

## Articles of Incorporation

### Central County Transportation Authority ("Authority")

Section 1. Background. Kalamazoo County ("County") is the incorporator of this public transportation authority under Act 196 (the Public Transportation Authority Act, P.A. 196 of 1986, as amended). The County anticipates that the City of Kalamazoo's Metro Transit public transportation system will be transferred by the City of Kalamazoo ("City") to either the Authority or to the existing county-wide Act 196 authority, the Kalamazoo County Transportation Authority ("KCTA").

Section 2. Geographic Boundary. The Authority's geographic boundary is described in Exhibit A. A tax levied under Act 196 applies to all taxable property within that boundary. For purposes of a tax, that boundary remains fixed for the duration of the tax. Changes to that boundary or to precinct lines that may occur during the term of a tax do not affect the tax's geographic scope. Those changes would apply only to a new tax approved after the changes are made.

Section 3. Purposes. The Authority is formed for these purposes:

- a. To provide public transportation services to the extent authorized by Act 196; and
- b. To succeed to (or assist KCTA in succeeding to) the assets and liabilities of the public transportation system described above, upon terms to be agreed between the City, County, KCTA, and the Authority.

Section 4. Powers. The Authority has all powers available under Act 196.

Section 5. Board.

- a. Number; Initial Meeting. The Authority is governed by a board of 11 directors. The board must promptly hold an initial meeting to appoint officers, adopt bylaws, and take any other action the board deems advisable.
- b. Appointment. The County appoints each of the directors. If the County receives a recommendation before the County makes the appointment, then the County will give great weight to that recommendation and may disregard that recommendation only for good cause. Recommendations may be made as follows:

| Number | Recommendation by: |
|--------|--------------------|
| 3      | City of Kalamazoo  |
| 2      | City of Portage    |
| 1      | Comstock Township  |
| 1      | Kalamazoo Township |
| 1      | Oshtemo Township   |

**Number**

**Recommendation by:**

- 3 County; 2 to be representative of rural County areas; 1 to be representative of urban County areas

c. Definitions. For purposes of this section, “rural” means an area outside the Authority’s district and “urban” means an area inside the Authority’s district.

d. Term. The County will appoint the initial board of directors promptly after the articles are filed. Each director serves a three-year term, except that the terms for the initial board of directors will be staggered as follows:

- |              |              |
|--------------|--------------|
| 3 directors: | 1-year terms |
| 4 directors: | 2-year terms |
| 4 directors: | 3-year terms |

e. Voting. Each director has one vote. Board decisions require the approval of a majority of the directors who attend a meeting that has a quorum. A meeting has a quorum if more than half of the directors in office attend in person. A director may participate in a meeting by telephone, but that director does not count toward a quorum and has no right to vote.

f. Compensation of Directors. Directors serve without compensation.

g. Removal. The County may remove a director for cause or upon the recommendation of the local unit that had previously recommended that the director be appointed. The County must give great weight to a local unit’s recommendation to remove a director and may decline to follow that recommendation only for good reason. “Cause” includes conviction of a felony, gross dereliction of duty, a violation of the Authority’s bylaws (such as requirements for attendance), and any other action by a director that the County believes would harm either the County’s or the Authority’s reputation if that person continued to serve as a director.

h. Resignation. A director may resign from office at any time, to be effective upon the Authority’s receipt of written notice of resignation unless the resignation notice states a later time.

i. Vacancies. Vacancies may be filled using the same process used for appointment.

Section 6. Bylaws. Promptly after the Authority is formed, the board must adopt bylaws regarding the Authority’s internal governance.

Section 7. Audits, Budgets, and Appropriations. The Authority must provide for audits, budgets, and appropriations as Act 196 requires.

Section 8. Adding Authority Members. All or part of a local unit (defined below) may become a member of the Authority as Act 196 permits.

Section 9. Withdrawal and Release. All or part of a local unit may withdraw or be released from the Authority as Act 196 permits.

Section 10. Amendment. Only the County may amend these articles, and only in accordance with this section. An amendment is effective when it is filed and published in the same manner that Act 196 requires for adoption of articles.

a. Amendments Expanding the District Boundary. If the County adopts an amendment that expands Exhibit A's geographic boundary, the Authority must promptly send notice of that expansion to the local unit in which the additional area is located. The County must remove that additional area if that local unit gives notice of removal to the County and the Authority within 30 days after receiving the Authority's notice.

b. Pre-Expansion Consultation. Before the County adopts an amendment that expands Exhibit A's geographic boundary, the County must give the Authority (i) an opportunity to meet with each affected local unit to discuss the impact of expanding the Authority's boundary; and (ii) an opportunity to make a recommendation to the County concerning that proposed expansion.

c. Amendments Changing Board Size. The County may not amend these articles to eliminate a director position without the prior written consent of the local unit that has the right under section 5 to recommend an appointment for that director position.

Section 11. Effective Date. Within 30 days after the articles are signed, the Kalamazoo County Clerk must publish these articles at least once in the Kalamazoo Gazette, file these articles with the Michigan Secretary of State and the Director of Michigan's Department of Transportation, and retain a filed copy in the Kalamazoo County Clerk's office. These articles become effective immediately upon this filing and publication.

Section 12. Annual Report. The Authority must give an annual report to the County on its operations and condition.

Section 13. Interpretation.

a. References to actions required or permitted by law mean the law in effect at the time the action is considered. References to a "local unit" mean a city, township or village.

b. The unenforceability of a term in these articles does not affect the enforceability of any other term in these articles.

c. Terms not otherwise defined in these articles have the meanings given them in Act 196.

d. Each term is enforceable only to the extent that the law allows.

These articles were adopted by Kalamazoo County at a meeting held on the 6<sup>th</sup>  
day of August, 2014.

Date August 6, 2014

Tracy Shaw  
Kalamazoo County Clerk

Attached  
Exhibit A (geographic boundary of Authority)

Kalamazoo County

Board of Commissioners Resolution

FINDINGS OF FACT

Kalamazoo County (the "County") organized the Central County Transportation Authority (the "Authority") as a public transit authority under Public Act 196 of 1986 ("Act 196") by filing Articles of Incorporation (the "Articles"). The Articles included the geographic boundary of the Authority.

After the Authority was established and in accordance with Act 196, the Authority provided each of the jurisdictions included within the Authority with 30-days (the "Opt Out Period") to decide whether to opt out of the Authority. The Opt Out Period has now passed. The County is amending the Articles to establish the new geographic boundary for the Authority in order to recognize those jurisdictions that elected to opt out of the Authority.

RESOLUTION

1. The Kalamazoo County Board of Commissioners approves an amendment to the Articles for the Authority, which replaces the current Exhibit A attached to the Articles with the Exhibit A attached to this Resolution.

2. The County Administrator is authorized and directed to take all actions appropriate to sign the amendment to the Articles, file it in the same manner that the original Articles must be filed and published, and take all other steps necessary to effectuate this Resolution. The County Administrator shall also send a copy of this Resolution to the Authority, the Kalamazoo County Transportation Authority, and each jurisdiction originally included within the boundaries of the Authority. The County Administrator may also delegate these responsibilities to any other County official.

The undersigned certifies that the County Board of Commissioners adopted the above Resolution on November 18, 2014.

  
Timothy Snow

## Kalamazoo County Board of Commissioners Resolution

### FINDINGS OF FACT

Kalamazoo County (the "County") organized the Central County Transportation Authority (the "Authority") as a public transit authority under Public Act 196 of 1986. Currently, the County is the sole member of the Authority. The County anticipates that the City of Kalamazoo's public transportation system will be transferred by the City of Kalamazoo (the "City") to the Authority or to the Kalamazoo County Transportation Authority ("KCTA"), an existing county-wide Act 196 authority.

The County expects that some of the board members serving on the Board of Directors for the Authority may also be board members serving on the Board of Directors for KCTA. The County also recognizes that ultimately there will be a Working Agreement between the Authority and KCTA. In order to avoid an Incompatible Offices Act issue, the County intends to add the City as a member of the Authority. If the members of the Authority and KCTA are the same, then an exception contained in the Incompatible Offices Act would apply and would permit the board members to serve on the board of directors for both KCTA and the Authority after execution of this Working Agreement.

The City and the County are the members of KCTA. The County is now adding the City as a second member of the Authority for the purposes of satisfying the exception contained in the Incompatible Offices Act. The City will be a non-voting member of the Authority.

### RESOLUTIONS

1. The Kalamazoo County Board of Commissioners approves an amendment to the Articles of Incorporation for the Authority, which adds a new section that reads as follows:

Section 14. Membership.

The City of Kalamazoo ("City") is added as a second member of the Authority for the sole purpose of allowing an individual to serve as a director for the Authority and also as a director for the Kalamazoo County Transportation Authority. The City's membership in the Authority is non-voting. The purpose of admitting the City as a member is to qualify under the Incompatible Offices Act exception found at MCL 15.183(11).

After the City's public transportation system is transferred to the Authority or to the Kalamazoo County Transportation Authority, the County may terminate the City's membership in this Authority by sending thirty (30) days advance written notice to the City.

2. The County Administrator is authorized and directed to take all actions appropriate to sign the amendment to the Articles, file it in the same manner that the original Articles must be filed and published, and take all other steps necessary to effectuate these resolutions. The County Administrator may also delegate these responsibilities to any other County official.

The undersigned certifies that the County Board of Commissioners adopted the above resolutions on November 18, 2014.

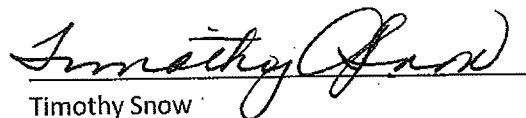
  
Timothy Snow

Exhibit A:  
Precinct List

Updated 10/24/14

This is a list of all voting precincts that are in the boundaries of the recommended new Authority.








City of Kalamazoo #01  
City of Kalamazoo #02  
City of Kalamazoo #03  
City of Kalamazoo #04  
City of Kalamazoo #05  
City of Kalamazoo #06  
City of Kalamazoo #07  
City of Kalamazoo #08  
City of Kalamazoo #09  
City of Kalamazoo #10  
City of Kalamazoo #11  
City of Kalamazoo #12  
City of Kalamazoo #13  
City of Kalamazoo #14  
City of Kalamazoo #15  
City of Kalamazoo #16  
City of Kalamazoo #17  
City of Kalamazoo #18  
City of Kalamazoo #19  
City of Kalamazoo #20  
City of Kalamazoo #21  
City of Kalamazoo #22  
City of Kalamazoo #23  
City of Kalamazoo #24  
City of Kalamazoo #25  
City of Kalamazoo #26  
City of Kalamazoo #27  
City of Parchment #01  
City of Portage #01  
City of Portage #02  
City of Portage #03  
City of Portage #04  
City of Portage #05  
City of Portage #06  
City of Portage #07  
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City of Portage #12  
City of Portage #11  
City of Portage #12  
City of Portage #13  
City of Portage #14  
City of Portage #15

City of Portage #16  
City of Portage #17  
City of Portage #18  
City of Portage #19  
Comstock Township #01  
Comstock Township #02  
Comstock Township #03  
Comstock Township #04  
Comstock Township #05  
Comstock Township #06  
Comstock Township #07  
Comstock Township #08  
Kalamazoo Township #01  
Kalamazoo Township #02  
Kalamazoo Township #03  
Kalamazoo Township #04  
Kalamazoo Township #05  
Kalamazoo Township #06  
Kalamazoo Township #07  
Kalamazoo Township #08  
Kalamazoo Township #09  
Kalamazoo Township #10  
Kalamazoo Township #11  
Kalamazoo Township #12  
Oshtemo Township #04  
Oshtemo Township #05  
Oshtemo Township #06  
Oshtemo Township #07  
Oshtemo Township #08



# Central County Transit Authority

as of 20 October 2014

-  CCTA
-  Voting Precincts
-  Metro Transit Lines
-  Roads
-  State Trunklines
-  Jurisdictional Boundaries
-  Villages

