

**CITY OF NORTH BONNEVILLE
ORDINANCE 1117**

**AN ORDINANCE OF THE CITY OF NORTH BONNEVILLE RELATING TO THE NORTH
BONNEVILLE PUBLIC DEVELOPMENT AUTHORITY AND AMENDING
ORDINANCE 1028, SECTIONS 11 AND 12 RELATING TO CHARTER AMENDMENTS.**

WHEREAS, by Chapter 37, Laws of 1974, extraordinary session, as amended by Chapter 322, Laws of 1985, regular session and codified as RCW 35.21.730 through RCW 35.21.757 (the "Act"), the legislature of the State of Washington authorized Cities to create public corporations, commissions and authorities; and

WHEREAS, the City Council created a Public Development Authority [PDA] with ordinance number 1028 for purposes of establishing a Board to control the retail sales of marijuana products resulting from the passage of Washington State Initiative 502; and

WHEREAS, the City Council wishes to amend sections of Ordinance 1028 relating to charter amendments; and

WHEREAS, the City Council finds that correcting issues in ordinance number 1028 serves the public's best interest.

NOW, THEREFORE, The City Council of the City of North Bonneville do hereby ordain as follows:

Legend: New language added = underlined
 Old language deleted = ~~strike-through~~

Section 1.

Amending Ordinance 1028 as follows:

**CHARTER
OF THE
NORTH BONNEVILLE PUBLIC DEVELOPMENT
AUTHORITY**

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**CHARTER
OF
THE NORTH BONNEVILLE PUBLIC DEVELOPMENT
AUTHORITY**

**ARTICLE I
Name and Seal**

Section 1.1 Name. The name of this Authority shall be the NORTH BONNEVILLE PUBLIC DEVELOPMENT AUTHORITY (the “Authority”).

Section 1.2 Seal. The Authority’s seal shall be a circle with the name “North Bonneville Public Development Authority” inscribed therein.

**ARTICLE II
Authority and Limit on Liability**

Section 2.1 Authority. The Authority is a public authority organized pursuant to RCW 35.21.730 - .757, as amended (the “Act”) and Ordinance No. 1028 of the City of North Bonneville, Washington (the “Ordinance”).

Section 2.2 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 North Bonneville, Washington (the “City”), its assets, credit or services, on account of any debts, obligations, liabilities or acts or omissions of the Authority.

Section 2.3 Mandatory Disclaimers. 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 North Bonneville Public Development Authority is a public authority organized pursuant to Ordinance No. 1028 of the City of North Bonneville and the laws of the State of Washington, RCW 35.21.703 through RCW 35.21.757. RCW 35.21.750 provides as follows: “All 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 or county creating such corporation, commission or authority on account of any debts, obligations or liabilities of such public corporation, commission or authority.”

ARTICLE III

Duration

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

ARTICLE IV

Purpose and Goals

The purpose of the Authority is to provide a legal entity organized under the Act and City of North Bonneville Ordinance No. 1028, to undertake, assist with and otherwise facilitate the Licensing of a Washington Marijuana Retail Dispensary, including, without limitation, the acquisition, construction, development, equipping, leasing, operation and maintenance of a Marijuana Retail Facility (“the Facility”) within or without the City of North Bonneville, Skamania County, Washington. To the extent appropriate and consistent with the needs and objectives of the City, the Authority will acquire and manage real property, secure financing, undertake the construction and development of and otherwise accomplish all purposes required for development and operation of the Facility.

To the extent appropriate and consistent with the needs and objectives of the City, and according to a timeline created by the ~~Authority~~ City, the ~~Authority~~ City will seek to sell the facility to a private sector organization or contract with a private sector organization for the operation of the facility.

For the purpose only of securing the exemption from federal income taxation for interest on obligations of the Authority, the Authority constitutes an instrument of the City of North Bonneville (within the meaning of those terms in regulations of the United States Treasury and ruling of the Internal Revenue Service prescribed pursuant to Section 103 of the Internal Revenue Code of 1998, as amended).

The Authority shall attempt to achieve the following goals through its operations:

- To help assure a tightly controlled and regulated marijuana market,
- To help finance substance abuse education and treatment in the community of North Bonneville,
- To prevent diversion of marijuana to other states,
- To prevent diversion of revenue to criminal enterprises,
- To prevent illegal sales,
- To prevent distribution of marijuana to minors and provide drug education to minors,
- To prevent illicit activities
- To prevent violence and the use of firearms in the distribution of marijuana
- To prevent drugged driving, and
- To generally promote public health and safety within the community of North Bonneville.

ARTICLE V

Powers

Section 5.1 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 5.2 Indemnification. To the extent permitted by law, the Authority shall protect, defend, hold harmless and indemnify any person who becomes director, officer, employee or agent of the Authority, and who is a party or threatened to be made a party to a proceeding by reason related to that person's conduct as a director, officer, employee or agent of the Authority, against judgements, fines, penalties, settlements and reasonable expenses (including attorneys' fees) incurred by him or her in connection with such proceeding, if such person acted in good faith and reasonably believed his or her conduct to be in the Authority's best interests and if, in the case of any criminal proceedings, he or she has 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 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 applicable law.

ARTICLE VI

Board

Section 6.1 Board Composition. Management of all Authority affairs shall reside in the Board. The Board shall be comprised of three (3) members and up to three (3) alternate members who shall be persons proposed by the Mayor and approved by City Council. No ~~Directors~~ board member shall be a creditor, investor, employee, the Mayor of North Bonneville ~~nor~~ or member of the North Bonneville City Council. The Mayor or a City Council member will act as a non-voting ex-officio member of the Board.

Section 6.2 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:

- Group I. One member for a two-year term;
- Group II. One member for a three-year term; and
- Group III. One member for a four-year term.
- Group IV. Alternate members are appointed for two-year terms.

(B) In making the appointments of the initial board members, the Mayor shall designate which members are assigned to ~~the three~~ groups I, II and III identified in subsection A above for the 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.

(D) Terms shall expire at the end of the day prior to the anniversary of the effective date of the Charter of the year in which the respective group is scheduled to terminate. ~~New appointees or reappointees~~ Newly appointed or reappointed board members shall be processed in the manner provided herein.

Section 6.3 Officers and Division of Duties. The Authority shall have three (3) officers. The same person shall not occupy both the office of President and any office responsible for the custody of funds and maintenance of accounts and finances. The officers of the Authority shall be the President, Vice President, and Secretary/Treasurer. These officers shall be members of the Board. The President shall be the agent of the Authority for service of process; the Bylaws may designate additional corporate officers as agents to receive or initiate process. Further duties of all officers may be provided for in the Bylaws. The Board shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed by City ordinance, and shall have stewardship for management and determination of all corporate affairs.

Section 6.4 Committees. The Mayor shall have the authority to appoint such advisory committees to the Authority as the Mayor may from time to time determine appropriate. The appointment of other committees shall be provided for in the Bylaws.

ARTICLE VII

Meetings

Section 7.1 Board Meetings.

- (A) The Board shall meet as necessary but not less than one (1) time a year.
- (B) Special meetings of the Board may be called as provided in the Bylaws.
- (C) ~~The Bylaws may provide that~~ All meetings shall be tape-recorded and made available to the public.

Section 7.2 Open Public Meetings. Notice of meetings shall be given in a manner consistent with the Open Public Meetings Act, Chapter 42.30 RCW. In addition, the Authority shall routinely provide reasonable notice of meetings to the City Clerk and to any individual specifically requesting it in writing. At such meeting, any citizen shall have a reasonable opportunity to address the Board either orally or by written petition. Voting by proxy is not permitted.

Section 7.3 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. The procedures set forth in Robert's Rules shall be advisory only, and the Chairman shall have discretion over adherence to Robert's Rules when efficiency and order can be accomplished in other ways.

Section 7.4 Minutes. Copies of minutes of all regular and special meetings of the Board shall be available to any person or organization that requests them as required by state law. Copies of approved minutes of all regular and special meetings shall be provided to the City Clerk. The minutes of all Board meetings shall include a record of individual votes on all matters requiring Board concurrence.

ARTICLE VIII

Bylaws

The initial Bylaws may be amended 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 elsewhere in the Charter for inclusion therein.

ARTICLE IX

Amendments to Charter and Bylaws

Section 9.1 Proposals to Amend Charter and Bylaws.

(A) Proposals to amend the Charter or Bylaws shall be presented in a format that strikes over material to be deleted and underlines new material.

(B) Any Board member may introduce a proposed amendment to the Charter or to the Bylaws (which may consist of new Bylaws) by resolution at any regular meeting or at any special meeting for which two (2) days advance written notice has been given to members of the Board.

(C) The City Council may amend the Charter by ordinance at any time with or without a resolution of the Board.

Section 9.2 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 (3)~~ two (2) votes.

Section 9.3 City Council Approval of Proposed Charter and Amendments. Proposed Charter amendments adopted by the Board resolution shall be submitted to the City Council for final approval. The Authority's Charter may be amended only by ordinance adopted by the City Council as provided in Ordinance No. 1028 or as amended.

ARTICLE X

Commencement

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

ARTICLE XI

Dissolution

RCW 35.21.750 In the event of the insolvency or dissolution of the public corporation, commission, or authority, the superior court of the county in which the public corporation, commission, or authority is or was operating shall have the jurisdiction and authority to appoint trustees or receivers of the corporate property and assets and supervise such trusteeship or receivership: PROVIDED, That all 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.

ARTICLE XII

Approval of Charter

APPROVED by Ordinance No. 1028 adopted by the City Council of the City of North Bonneville, Washington on November 12, 2013.

Section 3.

Severability.

If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4.

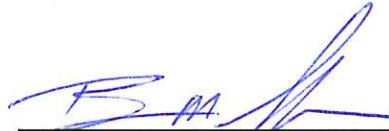
Effective Date and Publication.

This Ordinance shall be effective five days after publication of the Ordinance, or a summary thereof consisting of its title, in the official newspaper of the City.

PASSED BY THE CITY COUNCIL ON OCTOBER 22, 2019.

Attest:

Approved as to Form:



Brian Sabo, Mayor



Deanna Adams, City Clerk



Kenneth B. Woodrich, City Attorney