

ORDINANCE NO. 3510

AN ORDINANCE of the City Council of the City of Kent, Washington, relating to Valley Communications Center and creating the Valley Communications Center Development Authority; approving a charter and initial bylaws therefor; establishing a Board of Directors to govern the affairs of the Authority; and approving procedures for the conduct of its affairs.

THE CITY COUNCIL OF THE CITY OF KENT DOES ORDAIN as follows:

SECTION 1.- Definitions. Capitalized terms used in this ordinance have the following meanings.

Authority means the Valley Communications Center Development Authority, created pursuant to this ordinance.

Board of directors or **Board** means the governing body vested with the management of the affairs of the Authority.

Bonds means the long term obligations of the Authority, to be issued to provide financing for the Project.

Bylaws means the rules adopted for the regulation or management of the affairs of the Authority adopted by this ordinance as the same may be amended by the Board.

Charter means the articles of organization of the Authority adopted by this ordinance and all subsequent amendments thereto.

Cities means the Cities of Auburn, Federal Way, Kent, Renton and Tukwila.

City Clerk means the clerk of the City of Kent 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.

Councils of the Cities means the governing body of each of the Cities.

Director means a member of the Board.

Interlocal Agreement means the Valley Communications Center Agreement, among the Cities, to be dated as provided therein, and heretofore approved by motion of the Kent City Council, as such Interlocal Agreement may be hereafter amended in accordance with its terms.

Kent means the City of Kent.

Project means the acquisition, construction and equipping of a new facility for the operations of the Valley Communications Center.

Valley Communications Center means the consolidated emergency services communications center known as the Valley Communications Center pursuant to the Interlocal Agreement.

SECTION 2. - *Interlocal Agreement.* Pursuant to motion, this City Council has approved the Valley Communications Center Agreement (the "Interlocal Agreement"), to be executed between and among the Cities providing for consolidated emergency communications services through an enterprise known as the Valley Communications Center. The Interlocal Agreement contemplates that the Cities, collectively, under the

Interlocal Agreement will acquire land and acquire, construct and equip a new facility for the operations of the Valley Communications Center (the "Project").

SECTION 3. - Authority Created--City Liability Limited.

A. **Authority Created.** As authorized under RCW 35.21.730 through RCW 35.21.755, a public authority (the "Authority") is hereby created, with powers and limitations as set forth in its Charter and this ordinance, to provide an independent legal entity under State law to finance the acquisition, construction and equipping of the Project through the issuance and servicing of long term debt in the aggregate principal amount of not to exceed \$12,758,000 (the "Bonds"), and to perform any other function specified in its Charter.

B. **Kent 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 Kent on account of any debts, obligations, liabilities, acts, or omissions of the Authority.

C. **Contributions of the Cities.** Pursuant to the Interlocal Agreement, the Cities shall pay an allocable portion of the budgeted expenses of Valley Communications Center not paid from other sources, which allocable portion shall be based on the percentage of dispatched calls attributed to each jurisdiction compared to total dispatched calls.. In addition to the foregoing commitment, the Cities also will contribute in equal shares to pay debt service on the Bonds as the same shall become due and payable and to pay administrative expenses with respect to the Bonds. No City shall be obligated to pay the share of any other City; the obligations of Kent with respect to the Bonds shall be limited to its (twenty percent) equal allocable share of such obligations; and all such payments shall be made without regard to the payment or lack thereof by any other jurisdiction. All payments with respect to the Bonds shall be made to Valley Communications Center in its capacity as administrator and servicer of the Bonds to be issued by the Authority. Kent

hereby obligates and commits itself to budget for and pay its allocable share of the financial obligations represented by the Bonds.

SECTION 4. - Name. The name of the Authority shall be the Valley Communications Center Development Authority.

SECTION 5. - Powers--Generally. Except as limited by the state constitution, state statute, this ordinance or the Charter of the Authority, the Authority shall have and may exercise all lawful powers necessary or convenient to effect the purposes for which the Authority is organized and to perform authorized corporate functions, as provided in its Charter.

SECTION 6. - Charter and Amendments. The Charter of the Authority (the "Charter"), attached hereto as Exhibit A and incorporated by this reference herein, is hereby approved. The Charter shall be issued in duplicate originals, each bearing the seal of Kent attested by the City Clerk. One original shall be filed with the City Clerk; a duplicate original shall be provided to the Authority. Amendments to the Charter may be initiated by the Board or by the Kent City Council. All amendments to the Charter initiated by the Kent City Council shall be presented to the Board for consideration and approval and shall not become effective unless approved by a majority vote of the Board. All amendments to the Charter, regardless of how initiated, shall become effective only following approval by ordinance approved by the Kent City Council and the Councils of at least three other Cities.

SECTION 7. - Authority; Commencement Of Existence. The Authority shall commence its existence effective upon fulfillment of each of the following:

1. Each of the Councils of the Cities has approved the creation of the Authority by Kent;

2. This ordinance shall become effective; and

3. The Charter shall have been executed, and the Charter and Bylaws shall be on file with the City Clerk.

Except as against the state or Kent in a proceeding to cancel or revoke the Charter, delivery of a duplicate original Charter shall conclusively establish that the Authority has been established in compliance with the procedures of this ordinance.

SECTION 8. Board Of Directors. The Administration Board of Valley Communications Center, established pursuant to Section 4 of the Interlocal Agreement, shall act *ex officio* as the Board of the Authority. All corporate powers of the 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 9. - Organizational Meeting. At the next meeting of the Administration Board of Valley Communications Center to occur following the formation of the Authority, the Board shall hold its organizational meeting. At such meeting, the Board shall organize itself and may appoint officers.

SECTION 10. - Bylaws. The initial bylaws (the "Bylaws") of the Authority, attached hereto as Exhibit B and incorporated by reference in 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 11. - Dissolution.

A. If four of the Councils of the Cities, each by ordinance, make an affirmative finding that dissolution is warranted for any reason, the existence of the Authority shall

be terminated by ordinance of the Kent City Council. 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, if any.

B. Upon satisfactory completion of dissolution proceedings, the City Clerk shall indicate such dissolution by inscription of 'charter canceled' on the original Charter of the Authority, on file with the City Clerk and, when available, on the duplicate original of the Authority, and the existence of the Authority shall cease. The City Clerk shall give notice thereof pursuant to state law and to other persons requested by the Authority in its dissolution statement.

SECTION 12. - Ancillary Authority. The administrative staff of Kent are granted all such power and authority as reasonably necessary or convenient to enable each of them to administer this ordinance efficiently and to perform the duties imposed in this ordinance or the 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. - Effective Date. This ordinance shall take effect and be in force thirty (30) days after passage.

PASSED by the City Council of the City of Kent, Washington this 16 day of May, 2000, and signed in authentication of its passage this 16 day of May, 2000.



JIM WHITE, MAYOR

ATTEST:

Brenda Jacober
BRENDA JACOBER, CITY CLERK

APPROVED AS TO FORM:

[Signature]
ROGER LUBOVICH, CITY ATTORNEY

PASSED: 16 day of May, 2000

APPROVED: 16 day of May, 2000.

PUBLISHED: 19 day of May, 2000.

I hereby certify that this is a true copy of Ordinance No. 3510 passed by the City Council of the City of Kent, Washington, and approved by the Mayor of the City of Kent as hereon indicated.

Brenda Jacober (SEAL)
BRENDA JACOBER, CITY CLERK

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EXHIBIT A

CHARTER
OF THE
Valley Communications Center Development Authority

As originally adopted pursuant to
City of Kent Ordinance 3510

Issued and Certified by
the City Clerk on

August 23, 2000

Kent, Washington

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**CHARTER OF THE
VALLEY COMMUNICATIONS CENTER DEVELOPMENT AUTHORITY**

**ARTICLE I
NAME AND SEAL**

Section 1.01 Name. The name of this authority shall be the Valley Communications Center Development Authority (hereinafter referred to as the "Authority").

Section 1.02 Seal. The Authority's seal shall be a circle with the name "Valley Communications Center 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-.757, as amended (the "Act") and the following identified ordinances (collectively, the "Ordinance"):

1. Ordinance No. 5358 of the City of Auburn, passed on April 3, 2000;
2. Ordinance No. 00-369 of the City of Federal Way, passed on March 21, 2000;
3. Resolution No. 1564 of the City of Kent, passed on March 21, 2000, and Ordinance No. 3510 of the City of Kent, passed on May 2, 2000;
4. Ordinance No. 4836 of the City of Renton, passed on March 28, 2000; and
5. Ordinance No. 1962 of the City of Tukwila, passed on April 3, 2000.

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, from such assets, properties or revenues of the Authority as shall be specifically pledged thereto or otherwise identified as being the source of payment of such limited recourse obligations or liabilities, and no creditor or other person shall have any right of action against or recourse to the Cities of Auburn, Federal Way, Kent, Renton and Tukwila Washington (collectively, the "Cities"), its assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the Authority.

Section 2.03 Liability of the Authority and the Cities. The following disclaimer shall be printed or stamped on all contracts, bonds, and other documents that may entail any debt or liability by the Authority.

The Valley Communications Center Development Authority is a public authority organized pursuant to Ordinance No. 5358 of the City of Auburn, Ordinance No. 00-369 of the City of Federal Way, Resolution No. 1564 of the City of Kent, and

Ordinance No. 3510 of the City of Kent, Ordinance No. 4836 of the City of Renton and Ordinance No. 1912 of the City of Tukwila and the laws of the State of Washington, RCW 35.21.730 through RCW 35.21.757 and RCW ch. 39.34. 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 no event shall the obligations of the Authority be payable by recourse against any properties, assets or revenues of the Cities of Auburn, Federal Way, Kent, Renton or Tukwila, 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 Cities of Auburn, Federal Way, Kent, Renton or Tukwila, Washington, the State of Washington or any other political subdivision thereof on account of such obligations, except to enforce the payments obligated to be made by ordinance by each of the Cities of Auburn, Federal Way, Kent, Renton or Tukwila.

Any of the Cities may, by ordinance or contract or pursuant to interlocal agreement, agree to pay (on a contingent basis or otherwise), all or any portion of the obligations of the Authority; however, (1) no City shall be obligated beyond the proportion or sum specified by ordinance or contract, and (2) no City shall be obligated, directly or indirectly for the obligations of any other City.

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 initially is to provide an independent legal entity under State law and the Ordinance to finance the acquisition, construction and equipping of the Valley Communications Center through the issuance and servicing of long term debt in the aggregate principal amount of not to exceed \$12,758,000 (the “Bonds”) and, thereafter, to finance the undertaking of technology and major capital improvements essential to maintain the Center’s functionality, but such additional improvements may be made only with a supermajority vote of the Board.. A “supermajority vote of the Board,” as used in this Article, may be obtained at any regular or special Board meeting by an affirmative vote of a majority plus one of the Board members voting on the issue, provided that such majority equals not less than four (4) votes.

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 Cities of Auburn, Federal Way, Kent, Renton and Tukwila (within the meaning of those terms in regulations of the United States Treasury and rulings of the Internal Revenue Service prescribed pursuant to Section 103 and Section 115 of the Internal Revenue Code of 1986, as amended). For purposes of Section 265(b)(3)(C)(iii) of the Internal Revenue Code of 1986, as amended, the amount of each issue of obligations of the Authority shall be allocated in equal shares among each of the Cities.

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 judgments, 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 or her 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 Composition and Term of Office. Management of all Authority affairs shall reside in the Board. The Administration Board of Valley Communications Center, established pursuant to Section 4 of the Valley Communications Center Interlocal Agreement, including all amendments, shall act *ex officio* as the Board of the Authority. Board members shall have terms coextensive with their terms as members of the Administrative Board of Valley Communications Center.

Section 6.02 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 three (3) votes. Any Board action authorizing the issuance of debt shall be required to be approved by a supermajority vote of the Board.

A quorum to commence a Board meeting shall be no fewer than three (3) members. The bylaws of the Authority may prescribe Board quorum restrictions that equal or exceed the quorum restrictions imposed in this Section 6.02. 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 6.03 Officers and Division of Duties. The Authority shall have at least one officer, President. 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 Board also may provide for additional officers, e.g., Vice President, Secretary, Treasurer. The day to day affairs of the Authority, including debt administration, shall be managed by the Director of Valley Communications Center, in the manner provided in Section 6 of the Interlocal Agreement.

Section 6.04 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 6.05 Committees. The appointment of other committees shall be provided for in the Bylaws.

ARTICLE VII MEETINGS

Section 7.01 Board Meetings.

1. The Board shall meet as necessary but not fewer than two (2) times a year.
2. Special meetings of the Board may be called as provided in the Bylaws.

Section 7.02 Open Public Meetings. To the extent required by law, notice of meetings shall be given in a manner consistent with the Open Public Meetings Act, Chapter 42.30 RCW. 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.

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. Proposals to amend the Charter may be initiated by the Kent City Council or by the Board. Proposals to amend the Bylaws may be initiated by the Board. Proposals to amend the Charter initiated by the Kent City Council shall be presented to the Board, in accordance with the terms of the Ordinance. Proposals to amend the Charter or the Bylaws may be initiated by the Board in the manner described in the following Sections 9.02 and 9.03.

Section 9.02 Proposals Initiated by the Board.

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 advance notice has been given to members of the Board.

Section 9.02 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 prior to any regular Board meeting or any special meeting of which 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. 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 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 Council Approval of Proposed Charter Amendments. Proposed Charter amendments initiated and approved by the Board shall be submitted to the each of the Councils of the Cities; provided, however, that no amendment to the Charter shall be effective until approved by the Kent City Council and three of the other Member Cities.

ARTICLE X
COMMENCEMENT

The Authority shall commence its existence effective upon the issuance of its Charter as sealed and attested by the City Clerk of the City of Kent as provided in the Ordinance.

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 Valley Communications Center or if there is no Valley Communications Center in existence at the time, then in equal shares in the Cities of Auburn, Federal Way, Kent, Renton and Tukwila for use for public purposes.

ARTICLE XII
APPROVAL OF CHARTER

ORIGINAL CHARTER APPROVED by Ordinance 5358 adopted by the City Council of the City of Auburn on April 3, 2000; Ordinance 00-369 adopted by the City Council of the City of Federal Way on March 21, 2000; Resolution 1564 adopted by the City Council of the City of Kent on March 21, 2000, and Ordinance 3510 adopted by the City Council of the City of Kent on May 2, 2000; Ordinance 4836 adopted by the City Council of the City of Renton on March 28, 2000; and Ordinance 1912 adopted by the City Council of the City of Tukwila on April 3, 2000.

CERTIFICATE

I, the undersigned, City Clerk of the City of Kent, Washington, DO HEREBY CERTIFY that the attached CHARTER OF VALLEY COMMUNICATIONS CENTER DEVELOPMENT AUTHORITY is a true and correct original of such charter as authorized by Ordinance No. 3510 of the City of Kent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Kent this 23 day of August, 2000.



City Clerk of the City of Kent, Washington

EXHIBIT B

BYLAWS OF THE
VALLEY COMMUNICATIONS CENTER DEVELOPMENT AUTHORITY

ARTICLE I
BOARD

Section 1.01. Composition of the Board. For the purpose of determining Board composition and administration, the procedures set forth in the Charter and the Interlocal Agreement shall govern.

ARTICLE II
OFFICERS AND COMMITTEES

Section 2.01. Officer Designated. The Presiding Officer of the Administration Board selected in the manner provided in Section 4.2 of the Valley Communications Center Interlocal Agreement, including all amendments, shall be the President of 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. Qualification and Term of Office. The additional officers shall be members of the Board or any other person designated by the Board who is at the time an official or employee of at least one of the Cities or Valley Communications Center. The additional officers shall be elected or appointed by the Board and shall hold office for terms established as a part of the original appointment or for terms established in accordance with the Interlocal Agreement.

Section 2.03. 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
MEETING

Section 3.01. Regular Board Meetings. There shall be a minimum of two (2) meetings each year of the Board. Unless otherwise designated by the President, the first regular meeting shall be held on the second Tuesday in February, and the second regular meeting shall be on the second Tuesday in September.

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 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 Director of Valley Communications Center 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, to the Mayors of the Cities of Auburn, Federal Way, Kent, Renton and Tukwila 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 City Council of the Cities of Auburn, Federal Way, Kent, Renton and Tukwila by giving notice to the City Clerk of each of the foregoing Cities.

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.

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 prior to any regular Board meeting or any special meeting of which 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. 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 as provided in the Charter.

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 voting on the issue, provided that such majority equals not less than three votes.

Section 4.04. City Council(s) Approval of Proposed Charter Amendments. Proposed Charter amendments shall be submitted for consideration to each of the City Councils of the Cities of Auburn, Federal Way, Kent, Renton and Tukwila and shall take effect only if approved by ordinance approved by the Kent City Council and the City Councils of at least three other Cities.

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. Valley Communications Center, on behalf of 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. The proceeds of any borrowing by the Authority shall be held, invested and disbursed by Valley Communications Center, subject to the terms and limitations established pursuant to the Interlocal Agreement. Valley Communications Center shall provide a regular accounting of the financial affairs of the Authority to the Board at each regular Board meeting. The obligations of the Authority shall be administered by Valley Communications Center, and Valley

Communications Center is hereby designated and delegated with full authority to administer such obligations, all in a manner consistent with the Interlocal Agreement.

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 Valley Communications Center Development Authority shall be 23807 98th Avenue South, Kent, Washington 98031.

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 is issued to December 31, 2000.

ARTICLE VI APPROVAL OF BYLAWS

APPROVED by Ordinance 5358 adopted by the City Council of the City of Auburn on April 3, 2000; Ordinance 00-369 adopted by the City Council of the City of Federal Way on March 21, 2000; Resolution 1564 adopted by the City Council of the City of Kent on March 21, 2000, and Ordinance 3510 adopted by the City Council of the City of Kent on May 2, 2000; Ordinance 4836 adopted by the City Council of the City of Renton on March 28, 2000; and Ordinance 1912 adopted by the City Council of the City of Tukwila on April 3, 2000.

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ORDINANCE NO. 00-369

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON, APPROVING THE FORMATION OF THE VALLEY COMMUNICATIONS CENTER DEVELOPMENT AUTHORITY.

WHEREAS, pursuant to motion, this City Council has approved the Valley Communications Center Agreement (the "Interlocal Agreement"), to be executed between and among the Cities of Auburn, Federal Way, Kent, Renton and Tukwila (collectively, the "Cities") providing for consolidated emergency communications services through an enterprise known as the Valley Communications Center; and

WHEREAS, the Interlocal Agreement contemplates that the Cities, collectively, under the Interlocal Agreement will acquire land and acquire, construct and equip a facility for the operations of the Valley Communications Center (the "Project"); and

WHEREAS, the Cities also are considering the formation of a public authority for the purpose of issuing and servicing bonds in order to provide for the financing of the Project; and

WHEREAS, the City of Kent will act as the host city for the formation, subject to the approval of each of the other Cities;

THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. Approval of Formation of the Authority. Pursuant to RCW ch. 39.34 and RCW 35.21.730 through RCW 35.21.755, the City Council of the City of Federal Way ("Federal Way") hereby approves the creation of a public authority by the City of Kent to be designated as

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the Valley Communications Center Development Authority (the "Authority"). The purpose of the Authority is to provide an independent legal entity under State law to finance the acquisition, construction and equipping of the Valley Communications Center through the issuance and servicing of long term debt in the aggregate principal amount of not to exceed \$12,758,000 (the "bonds"). The proposed form of ordinance to be considered by the City Council of the City of Kent, along with the Charter and the Bylaws of the Authority, drafts of which are attached hereto, as Exhibits A, B and C, respectively, are hereby approved. The City Council hereby approves the formation by the City of Kent of the Authority by the approval of such ordinance, Charter and Bylaws substantially in the forms presented to this Council.

Section 2. Limited Liability; Independent Obligations. The Authority shall be 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 3. City Contributions to Operations and Bonds. Pursuant to the Interlocal Agreement, the Cities shall pay an allocable portion of the budgeted expenses of Valley Communications Center not paid from other sources, which allocable portion shall be based on the percentage of dispatched calls attributed to each jurisdiction compared to total dispatched calls. In addition to the foregoing commitment, the Cities also will contribute in equal shares to pay debt service on the bonds as the same shall become due and payable and to pay administrative expenses with respect to the bonds. No City shall be obligated to pay the share of any other City; the obligations of Federal Way with respect to the bonds shall be limited to its (twenty percent) equal

allocable share of such obligations; and all such payments shall be made without regard to the payment or lack thereof by any other jurisdiction. All payments with respect to the bonds shall be made to Valley Communications Center in its capacity as administrator and servicer of the bonds to be issued by the Authority. The City of Federal Way hereby obligates and commits itself to budget for and pay its allocable share of the financial obligations represented by the bonds.

Section 4. Allocation for Purposes of Bank Qualification. For purposes of Section 265(b)(3)(C)(iii) of the Internal Revenue Code of 1986, as amended, Federal Way agrees that the amount of each issue of obligations of the Authority shall be allocated in equal shares among each of the Cities.

Section 5. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This ordinance shall take effect and be in force from and after passage and publication as provided by law.

PASSED by the City Council of the City of Federal Way this 18th day of
April, 2000, 1900

CITY OF FEDERAL WAY


MAYOR, MIKE PARK

ATTEST:


CITY CLERK, N. CHRISTINE GREEN, CMC

APPROVED AS TO FORM:


CITY ATTORNEY, LONDI K. LINDELL

FILED WITH THE CITY CLERK: 03/21/00
PASSED BY THE CITY COUNCIL: 04/18/00
PUBLISHED: 04/22/00
EFFECTIVE DATE: 04/22/00
ORDINANCE NO. 00-369

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