

ARTICLES OF INCORPORATION

OF

YPSILANTI COMMUNITY UTILITIES AUTHORITY

These Articles of Incorporation are adopted by the incorporating municipal corporations for the purpose of creating an Authority under the provisions of Act 233, Public Acts of Michigan, 1955, as amended.

ARTICLE I

The name of this Authority is "Ypsilanti Community Utilities Authority." The principal office of the Authority will be located at 7200 S. Huron River Drive, Ypsilanti, Michigan, 48197.

ARTICLE II

The names of the municipal corporations creating this Authority are: The Township of Ypsilanti, and the City of Ypsilanti, which are located in the County of Washtenaw, Michigan, which are hereby designated as the constituent municipalities.

ARTICLE III

The purpose of this Authority is to acquire, own, improve, enlarge, extend and operate a sewage disposal system and a water supply system in accordance with the authorization of Act 233, Public Acts of Michigan, 1955, as amended. Further, that it is the foremost purpose of this Authority to serve residents of the Township and City efficiently, economically, and to reduce costs where reasonably possible, with a good quality and uniform system for water and wastewater treatment that will adequately serve their needs.

ARTICLE IV

This Authority is a body corporate with power to sue or to be sued in any court of this State. It shall be comprised of all of the territory embraced within the corporate boundaries of its constituent municipalities. It shall possess all of the powers granted by statute and by these Articles, and those incident thereto. The enumeration of any powers herein shall not be construed as a limitation upon its general powers unless the context shall clearly indicate otherwise. It shall have a corporate seal.

ARTICLE V

This Authority shall continue in existence perpetually or until dissolved by act of the parties or by law: Provided, However, that such Authority shall not be dissolved if such dissolution could operate as an impairment of any of its contracts.

ARTICLE VI

The fiscal year of the Authority shall commence on the first day of September in each year and end on the 31st day of August of the following year.

ARTICLE VII

The governing body of the Authority shall be a Commission, which shall be made up of three representatives from the Township of Ypsilanti and two representatives from the City of

Ypsilanti. Each Commissioner after the first Commission shall be appointed to serve for a term of three years beginning with the first day of January next following his respective appointment. Each Commissioner shall qualify by taking the constitutional oath of office and filing it with his respective Township or City Clerk. The first Commission shall be appointed by the legislative bodies of the constituent municipalities within twenty days after the effective date of the incorporation of this Authority and the terms thereof shall be staggered as follows:

The first Ypsilanti Township representative and the first Ypsilanti City representative shall serve for initial terms of office expiring December 31, 1975; the second Ypsilanti Township representative and the second Ypsilanti City representative shall serve for initial terms of office expiring December 31, 1976; and the third Ypsilanti Township representative shall serve for initial terms of office expiring December 31, 1977. Successor Commissioners shall be appointed by the legislative bodies of the respective constituent municipalities on or before the 15th day of December of each year that a term of office expires. Within thirty days after the effective date of the incorporation of the Authority the members of the first Commission shall qualify by taking the constitutional oath of office and shall meet for the purpose of organization. At such organizational

meeting the Commission shall select a Chairman and Vice Chairman, who shall be members of the Commission, and a Secretary and a Treasurer, or a combined Secretary-Treasurer, who shall be members, or a member, of the Commission. Such officers shall serve until the organizational meeting of the following year, which shall be held annually on the first business day of February of each year, or until their respective successors shall be selected and qualify. No appointment to the Commission and no selection of an officer of the Commission shall be deemed to be invalid because it was not made within or at the time specified in these Articles. Any Commissioner may be removed at any time without cause and at the will of the legislative body of the municipality which such Commissioner represents.

The Commissioners shall serve without compensation except that each Commissioner shall be paid the sum of Fifty (\$50.00) Dollars for each meeting which he may attend not in excess of twelve (12) meetings per year, and except that if any Commissioner shall serve as Secretary or Treasurer, or Secretary-Treasurer, he may receive for such services such reasonable compensation as may be fixed by the Commission. Each Commissioner shall be entitled to reimbursement for all expenditures made by him in carrying out his official duties, including a reasonable allowance for traveling expenses.

ARTICLE VIII

In the event of a vacancy on the Commission the legislative body of the municipality selecting such representative shall fill the vacancy for the unexpired term. In event of a vacancy in any office of the Commission, such vacancy shall be filled by the Commission for the unexpired term. In case of the temporary absence or disability of any officer, the Commission may appoint some person temporarily to act in his stead except that in the event of the temporary absence or disability of the Chairman, the Vice Chairman shall so act.

ARTICLE IX

Meetings of the Commission shall be held at least monthly at such time and place as shall be prescribed by resolution of the Commission. Special meetings of the Commission may be called by the Chairman or any three Commissioners, by serving written notice of the time, place and purpose thereof, upon each Commissioner, personally, or by leaving it at his place of residence, at least twenty-four hours prior to the time of such meeting, or by depositing the same in a United States Post Office or mail box within the limits of the Authority, at least seventy-two hours prior to the time of such meeting, enclosed in a sealed envelope properly addressed to him at his home or office address, with postage fully prepaid. Special meetings of the Commission at which all members are present, or which all absent members receive

notice, shall be deemed to be valid even though no written notice thereof may be given as above specified. At least three members of the Commission shall be required for a quorum. The Commission shall act by motion, resolution or ordinance. For the passage of any resolution or ordinance providing for the issuance of bonds, or the execution of any contract wherein contractual payments are to be pledged as security for bonds, there shall be required a favorable vote of 3 Commissioners. For all other matters, a vote of a majority of the Commissioners present shall be sufficient for passage. The Commission shall have the right to adopt rules and by-laws governing its procedure which are not in conflict with the terms of any statute or of these Articles. The Commission shall keep a journal of its proceedings, which shall be signed by the Chairman. All votes shall be "yeas" and "nays", except that where the vote is unanimous it shall only be necessary to so state.

#### ARTICLE X

The Chairman of the Commission shall be the presiding officer thereof. Except as herein otherwise provided, he shall not have any executive or administrative functions other than as a member of said Commission. In the absence or disability of the Chairman, the Vice Chairman shall perform the duties of the Chairman. The Secretary-Treasurer shall be the recording officer of the Commission and shall

be custodian of the funds of the Authority and shall give to it a bond conditioned upon the faithful performance of the duties of his office. The cost of said bond shall be paid by the Authority. All monies shall be deposited in a bank or banks, to be designated by the Commission. The officers of the Commission shall have such other powers and duties as may be conferred upon them by the Commission.

The Commission shall prepare, adopt, and submit to the legislative bodies of the constituent municipalities ~~an annual budget~~ covering the proposed expenditures to be made for the organizing and operation of such Authority, and for the ~~necessary funds~~ required from each municipality for the next fiscal year beginning ~~September 1st~~, such budget to be submitted on or before ~~August 1st~~ of each calendar year.

#### ARTICLE XI

The Authority shall possess all the powers necessary to carry out the purposes thereof and those incident thereto. It may acquire private property by purchase, lease, gift, devise or condemnation, either within or without its corporate limits, and may hold, manage, control, sell, exchange or lease such property. For the purpose of condemnation it may proceed under the provisions of Act

149, Public Acts of Michigan, 1911, as now or hereafter amended, or any other appropriate statute.

#### ARTICLE XII

The Authority and its constituent municipalities may enter into a contract or contracts providing for the acquisition, purchase, construction, improvement, enlargement, extension, operation and financing of a sewage disposal system and/or a water supply system, as authorized and provided in Act 233, Public Acts of Michigan, 1955, as amended. The Authority may enter into contracts with any non-constituent municipality, as authorized and provided in said Act, for the furnishing of sewer or water service from any facilities owned or operated by the Authority, which contract shall provide for reasonable charges or rates for such service furnished. No contracts shall be for a period exceeding forty years.

#### ARTICLE XIII

For the purpose of obtaining funds for the acquisition, construction, improving, enlarging or extending of a sewage disposal system and/or a water supply system, the Authority may, upon ordinance or resolution duly adopted by it, issue its negotiable bonds, secured by the contractual full faith and credit pledges of each contracting municipality, in accordance with and subject to the provisions of Act 233, Public Acts of Michigan, 1955, as amended.



ARTICLE XIV

The Authority may issue self-liquidating revenue bonds in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, being Sections 141.101 to 141.139, inclusive, of the Compiled Laws of 1948, or any other act providing for the issuance of revenue bonds, which bonds shall be payable solely from the revenues of the sewage disposal and/or water supply system. The charges specified in any contract or contracts securing said bonds shall be subject to increase by the Authority at any time if necessary in order to provide funds to meet its obligations. Any contract authorized herein shall be for a period of not exceeding forty years.

ARTICLE XV

The Authority may employ such personnel and employees as it may consider desirable, and may retain from time to time the services of attorneys and engineers, and fix the compensation therefor.

ARTICLE XVI

The Authority shall cause an annual audit to be made of its financial transactions by a certified public accountant and shall furnish at least three copies thereof to each constituent municipality.

ARTICLE XVII

These Articles shall be published once in The Ypsilanti Press, which newspaper has general circulation within the limits of the Authority. One printed copy of such Articles of Incorporation, certified as a true copy thereof, with the date and place of publication shall be filed with both the Secretary of State and the County Clerk of the County of Washtenaw within thirty days after the execution thereof has been completed.

The Township Clerk of the Township of Ypsilanti, Michigan, is hereby designated as the person to cause these Articles to be published, certified and filed as aforesaid. In the event he shall be unable to act or shall neglect to act, then the City Clerk of the City of Ypsilanti, Michigan, shall act in his stead.

ARTICLE XVIII

This Authority shall become effective upon the filing of certified copies of these Articles, as provided in the preceding Article.

ARTICLE XIX

These Articles of Incorporation may be amended at any time so as to permit any municipality, as defined in the Act, to become a member of this Authority, if such amendment to and the Articles of Incorporation are adopted by

the legislative body of such municipality proposing to become a member, and if such amendment is adopted by the legislative body of each constituent municipality of which the Authority is composed. Other amendments may be made to these Articles of Incorporation at any time if adopted by the legislative body of each constituent municipality of which the Authority is composed. Any such amendment shall be endorsed, published, and certified, and printed copies thereof filed in the same manner as the original Articles of Incorporation, except that the filed and printed copies shall be certified by the recording officer of the Authority.

These Articles have been adopted by the several incorporating municipalities, as hereinafter set forth in the following endorsements, and in witness whereof the Supervisor and Township Clerk of the Township of Ypsilanti and the Mayor and City Clerk of the City of Ypsilanti have endorsed thereon the statement of such adoption.

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Ypsilanti, Washtenaw County, Michigan at a regular meeting duly held on the 3rd day of September, 1974.

TOWNSHIP OF YPSILANTI

BY: *William P. [Signature]*  
Supervisor

BY: *Anna L. Stepp*  
Township Clerk

The foregoing Articles of Incorporation were adopted by the City Council of the City of Ypsilanti, Washtenaw County, Michigan, at a regular meeting duly held on the third day of September, 1974.

CITY OF YPSILANTI

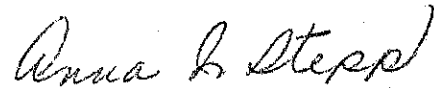
BY: George D. Goodman  
Mayor

BY: James E. Ashby  
City Clerk

BE IT HEREBY RESOLVED by the Township of Ypsilanti that the attached Articles of Incorporation of the Ypsilanti Community Utilities Authority be declared adopted.

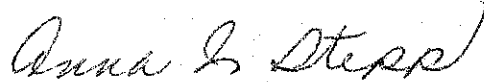
FURTHER BE IT RESOLVED, that the Supervisor and Clerk are hereby authorized to endorse hereon the statement of said adoption on behalf of the Township of Ypsilanti.

RESOLUTION DECLARED ADOPTED.



Anna J. Stepp  
Ypsilanti Township Clerk

I hereby certify that the foregoing resolution was duly adopted by the Ypsilanti Township Board at a Regular Meeting held on September 3, 1974, at 7200 South Huron River Drive, Ypsilanti, Michigan.



Anna J. Stepp  
Ypsilanti Township Clerk