

DRAFT DATED SEPTEMBER 8, 2022

REDLINE SHOWS REVISIONS SINCE DRAFT DATED AUGUST 31, 2022

ARTICLES OF INCORPORATION
OF
COMMUNITY MOBILE CRISIS RESPONSE AGENCY

We, the undersigned, acting as the incorporators of a nonprofit corporation under the provisions of the Washington Nonprofit Miscellaneous and Mutual Corporations Act (chapter 24.06 of the Revised Code of Washington (“RCW”), referred to herein as the “Act”) and the Washington Interlocal Cooperation Act (chapter 39.34 RCW), hereby sign and verify the following Articles of Incorporation (“Articles”) for such corporation:

ARTICLE I — NAME

The name of this corporation is: COMMUNITY MOBILE CRISIS RESPONSE AGENCY (the “Agency”).

ARTICLE II — DURATION

The period of duration of the Agency is perpetual.

ARTICLE III — PURPOSES

The Agency is organized on behalf of and as an instrumentality of its governmental members to carry out certain exclusively governmental activities and the purposes of the Community Mobile Crisis Response Agency Interlocal Agreement (the “Interlocal Agreement”) pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW. These purposes include developing, owning, operating and managing and maintaining a mobile crisis response agency as further described in the Interlocal Agreement.

ARTICLE IV — PROHIBITED ACTIVITY

Notwithstanding any of the provisions of these Articles ~~of Incorporation~~, the Agency shall not conduct or carry-on activities not permitted to be conducted or carried on by an organization exempt from federal income tax under Sections 115 of the Internal Revenue Code or by an organization, contributions to which are deductible under Section 170(c)(2). No part of the net earnings of the Agency shall inure to the benefit of any director, officer, or private individual. No substantial part of the activities of the Agency shall be devoted to the carrying on of propaganda, or otherwise attempting to influence legislation except as may be permitted by the Internal Revenue

Code, and the Agency shall not participate in, or intervene in (including the publication or distribution of statements regarding) any political campaign on behalf of or in opposition to any candidate for public office. The Agency shall not have or issue shares of stock, shall not make any disbursement of income to its directors or officers, and shall not make loans to its officers or directors.

ARTICLE V — POWERS

In general, and subject to such limitations and conditions as are or may be prescribed by law, or in these Articles ~~of Incorporation~~ or in the Agency's Bylaws or in the Interlocal Agreement, the Agency shall have all powers which now or hereafter are conferred under chapters 24.06 and 39.34 RCW and other applicable law upon a corporation organized for the purposes set forth above, or are necessary or incidental to the powers so conferred, or are conducive to the attainment of the Agency's purposes.

ARTICLE VI — MEMBERS

Each Member of Agency must be a municipal corporation formed and existing under the laws of the state of Washington as a city and meeting the other requirements described in the Interlocal Agreement. As used in these Articles, the term "Members" means "Principals" as defined in the Interlocal Agreement. The rights and responsibilities of the Members/Principals and the manner of their election, appointment, or admission to membership and termination of membership shall be as provided for in the Interlocal Agreement. The Agency shall have one class of Members/Principals, except that each Member/Principal may be treated as a separate class for calculating votes as provided for in the Interlocal Agreement.

ARTICLE VII — DISTRIBUTIONS UPON DISSOLUTION

No director, trustee, or officer of the Agency, nor any private individual, shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Agency or the winding up of its affairs. Upon dissolution of the Agency, after paying, satisfying, and discharging, or making adequate provision therefor, of all liabilities and obligations of the Agency, and after returning, transferring, or conveying assets held by the Agency requiring return, transfer, or conveyance on condition of the dissolution, all remaining assets of the Agency shall be distributed by the Executive Board as provided for in the Interlocal Agreement.

ARTICLE VIII — DISSENTING MEMBERS

"Dissenting members," as that term is used in RCW 24.06.245 through 255, will be entitled to the rights and allocation of assets set forth in the Interlocal Agreement, but may be limited to "a return of less than the fair value" of their membership as that term is used in RCW 24.06.255.

ARTICLE IX — BYLAWS

Provisions for the regulation of the internal affairs of the Agency shall be set forth in the Bylaws of the Agency.

ARTICLE X — REGISTERED AGENT

The address of the initial registered office of the Agency is City of Kirkland (c/o the Community Mobile Crisis Response Agency), 123 5th Avenue, Kirkland, WA 98033. The name and address of its initial registered agent is the City Clerk (or such officer's designee), City of Kirkland, 123 5th Avenue, Kirkland, WA 98033.

ARTICLE XI — DIRECTORS

The initial board of directors (referred to in the Interlocal Agreement as the “Executive Board”) shall consist of five (5) directors. The names and addresses of the persons who are to serve as initial directors are:

| ~~Kyle Stannert, City Manager~~ [_____]
City of Bothell
18415 101st Avenue N.E.
Bothell, WA 98011

| ~~Stephanie Lucash, Assistant City Manager [Rob?]~~ [_____]
City of Kenmore
18120 68th Ave. N.E.
Kenmore, WA 98028

| [_____] ~~Kurt Triplett, City Manager~~
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033

| [_____] [_____]
City of Lake Forest Park
17425 Ballinger Way NE
Lake Forest Park, WA 98155

| [_____] [_____]
City of Shoreline
17500 Midvale Ave. N.
Shoreline, WA 98133

Actions of the Directors of the Agency shall be conducted as provided in the Interlocal Agreement, the Bylaws and policies of the Agency. The Board shall have all powers allowed by law for interlocal agencies created under RCW 39.34.030 and chapter 24.06 RCW, as they now exist or may hereafter be amended, and as authorized, amended, or removed by the Directors, as provided for in the Interlocal Agreement, and including but not limited to the powers provided for in the Interlocal Agreement.

Directors may be removed as provided for in the Interlocal Agreement.

ARTICLE XII -- OFFICERS

The Agency shall have four officers, a President, Vice-President, Secretary and Treasurer. The responsibilities of the officers shall be described in the Interlocal Agreement and the Agency Bylaws.

ARTICLE XIII — INCORPORATORS

The names and addresses of the incorporators are:

[_____]_____
City of Bothell
18415 101st Avenue N.E.
Bothell, WA 98011

[_____]_____
City of Kenmore
18120 68th Ave. N.E.
Kenmore, WA 98028

[_____]_____
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033

[_____]_____
City of Lake Forest Park
17425 Ballinger Way NE
Lake Forest Park, WA 98155

[_____]_____
City of Shoreline
17500 Midvale Ave. N.
Shoreline, WA 98133

~~[CONSIDER DESIGNATING ONE OR TWO INDIVIDUALS TO INCORPORATE]~~

ARTICLE XIV — LIMITATION OF DIRECTOR LIABILITY

Except to the extent otherwise required by applicable law (as it exists on the date of the adoption of this Article or may be amended from time to time), a director of the Agency (a director is referred to as a “Member of the Executive Board” in the Interlocal Agreement) shall not be personally liable to the Agency for monetary damages for conduct as a director, except for liability of the director (i) for acts or omissions which involve intentional misconduct by the director or a knowing violation of law by the director, (ii) 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, or (iii) for any act or omission occurring before the date when this provision becomes effective.

If the Act is hereafter amended to expand or increase the power of the Agency to eliminate or limit the personal liability of directors, then, without any further requirement of action by the directors of the Agency, the liability of a director shall be eliminated or limited to the full extent permitted by the Act. No amendment to or repeal of this Article shall adversely affect any right of protection of any director of the Agency occurring after the date of the adoption of this Article and prior to such amendment or repeal.

ARTICLE XV — INDEMNIFICATION

Except as provided in Article XIV, the Agency shall indemnify any director and officer of the Agency who is involved in any capacity in a proceeding (as defined in RCW 23B.08.500, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the Agency to the full extent allowed by law, as presently in effect and as hereafter amended. By means of a resolution or of a contract specifically approved by the Board of Directors (referred to as the “Executive Board” in the Interlocal Agreement), the Agency may also indemnify an employee, or agent to such degree as the Board of Directors determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the Agency. Reasonable expenses incurred by a director or officer who is involved in any capacity in a proceeding by reason of the position held in the Agency, shall be advanced by the Agency to the full extent allowed by and on the conditions required by applicable law, as presently in effect and as hereafter amended.

The Board of Directors of the Agency shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense. The rights conferred by or pursuant to this Article shall not be exclusive of any other rights that any person may have or acquire under any applicable law (as presently in effect and as hereafter amended), these Articles ~~of Incorporation~~, the bylaws of the Agency, a vote of the Board of Directors of the Agency, or otherwise. No amendment to or repeal of this Article shall adversely affect any right of any director, officer,

employee, or agent for events occurring after the date of the adoption of this Article and prior to such amendment or repeal.

The Agency shall also indemnify and hold harmless every Member/Principal, including, but not limited to that Member's/Principal's officers, directors, employees and agents from all claims, injuries, damages, losses or suits, including reasonable attorney fees and costs which arise out of acts and/or omissions of the Agency.

Nothing in these Articles ~~of Incorporation~~ may be interpreted as a waiver of sovereign immunity by any member.

Indemnification of directors and officers by the Agency shall be consistent with the terms of the Interlocal Agreement, the Act, the Interlocal Cooperation Act and other applicable law. In the event of any inconsistency between this Article and the Interlocal Agreement, the terms of the Interlocal Agreement shall control to the extent consistent with applicable law.

Notwithstanding any other provision of this Article, no indemnification shall be provided to any person if in the reasonable opinion of competent counsel, payment of such

indemnification would cause the Agency to lose its exemption from federal income taxation.

ARTICLE XVI — CONFLICTS

In the case of any conflict between any of these Articles and the ~~bylaws~~ Bylaws of the ~~PSE&N Operator~~ Agency, these Articles shall control. In the case of any conflict between these Articles and the Interlocal Agreement, the Interlocal Agreement shall control.

ARTICLE XVII — DATE OF INCORPORATION

The date of incorporation of the Agency shall be _____, 2023.

ARTICLE XVIII — NO CORPORATE STOCK; NO DISTRIBUTION OF SURPLUS FUNDS

The Agency will have no capital stock. The Agency will not distribute surplus funds to its members, stockholders, or other persons.

IN WITNESS WHEREOF, the undersigned have signed these Articles of Incorporation this ____ day of _____, 2023.

INCORPORATORS:

[Signature blocks to follow]