

**RESTATED BYLAWS
OF THE
WASHINGTON PUBLIC PORTS ASSOCIATION**

**ARTICLE I
PURPOSE OF THE ASSOCIATION**

The purpose of the Washington Public Ports Association (the "Association") is to undertake the activities set forth in chapter 53.06 RCW and the provisions of chapter 39.34 RCW as each may be amended from time-to-time. The Association and its Members recognize the Washington Legislature determination, in RCW 53.06.010, of the necessity and desirability of coordinating the administration programs and operations of all the Washington public port districts. The Association promotes the interests of ports and Washington state citizens to contribute to our state's economy and quality of life through effective government relations, ongoing education, and strong advocacy programs.

**ARTICLE II
MEMBERSHIP**

Section 1. Washington Public Port District Members.

All public port districts duly organized and existing under Title 53 RCW shall be eligible to be Members of the Association and shall be referred to as "Members".

Section 2. Associate Members.

Individuals and businesses with a bona fide interest in the aims and goals of the Association may be accepted as Associate Members upon application and upon such terms and conditions as the Association may, from time-to-time determine.

Section 3. Honorary Life Members.

Individuals, who have served as an officer or committee chairman or employee of the Association and/or performed extraordinary service for the Washington public port industry may, upon nomination by the Executive Committee become Honorary Life Members of the Association. Nomination for such membership shall be made by letter to the Executive Committee from a Member and shall state in detail the qualifications of the nominee for such membership. Honorary Life Members shall have full privileges of committee membership and participation, and of recognition and discussion from the floor of any meeting of the Board of Trustees but shall not have the privilege of voting on issues before the Members. Honorary Life Members shall not be liable for membership dues.

**ARTICLE III
GOVERNANCE OF THE ASSOCIATION**

Section 1. Board of Trustees.

Except as provided herein, the Board of Trustees shall govern the affairs of the Association. Each Member, in good standing, shall appoint a port commissioner as a trustee

(the "Trustee") to serve as a member of the Board of Trustees. The Trustee so appointed shall serve until the Member appoints a replacement. No proxy vote shall be allowed.

Section 2. Open Public Meetings Act.

The Board of Trustees is the "governing body" of the Association as the term is defined in RCW 42.30.020. All meetings of the Board of Trustees shall be held in compliance with chapter 42.30 RCW.

Section 3. Alternate Trustees.

Any Member may appoint one or more port commissioners or port employees to be alternate trustee. In the case where the Trustee is unable or unwilling to attend meetings of the Board of Trustees and alternate trustee may act on behalf of the Member; however, each Member will only have one vote on the Board of Trustees.

Section 4. Name of Trustee and Alternates Provided to the Association.

Each Member shall provide the names of the Trustee and the name(s) of the alternate trustees to the Executive Director of the Association in advance of the meetings of the Board of Trustees.

Section 5. Regular Meetings of the Board of Trustees.

The Board of Trustees shall meet at least twice yearly at the annual Spring meeting and the annual Fall meeting of the Association. At the regular meetings of the Board of Trustees, the Trustees may consider any business of the Association brought before them. If the Association does not hold the Spring meeting or the Fall meeting, the Executive Committee may designate an alternative time and place for the meeting.

Section 6. Special Meetings of the Board of Trustees.

Special meetings of the Board of Trustees may be called by the President of the Association, the Executive Committee of the Association, the Executive Director of the Association or any five (5) Trustees. The notice of a special meeting of the Board of Trustees must be provided to each Member at least three (3) business days in advance of the meeting. The notice must contain a description of the matter(s) that will be addressed, and no other matters may be addressed. The Association will provide for attendance of Trustees via telephone or other electronic means for any special meeting of the Board of Trustees.

Section 7. Manner of Acting.

Except as otherwise provided herein, all actions of the Board of Trustees shall be undertaken by motion duly made and seconded followed by discussion. Any actions of the Board of Trustees must receive a majority vote of those Trustees present at a meeting where a quorum is established.

Section 8. Quorum.

The presence of twenty (20) Trustees shall constitute a quorum for transaction of business of the Board of Trustees. Once a quorum is established the departure of any Trustee(s) shall not affect the ability of the Board of Trustees to continue to conduct the business of the Association.

Section 9. Actions Specifically Reserved to the Board of Trustees.

Without limiting the authority of the Board of Trustees to govern the affairs of the Association, the following actions are specifically reserved to the Board of Trustees.

- a. Appoint the officers of the Association and the members of the Executive Committee of the Association.
- b. Remove any officer or Executive Committee member.
- c. Adopt basic policies and programs of the Association.
- d. By a two-thirds majority of those present at a meeting where a quorum is established, set the annual dues or assessments.
- e. Approve the annual budget of the Association.
- f. Appointment a person recommended by the Executive Committee to serve as the Executive Director.
- g. With consultation of the Association's general counsel and upon recommendation of the Executive Committee terminate the Executive Director.
- h. Upon the recommendation of the Executive Committee appoint Honorary Life Members of the Association.

ARTICLE IV EXECUTIVE COMMITTEE

Section 1. Powers and Duties.

The Executive Committee is appointed by the Board of Trustee to exercise all corporate powers of the Association (except those reserved to the Board of Trustees in Article II) necessary to administer and manage the affairs of the Association. Without limiting the foregoing, the Executive Committee shall have the authority and responsibility to:

- a. Within the budget approved by the Board of Trustees, expend and collect Association funds in furtherance of Association purposes.
- b. Supervise the Executive Director and, within the budget approved by the Board of Trustees, conduct a written performance review annually, and if appropriate, adjust the salary of the Executive Director.
- c. Adopt (and modify as appropriate) a written delegation of powers resolution to delegate such powers of the Executive Committee to the Executive Director as it deems appropriate.
- d. Form sub-committees of the Executive Committee to undertake such activities as the Executive Committee shall determine appropriate and necessary.
- e. Within the budget approved by the Board of Trustees retain such consultants as the Executive Committee deems appropriate and necessary.
- f. Within the budget approved by the Board of Trustees, approve all contracts, leases, any other agreements of the Association.

- g. Within the budget approved by the Board of Trustees purchase such insurance and bonds for the Association as the Executive Committee deems prudent.
- h. Within the budget approved by the Board of Trustees, manage the Association's office building, including leasing, ordinary maintenance, capital expenditures and manage the building debt.
- i. When required, conduct a search for a new Executive Director and recommend a person to the Board of Trustees to serve as an Executive Director.
- j. Appoint an interim Executive Director to serve until a permanent Executive Director is appointed.
- k. With the recommendation of the Executive Director, appoint members to committees (other than the Executive Committee) and the chair of each committee.

Section 2. Executive Committee Membership.

The Executive Committee shall consist of the President, Vice President, Secretary, Treasurer, and the two most immediate past presidents of the Association. The Executive Committee may, from time to time, appoint ex-officio members of the Executive Committee who shall serve without a vote for a period not to exceed one (1) year and subject to reappointment.

Section 3. Tenure and Qualifications.

With the exception of the Treasurer, all Executive Committee members shall be a Trustee of a Member. The Treasurer shall be a commissioner or employee of a Member. All Executive Committee members shall hold office until his or her successor shall have been appointed. If an Executive Committee member ceases being a Trustee of a Member that person shall no longer be an Executive Committee member. If the Treasurer and an Executive Committee member are from the same Member, then only the Executive Committee member that is the Trustee shall have a vote. If the Executive Committee member that is the Trustee does not vote on an issue before the Executive Committee then the Treasurer shall have a vote on that issue.

Section 4. Vacancies – Temporary Appointment.

In case of any vacancy in the Executive Committee, the remaining Executive Committee members, whether constituting a quorum or not, may appoint a successor to hold office for the unexpired portion of the term of the Executive Committee member whose place shall be vacant and until his/her successor shall have been duly elected and qualified.

Section 5. Resignation.

Any Executive Committee member may resign at any time by delivering written notice to the Executive Director. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

Section 6. Removal of Executive Committee Member.

At a meeting of the Board of Trustees called expressly for that purpose, any Executive Committee member may be removed, with or without cause, by a vote of the majority of the Board of Trustees then present.

Section 7. Regular Meetings.

The Executive Committee shall meet at the Fall meeting of the Association. At the Fall meeting of the Association, the Executive Committee shall adopt a schedule of regular meetings for the following twelve months which shall include a meeting at the Spring meeting of the Association. At any regular meeting of the Executive Committee, any business of the Association may be transacted, and the Executive Committee may exercise all of its powers.

Section 8. Special Meetings.

Special meetings may be called at any time and place upon the call of the president, secretary, or any two (2) Executive Committee members. Notice of the time and place of each special meeting shall be given by the secretary, or the persons calling the meeting, by mail, private carrier, electronic mail, facsimile transmission, or personal communication by telephone or otherwise at least two (2) days in advance of the time of the meeting. The notice must contain a description of the matter(s) that will be addressed, and no other matters may be addressed. Notice of any special meeting may be waived in writing (either before or after such meeting) and will be waived by any Executive Committee member in attendance thereat.

Section 9. Quorum, Voting and Adjournment.

(a) A majority of the Executive Committee members shall constitute a quorum for the transaction of business at a meeting. The Executive Committee may continue to transact business at a meeting at which a quorum was initially present.

Section 10. Meetings by Conference Telephone.

Executive Committee members may participate in meetings by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time; participation in a meeting by such means shall constitute presence in person at such meeting.

Section 11. Communications with Board of Trustees.

The Executive Committee shall:

- a. Provide an annual report to the Board of Trustees concerning the Association and significant events.
- b. Provide a draft budget for consideration of the Board of Trustees.
- c. If necessary, recommend a person to serve as Executive Director.

**ARTICLE V
OFFICERS**

Section 1. Officers Designated.

The officers of the Association shall be a president, a vice president, a secretary, and a treasurer, each of whom shall be elected by the Board of Trustees. Such other officers and assistant officers, as may be deemed necessary, may be elected, or appointed by the Board of Trustees. Any two or more offices may not be held by the same person.

Section 2. Election, Qualification and Term of Office.

With the exception of the Treasurer, all officers shall be a commissioner of a Member. The Treasurer shall be a commissioner or employee of a Member. All officers shall serve a one (1) year term except the treasurer who shall serve a two (2) year term. All officers shall hold office until his or her successor shall have been appointed. If an officer ceases being a commissioner (or in the case of the treasurer an employee of a Member) that person shall no longer be an officer.

Section 3. Vacancies – Temporary Appointment.

In case of any officer vacancy, the remaining Executive Committee members, whether constituting a quorum or not, may appoint a successor to hold office for the unexpired portion of the term of the officer until his/her successor shall have been duly elected and qualified.

Section 4. Resignation.

Any officer may resign at any time by delivering written notice to the Executive Director. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

Section 5. Powers and Duties.

(a) President. The president shall preside at meetings of the Executive Committee and meetings of the Board of Trustees and shall be the chief spokesperson for the Association in coordination with the Executive Director.

(b) Vice President. In the absence of the president or his or her inability to act, the vice president shall act in his or her place and stead and shall have all the powers and authority of the president, except as limited by resolution of the Board of Trustees.

(c) Secretary. The secretary shall: (1) keep the minutes of the Board of Trustee's meetings and Executive Committee meetings in one or more books provided for that purpose; (2) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (3) be custodian of the Association's records; (4) update the appendix to these Bylaws as appropriate, and (5) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the Board of Trustees.

(d) Treasurer. Subject to the direction and control of the Board of Trustees, the treasurer shall have the custody, control, and disposition of the funds and securities of the Association and shall account for the same; and, at the expiration of his or her term of office, he or she shall turn over to his or her successor all property of the Association in his or her

possession. Through the term of office, the Association shall obtain a bond, fidelity insurance, or other similar instrument of financial security, in the minimum amount of \$100,000 as set by the Executive Committee.

ARTICLE VI EXECUTIVE DIRECTOR

Section 1. Powers and Duties.

The Executive Director is the principal employee of the Association appointed by the Board of Trustees. The Executive Director operates under the supervision and direction of the Executive Committee. Within authority delegated by the Executive Committee, lead and develop the Association's legislative and executive agencies programs and exercises all corporate powers of the Association necessary to administer and manage the affairs of the Association. The Association shall obtain a bond, fidelity insurance, or other similar instrument of financial security for the Executive Director in the minimum amount of \$100,000 as set by the Executive Committee.

Section 2. Specific Duties.

Without limiting the provisions of Section 1, the Executive Director shall

- a. Undertake such actions and initiatives as directed by the Executive Committee.
- b. Within the budget approved by the Board of Trustees hire, manage, supervise, provide annual written reviews, discipline, or terminate the employees of the Association.
- c. During an emergency take such actions as are necessary to address the emergency and protect the Association. Any actions taken in this regard shall be promptly reported to the Executive Committee.
- d. Provide a draft annual budget of the Association to the Executive Committee.
- e. Provide recommendations to the Executive Committee for action on all contracts, leases, any other agreements to be considered by the Executive Committee recognizing that the Executive Committee may delegate authority to execute contracts, leases, any other agreements to the Executive Director.
- f. Provide regular report to the Executive Committee concerning the affairs of the Association.

ARTICLE VII ASSOCIATION COMMITTEES

Section 1. Standing and Special Committees.

There shall be a standing Legislative Committee and such other standing or special committees as may be from time to time established or terminated by the Board of Trustees or the Executive Committee. Standing Committees serve an ongoing Association purpose. Special committees are formed for a limited purpose and are generally of limited duration. A current list of the current Standing and Special Committees shall be attached hereto (and updated as appropriate) as Appendix 1. Appendix 1 may be updated, from time to time (as determined by the Executive Committee as provided herein) without the need to amend these Bylaws. Unless otherwise specified by action of the Board of Trustees, all committees shall serve only to advise and assist the Board of Trustees, the Executive Committee, and Executive Director in carrying

out the programs of the Association. The President and the Executive Director shall be an ex-officio member of all committees.

Section 2. Appointment of Committee Members.

Subject to direction from the Executive Committee, members of the committees (other than the Executive Committee) and the chair of each committee shall be appointed and removed by the Executive Director.

Section 3. Membership.

All members of Standing Committees shall be commissioners, Member employees, Association employees, Associate Member employees or the legal counsel of the Association or legal counsel of a Member or Associate Members. Special Committee members may include such other persons as the Executive Committee determines may be beneficial to achieve the purpose of the Special Committee.

Section 4. Manner of Acting.

The Committee may elect, but is not required, to vote on a particular recommendation. In such a case, the vote shall be reported with the recommendation. In the alternative, the Committee may elect to present the variety of Committee member views on a particular topic to the Board of Trustees, the Executive Committee, or Executive Director as the case may be.

Section 5. Reports to Executive Committee and Board of Trustees.

Each Committee shall provide such reports to the Executive Committee and the Board of Trustees as the President may request.

**ARTICLE VIII
MEMBER DUES AND
FINANCIAL INTEREST**

Section 1. Member Dues.

The total funds to be raised in any year for the purposes of this Association by the assessment of dues against Members shall be set by the Board of Trustees at the Fall annual meeting of the Association. The then current Member dues shall be attached to these Bylaws as Appendix 2 and shall remain in effect until changed by the Board of Trustees. Appendix 2 may be updated, from time to time (as determined by the Board of Trustees as provided herein) without the need to amend these Bylaws.

Section 2. Financial Interest in Association.

From time-to-time the Association may acquire real or personal property assets to support the purposes of the Association. The Board of Trustees may establish rules and procedures for distribution of the proceeds to the Members upon sale of such assets. The then rules and procedures for distribution of the proceeds to the Members upon sale of such assets

shall be attached to these Bylaws and shall remain in effect until changed by the Board of Trustees.

Section 3. Notice and Two-Thirds Vote Required to Change Dues or Financial Interest.

The Members' dues or financial interest may only be changed by a two-thirds (2/3rds) vote of the Trustees present and voting at any meeting of the Board of Trustees wherein a quorum has been established. Notice to all Members of the substance of any proposed change must be provided at least thirty (30) days prior to the meeting of the Board of Trustees wherein the proposed change(s) will be considered.

Section 4. Associate Member Dues.

The Executive Committee shall, from time-to-time set the amount of Associate Member dues.

**ARTICLE IX
DEFENSE AND INDEMNIFICATION**

Section 1. Defense and Indemnification of Trustees, Executive Committee Members, Officers and Employees.

To the full extent permitted by any applicable law governing the operations of this Association, the Association shall defend (with legal counsel reasonably selected by the Executive Committee or the Association's insurance carrier) and indemnify any person who was or is a party or is threatened to be made a party to any civil, criminal, administrative or investigative action, suit or proceeding, (whether -brought by or in the right of the Association, or otherwise) by reason of the fact that he or she is or was a Trustee, Executive Committee member, officer or employee of the Association, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; and the Board of Trustees may, at any time, approve indemnification of any other person which the Association has the power to indemnify under the appropriate laws of the State of Washington governing the operation of the Association in such matters. The indemnification provided by this bylaw shall not be deemed exclusive of any other right to which a person may be entitled as a matter of law or by contract. However, the defense and indemnification obligations herein shall not apply in any case where the court has found that such person was not acting in good faith or within the scope of his or her employment with or duties for the Association.

Section 2. Notice of Claim for Indemnification.

As a condition precedent to any right of indemnification under this bylaw, the person seeking indemnification shall, as soon as is reasonably possible after he or she becomes aware that he or she is or is threatened with being made a party to any such action, suit or proceeding, provide written notice addressed to the president of the Association at the office of the Association of the potentiality or existence of the matter which has or may give rise to the request for indemnification. However, the Executive Committee may, in its sole discretion,

waive giving of written notice as a condition precedent to the authorization of the payment of funds for defense or indemnification.

Section 3. Insurance.

The Executive Committee shall cause the Association to purchase insurance, with limits as the Executive Committee may deem reasonable, to insure the defense and indemnification obligations provided herein.

**ARTICLE X
BOOKS AND RECORDS**

Section 1. Books of Accounts, Minutes.

The Association shall keep as permanent records minutes of all meetings of the Board of Trustees. The Association shall maintain appropriate accounting records.

Section 2. Copies of Resolutions.

Any person dealing with the Association may rely upon a copy of any of the records of the proceedings, resolutions or votes of the Board of Trustees when certified by the president or secretary.

Section 3. Application of Washington Public Records Act.

The Association shall be bound by the Washington Public Records Act, chapter 42.56 RCW.

**ARTICLE XI
FISCAL YEAR**

The fiscal year of this Association shall be the calendar year unless otherwise set by resolution of the Board of Trustee.

**ARTICLE XII
RULES OF ORDER**

Section 1. Rules of Order for Board of Trustees' Meetings. The Board of Trustees may adopt such rules as may be necessary for the orderly transaction of Association business at the meetings of the Board of Trustees. Unless other rules are adopted the rules in this section will apply.

Section 2. Conduct of Meeting. The regular meetings of the Board of Trustees shall be conducted as follows.

- a. Call to order
- b. Approval of agenda
- c. Approval of previous minutes

- d. President's report
- e. Treasurer's report
- f. Executive director's report
- g. Approval of budget
- h. Committee reports
- i. Old or new business
- j. Adjournment

Section 3. Motions. All actions of the Board of Trustees shall be on motion moved and seconded followed by discussion. The following motions are allowed.

- a. A motion to adopt a specific action by the board.
- b. A motion to table the item to another meeting (including fact-finding assignments to a person or committee).
- c. A motion to remove an item from consideration.
- d. A motion to modify or withdraw a motion. Only the original movant may modify or withdraw his or her motion. Other board members may modify a motion by presenting it in the form of their own motion.
- e. A motion to end discussion and vote on motion.

ARTICLE XIII AMENDMENT OF BYLAWS AND CHANGES TO APPENDIX

Section 1. By the Board of Trustees.

The Bylaws of this Association may only be amended by a two-thirds (2/3rds) vote of the Trustees present and voting at any meeting of the Board of Trustees wherein a quorum has been established. It is noted that the Appendix may be changed without amendment to these Bylaws.

Section 2. Notice of Proposed Amendments.

Notice to all Members of the substance of any proposed amendments must be provided at least thirty (30) days prior to meeting of the Board of Trustees wherein the proposed amendment(s) will be considered.

The undersigned president of the Washington Public Ports Association does hereby certify that the above and foregoing Bylaws of said Association were adopted by the Board of Trustees as the Bylaws of the Washington Public Ports Association that the same do now constitute the Bylaws of this Association.

DATED this 13th day of December 2024

Attest:

JC Baldwin

JC Baldwin, President

APPENDIX 1

ARTICLE VII ASSOCIATION COMMITTEES

Standing Committees

Aviation Committee
Communications Committee
Economic Development Committee
Environmental Technical Committee
Environmental Policy Committee
Finance and Administration Committee
Legal Committee
Legislative Committee
Marina Committee
Trade and Transportation Committee
Broadband Committee

Special Committees

Investment Committee
Nominating Committee

APPENDIX 2

ARTICLE VIII DUES AND FINANCES

Part A – General

1. For dues computation purposes, member ports shall be divided into three groups.

2. Group I shall include all member ports with more than \$200 million annual gross operating revenue less taxes levied; Group II shall include all member ports with between \$100 and \$200 million annual gross operating revenue less taxes levied; Group III shall include all other member ports.

3. Group I and II ports shall together pay the following percentages of the total funds authorized by the Trustees to be collected in dues:

2025 – 41.5%, 2026 – 39%, starting in 2027 and thereafter – 38%

4. Group I and Group II ports separate shares of the above percentages shall be reflected as follows:

2025 – Group I, 24% and Group II, 17.5%

2026 – Group I, 23% and Group II, 16%

2027 and thereafter – Group I, 22% and Group II 16%

5. Group III ports dues will be assessed based on a formula of total gross port revenues, including ad valorem property receipts and interest income excluding grants, federal and state appropriations, extraordinary revenue, airport passenger charges (PFC) and restricted trust funds. Each port will pay dues based on its pro-rated share of total revenues of association members minus the Group I and Group II ports.

For purposes of calculating a Group III port's dues share, its revenue figure shall reflect an average of the "total gross port revenues" described above that encompasses the preceding five years of revenue data available for that port. For example, the dues assessed to a port in 2025 will be based on a revenue number derived by averaging the total gross port revenues from 2018, 2019, 2021, 2022, and 2023.

Group III ports with dues share calculated between \$300 and \$750 will pay a flat \$600 share, and for those at \$300 or less, a \$300 share.

6. For Group III ports, a "dues floor" is included in the formula, to have the following effect: in years there the ports average revenues are increasing from the previous year (i.e. the five year average from 2018-2022 increases in the five-year average from 2019-2023), and the Association's operating budget is increasing, that port's dues cannot decrease below their dues from the prior year.

7. Operating and property tax revenue data will be collected annually beginning with 2006 data and data will be based on the most recent data available.

8. The dues formula will be reviewed by the Executive Committee every five (5) years and approved by the Board of Trustees at that time.

9. If it becomes necessary to assess supplemental dues, then such dues shall be levied against active members on a pro rata basis computed as follows: The percentage which each member's regular dues bears to the original total of regular dues raised shall be that member's percent of the supplemental amount to be raised.

10. Port districts entering membership in the Association for the first time shall be charged first year dues which shall be determined by the Executive Committee. For the second and each succeeding year their dues shall be levied in accordance with the procedures outlined herein.

11. Dues collected from new active members that join after January 1 shall be in addition to the total dues of all active members set by the Board of Trustees at its last previous annual meeting.

12. Effective January 1, 2020, if a port leaves membership in the Association and subsequently re-joins the Association, they shall be assessed back unpaid dues for the previous years while they were not a member. Back dues shall be limited to no more than the previous three years of dues. Past dues may be re-paid in annual installments at the rate of two years for every one year of non-membership. For example, one year of non-membership dues may be paid back in two years, two years of non-membership repaid in four years, etc.

13. Special assessments to fund special projects or obligations which are authorized by the Executive Committee and/or the Board of Trustees may be funded on a "special assessment basis," using as a formula for assessment the percentage which each active member's dues bears to the total regular dues raised for the current year. At the discretion of the Executive Committee a different funding formula may be applied to such special assessments.

14. Members shall be dropped from active membership for non-payment of dues or assessments after 120 days from date of notice of assessment unless otherwise determined by the Executive Committee. Members may withdraw from active membership upon sixty days' notice in writing; PROVIDED, that such withdrawal shall not relieve such member from payment of dues or assessments theretofore levied.

Part B – Purchase of Property

The Association may purchase real property as deemed necessary by the Board of Trustees to support the purposes of the Association. The following provisions shall apply to a sale or other disposition of such real property:

1. Sale, disposition, or other encumbrance (other than leases to tenants in the ordinary course of business) of such real property shall take place only upon approval of the Board of Trustees.

2. Upon a sale or other disposition of real property, proceeds of the real property, after satisfying the costs of sale and any liens or encumbrances on the property, and after establishing any reserves that the Board of Trustees deems appropriate, shall be distributed out to the those public port districts who were active members of the Association at the time of acquisition of the real property and who are active and have not withdrawn from the Association, whether pursuant to these Bylaws or RCW 53.06.040, at the time of the sale of the real property (or at the time of dissolution or liquidation, for purposes of item 3 below).

3. Upon a dissolution or liquidation of the Association, the real property will be sold and disposed of and the proceeds therefrom shall be applied and distributed in the same manner as contemplated by item 2 above.

4. Proceeds distributable to members pursuant to items 2 or 3 above shall be allocated among those port districts who are active members at the time of such sale, disposition, dissolution or liquidation in proportion to the amount of the last annual dues for such members, as provided in the Articles of Incorporation.

5. A public port district who was an active member at the time of the acquisition of the real property but who was not an active member at the time of the sale or disposition of the real property or dissolution or liquidation of the Association shall have no rights to participate in any proceeds from the sale or other disposition of the real property and shall have no rights, at the time it ceases to be an active member, to seek a refund or repayment of any dues it paid towards the real property, to seek a partition in respect of the real property, to seek a dissolution or liquidation of the Association, or to pursue any substantially similar remedy.