**

The Authority is created pursuant to Ordinance of the City of Port Angeles, an Interlocal Agreement between the City of Port Angeles and Clallam County, and applicable provisions of State Law (the "governing documents"). In the case of conflict between these bylaws and the governing documents the later shall control.

**ARTICLE IV**  
**Board of Directors**

Section 1. General Powers. The affairs of the Authority shall be managed by the Board of Directors.

Section 2. Number, Tenure, Election. The number of directors shall be seven (7). The number of directors may be increased or decreased from time to time by amendment of

the Charter; provided, no decrease in the number shall have the effect of shortening the term of any incumbent. Directors shall be elected and serve as specified in the Charter.

Section 3. Qualifications. Members of the Board of Directors shall be residents of Clallam County, Washington, with a demonstrated interest in furthering the purposes of the Authority.

Section 4. Manner of Transacting Business. The act of a majority of the directors present at a meeting shall be the act of the Board of Directors unless otherwise required by these Bylaws. Each director present shall have one vote on all matters brought before the Board for a vote. There is a quorum requirement for Board action of four members present.

Section 5. Vacancies. Any vacancy occurring on the Board of Directors by reason of death, resignation or removal of a director, or by an increase in the number of directors or otherwise, shall be filled as provided in the Charter.

Section 6. Compensation. The directors shall serve without compensation for their services to the Authority; provided, however, that they may be reimbursed from time to time for all expenses incurred on behalf of the Authority and as authorized by the Board of Directors.

Section 7. Presumption of Assent. A director of the Authority who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the secretary of the Authority immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 8. Removal. Directors or officers of the Authority may be removed in accordance with the Charter.

Section 9. Rules and Procedures. The rules of procedure at meetings of the Board of Directors shall be the rules contained in Roberts Rules of Order of Parliamentary Procedure, as amended, so far as applicable and when not inconsistent with these Bylaws, the Charter of the Authority, or with any resolution of the Board.

Section 10. Commitment. Board members shall be expected to: Attend all regularly called meetings of the Board; serve on at least one committee; contribute to the Authority generously of their time and participate in all activities of the Authority.

## ARTICLE V Corporate Officers

### Section 1. Number.

(a) The officers of the Authority shall be a president, one or more vice-presidents (the number to be determined by the Board of Directors), a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary by the Board. Any two or more offices may be held by the same person, except the office of president and secretary of the Authority, if one is appointed.

(b) The executive director shall not be an officer of the Authority. The executive director shall help carry out the policies of the Board of Directors under the direction of the president in accordance with the duties of the office as defined from time to time by the Board of Directors.

(c) There will be an annual review of the achievements of the Authority and the work of the Director. The review will be a function of the Board of Directors.

Section 2. Election and Term of Office. Officers shall be elected annually by the Board of Directors. Elections shall be conducted at the same meeting at which the directors are elected or as soon thereafter as is convenient. Each officer shall hold office for a term of one calendar year, or until his successor shall have been duly elected, or until his death, resignation or removal.

Section 3. Removal. Any officer or agent may be removed by the Board of Directors with or without cause, whenever in its judgment the best interests of the Authority will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by a majority vote of the Board of Directors then in office for the unexpired portion of the term.

Section 5. President. The president shall have general supervision and control over the business and affairs of the Authority, subject to the Charter and the authority of the Board of Directors. He shall preside at all meetings of the Board of Directors and of the Executive Committee, and shall act as an ex officio member of all committees of the Association. He may sign, with the secretary or any other proper officer of the Authority thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or committee or agent of the Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the general supervision, direction and control of the business and affairs of the Authority, as well as all duties incident to the office of the president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the president or in the event of his death, inability or refusal to act, the executive vice president, if one is designated, or otherwise the vice presidents in the order designated at the time of their election, shall perform the duties of the president, and when so acting shall have all the powers of and be subject to all the restrictions upon the president. Any vice president shall perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 7. Secretary. The secretary shall keep full and complete records of the proceedings of the Board of Directors, shall keep the seal of the Authority and affix the same to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the books of the Authority, sign with the president or a vice president, contracts, deeds, or mortgages, the issuance or execution of which shall have been authorized by resolution of the Board of Directors, and shall discharge such other duties as pertain to the office or as prescribed by the Board of Directors.

Section 8. Treasurer. The treasurer shall have the care and custody of all funds, money, and property of the Authority. The treasurer shall have such other powers and duties as may be prescribed by the Charter and by the Board of Directors.

Section 9. Salaries. The officers of the Authority shall receive no salaries for their services as officers but may be reimbursed for reasonable expenses on behalf of the Authority in the furtherance of its purpose.

#### **ARTICLE VI Committees**

Section 1. Appointment and Operation. All committee chairmen shall be appointed, initially at or after the organizational meeting of the Board of Directors, and thereafter as soon after the annual meeting in each year as convenient, by the president with the approval of the Board, and each chairman, with the approval of the president, shall select the members thereof. Each committee shall consist of not less than three (3) persons, at least one of whom shall be a member of the Board. All committee chairmen shall be members of the Board of Directors.

Section 2. Standing Committees. The standing committees of the Authority shall be as follows:

(a) Executive Committee. The Executive Committee is composed of the officers of the Authority, executive director, and the chairmen of the standing committees and other major committees as determined by the president. The Executive Committee may act for the Board of Directors when

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specifically authorized by the Board of Directors or the Bylaws. This committee is empowered to study, overrule or modify all recommendation of standing or special committees and submit proposals for Board action.

- (1) Fiscal Responsibility. The Executive Committee shall be responsible for seeing that adequate procedural safeguards are established for the receipt and disbursement of all Authority funds and property.
- (2) Procedure. The Executive Committee shall be chaired by the president of the Authority and may fix its own rules of procedures which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors.

Section 2. Investment and Finance Committee. The finance and investment committee shall have the responsibility for recommending investment of all of the capital funds of the Authority and the purchase and sale of the same from time to time as it deems in the best interests of the Authority, and in a manner responsive to the financial needs of the Authority. They shall have the responsibility for preparing the annual operating budget and the annual capital budget for presentation to and approval by the Board of Directors. The treasurer shall serve as chairman of this committee.

Section 3. Standing and Special Committees. The president may, with the approval of the Board of Directors, create and appoint the members of such standing and special committees as he/she or the Board may determine from time to time to be necessary and desirable to fulfill the purposes of the Authority.

Section 4. Committee Reports. Minutes shall be kept of all meetings of all committees. A majority of the members of a committee shall constitute a quorum thereof. No committee shall make public formal action on any new program or make public any policy determination without the prior approval of the Board of Directors.

All committees established and appointed by the Board shall be required to meet whenever activities of the Association require their attention. Each committee chairman shall report to the Board of Directors relating to the activities of his committee and shall file a written report on the work of any status of the committee prior to the annual membership meeting each year.

#### **ARTICLE VII Financial Matters**

1. The Board of Directors may accept or reject on behalf of the Authority any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Authority.
2. All funds of the Authority shall be deposited to the credit of the Authority in such banks, trust companies or other depositories as the Board of Directors or Executive Committee may select.
3. Expenditures shall be authorized by voucher approved by the president, vice president, treasurer or executive director. Expenditures of \$501 or more shall require execution of a voucher by two of the above listed officers and when feasible shall be approved by a majority vote of the Board of Directors. Expenditures of \$501 or more not specifically approved by the Board of Directors must be in furtherance of specific programs for which a budget has been approved by the Board.
4. All checks, drafts and other order for the payment of money, notes or other evidence of indebtedness issued in the name of the Authority, shall be signed by officers designated by the Board of Directors.
5. No dividends shall be paid and no part of the income of the Authority shall be distributed to its directors, officers or members.
6. The fiscal year of the authority shall begin each January 1st and end on December 31st.

**ARTICLE VIII**  
**Indemnification**

Any director, officer or employee of the Authority who is made a party or is threatened to be made a party or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Authority or being or having been such director or officer, he or she is or was serving at the request of the Authority as a director, officer, employee or agent of another Authority, trust or other enterprise, whether the basis of such proceeding is alleged action in an official capacity as a director, officer or employee or agent in any other capacity while serving as a director, officer, employee or agent or in any other capacity, shall be indemnified and held harmless by the Authority to the full extent permitted by applicable law as then in effect against all expense, liability and loss, including, without limitation, attorney's fees, judgments, fines, penalties and amounts to be paid in settlement actually or reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of his or her heirs, executors and administrators. No indemnification shall be provided under this article to any such person if the Authority is prohibited by the provisions of State Law as then in effect from paying such indemnification. The right to indemnification conferred in this section shall be a contract right and shall include the right to be paid by the Authority the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of the proceeding shall be made to or on behalf of a director or officer, employee or agent only upon delivery to the Authority of an undertaking by or on behalf of such director, officer, employee or agent to repay all amounts so advanced if it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified under this article or otherwise.

The Authority may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Authority against any expense, liability, or

loss, including claims by the Authority against any such director, officer, employee or agent, whether or not the Authority would have the power to indemnify such person against such expense, liability or loss under the laws of the State of Washington. The Authority may enter into contracts with any director or officer of the Authority in furtherance of the provisions of this article and may create a trust fund, grant a security interest or use other means including, without limitation, a letter of credit to ensure the indemnification as provided herein.

**ARTICLE IX**  
**Amendment of the Bylaws**

These Bylaws may be amended, altered, changed, added to, or repealed by the affirmative vote of a majority of the Board of Directors of the Authority entitled to vote at any regular or special meeting of the Board, if notice of the proposed amendment, alteration, change, addition or repeal be continued in a notice of the meeting given at least ten (10) days prior to such a meeting.

**CERTIFICATE OF SECRETARY**

I, the undersigned, do hereby certify that I am the duly elected and acting secretary of the of Hurricane Ridge Public Development Authority and that the foregoing Bylaws, comprising nine (9) pages, constitute the Bylaws of said Authority as duly adopted by the City of Port Angeles City Council at a meeting of the Board of Directors duly held on the \_\_\_\_\_ day of \_\_\_\_\_, 2000.

\_\_\_\_\_  
Secretary