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CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4092

AN ORDINANCE relating to the Convention Center and creating the Bellevue Convention Center Authority; approving a charter and initial bylaws therefor; establishing a Board of Directors to govern the affairs of the public authority; providing how the public authority shall conduct its affairs.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON DOES ORDAIN AS FOLLOWS:

SECTION 1. AUTHORITY CREATED--CITY LIABILITY LIMITED.

A. AUTHORITY CREATED.

As authorized under RCW 35.21.730 through RCW 35.21.755, a public authority is hereby created, with powers and limitations as set forth in its charter and this ordinance, to undertake, assist with and otherwise facilitate or provide for the development, marketing and operation of a convention center facility, and to perform any other function specified in this ordinance on the charter of the Authority.

B. CITY LIABILITY LIMITED.

The authority is an independent legal entity exclusively responsible for its own debts, obligations and liabilities. 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 City on account of any debts, obligations, liabilities, acts, or omissions of the authority.

SECTION 2. NAME. The name of the public authority shall be the Bellevue Convention Center 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.

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

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

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

E. "City" means the City of Bellevue.

F. "City Clerk" means the clerk of the City of Bellevue or a person authorized to act on his or her behalf; and in the event of reorganization of the office of clerk, the successor official performing such duties or a person authorized to act on his or her behalf.

G. "City Council" means the city council of the City of Bellevue, Washington.

H. "City Manager" means the city manager of the City of Bellevue appointed by the City Council pursuant to RCW 35A.13.010.

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

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

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

SECTION 4. POWERS--GENERALLY. Except as limited by the state constitution, state statute, this ordinance, or the charter of the public authority, the public authority shall have and may exercise all lawful powers necessary or convenient to effect the purposes for which the public authority is organized and to perform authorized corporate functions, as provided in its charter.

SECTION 5. CHARTER. The charter of the authority (the "charter"), Exhibit A of this ordinance, is hereby approved. The charter shall be issued in duplicate originals, each bearing the city seal attested by the city clerk. One original shall be filed with the city clerk; a duplicate original shall be provided to the authority. The charter shall be amended only by city ordinance adopted at or after a public hearing held with notice to the public authority and authority directors and affording them a reasonable opportunity to be heard and present testimony.

SECTION 6. EFFECT OF ISSUANCE OF CHARTER. The public authority shall commence its existence effective upon issuance of its charter. Except as against the state or the city in a proceeding to cancel or revoke the charter, delivery of a duplicate original charter shall conclusively establish that the public authority has been established in compliance with the procedures of this ordinance.

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

SECTION 8. ORGANIZATIONAL MEETING. Within ten days after issuance of the charter, the city manager or his or her designee shall call an organizational meeting of the initial board of directors, giving at least three days' advance written notice to each, unless waived in writing. At such meeting, the board shall organize itself, may appoint officers, and select the place of business.

SECTION 9. BYLAWS. The initial bylaws (the "bylaws") of the public authority, Exhibit B of this ordinance, are hereby approved. The power to alter, amend, or repeal the bylaws or adopt new ones shall be vested in the board except as otherwise provided in the charter. The bylaws shall be consistent with the charter. In the event of a conflict between the bylaws and this ordinance or the charter, this ordinance or the charter, as the case may be, shall control.

SECTION 10. QUORUM. At all meetings of the board of directors, a majority of the board of directors then in office shall constitute a quorum.

SECTION 11. DISSOLUTION.

A. If the city council makes an affirmative finding that dissolution is warranted for any reason, the existence of the public authority may be terminated by ordinance of the city council adopted at or after a public hearing, held with notice to the public authority and authority directors and affording them a reasonable opportunity to be heard and present testimony. Dissolution shall be accomplished as provided in the charter, and shall not take effect until proper provision has been made for disposition of all authority assets.

B. Upon satisfactory completion of dissolution proceedings, the city clerk shall indicate such dissolution by inscription of "charter cancelled" on the original charter of the public authority, on file with the city and, when available, on the duplicate original of the public authority, and the existence of the public authority shall cease. The city clerk shall give notice thereof pursuant to state law and to other persons requested by the public authority in its dissolution statement.

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C. Upon dissolution of the authority or the winding up of its affairs, title to all remaining assets or property of the authority shall vest in the city unless the city council or trustee or court has provided for the transfer of any authority rights, assets or property to a qualified entity or entities which will fulfill the purposes for which the authority was chartered.

SECTION 12. ANCILLARY AUTHORITY. The city manager is granted all such power and authority as reasonably necessary or convenient to enable him or her to administer this ordinance efficiently and to perform the duties imposed in this ordinance or the authority charter.

SECTION 13. CONSTRUCTION. This ordinance shall be liberally construed so as to effectuate its purposes and the purposes of RCW 35.21.730-.755.

SECTION 14. This ordinance shall take effect and be in force thirty days after passage by the Council.

PASSED by the City Council this 4th day of December, 1989, and signed in authentication of its passage this 4th day of December, 1989.

(SEAL)

Nan Campbell
Nan Campbell, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

Richad Gidley
Richad Gidley, Deputy City Attorney

Attest:

Marie K. O'Connell
Marie K. O'Connell, City Clerk

Published December 9, 1989

FILED NO. 15017
CITY OF BELLEVUE
DATE 12/22/89
CITY CLERK Marie O'Connell
Ord. 4092

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EXHIBIT A

CHARTER

OF THE

BELLEVUE CONVENTION CENTER AUTHORITY

Issued: Marie D. O'Connell - Ord. 4092
City Clerk
Bellevue, Washington

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CHARTER

OF THE

BELLEVUE CONVENTION CENTER AUTHORITY

ARTICLE I

Name and Seal

Section 1.01. Name. The name of this authority shall be the BELLEVUE CONVENTION CENTER 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 "BELLEVUE CONVENTION CENTER 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 City of Bellevue Ordinance 4092.

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 person shall have any right of action against or recourse to The City of Bellevue, 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 Bellevue Convention Center Authority is organized pursuant to City of Bellevue Ordinance 4092 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."

The duration of the Authority shall be perpetual except as provided in City of Bellevue Ordinance 4092.

Section 2.04. Instrumentality of City. 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 the City of Bellevue (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 III

Duration

The duration of the Authority shall be perpetual except as provided in City of Bellevue Ordinance No. 4092.

ARTICLE IV

Purpose

The purpose of the Authority is to provide a legal entity under RCW 35.21.730 and City of Bellevue Ordinance 4092 to undertake, assist with or otherwise facilitate or provide for the development, promotion and operation of a convention center to provide economic stimulation to the community through the creation of jobs, tax revenues and commercial activity. The

community will also have use of the convention center facility for community events such as public meetings and local performing arts events. The convention center will include, but not be limited to, the following components.

a) Operation of a convention center, with related theater, including promotion and marketing thereof.

b) A restaurant or other food, beverage and banquet service facilities to enhance the attractiveness of the convention center to visitors and increase the visibility of the convention center to the public;

c) Any other uses reasonably or necessarily related to the operation of a convention center; and

d) Ancillary parking.

To the extent appropriate and consistent with the needs and objectives of the City and the Authority's purpose, the Authority may acquire and manage real property, including but not limited to City real property dedicated to convention center purposes; secure financing including issuance of bonds or other evidences of indebtedness; undertake or otherwise provide for the construction and development of convention center and related structures integral thereto; enter into leases and other agreements for the management, marketing and operation of the convention center; and otherwise undertake and accomplish all activities and projects reasonable or necessary for the development, marketing and operation of the convention center. The Authority may also engage in the promotion of tourism and in planning for a performing arts center. The Authority shall have no purpose other than the development, marketing and operation of a first class convention center, except as otherwise provided herein.

ARTICLE V

Powers

Section 5.01. Powers. The Authority shall have and may exercise all lawful powers conferred by state law, city 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 City Council may by ordinance direct;

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

I. Receive and administer federal, state, other governmental 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 interest 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 City thereby, unless the City 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 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 City 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 particular responsibility;

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 in accordance with Generally Accepted Accounting Principles;

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 City. 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 City 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 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 designed to support or defeat legislation pending before the Congress of the United States, or the legislature of the State or the City Council; provided, however, that funds may be used for representatives of the Authority to communicate with members of Congress, state legislators or City Council members, and to provide educational information to the public, 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 City 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 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 expense 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 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 supervision of, the board except as may be otherwise provided in this Charter, the enabling ordinance or state law.

Section 6.02. Board Composition. The board shall be composed of seven members appointed by the Bellevue City Manager with the concurrence of the City Council. All members must be residents of the city.

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 City Manager 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.

C. 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 as provided in the bylaws.

D. Terms shall expire on 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. Nominations for new appointees or for reappointment of existing members shall be processed in the manner provided in the bylaws.

E. Vacancies occurring during the course of a term shall be filled by City Manager appointment with City Council concurrence.

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. Any Boardmember present at a meeting who fails to vote without a valid disqualification shall be declared

to have voted in the affirmative on the question.

Section 6.05. Committees. The Board may by resolution designate from among its members one or more committees to advise or perform other duties on behalf of the Board, provided any final action shall require approval of the Board.

Section 6.06. Officers and Division of Duties.

A. The initial officers of the Board shall be the Chairman and Vice Chairman. In no event shall there be less than two officers designated. Additional officers may be provided for in the Bylaws of the Authority.

B. The Chairman 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.

C. The Board shall oversee the activities of the Authority, 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 6.07. 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 6.08. Removal of Board Members. The City Manager may remove at will any or all members of the Board from office. In the event of removal, members shall be replaced in the same manner as provided for in filling vacancies on the Board.

Section 6.09. Executive Director.

A. The Board shall appoint or otherwise make provision for an Executive Director of the Authority, who shall be chosen solely on the basis of executive and administrative qualifications with special reference to actual experience in, and knowledge of, accepted practices in respect to the duties of the office.

B. The Executive Director shall not be a member of the Board, and no member of the Board shall be appointed Executive Director until at least one year has elapsed following expiration of the term for which he or she was appointed.

C. The powers and duties of the Executive Director shall be:

(1) To have general supervision over the administrative affairs of the Authority;

(2) To appoint and remove at any time all officers and employees of the Authority except members of the Board;

(3) To attend all meetings of the Board at which his or her attendance may be required by that body;

(4) To recommend for adoption by the Board such measures as he or she may deem necessary or expedient;

(5) To prepare and submit to the Board such reports as may be required by that body or as he or she may deem it advisable to submit;

(6) To keep the Board fully advised of the financial condition of the Authority and its future needs;

(7) To prepare and submit to the Board a proposed budget for the fiscal year, and to be responsible for its administration upon adoption;

(8) To perform such other duties as the Board may determine by resolution.

The Board shall not direct the Executive Director to appoint any person to, or remove any person from, employment with the Authority. Except for the purpose of inquiry, the Board and its members shall deal with the administrative service solely through the Executive Director, and the Board, or any member thereof, shall not give orders to any subordinate of the Executive Director either publicly or privately. The provisions of this section do not prohibit the Board, while in open session, from fully and freely discussing with the Executive Director anything pertaining to appointments and removals of Board employees and affairs of the Authority.

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 the Open Meetings Act, 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 beheld and conducted in accordance with RCW 42.30.010 et seq. Notice of meetings shall be given in a manner consistent with RCW 42.30.010 et seq.

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. Parlimentary 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.

ARTICLE VIII

Procedural Requirements

Section 8.01. Board Review and Concurrence.

A. At least quarterly, the Board shall be provided with and review statements of revenue and expenditures which compare actual revenue and expenditures to budget estimates, which shall also be provided to the City Finance Director. The Board shall review all such information at regular meetings, the minutes of which shall specially note such reviews and include such information.

B. Authorization by the Board by resolution shall be necessary for any of the following transactions:

1. Transfer or conveyance of an interest in a mortgage after payment has been received and the execution of a lease for a current term more 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 an amount to be established by resolution of the Board, and all other transactions in which: (i) the consideration exchanged or received by the Authority exceeds the greater of one percent of the previous year's operating budget or fifty thousand dollars ($50,000) 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 City;

7. Adoption of an annual operating budget and capital budget;

8. Certification of annual reports and statements to be filed with the City 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 require the Board to approve.

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 The City of Bellevue;

B. File and maintain with the City Clerk a current listing of all authority officials, their positions and their home addresses, their business and home phone numbers, the 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 monies 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 in accordance with an investment policy adopted by the Board, in investments which would be lawful for the investments of City funds.

Section 8.05. Reports and Information. The Authority shall, in a time frame as determined by the City Finance Director, file an annual financial report with the City Council and the City Manager. The annual financial report shall be in a form and include content acceptable to the City Finance Director.

Section 8.06. Audits and Inspections. The Authority shall, at any time during normal business hours and as often as the City Manager, the City Finance Director, the City Council or the State Auditor deem necessary, make available to the City Manager, the City Finance Director, the City Council and the State Auditor for examination all of its financial records, and shall permit the City Manager, City Financial Director, City 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 City shall control and oversee the Authority as required by State law. In exercising such control, the City Manager, City Finance Director, City 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 and Charter 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.

Section 8.07. Insurance. The Authority shall maintain in full force and effect such insurance deemed appropriate by the Board 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 City as an additional insured, if such insurance shall be available at a reasonable price as determined by the Board, and may maintain any other insurance required by law.

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 City 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 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 and 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.

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 the 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

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.

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 manner 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 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 City Council that its Charter be amended by resolution passed by a procedure outlined in its Bylaws at a regular or special meetings of the Board for which thirty days' advance written notice was given.

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

C. As necessary and appropriate, the City 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 City Council, whether in response to a resolution passed by the Authority's Board of Directors, or on its own initiative, as provided in City of Bellevue Ordinance 4092. 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 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.

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 City to dissolve the Authority.

B. Upon adoption of a motion by the City 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 City Clerk setting forth:

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 only in the event the dissolution ordinance enacted by the City Council requests Superior Court trusteeship.

B. The trustees appointed by the Superior Court shall take such actions as are reasonable and necessary during the trusteeship to achieve the object thereof. 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 4092 adopted by the Bellevue City Council on Decembes 4, 1989.

ATTEST

Marie L. O'Connell

Bellevue City Clerk

ORIGINAL

FILED NO. 15017
CITY OF BELLEVUE
DATE 12/20/89
CITY CLERK
O'Connell
Ord. 4092

EXHIBIT B

BYLAWS OF THE BELLEVUE CONVENTION CENTER 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 January 3 of each year.

Section 1.02. Vacancies. 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 provided herein.

ARTICLE II

Officers and Committees

Section 2.01. Officers Designated. The officers of the Board shall be a Chairman and Vice Chairman, 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, Qualification 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 original meeting.

Section 2.03. Powers and duties.

a. Chairman. The Chairman shall preside at all meetings of the Board of Directors. The Chairman may sign and execute, in the name of the Authority, all resolutions duly authorized by the Board of Directors, and generally shall perform all duties incident to the office of Chairman and such other duties as may from time to time be assigned to such office by the Board of Directors.

b. Vice-Chairman. At the request of the Chairman, or in case of his or her absence or disability, the Vice-Chairman 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 Chairman. In addition, the Vice-Chairman shall perform such other duties as may from time to time be assigned to that office by the Board of Directors or the Chairman.

Section 2.04. Removal From Office. 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 of the board 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 appointed and qualified.

Section 2.06. Establishment of Committees. The Board, by resolution, may designate from among its members one or more committees, 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.

ARTICLE III

Meetings

Section 3.01. Regular Board Meetings. Regular meetings of the Board shall beheld at least once every other month on the second and fourth Wednesdays of each month at 6:00 p.m. at 11101 N.E. 8th, Suite 239, Bellevue, WA.; 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 Chairman 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 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 (24) twenty-four hours prior to the time of the meeting to each Board member, to the City Manager 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 City Council. Notice of all meetings and minutes of all meetings of the Board shall be given to the Bellevue City Council by giving notice to the City Clerk.

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.

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

Section 4.05. Effective Date. Amendments to the Bylaws are effective upon adoption by the Board.

ARTICLE V

Administrative Provisions

Section 5.01. 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 5.02. 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 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 5.03. Principal Office. The principal office of the Bellevue Convention Center Authority shall be 11511 Main Street, Bellevue, WA.

Section 5.04. 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, 1990.

ARTICLE VI

Approval of Bylaws

APPROVED by Ordinance 4092 adopted by the Bellevue City Council on December 4, 1989.