

RESOLUTION NO. 573-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SPOKANE TRANSIT AUTHORITY FOR THE PURPOSE OF AMENDING THE BYLAWS OF THE SPOKANE COUNTY PUBLIC TRANSPORTATION BENEFIT AREA; AND OTHER MATTERS PROPERLY RELATED THERETO.

SPOKANE TRANSIT AUTHORITY
Spokane County, Washington

BE IT RESOLVED BY THE SPOKANE TRANSIT AUTHORITY as follows:

WHEREAS, the Spokane Transit Authority (STA) is a municipal corporation operating and existing under and pursuant to the Constitution and laws of the State of Washington, including Chapter 36.57A RCW;

WHEREAS, STA by Resolution No. 566-03, passed October 22, 2003, amended the Bylaws of the Spokane County Public Transportation Benefit Area to change the STA Board composition so as to reflect the incorporation of the City of Spokane Valley, Washington; and

WHEREAS, STA desires to further amend the Bylaws to provide for the inclusion of representatives of the City of Spokane Valley, Washington in the yearly rotation for the office of the chairperson of the Board of Directors of STA;

NOW, THEREFORE, be it resolved by the Board of Directors of Spokane Transit Authority as follows:

Section 1

ARTICLE IV. "Selection and Duties of the Chairperson and Chairperson Pro Tempore" of the Bylaws is amended to read as follows:

Section 4.1 The Board shall select a Chairperson and a Chairperson Pro Tempore from among its members, who shall be voting members. The Chairperson shall hold office until the first day of January of each year. The office of the Chairperson shall rotate on a yearly basis among the following representative categories and in the following sequence: (1) Towns and cities, excluding the Cities of Spokane and Spokane Valley; (2) City of Spokane; (3) County of Spokane; and (4) City of Spokane Valley.

BY-LAWS

OF THE SPOKANE COUNTY PUBLIC TRANSPORTATION BENEFIT AREA

ARTICLE I. - POWERS, PURPOSE AND RESPONSIBILITIES

Sec. 1.1 Name. The name of the municipal corporation duly established pursuant to the laws of the State of Washington shall be "SPOKANE TRANSIT AUTHORITY" (STA) hereinafter referred to as the "corporation". The offices of the corporation shall be in the Administration and Special Transportation Building at West 1230 Boone Avenue, Spokane, Washington.

Sec. 1.2 Powers, Purpose and Responsibilities. By and in the corporate name, the Corporation shall have and exercise all powers, functions, rights and privileges now and hereafter given or granted to, and shall be subject to all the duties, obligations, liabilities and limitations now and hereafter imposed upon municipal corporations of the same class, by the Constitution and laws of the State of Washington, and shall have and exercise all other powers, functions, rights and privileges usually exercised by, or which are incidental to, or inherent in, municipal corporations of like character and degree. The Corporation shall have all powers possible to have under the constitution and laws of this State.

Sec. 1.3 Interpretation. These By-laws are not intended to limit the powers granted to a public transportation benefit area, and, therefore, should be liberally construed to carry out the intent of any grant of power thereto.

ARTICLE II - THE GOVERNING BODY - BOARD COMPOSITION

Sec. 2.1 Board Composition. The governing body of the Spokane Transit Authority shall be a Board of Directors, hereinafter referred to as the "Board" and shall consist of a Board of nine (9) members, as constituted by the Public Transportation Improvement Conference, all of whom shall be elected officials selected by and serving at the pleasure of the respective governing bodies of the component cities located within the corporation and Spokane County. The membership of the Board shall consist of the following:

- (a) Two (2) elected officials selected by and serving at the pleasure of the cities of Airway Heights, Cheney, Liberty Lake, Medical Lake and Millwood according to the following scheduled terms and thereafter in a continuing rotation for three (3) years according to the order stated.

City of Liberty Lake	October 22, 2003 - December 31, 2004
City of Medical Lake	October 22, 2003 - December 31, 2005
Town of Millwood	January 1, 2005 - December 31, 2007
City of Cheney	January 1, 2006 - December 31, 2008
City of Airway Heights	January 1, 2008 - December 31, 2010

These cities are authorized to amend the rotation schedule by Interlocal Agreement filed with the Clerk of the Authority, but, are limited to no more than two elected officials as members of the Board.

- (b) Three (3) elected officials selected by and serving at the pleasure of the City of Spokane.

(c) Two (2) elected officials selected by and serving at the pleasure of the City of Spokane Valley.

(d) Two (2) elected County Commissioners selected by and serving at the pleasure of the Board of County Commissioners of Spokane County.

2.2 Alternates. (a) The cities of Spokane and Spokane Valley and the Board of County Commissioners of Spokane County may appoint alternate members by resolution whose name(s) shall be forwarded to and kept on file with STA. For cities whose members are selected pursuant to Section 2.1(a), alternates from those cities not then sitting on the Board shall be appointed to serve in the absence of the primary members selected pursuant to Section 2.1(a); should no alternate member be available to attend a board meeting on behalf of a primary representative under Section 2.1(a), the city appointing the unavailable member may temporarily fill the position with a designated alternate qualified to serve under Section 2.1

2.3 Term. Each Director shall be appointed by the governing body of the political subdivision represented on the Board.

2.4 Vacancy. In the event of a vacancy the newly appointed Director shall serve the unexpired term of the Director he or she replaces.

2.5 Succession. Each member of the Board shall hold office until their successor has been selected, unless such person is legally ineligible to hold such position. (e.g. expiration of the elected term, resignation, etc.)

2.6 New City. If a city or town is created within the boundaries of the Corporation, then the public transportation improvement conference, consisting of an elected representative selected by the legislative body of each city within the county and by the county commissioners, shall meet to provide for the selection of a new governing body of the Corporation in the manner provided by law.

ARTICLE III - DUTIES OF THE BOARD AND BOARD MEETING

Sec. 3.1 Duties of the Board. The Board of the Corporation shall provide the policy and legislative direction for the Corporation and its administrators. The Board may create such departments, offices or advisory boards as it finds necessary or advisable and may determine the powers and duties of each department or office.

The Corporation acting through the Board shall have the power to:

(1) Prepare, adopt and carry out a general comprehensive plan for public transportation service, which will best serve the residents of the Corporation and to amend said plan from time to time to meet changed conditions and requirements; and

(2) Acquire by purchase, condemnation, gift or grant, and to lease, construct, add to, improve, replace, repair, maintain, operate, and regulate the use of transportation facilities and properties within or without the boundaries of the Corporation or the state, including systems of surface, underground or overhead railways, tramways, buses, or any other means of local

transportation, except taxis, and including escalators, moving sidewalks or other people-moving systems, passenger terminal and parking facilities and properties, and such other facilities and properties as may be necessary for passenger and vehicular access to and from such people-moving systems, terminal and parking facilities and properties, together with all lands, rights of way, property, equipment and accessories necessary for such systems and facilities. Public transportation facilities and properties, which are owned by any city, may be acquired or used by the Corporation only with the consent of the city council of the city owning such facilities. Cities are hereby authorized to convey or lease such facilities to a public transportation benefit area authority or to contract for their joint use on such terms as may be fixed by agreement between the city council of such city and the public transportation benefit area authority, without submitting the matter to the voters of such city.

The facilities and properties of the Corporation's systems whose vehicles will operate primarily within the rights of way of public streets, roads, or highways may be acquired, developed and operated without the corridor and design hearings which are required by RCW 35.58.273, as now or hereafter amended, for mass transit facilities operating on a separate right of way; and

(3) Fix rates, tolls, fares, and charges for the use of such facilities and to establish various routes and classes of service; and

(4) Employ legal counsel; and

(5) Prepare and adopt a budget; and

- (6) Audit the Corporation's administrative affairs; and
- (7) Approve travel requests of members and other persons not employed by the Corporation; and
- (8) Authorize committees to act in their behalf; and
- (9) Issue general obligation bonds for public transportation capital purposes, subject to limitations of indebtedness imposed by law, and pledge any taxes authorized to be levied and pledged by law; and
- (10) Levy taxes as authorized by law; and
- (11) To participate in and support research, demonstration, testing, and development of public transportation systems; and
- (12) Issue revenue bonds; and
- (13) Have all other powers that are necessary to carry out the purposes of the Corporation as defined by law as it presently exists or as it may be hereinafter amended.

Sec. 3.2 Meetings and Meeting Notice.

- (a) Regular Meetings. The time and place of regular meetings of the Board shall be established by a resolution of the Board. Such resolution may also specify the appropriate notification of such meetings.
- (b) Special Meetings. Special meetings may be called at any time by the Chairperson or by a majority of the whole Board. The notification of such meeting must be delivered to each board member and others requiring notification under the open Meetings law (Chapter 42.30 RCW) at least twenty-four (24) hours before the time of such meeting, unless otherwise provided for under the

laws of the State of Washington. The requirements of RCW 42.30.080, now and as thereafter amended, shall be adhered to regarding such meetings.

(c) Executive Sessions (Meetings). The Board may hold executive sessions if such sessions are not otherwise prohibited by state statutes.

Sec. 3.3 Quorum. A majority of all the members of the Board shall constitute a quorum for the transaction of business. A majority of those present is necessary to take action on any item coming before the Board. Provided, however, that the following enumerated actions shall take an affirmative vote of a majority of the total membership of the Board;

- (1) Adoption, alteration or modification of the budget; and
- (2) Adoption, alteration or modification of a general comprehensive plan for public transportation service; and
- (3) Adoption, alteration or modification of rates, tolls, fares and charges for the use of the Corporation's facilities; and
- (4) Establishment of routes and classes of service; and
- (5) Appointment or dismissal of a Director; and
- (6) Revision or amendment of the By-laws; and
- (7) Selection of Chairperson and Chairperson Pro Tempore; and
- (8) Appointment of qualified electors to committees; and
- (9) Removal of a member of a committee other than a Board member.

Sec. 3.4 Parliamentary Procedure. Unless otherwise governed by the provisions of these By-laws or laws of the State of Washington, Roberts Rules of Parliamentary Procedure shall govern the conduct of all Board meetings. The Chairperson or his/her designee shall be the Parliamentarian.

Sec. 3.5 Board Acting as a Body. The Board shall act as a body in making its decisions and announcing them. No member shall speak or act for the Board without prior authorization of the Board, except as otherwise provided for in these By-laws.

Sec. 3.6 Records of Board Meetings.

(a) Minutes. The proceedings of the Board meetings shall be recorded and maintained in the offices of the Corporation. The minutes shall consist primarily of a record of the action taken. Prior to the adoption of the minutes, copies of the proposed minutes shall be forwarded to all Board members prior to the next regular meeting for their reference and/or correction. At the next regular meeting, the Board shall consider the minutes for adoption or necessary corrections.

Sec. 3.7 Committees. The Chairperson, from time to time, may nominate Board members to serve on committees.

(a) Committees created by resolution of the Board may be composed of Board members, other elected representatives of cities requesting and designating representatives not directly appointed as members of the Board, and qualified electors.

- (b) All electors shall be qualified electors as defined by the election laws of the State of Washington and shall remain so throughout the term to which appointed and shall reside within the Spokane Transit Authority boundaries. Nominations shall be by the Chairperson and approved by the Board, and the Executive Director shall be an ex-officio, non-voting member of each committee. The Chairperson may appoint, with the approval of the Board, alternates to each committee to act in the absence of any regularly appointed member.
- (c) Board members and elected representatives of cities not directly sitting on the Board, shall be appointed annually after the election of the Chairperson to all committees. Electors shall be appointed to all committees by the Chairperson to serve two-year terms. Terms of electors shall be staggered in such a manner so that at least one elector is appointed each year.
- (d) Committee members will continue to serve until a successor is appointed.
- (e) All meetings of the Committees shall be subject to the Open Public Meetings Act of 1971, as amended (Chapter 42.30 RCW).

Sec. 3.8 Secretary of Board. The Director or his/her designee, as provided for in Article V, shall be the Secretary of the Board.

ARTICLE IV. - SELECTION AND DUTIES OF THE CHAIRPERSON AND CHAIRPERSON PRO TEMPORE

Sec. 4.1 The Board shall select a Chairperson and a Chairperson Pro Tempore from among its members, who shall be voting members. The Chairperson shall hold office until the first day of January of each year. The office of the Chairperson shall rotate on a yearly basis among the following representative categories and in the following sequence: (1) towns and cities, excluding the Cities of Spokane and Spokane Valley; (2) City of Spokane; 3) County of Spokane; and (4) City of Spokane Valley.

Sec. 4.2 The Chairperson shall preside at all meetings of the Board. In the event of the Chairperson's absence or inability to preside, the Chairperson Pro Tempore shall assume the duties of presiding over the meetings of the Board; provided, however, if the Chairperson is to be permanently unable to preside, the Board shall select a new Chairperson for the remainder of the Chairperson's term. In the event that the Chairperson Pro Tempore is selected as the new Chairperson, then a new Chairperson Pro Tempore shall be selected for the remainder of the vacated Chairperson Pro Tempore's term.

Sec. 4.3 The Chairperson shall act as spokesperson for the Corporation and shall act as its representative at meetings with other organizations, committees and other such activities, unless another representative shall otherwise be authorized by the Board; provided, however, the Chairperson may delegate to any Board member the duty of being a spokesperson or representative, and such person shall make no pronouncements that will obligate

or commit the Corporation, except pursuant to prior authorization of the Board.

Sec. 4.4 The Chairperson shall be the chief executive and administrative officer of the Corporation until an Executive Director or Acting Executive Director is selected by and approved by the Board or when the Corporation is without an Executive Director or Acting Executive Director. When the Chairperson is acting as the chief executive and administrator of the Corporation, all persons employed or contracting service with the Corporation will be selected or discharged by the Chairperson, subject to the approval of the Board. The Chairperson when acting as the chief executive and administrator of the Corporation shall receive such remuneration as approved by the Board, in accordance with the law.

ARTICLE V. - EXECUTIVE DIRECTOR

Sec. 5.1 Appointment and Removal of Executive Director. The Board may appoint an Executive Director. The Executive Director shall serve at the pleasure of the Board and shall perform such administrative duties as may be designated from time to time by the Board.

Sec. 5.2 Duties of the Executive Director. The powers and duties of the Executive Director of the Corporation shall be:

- (a) To have general supervision over the administrative affairs of the Corporation, including the authority to organize and direct the work force within approved employment positions.

- (b) To appoint and remove at any time any employee of the Corporation;
- (c) To attend all meetings of the Board at which his/her attendance may be required by that body;
- (d) To recommend for adoption by the Board such measures as he/she may deem necessary or expedient;
- (e) To prepare and timely submit to the Board such reports as may be required by the Board or as he/she may deem it advisable to submit to that Board;
- (f) To keep the Board fully advised of the financial condition of the Corporation and its future needs;
- (g) To prepare and submit to the Board yearly a proposed budget and to be responsible for its administrative adoption;
- (h) To approve and sign all vouchers for the payment of any items authorized in the approved budget;
- (i) To approve all travel requests of employees of the Corporation subject to the approved budget and the submission of quarterly travel reports to the Board.
- (j) To receive service of process in any claim for any kind of relief brought against the STA in any court;
- (k) To procure for periods not to exceed 45 days liability, physical damage, directors and officers, and other insurance coverages which have lapsed, been cancelled, or for other reason been terminated on an emergency basis until the Board of Directors can meet and give direction on insurance coverages.

- (1) To perform such other duties as may be directed by the Board; The Executive Director may employ such assistants, approved by the Board, or designate others to assist in carrying out these duties.

ARTICLE VI. - SEVERABILITY

If any provision of these By-laws, or its application to any person or circumstance is held invalid, the remainder of these By-laws, or the application of the provisions to other persons or circumstances is not affected.

ARTICLE VII. - SERVICE OF PROCESS

The Executive Director, or his/her designated representative in writing, shall receive, on behalf of the STA, all pleadings commencing an action against the STA. Service upon the Executive Director shall constitute service on the STA.

ARTICLE VIII. - INDEMNIFICATION

Sec. 8.1 General. The Corporation, pursuant to RCW 36.16.138 and Chapter 48.62 RCW, as hereafter amended, shall indemnify any person who was or is an elected or appointed director, officer, (including committee members), or employee of the Corporation, and is threatened to be or has been made a party to an action, claim, or other proceeding by a third party.

Sec. 8.2 Scope of Indemnification. The Corporation shall pay the reasonable and necessary expenses actually incurred and connected with the defense, settlement, or monetary judgments, including costs, disbursements, and reasonable attorneys' fees arising out of any action, claim, or other proceeding, within the standard of conduct referred to in paragraph 3 herein, and for

which notice has been given pursuant to paragraph 4: The Board shall be the sole judge of the reasonable and necessary expenses to be borne by the Corporation.

Indemnification shall not extend to any claim, action, or other proceeding against the Corporation, either for indemnification or for other cause.

Sec. 8.3 Standard of Conduct. Indemnification shall be limited to any action, claim, or other proceeding threatened, pending, or instituted against any person who was, or is, at the time of the alleged conduct, an elected or appointed director, officer, or employee, and arising out of such person's performance, purported performance, or failure to perform in good faith the duties for, or employment with, the Corporation.

Sec. 8.4 Determination of Conduct.

(a) Unless ordered or adjudged by a court of competent jurisdiction, indemnification may be authorized only as follows:

- (1) To the extent that the person has been Successful on the merits, or otherwise in defense, such person shall be indemnified.
- (2) With respect to any other determination of conduct, a majority vote of all the directors not interested in or a party to the action, claim, or other proceeding. In the event a majority vote cannot be obtained because of disqualification of Directors, then the alternate or alternates of those disqualified shall be permitted to vote.

(b) Indemnification shall not be authorized for any claim or action founded upon a statute, law, rule, or regulation punishable by fine, imprisonment, or both, or for any claim or action against the Corporation.

(c) Notice to every director, officer, or employee who seeks or believes he or she may claim indemnification must give notice, in writing, to the Executive Director of his or her interest to seek indemnification before incurring any costs, disbursements, or attorneys' fees for which indemnification is sought, and provide a copy of any and all claims, pleadings, reports, or other written statements regarding the allegations.

Sec. 8.5 Expenses Prior to Determination. Expenses actually incurred in defending any action, claim, or other proceeding may be paid as incurred, and prior to a final determination of conduct, if the action, claim, or other proceedings makes no assertion that the person named acted outside the scope of his or her employment or authority, and that the Corporation makes no claim that the person's acts or failure to act were outside the scope of the person's employment or authority.

Sec. 8.6 Interpretation. This Article of the By-laws is intended to exercise the authority contained in RCW 36.16.138 and Chapter 48.62 RCW, and that it be construed in light of such statutes, and laws as hereafter amended, and interpretative case law.

The failure of the Corporation to obtain insurance for any claim, action, or other proceedings against the Corporation shall not be construed to limit this indemnification.

ARTICLE IX. - AMENDMENTS

These By-laws, as adopted by the Board of the Spokane Transit Authority, may be revised or amended at any regular or special meeting of the Board, with the provision that members receive copies of the proposed change(s) at least two weeks prior to that meeting.

The foregoing By-laws of the Spokane Transit Authority, have been adopted and approved by the majority of the total Board on the 24th day of July, 2002.

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