

CHARTER

of the

THURSTON COUNTY TRANSPORTATION BENEFIT DISTRICT

TABLE OF CONTENTS

		Page
ARTICLE I	NAME	1
	Section 1.01 Name	1
ARTICLE 1A	DEFINITIONS.....	1
	Section 1A.01 Definitions.....	1
ARTICLE II	NATURE AND PURPOSES	1
	Section 2.01 Nature of the District	1
	Section 2.02 Purposes	1
	Section 2.03 Limitations on Liability	2
	Section 2.04 Mandatory Disclaimers	2
ARTICLE III	DISSOLUTION	3
	Section 3.01 Dissolution	3
ARTICLE IV	POWERS; INDEMNIFICATION	3
	Section 4.01 Powers	3
	Section 4.02 Indemnification	4
ARTICLE V	BOARD OF DIRECTORS; EXECUTIVE DIRECTOR; ATTORNEY .	4
	Section 5.01 Board Powers	4
	Section 5.02 Board Composition	4
	Section 5.03 Board Officers	4
	Section 5.04 Treasurer	5
	Section 5.05 Conflict of Interest.	5
	Section 5.06 Attorney	5
ARTICLE VI	MEETINGS	5
	Section 6.01 Board Meetings	5
	Section 6.02 Board Quorum	5
	Section 6.03 Open Public Meetings	5
	Section 6.04 Minutes	5
ARTICLE VII	MATERIAL CHANGE AND ANNUAL REPORT	6
	Section 7.01 Material Change Policy and Annual Report.....	6

ARTICLE VIII	BYLAWS	6
	Section 8.01 Bylaws	6
ARTICLE IX	AMENDMENT TO CHARTER	6
	Section 9.01 Proposals to Amend Charter	6
	Section 9.02 Board Consideration of Proposed Amendments	6
	Section 9.03 Vote Required for Proposals to Amend the Charter	6
	Section 9.04 Public Hearings	7
ARTICLE X	COMMENCEMENT	7
	Section 10.01 Commencement	7
ARTICLE XI	MISCELLANEOUS	7
	Section 11.01 Liberal Construction and Severability	7

CHARTER
of the
THURSTON COUNTY TRANSPORTATION BENEFIT DISTRICT

ARTICLE I
NAME

Section 1.01 Name. The name of the Transportation Benefit District shall be the “Thurston County Transportation Benefit District” (“District”).

ARTICLE IA
DEFINITIONS

Section 1A.01 Definitions. Unless otherwise stated, words and phrases used in this Charter will have the following meanings when capitalized:

“Board” means the Board of Directors of the Thurston County Transportation Benefit District.

“Constitution” means the Constitution of the State of Washington.

“County” means Thurston County, a municipal corporation and political subdivision of the State of Washington.

“District” means the Thurston County Transportation Benefit District.

“Ordinance” means Ordinance No. 15103 adopted by the Board of Thurston County Commissioners on December 30, 2014 creating a Transportation Benefit District.

“Statute” means chapter 36.73 RCW.

ARTICLE II
NATURE; PURPOSES; LIMITATIONS ON LIABILITY

Section 2.01 Nature of the District. The District shall be a Transportation Benefit District organized pursuant to chapter 36.73 RCW and Ordinance No. 15103. The boundaries of the District shall be coextensive with the boundaries of the unincorporated areas of Thurston County, Washington. The District shall be a municipal corporation, an independent taxing “authority” within the meaning of Article VII, Section I of the Constitution, and a “taxing district” within the meaning of Article VII, Section 2 of the Constitution. The District shall be an entity independent of and separate from the County.

Section 2.02 Purposes. The purpose of the District shall be to provide a separate legal entity pursuant to Statute and Ordinance to exercise the powers available under the Statute to the

extent authorized by the Ordinance. The primary purpose of the District shall be the acquisition, construction, improvement, provision and funding of transportation improvements within the District that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels pursuant to chapter 36.73 RCW, as enacted or subsequently amended. The transportation improvements funded by the District shall be made in an effort to reduce the risk of transportation facility failure and improve safety performance, increase operating efficiency and preserve and maintain optimal performance of the infrastructure over time to avoid expensive infrastructure replacement in the future by investing in programs that provide:

- (a) Transportation System Preservation. Preserve, operate, maintain, and/or improve existing transportation infrastructures.
- (b) Transportation System Safety. Improve the safety performance and security of those who use the transportation system.
- (c) Transportation System Technology. Use technology-based approaches to address transportation congestion, safety performance, efficiency, and operations.
- (d) Other Projects. Any change or expansion of these authorized purposes shall be undertaken only after notice, public hearing and adoption of an authorizing ordinance in accordance with RCW 36.73.050(2) (b).

Section 2.03 Limitations on Liability. All debts, liabilities and other obligations incurred by the District (“Obligations”) shall be satisfied: (a) in the case of Obligations which, by their terms, are not payable from a special or limited source of funds, exclusively from the revenues, assets and properties of the District, and (b) in the case of Obligations which, by their terms, are payable from a special or limited source of funds, exclusively from such revenues, assets and properties of the District as shall be specifically pledged thereto or otherwise identified as being the source of payment thereof. No creditor, claimant or other person shall have any right of action against or recourse to the County or its revenues, assets or properties on account of or with respect to any such Obligations, or otherwise on account of or with respect to any acts or omissions of the District or its officers, employees or agents.

Section 2.04 Mandatory Disclaimers. A disclaimer in substantially the following form shall be posted in a prominent place accessible to the public in the District's principal office which shall be the Thurston County Courthouse. It shall also be printed or stamped on all contracts, bonds and other documents that evidence or create any Obligation which, by its terms, is not payable from a special or limited source of funds.

The Thurston County Transportation Benefit District (“District”) is a Transportation Benefit District established pursuant to Ordinance No. 15103 of Thurston County, Washington, and the laws of the State of Washington, including, but not limited to, Chapter 36.73 of the Revised Code of Washington. All debts, liabilities and other obligations incurred by the District shall be satisfied exclusively from the revenues, assets and properties of the District. No creditor, claimant or other person shall have any right of action against or recourse to Thurston County, the State of Washington, or any other political subdivision of the State of

Washington on account of or with respect to any debts, liabilities or other obligations of the District, or otherwise on account of or with respect to any acts or omissions of the District or its officers, employees or agents.

ARTICLE III **DISSOLUTION**

Section 3.01 Dissolution. The District shall exist until dissolved in accordance with the requirements of RCW 36.73.050. The retirement of debt, notice of dissolution and payment of creditors shall all comply with the provisions of the Statute. The District shall be automatically dissolved when all indebtedness of the District has been retired, and when all the District's anticipated responsibilities have been satisfied.

ARTICLE IV **POWERS; INDEMNIFICATION**

Section 4.01 Powers. Except as otherwise provided herein, the District shall have and may exercise all lawful powers conferred upon a Transportation Benefit District as of the date hereof by the laws of the State of Washington, limited as provided in the Ordinance. Such powers shall include, but are not limited to, the following:

(a) To hire employees, staff, and services, to enter into contracts, to direct agents and services acquired pursuant to contract or interlocal agreement, to acquire, hold, and dispose of real and personal property, and to sue and be sued. Public works contract limits applicable to the County shall apply to any contract entered into by the District. In the event that County staff are utilized, the general fund, the road fund or other appropriate County fund shall be reimbursed to, but only to the extent required by RCW 43.09.210 for local government accounting. The annual plan of the District shall provide estimates of all such charges and the final cost of all projects shall indicate such charges.

(b) To authorize a vehicle fee of up to \$20 per vehicle as provided for by RCW 82.80.140.

(c) When authorized by the voters pursuant to the requirements of the Statute, to authorize other fees, taxes, charges and tolls or increases in these revenue sources, and to use such funds assessed for the preservation, maintenance, safety and operation of County roads in accordance with the provisions of a state, regional, or local transportation plan.

(d) The Board shall have and may exercise all powers and functions provided by the Statute to fulfill the functions of the District.

(e) Additional powers and authorities may be conferred upon the District only in accordance with the requirements of the Statute following any procedural requirements set forth in the Statute.

(f) To issue its general obligation bonds and revenue bonds pursuant to the requirements of the Statute.

Section 4.02 Indemnification. To the extent permitted by law, the District shall protect, defend, hold harmless and indemnify any director, officer, employee or agent of the District 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 District, against judgments, fines, penalties, settlements and reasonable costs and expenses (including reasonable attorneys' fees) incurred by him or her in connection with such proceeding, if such person acted in good faith, reasonably believed his or her conduct to be in the District's best interests and if, in the case of any criminal proceedings, he or she had no reasonable cause to believe that 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, by County ordinance, or by contract or by vote of the Board of Directors. The District may purchase and maintain appropriate insurance covering such risks.

ARTICLE V **BOARD OF DIRECTORS**

Section 5.01 Board Powers. All powers of the District shall be exercised by or in the name of the Board of Directors. The powers of the Board shall include, but are not limited to, the following:

(a) To establish and implement the policies and programs of the District, and the procedures for the management and administration of the District's affairs;

(b) To appoint and remove from his/her position on the Board, at the pleasure of a majority vote of the Board, the District's officers, agents and employees, (except as expressly provided herein) and to prescribe their respective powers and duties consistent with the provisions hereof;

(c) To borrow money and incur indebtedness in accordance with the Statute;
and

(d) To provide for the investment of the District's funds.

Section 5.02 Board Composition. The Board shall be composed of the three members of the Thurston County Board of County Commissioners, who shall serve in an ex-officio and independent capacity. A Board member may be removed from service on the Board only when removed from his or her office as a County Commissioner. Any vacancy shall be filled only by the appointment or election of a new County Commissioner.

Section 5.03 Board Officers. The Board shall include two or more officers. The same person shall not occupy both the office of President and any office responsible for the custody of funds and maintenance of finances and accounts. The initial officers of the Board shall be the President and Vice President. Additional officers may be provided for in the Bylaws of the District.

The President shall be the agent of the District for purposes of receiving service of process; provided, that the Bylaws may designate additional officers of the District as agents to receive or initiate process. The District may contract with the County for such service as it may require.

Section 5.04 Treasurer. The Treasurer of the District shall be the Thurston County Treasurer who shall serve in an ex officio capacity. The County Treasurer is required by the Statute to serve as treasurer for the District and is not subject to removal by the Board.

Section 5.05 Conflict of Interest. Board members shall comply in all respects with the conflict of interest guidelines and prohibitions of chapter 42.23 RCW as the same exists or is hereafter amended.

Section 5.06 Attorney. The Board shall be represented by outside Counsel on retainer.

ARTICLE VI MEETINGS

Section 6.01 Board Meetings. Regular Board meetings shall be scheduled by the Board through a resolution. Special Board meetings shall be held from time to time as determined necessary by a majority of the Board or Board President.

Section 6.02 Board Quorum. A quorum to commence a Board meeting shall be no fewer than two members. The Bylaws of the District may prescribe Board quorum restrictions that equal or exceed the quorum restrictions imposed in this section. Final action of the Board with respect to the following action shall require the affirmative vote of two members:

- (a) Adoption of an annual plan for services;
- (b) Levy of any tax, charge or fee;
- (c) Adoption of the material change policy; or
- (d) Any response to a material change.

Voting by proxy shall not be permitted. Electronic meetings or participation are authorized so long as the meeting, notice and opportunity for public participation comply with State law.

Section 6.03 Open Public Meetings. Notice of meetings shall be given in a manner consistent with the Open Public Meetings Act, chapter 42.30 RCW as currently exists or subsequently amended. The District shall define in its Bylaws the opportunity for public comment to be permitted at Board meetings.

Section 6.04 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. The minutes of all Board meetings shall include a record of individual votes on all matters requiring Board concurrence.

ARTICLE VII
MATERIAL CHANGE AND ANNUAL REPORT

Section 7.01 Material Change Policy and Annual Report. The Board shall develop a material change policy to address major transportation improvement project changes that affect project delivery or the ability to finance the adopted transportation improvement project. At the date of adoption of a plan to execute the functions of the District, the Board shall adopt a material change policy which addresses material changes to cost, scope, and schedule, the level of change that will require Board involvement and how the Board will address those changes. At a minimum, in the event that a transportation improvement cost exceeds its original cost estimate by more than twenty percent as identified in the District's original finance plan, the Board shall hold a public hearing to solicit comment from the public regarding how the cost change should be resolved. In addition, an annual report shall be approved by the Board and issued by the District to the public and to newspapers of record in the District as required by RCW 36.73.160 indicating the status of transportation improvement costs, transportation improvement expenditures, revenues, and construction schedules.

ARTICLE VIII
BYLAWS

Section 8.01 Bylaws. The Board shall adopt Bylaws to provide additional rules that are not inconsistent with this Charter, governing the District and its activities.

ARTICLE IX
AMENDMENT TO CHARTER

Section 9.01 Proposals to Amend Charter. Any Board member may introduce a proposal to amend the Charter at any regular meeting or special meeting of the Board, provided, however, that all amendments shall comply with the minimum requirements and provisions of the Statute.

Section 9.02 Board Consideration of Proposed Amendments. The Board may vote on a proposal to amend the Charter at the same meeting at which the proposal is introduced if notice of a proposal to amend the Charter 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 days prior to any regular Board meeting. In the case of a special meeting, notice of a proposal to amend the Charter and information, including the text of the proposed amendment and a statement of its purpose and effect, must be provided to members of the Board thirty days prior to the special meeting. If such notice and information is not so provided, the Board may not vote on the proposal until the next regular or special meeting if such notice and information is provided pursuant to the timelines set forth above. Amendments to the proposal within the scope of the original proposal will be permitted at the meeting at which the vote is taken.

Section 9.03 Vote Required for Proposals to Amend the Charter. Resolutions of the Board approving proposals to amend the Charter shall require an affirmative vote of a majority of the Board members voting on the issue.

Section 9.04 Public Hearings. Certain amendments of the Charter may require action of the Thurston County Board of County Commissioners and a public hearing pursuant to the requirements of the Statute. No consideration of any Charter amendment may occur until the County complies with such requirements.

**ARTICLE X
COMMENCEMENT**

Section 10.01 Commencement. The District has commenced its existence effective upon the adoption of Ordinance 15103. This Charter shall become effective upon its approval by the Board.

**ARTICLE XI
MISCELLANEOUS**

Section 11.01 Liberal Construction and Severability. This Charter shall be liberally construed to effect its purposes. If any section or part of this Charter is ultimately ruled invalid or illegal by a court of competent jurisdiction, such invalidity or illegality shall not affect the remaining sections or parts of this Charter.

THIS CHARTER IS EXECUTED AS OF THIS 23rd DAY OF June, 2015.

THURSTON COUNTY TRANSPORTATION
BENEFIT DISTRICT

By: _____

Bud Blake

Its: President