

**ARTICLES OF INCORPORATION
OF THE
HOOD CANAL COORDINATING COUNCIL**

THE UNDERSIGNED, acting as an incorporator under the Washington Nonprofit Corporation Act (Ch. 24.03 RCW) hereby adopts the following Articles of Incorporation.

ARTICLE I - OFFICES

The name of this Corporation is the Hood Canal Coordinating Council.

ARTICLE II - DURATION

The period of duration of this Corporation shall be perpetual or until the Corporation is dissolved by the Board of Directors.

ARTICLE III - PURPOSE

This Corporation is organized for the following purposes:

SECTION 1. To act as a Regional Council of Governments in support of federal, state and local governments and Indian tribes with regulatory jurisdiction or other management responsibilities in the Hood Canal region.

SECTION 2. To promote and facilitate intergovernmental cooperation and coordination, to advocate for and implement locally-appropriate actions to protect and enhance the Hood Canal environment and its natural resources.

SECTION 3. To participate in a forum for mutual critique and cooperative policy review to improve regulatory decision-making affecting the Hood Canal region.

SECTION 4. To reduce duplication, improve cost-effectiveness, and maintain credibility with the public.

SECTION 5. To involve the public and local governmental units to help ensure development of accepted and workable programs and regulations for the region based in part on continuing research efforts.

SECTION 6. To engage in any other lawful activity which may hereafter be authorized by the Board of Directors: provided, however, that the purposes for which the Corporation is formed shall at all times be consistent with Section 501(c) 3 of the Internal Revenue Code (Code).

ARTICLE IV - LIMITATIONS

SECTION 1. The Corporation shall not have or issue shares of stock.

SECTION 2. No part of the net earnings of this Corporation shall inure in whole or in part to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Articles. The Corporation shall not engage in any regular business of the kind carried on for profit.

SECTION 3. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities which are not permitted to be carried on (i) by a corporation exempt from Federal income tax under Section 501(c)3 of the Code, or (ii) by a corporation, contributions to which are deductible under Section 107(c)(2) of the Code.

SECTION 4. No substantial part of the activities of this Corporation shall be devoted to attempting to influence legislation by propaganda or otherwise, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements with respect to) any political campaign on behalf of, or in opposition to, any candidate for public office.

SECTION 5. The Corporation shall not bring or join in any action in federal or state court against any person or entity except to enforce the terms of a contract or other agreement to which the Corporation is a party or beneficiary.

ARTICLE V – BOARD OF DIRECTORS

SECTION 1. The management of this Corporation shall be vested in a Board of Directors, which shall consist of five voting members and such other *ex officio*, non-voting members as may be appointed by the Board of Directors. Voting procedures for the Board of Directors and the method of selecting directors shall be fixed by the Bylaws of the Corporation.

SECTION 2. The initial Directors shall be five in number and their names and addresses are as follows:

Hon. Richard Wojt
Jefferson County Board of Commissioners
P.O. Box 1220
Port Townsend, WA 98368

Hon. Marie Hebert
Port Gamble S'Klallam Tribal Council
31912 Little Boston Road, NE
Kingston, WA 98346

Hon. Christene Endresen
Kitsap County Board of Commissioners
614 Division Street
Port Orchard, WA 98366

Hon. Joseph Pavel
Skokomish Tribe General Council
N80 Tribal Center Road
Shelton, WA 98584

Hon. Cindy Olsen
Mason County Board of Commissioners
411 N 5th Street
Shelton, WA 98584

SECTION 3. The initial directors shall serve until the first organizational meeting of the Board of Directors and until their successors are appointed and qualified.

ARTICLE VI – TRANSACTIONS INVOLVING DIRECTORS

The Corporation shall not contract with any company or organization in which a member or Ex-Officio member of the Board of Directors has a direct or indirect personal financial interest.

However, the Corporation may enter into contracts with any of the five governments having a seat on the Board of Directors or with any governments or entity represented by an Ex-Officio member of the Board of Directors.

ARTICLE VII – LIMITATION OF LIABILITY

SECTION 1. A Director shall have no liability to the Corporation for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the Director, or a knowing violation of law by the Director, or for any transaction from which the director will personally receive a benefit in money, property or services to which the Director is not legally entitled. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act. Any repeal or modification of this Article shall not adversely affect any right or protection of a Director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such Director occurring prior to such repeal or modification.

SECTION 2. The five governments having seats on the Board of Directors and those governments and entities represented by Ex-Officio members of the Board of Directors shall have no liability for the actions of Directors or the Corporation.

ARTICLE VIII – DISPOSITION OF ASSETS

SECTION 1. Upon any dissolution of this Corporation under the provisions of the Washington Nonprofit Corporation Act, all of its assets remaining after payment of all liabilities shall be distributed to one or more organizations selected by the Board of Directors that: (a) are qualified as exempt from taxation under the provisions of Sections 501(a) and 501(c)3 of the Code; (b) that further the purposes set forth in Article 3; and (c) that otherwise are eligible to receive such funds pursuant to applicable state law.

SECTION 2. In no event shall any of the Corporation's assets be distributed to the directors, officers, employees or agents of the Corporation.

SECTION 3. The debts, liabilities, and obligations of the Corporation shall not constitute a debt, liability, or obligation of any Director, officer, employee or agent of the Corporation or of any person or entity that provides financial assistance to the Corporation.

ARTICLE IX - AMENDMENTS

SECTION 1. The Corporation reserves the right to amend, alter, change or repeal any provisions contained in its Articles of Incorporation in any manner now or hereafter prescribed or permitted by statute and the Bylaw and this Article.

SECTION 2. Amendments to these Articles of Incorporation may be made at any regular or special meeting of the Board of Directors. Actual notice of a proposed amendment must be provided to each Director no later than 21 days prior to a meeting where action may be taken on the proposed amendment. To be effective, an amendment to the Articles of Incorporation must be approved by a unanimous affirmative vote of the Directors present at a meeting where action is taken to amend the Articles of Incorporation.

ARTICLE X - BYLAWS

The initial Bylaws of the Corporation shall be adopted by the Board of Directors. The power to alter, amend or repeal the Bylaws or to adopt new Bylaws shall be as set forth therein.

ARTICLE XI – PRIVATE FOUNDATION

If this Corporation becomes a private foundation within the meaning of Section 509 of the Internal Revenue Code, as long as its private foundation status continues, the provisions of this Article shall apply in the management of its affairs:

SECTION 1. Each year the Corporation shall distribute the income of the Corporation, for the purposes specified in Article 3, at such time and in amounts at least sufficient to avoid liability for the tax imposed by Section 4942 of the Code.

SECTION 2. The Corporation shall not engage in any act of "self-dealing" (as defined in Section 4941(d) of the Code) which would give rise to any liability for the tax imposed by Section 4941(a) of the Code.

SECTION 3. The Corporation shall not sell, exchange, distribute, or otherwise dispose of any "excess business holdings" (as defined in Section 4943(c) of the Code) which would give rise to any liability for the tax imposed by section 4943(a) of the Code.

SECTION 4. The Corporation shall not make any investments which would jeopardize the carrying out of any of its exempt purposes (within the meaning of Section 4944 of the Code) and which would, therefore, give rise to any liability for the tax imposed by Section 4945(a) of the Code.

SECTION 5. The Corporation shall not make any "taxable expenditures" (as defined in Section 4945(d) of the Code) which would give rise to any liability for the tax imposed by Section 4945(a) of the Code.

ARTICLE XII – REGISTERED OFFICER/AGENT

The address of the Registered Office of this Corporation in the state of Washington and the name of its Registered Agent are as follows:

Joe Mentor, Jr.
Mentor Law Group, PLLC
1505 Westlake Avenue N., Suite 300
Seattle, WA 98109

ARTICLE XIII - INCORPORATOR

The name and address of the incorporator of this Corporation are as follows:

Jay L. Watson, Executive Director
Hood Canal Coordinating Council
295142 Highway 101
P.O. Box 5002
Quilcene, WA 98376-5002

IN WITNESS WHEREOF, the incorporator named below has signed these Articles, in duplicate, this _____ day of _____, 2000.

Jay L. Watson
Incorporator