

ARTICLES OF INCORPORATION

MACKINAC ISLAND TRANSPORTATION AUTHORITY (MITA)

THESE ARTICLES OF INCORPORATION are adopted and executed by the City of Mackinac Island, Michigan for the purpose of creating, establishing and incorporating a public transportation authority under and pursuant to the Public Transportation Authority Act, Act 196 of 1986, as amended, MCL 124.451 et. seq. (the "Act").

ARTICLE I

Name, and District and Incorporating Political Subdivision

Section 1. Name and Office. The name of the Authority shall be the Mackinac Island Transportation Authority (the "Authority"). The principal office of the Authority shall be located on Mackinac Island, Michigan.

Section 2. District. For purposes of any ad valorem levy under the Act, the boundaries of the Authority shall be the geographical boundaries of the City of Mackinac Island as such boundaries may be adjusted from time to time (the "District"). The Authority may provide service both within and outside of the District in accordance with the Act.

Section 3. Incorporating Unit. The name of the incorporating political subdivision creating this Authority is the City of Mackinac Island, Michigan.

ARTICLE II

Purposes and Powers of Authority

Section 1. Purposes. The purposes of the Authority are:

- (a) To provide public transportation services as provided for in the Act;
- (b) To exercise all other powers, incidental, necessary, or convenient for the purpose of providing public transportation services; and
- (c) To contract to provide public transportation system services within or outside the boundaries of the Authority; and
- (d) To plan, promote, finance, acquire, improve, enlarge, extend, own, construct, operate, maintain, replace and contract for public transportation service by means of one or more public transportation systems and public transportation facilities.

Section 2. General Powers. The Authority shall be a corporate body with power to sue and be sued in any court of the State and shall be considered to be an agency and instrumentality of the State. The Authority shall possess all the powers necessary to carry out the purposes of its formation and all things incidental to carrying out the purposes of its formation. The enumeration of powers herein or in the Act shall not be construed as a limitation on the general powers of the Authority.

Section 3. Condemnation. The Authority shall have the power to ask appropriate local political subdivisions to begin condemnation proceedings.

ARTICLE III

Board of Directors

Section 1. Governing Board. The Authority shall be directed and governed by a board of directors (the "Board of Directors").

Section 2. Composition. The Board of Directors shall consist of five (5) voting members.

Section 3. Board Appointment. All Board appointments shall be made by the Mayor of the City of Mackinac Island with the consent of the Mackinac Island City Council. The Mayor shall appoint, subject to City Council of Mackinac Island consent, one (1) member of the Board of Directors who shall be an elected member of Mackinac Island City Council. Further, the Mayor shall appoint, subject to City Council of Mackinac Island consent, four (4) members of the Board of Directors from the public at large.

Section 4. Terms. Each member of the Board of Directors shall serve for a term of three (3) years. The initial terms of each member of the Board of Directors shall be tiered so that one (1) member serves one (1) year, another two (2) members serve two (2) years, and the remaining two (2) members serve three (3) years. Each member of the Board of Directors shall serve during the term for which he or she was appointed and thereafter until his or her successor is appointed.

Section 5. Removal. Any member of the Board of Directors may be removed, in the same manner as that member was appointed, at any time by the City of Mackinac Island. A removal of a director shall create a vacancy in office and a new member to the Board of Directors shall be appointed by the City of Mackinac Island, pursuant to Section 3 above..

Section 6. Resignations. A member of the Board of Directors who desires to resign shall submit such resignation in writing to the Chairperson. Such resignation shall take effect upon receipt of the resignation by the Chairperson of the Authority. The City of Mackinac Island shall appoint a new member to the Board of Directors, pursuant to Section 3 above. The new member appointed shall serve in office for the term remaining of the resigning member.

Section 7. Organizational Meetings. The first members of the Board of Directors shall meet for the purpose of organization within thirty (30) days after their appointment and thereafter the Board of Directors shall meet for such purpose on the _____ day in _____ in each year which is not a Saturday, Sunday or legal holiday, at _____ .m., at the _____ offices or such other usual place of holding the meetings of the Board of Directors as shall be provided in the Bylaws of the Authority and as may be permitted by law.

At each of such organizational meetings, the Board of Directors shall select a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer who shall be members of the Board of Directors and as permitted by the Act. The office of the Treasurer may be held by any

member of the Board of Directors notwithstanding that he or she holds some other office on the Board of Directors. Such officers shall serve until the organizational meeting in the following year and until their respective successors shall be selected. The time and place of such original organization meeting shall be fixed by a majority of the members of the Board of Directors and notice thereof served personally upon all members, at least 24 hours prior to the time of holding the meeting and in accordance with the Act. No appointment to the Board of Directors and no election of an officer of the Board of Directors shall be deemed to be invalid because it was not made within or at the time specified in these Articles.

Section 8. Officers. The Chairperson of the Board of Directors shall be the presiding officer thereof. In the absence or disability of the Chairperson, the Vice Chairperson shall perform the duties of the Chairperson. The Secretary shall be the recording officer of the Board of Directors. The Treasurer shall be custodian of the funds of the Authority and shall give to it a bond in such amount as shall be fixed by the Board of Directors, conditioned upon the faithful performance of the duties of his or her office. The cost of said bond shall be paid by the Authority. The Treasurer shall be the chief accounting officer of the Authority and, subject to the approval of the Board of Directors, may employ such assistants as may be necessary. All moneys shall be deposited in a bank or banks to be designated by the Board of Directors, and all checks or other forms of withdrawal therefrom shall be signed by the Treasurer and countersigned by either the Chairperson or Secretary of the Board of Directors. The officers of the Board of Directors shall have such other powers and duties as may be conferred upon them by the Board of Directors.

Section 9. Meetings. The Board of Directors shall hold regular meetings at such times and places as shall be prescribed by resolution of the Board of Directors. All meetings of the Board of Directors shall be conducted at a public meeting held in compliance with the Open Meetings Act, Act 267 of 1976, as amended, MCL 15.261, et. seq ("Act 267"). Public notice of the time, date and place of the meeting shall be given in the manner required by Act 267.

Section 10. Special Meetings. Special meetings of the Board of Directors, for any purpose or purposes, may be called by the Chairperson, or when requested in writing by any two (2) members of the Board of Directors. Notice of special meetings shall be posted not less than eighteen (18) hours before such meeting in accordance with Act 267. Written notice of special meetings of the Board of Directors shall be either:

- (a) served personally on each member of the Board of Directors or left at his or her usual place of employment or residence not less than eighteen (18) hours prior to the time of the special meeting;
- (b) given personally by telephonic communication or electronic mail to each member of the Board of Directors not less than eighteen (18) hours prior to the time of the special meeting; or
- (c) given by first class US mail to each member of the Board of Directors not less than eighteen (18) hours prior to the time of the special meeting; or.

Special meetings of the Board of Directors at which all members are present shall be deemed valid even though no written notice thereof may have been given as provided above. Any

member of the Board of Directors may waive notice of any meeting either before or after the holding thereof.

Section 11. Place of Meeting. The Board of Directors may designate any place within the City of Mackinac Island as the place of regular meetings or for any special meeting called by the Chairperson.

Section 12. Quorum. A quorum shall consist of a majority of members appointed and serving on the Board of Directors.

Section 13. Vote. The Board of Directors shall act by motion or resolution. Except as provided in Article VIII hereof, a majority of the Board of Directors attending the regular or special meeting shall decide matters before the Board of Directors. The Board of Directors shall have the right to adopt bylaws governing its procedures, provided the same are not in conflict with the terms of any state statute or these Articles of Incorporation. The Board of Directors shall keep a journal of its proceedings which shall be signed by the Chairperson and Secretary. All votes shall be by yeas and nays. The journal shall show how each member voted. Each member shall be required to vote upon all motions, resolutions and ordinances unless he or she shall be disqualified from voting thereon. No member of the Board of Directors shall vote upon any motion, resolution or ordinance in which he or she has any personal interest and in accordance with law. No Director shall be financially interested in any contract with the Authority.

Section 14. Motions. Motions are directions and actions affecting the Board of Directors and those involved in its operation. Motions may be paraphrased, provided the intent and meaning has not been changed, in the official minutes of the meetings.

Section 15. Committees. The Board of Directors may establish committees which shall report from time to time to the Authority. Each committee shall include one member of the Board of Directors.

Section 16. Reimbursement of Expenses. No salaries shall be paid to the members of the Board of Directors. Members of the Board of Directors may be entitled to reimbursement by the Authority for actual expenses incurred in the discharge of their duties. In its discretion, the Board of Directors shall determine what expenses may be reimbursed.

ARTICLE IV

Financial Matters

Section 1. Financial Records. The Authority shall maintain adequate financial records in accordance with law and the Governmental Accounting Standards Board (the "GASB") and all other applicable Federal and State requirements. All accounting shall be done in accordance with Public Act 51 of 1951 (MCL 247.651, et seq.)

Section 2. Audits, Budgets, and Appropriations. The Authority shall provide for audits, budgets, and appropriations as required by Section 21 of the Act, the GASB, and all other

applicable Federal and State requirements and the Authority shall provide copies of the audits, budgets, and appropriations to the City of Mackinac Island within ten (10) business days of the same being completed.

Section 3. Fiscal Year. The fiscal year of the Authority shall be from October 1 to September 30 of each year.

Section 4. Miscellaneous. The Authority shall provide annual financial statements and a status report on the operations of the public transportation system to all municipal jurisdictions within the City of Mackinac Island.

ARTICLE V

Tax Levy

Section 1. Property Tax Levies. The Authority shall have the authority to levy taxes as authorized by the Act.

Section 2. Collection of Tax Levy. Any tax levy approved by the qualified and registered electors as provided by law shall be collected and transmitted to the Authority in accordance with the requirements of the Act.

ARTICLE VI

Amendment

Section 1. Amendment. These Articles may be amended only upon the approval of a majority of the members of the City of Mackinac Island City Council. No amendment shall be effective unless and until the amendment is filed and published in the same manner as required by law.

ARTICLE VII

Miscellaneous

Section 1. Filing and Publication. Within thirty (30) days after the signing of these articles of incorporation, the Board of Directors shall:

- (a) Publish a copy of these articles at least once in a newspaper circulated within the area proposed to be served by the Authority;
- (b) File a copy of these Articles with the Secretary of State, the County Clerk, and the Director of the State Department of Transportation; and
- (c) Such other acts as shall be required by law.

Section 2. Effective Date. These articles shall become effective immediately upon filing and publication as described above.

ARTICLE VIII
Savings Clause

Section 1. Savings Clause. The invalidity or unenforceability of any term in these Articles shall not affect the validity or enforceability of any remaining term in these Articles.

Approval

These Articles of Incorporation were adopted by an affirmative vote of the City of Mackinac Island City Council, at a meeting duly held on the 3 day of July, 2019.

Dated: July 3, 2019

Danielle Leach
City of Mackinac Island, Clerk