

Prepared by Foster Pepper & Shefelman PLLC
1111 Third Avenue, Suite 3400
Seattle, WA 98101
206/447-4400

COLUMBIA GORGE HOUSING AUTHORITY
OF
BYLAWS

Adopted May 16, 2003

ARTICLE 1. OFFICES 1

ARTICLE 2. BOARD OF COMMISSIONERS 1

SECTION 2.1 GENERAL POWERS 1

SECTION 2.2 NUMBER OF COMMISSIONERS; QUALIFICATION AND APPOINTMENT 1

SECTION 2.3 TENURE 1

SECTION 2.4 ANNUAL AND OTHER REGULAR MEETINGS 1

SECTION 2.5 SPECIAL MEETINGS 2

SECTION 2.6 PUBLIC MEETINGS; MINUTES; EXECUTIVE SESSIONS 2

SECTION 2.7 QUORUM 2

SECTION 2.8 MANNER OF ACTING 2

SECTION 2.9 PARTICIPATION BY CONFERENCE TELEPHONE OR ELECTRONIC MEDIA 2

SECTION 2.10 PRESUMPTION OF ASSENT 2

SECTION 2.11 BOARD COMMITTEES 3

SECTION 2.12 RESIGNATION; REMOVAL 3

SECTION 2.13 VACANCIES 3

SECTION 2.14 COMPENSATION 3

ARTICLE 3. OFFICERS 3

SECTION 3.1 NUMBER; APPOINTMENT AND TERM OF OFFICE 3

SECTION 3.2 RESIGNATION 3

SECTION 3.3 REMOVAL 4

SECTION 3.4 CHAIRPERSON OF THE BOARD 4

SECTION 3.5 VICE CHAIRPERSON OF THE BOARD 4

SECTION 3.6 EXECUTIVE DIRECTOR 4

SECTION 3.7 SECRETARY 4

SECTION 3.8 TREASURER 4

SECTION 3.9 ASSISTANT OFFICERS 5

ARTICLE 4. EXECUTION OF CONTRACTS, DEEDS AND TRANSFERS 5

SECTION 4.1 EXECUTION OF CONTRACTS AND DEEDS 5

ARTICLE 5. FINANCES 5

SECTION 5.1 LOANS 5

SECTION 5.2 CHECKS, DRAFTS, ETC. 5

SECTION 5.3 USE OF INCOME 5

SECTION 5.4 CONTRIBUTIONS AND DISBURSEMENTS 5

SECTION 5.5 BUDGET 6

SECTION 5.6 CONFLICTS OF INTEREST 6

ARTICLE 6. RULES OF PROCEDURE 6

ARTICLE 7. SEAL 7

TABLE OF CONTENTS

ARTICLE 8. BOOKS AND RECORDS..... 7

ARTICLE 9. FISCAL YEAR..... 7

ARTICLE 10. COPIES OF RESOLUTIONS..... 7

ARTICLE 11. LIMITATION ON DISTRIBUTION OF FUNDS..... 7

ARTICLE 12. AMENDMENTS TO BYLAWS..... 8

Section 2.4 Annual and Other Regular Meetings. The Authority shall hold an annual meeting for the purpose of electing officers and for the transaction of such other business as may come before the meeting. The Board of Commissioners shall by resolution establish the dates, times and locations of its annual and other regular meetings. If the date of any annual or regular meeting falls on a legal holiday, such meeting will be held on the next succeeding business day. The Board of Commissioners

Section 2.3 Tenure. The terms of the original commissioners shall be staggered such that one commissioner shall serve an initial term of one year, and two commissioners shall serve initial terms of three years. The respective terms of the original commissioners will be determined by lot at the first meeting of the Board of Commissioners. Thereafter, the commissioners shall be appointed for terms of three (3) years each, except that any vacancies shall be filled for the unexpired term. A commissioner shall hold office until a successor has been appointed and qualified. Notwithstanding the foregoing, if the Board authorizes the appointment of a sixth commissioner, that commissioner shall serve for a term to be determined by the Board of Commissioners.

Section 2.2 Number of Commissioners; Qualification and Appointment. The Authority's Board of Commissioners will consist of five (5) commissioners composed of two commissioners each to be appointed by the respective boards of county commissioners of Klickitat County and Skamania County (any or all of which may be of Goldendale (which may be the Mayor), consistent with the requirements of the Revised Code of Washington ("RCW") 35.82.040. The Board may, by resolution, temporarily or permanently increase the number of commissioners to six (6) as permitted by RCW 35.82.040 to comply with federal requirements.

Section 2.1 General Powers. The Authority's business and affairs will be managed by its Board of Commissioners.

ARTICLE 2. BOARD OF COMMISSIONERS

The Authority's principal office and place of business in the state of Washington shall be located at P.O., Box 1703, White Salmon, 98672, or at such other location as the Board of Commissioners may designate from time to time.

ARTICLE 1. OFFICES

COLUMBIA GORGE HOUSING AUTHORITY

OF

BYLAWS

may change the date(s), time(s) and location(s) of its annual or regular meetings by resolution.

Section 2.5 Special Meetings; Notice Requirements. Special meetings of the Board of Commissioners may be called by the Board of Commissioners, the Chair of the Board, the Executive Director or any commissioner to transact any business designated by the person(s) calling the meeting. A special meeting will be held at the time and location designated by the person(s) calling the meeting. Notice of any special meeting shall be given in accordance with RCW 42.30.080. Receipt of such notice may be waived by any commissioner as provided in RCW 42.30.080.

Section 2.6 Public Meetings; Minutes; Executive Sessions. All meetings of the Board of Commissioners shall be open to the public and shall be held in accordance with chapter 42.30 RCW. The Board of Commissioners may hold an executive session during any meeting for the purposes and in the manner provided by RCW 42.30.110.

Section 2.7 Quorum. Three commissioners will constitute a quorum for the transaction of any business at any meeting of Board.

Section 2.8 Manner of Acting. If a quorum is present when a vote is taken, the affirmative vote of a majority of commissioners present is the act of the Board of Commissioners, unless the question is one upon which a different vote is required by express provision of state law or of these Bylaws. No action shall be taken by the Board except at a meeting duly called pursuant to these Bylaws and consistent with state law.

Section 2.9 Participation by Conference Telephone or Electronic Media. Commissioners may participate in a regular or special meeting of the Board by, or conduct the meeting through the use of, any means of communication by which all commissioners participating can hear each other during the meeting and participation by such means will constitute presence in person at the meeting. Any meeting conducted through the use of conference telephone or electronic media must have a specific location identified where members of the general public wishing to participate in the meeting can hear and be heard by all commissioners.

Section 2.10 Presumption of Assent. A commissioner who is present at a meeting of the Board of Commissioners at which action is taken will be presumed to assent to the action taken unless such commissioner's dissent is entered in the minutes of the meeting or unless such commissioner files his or her written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or within a reasonable time thereafter. Such right to dissent will not apply to a commissioner who voted in favor of such action.

Section 2.11 Board Committees. The Board of Commissioners may by resolution designate from among its members an executive committee or other committees, each of which must have two or more members and will be governed by the

same rules regarding meetings, action without meetings, notice, waiver of notice, and quorum and voting requirements as applied to the Board of Commissioners. To the extent provided in such resolutions, each such committee will have and may exercise the authority of the Board of Commissioners, except as limited by applicable law. The designation of any such committee and the delegation thereto of authority will not relieve the Board of Commissioners, or any members thereof, of any responsibility imposed by law.

Section 2.12 Resignation; Removal. Any commissioner may resign at any time by delivering written notice to the Chair of the Board, the Vice-Chair, the Board of Commissioners or the Executive Director, or by giving oral notice at any meeting of the commissioners. A commissioner may be removed by the applicable board of county commissioners or the Mayor, as applicable, for inefficiency, neglect of duty or misconduct in office consistent with the requirements of RCW 35.82.060.

Section 2.13 Vacancies. Any vacancy occurring in the Board of Commissioners shall be filled by appointment by the applicable board of county commissioners or the Mayor, as applicable. A commissioner appointed to fill a vacancy will be appointed for the unexpired term of his or her predecessor in office.

Section 2.14 Compensation. Commissioners shall receive no compensation for services, but may be paid the actual necessary expenses, if any, including travel expenses, incurred in carrying out the duties of commissioner.

ARTICLE 3. OFFICERS

Section 3.1 Number; Appointment and Term of Office. The Board of Commissioners will have a Chair and a Vice Chair, each a member of and elected annually by the Board. The Board of Commissioners also shall appoint an Executive Director of the Authority who will serve as Secretary of the Board [and Treasurer], and may appoint such other officers and assistant officers (from among its employees or commissioners) as it deems necessary or appropriate. The Executive Director and other officers appointed by the Board will serve for such term as the Board deems advisable or may be appointed to serve for an indefinite term at the Board's pleasure. Each officer will hold office until a successor is appointed regardless of such officer's term of office, except in the event of such officer's termination of an indefinite term at the Board's pleasure or such officer's removal in the manner provided in these Bylaws.

Section 3.2 Resignation. Any officer may resign at any time by delivering written notice to the Chair of the Board, Executive Director or the Board of Commissioners, or by giving oral notice at any Board meeting. Any such resignation will take effect at any subsequent time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation is not necessary to make it effective.

Section 3.3 Removal. The Board of Commissioners may remove any officer it has appointed with or without cause. The removal will be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent will not of itself create contract rights.

Section 3.4 Chair of the Board. The Chair of the Board will preside at all meetings of the Board of Commissioners, and exercise and perform such other powers and duties as the Board of Commissioners may determine from time to time by resolution.

Section 3.5 Vice Chair of the Board. In the Chair's absence, or if there is no Chair, the Vice Chair of the Board will preside at all meetings of the Board of Commissioners and perform all other duties of the President, and will exercise and perform such other powers and duties as the Board of Commissioners may determine from time to time by resolution.

Section 3.6 Executive Director. The Executive Director will be the Authority's principal executive officer and, subject to the Board of Commissioners' control, will generally supervise and control the Authority's business and affairs. The Executive Director may sign deeds, mortgages, bonds, contracts, or other instruments that the Board of Commissioners has authorized to be executed, except in cases where the signing and execution of such document is expressly delegated by the Board of Commissioners or by these Bylaws to some other officer or agent of the Authority or is required by law to be otherwise signed or executed. In general, the Executive Director will perform all duties incident to office of Executive Director and such other duties as the Board prescribes by resolution.

Section 3.7 Secretary. The Executive Director will act as Secretary to the Board of Commissioners and will keep the minutes of the proceedings of the Board of Commissioners, will give notices in accordance with the provisions of these Bylaws and as required by law, will be custodian of the Authority's corporate records, and in general will perform all duties incident to the office of Secretary and such other duties as from time to time the Board assigns to the Secretary by resolution.

Section 3.8 Treasurer. The Executive Director will act as Treasurer of the Authority and will have charge and custody of and be responsible for keeping correct and complete books and records of account, for all the Authority's funds and securities, receive and give receipts for moneys due and payable to the Authority from any source whatsoever, deposit all such moneys in the name of the Authority in the banks, trust companies or other depositories as selected in accordance with the provisions of these Bylaws, and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time the Board assigns to the Treasurer by resolution. If the Board requires it, the Treasurer must give a bond for the faithful discharge of his or her duties, in such sum and with such surety or sureties as the Board determines to be necessary.

Section 3.9 Assistant Officers. The assistant officers in general will perform such duties as are assigned to them by Board resolution. If the Board requires it, the assistant Treasurers must respectively give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board determines to be necessary.

ARTICLE 4. EXECUTION OF CONTRACTS, DEEDS AND TRANSFERS

Section 4.1 Execution of Contracts and Deeds. Except as otherwise provided by Board resolution authorizing the execution thereof, the Executive Director will execute all contracts, deeds, notes, mortgages, pledges, transfers, and other written instruments binding upon the Authority on the Authority's behalf.

ARTICLE 5. FINANCES

Section 5.1 Loans. No loans will be contracted on the Authority's behalf and no evidences of indebtedness may be issued in its name unless authorized by Board resolution. The Authority may not make loans to any officer or to any Commissioner.

Section 5.2 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the Authority's name may be signed by officers or agents of the Authority and in the manner as from time to time the Board of Commissioners prescribe by resolution. In the absence of such provision by the Board of Commissioners such instrument may be signed by any two of the Authority's officers, one of whom must be the Treasurer.

Section 5.3 Use of Income. All unrestricted gifts to the Authority and income not otherwise designated by the donor for endowment or restricted purposes will go into the Authority's general fund to be used in accordance with the Authority's general purposes.

Section 5.4 Contributions and Disbursements. All contributions and other funds the Authority receives will be deposited in a special account or accounts in such banks, trust companies or other depositories as the Board selects. All disbursements will be made under proper authority of the Board of Commissioners. All contributions, income to and disbursements of the Authority will be recorded by the Treasurer, or Treasurer's designee in appropriate books and records and such records will be subject to examination at any reasonable time, upon request by any Commissioner.

Section 5.5 Budget. The Executive Director will prepare and submit a statement of proposed receipts, operating income and expenditures for the following year to the Board of Commissioners at least annually. When approved by the commissioners, such budget will be the Authority's authorization for expenditures and operating expenses, subject to subsequent changes in such budget the Board of Commissioners may make.

The Authority will keep correct and complete books and records of account, minutes of the proceedings of the Board of Commissioners and any committees designated by the Board of Commissioners, and such other records as may be necessary or advisable.

ARTICLE 9. BOOKS AND RECORDS

This Authority need not have a corporate seal. If the Commissioners adopt a corporate seal, it will be circular in form and consist of the Authority's name, the state and year of formation, and the words "Corporate Seal."

ARTICLE 8. SEAL

The rules of procedure at meetings of the Board will be the rules contained in Roberts' Rules of Order on Parliamentary Procedure, as amended, so far as applicable and when not inconsistent with these Bylaws or any Board resolution.

ARTICLE 7. RULES OF PROCEDURE

The Authority may purchase and maintain insurance on behalf of any person who is a commissioner, officer, employee, or agent of the Authority or is serving at the request or consent of the Authority as an officer, employee, or agent of another Authority, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability incurred by such person because of such person's status, whether or not the Authority would have the power to indemnify such person against such liability.

The Authority, by resolution, may agree to indemnify any commissioner or officer of the Authority, who is involved in any capacity in a proceeding by reason of the position held by such person or entity in the Authority, to such degree as the Board of Commissioners determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the Authority. In addition, the Authority may, by resolution or in a contract specifically approved by the Board of Commissioners, agree to indemnify an employee or agent to such degree as the Board of Commissioners determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the Authority. In each case, the Board of Commissioners shall establish by resolution or contract, as applicable, procedures for such indemnification, including the selection of counsel and advancement of expenses by the Authority on behalf of the indemnified party.

ARTICLE 6. INDEMNIFICATION; INSURANCE

Section 5.6 **Conflicts of Interest.** In conducting its business (including but not limited to entering into contracts and hiring employees) the Authority shall comply with RCW 35.82.050 and all other applicable state and federal laws and regulations governing conflicts of interest. The Board of Commissioners may, by resolution, adopt such policies and procedures relating to conflicts of interest as it deems necessary and appropriate.

Subject to the applicable law, the Authority's funds may be distributed only for the Authority's purposes as described in Chapter 35.82 RCW.

ARTICLE 12. LIMITATION ON DISTRIBUTION OF FUNDS

Any person dealing with the Authority may rely upon a copy of any of the records of the proceedings, resolutions or votes of the Board when such records are certified by the Secretary.

ARTICLE 11. COPIES OF RESOLUTIONS

The Authority's fiscal year will be the 12-month period ending on June 30. The commencement date of the Authority's fiscal year established herein shall be subject to change by the Board of Commissioners, with the prior written approval of the Internal Revenue Service of the United States Department of the Treasury, and if so required, by HUD.

ARTICLE 10. FISCAL YEAR

At the close of each fiscal year, the books and records of the Authority shall be audited in accordance with the requirements of HUD, if applicable. In the absence of HUD requirements the books and records shall be audited in accordance with GAAP. The Executive Director of the Authority shall cause to be prepared annually a full and correct statement of the affairs of the Authority, including a balance sheet and financial statement of operations for the preceding fiscal year which shall be submitted at the Annual Meeting of the Board of Commissioners, and filed with the Secretary of the Authority.

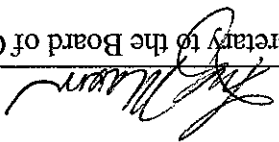
Accounts of the Authority shall be kept under the direction of the Executive Director of the Authority in accordance with any applicable requirements of the United States Department of Housing and Urban Development ("HUD"). In the absence of HUD requirements the books and records shall be kept in accordance with Generally Accepted Accounting Principles ("GAAP").

ARTICLE 13. AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed, and new bylaws may be adopted, by the majority vote of the Board of Commissioners.

The undersigned, being the Secretary to the Board of Commissioners, certifies that these Bylaws are the Bylaws of the Columbia Gorge Housing Authority, adopted by resolution of the Board of Commissioners on May 16, 2003.

DATED this 16th day of May, 2003.



Secretary to the Board of Commissioners