

ARTICLES OF INCORPORATION OF NORTH KENT SEWER 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 (the "Act").

ARTICLE I - NAME

The name of this AUTHORITY is "North Kent Sewer Authority". The principal office of the AUTHORITY will be located at the office of the Clerk of the Township of Alpine, the address of which is 5255 Alpine Avenue, N.W., Comstock, MI 49321-9768, or at such other location(s) as the Board of Trustees shall determine from time to time.

ARTICLE II - INCORPORATING MUNICIPALITIES

The incorporating Municipalities creating this AUTHORITY are the Townships of Alpine, Cannon and Courtland, the Charter Township of Plainfield and the City of Rockford, each located in the County of Kent, State of Michigan, which are hereby designated as the CONSTITUENT MUNICIPALITIES.

ARTICLE III - PURPOSE

The purpose of this AUTHORITY is to acquire, own, improve, enlarge, extend and operate a sewage disposal system, in accordance with the authorization of the Act. The term "sewage disposal system" as used in these Articles of Incorporation shall be as now or hereafter defined in Section 1 of the Act.

ARTICLE IV - POWERS

The AUTHORITY shall be a public body corporate with power to sue or to be sued in any court of this State. Its limits shall include all of the territory embraced within the corporate boundaries of the CONSTITUENT MUNICIPALITIES. It shall possess all of the powers now or hereafter granted by the Act or by any other applicable statute and by these Articles, and all those powers incident thereto. The enumeration of any powers herein shall not be construed as a limitation upon the AUTHORITY'S general powers unless the context shall clearly indicate otherwise. The AUTHORITY may have a corporate seal.

ARTICLE V - TERM OF EXISTENCE

The AUTHORITY shall continue in existence perpetually or until dissolved by act of the parties or by law; provided, however, that the AUTHORITY shall not be dissolved if such dissolution could operate as an impairment of any of its contracts.

ARTICLE VI - FISCAL YEAR

The fiscal year of the AUTHORITY shall commence on January 1 and end December 31.

ARTICLE VII - BOARD AND OFFICERS

The governing body of the AUTHORITY shall be a Board of Trustees, referred to below as the BOARD, which shall be composed of one (1) voting representative from each CONSTITUENT MUNICIPALITY. Members of the BOARD shall be appointed by the respective legislative bodies of each of the CONSTITUENT MUNICIPALITIES on or before November 1 of each year that a term of office expires, and each Trustee shall serve for a term of two (2) years, beginning with the first day of January next following his or her appointment; provided, however, that with respect to the initial BOARD, the Trustee appointed by each of the CONSTITUENT MUNICIPALITIES shall serve for a term of office expiring December 31, 1999. Each CONSTITUENT MUNICIPALITY shall also appoint an alternate BOARD member for a term of office expiring December 31, 1999, and for two-year terms thereafter. This alternate BOARD member may attend meetings of the BOARD but may vote only in the absence of the Trustee appointed by the alternate's CONSTITUENT MUNICIPALITY.

Members of the BOARD may be members of the legislative body of the appointing CONSTITUENT MUNICIPALITY. Each member of the BOARD shall qualify by taking the constitutional oath of office and filing it with his or her respective municipal clerk.

The members of the BOARD and such officers thereof who also are members of the BOARD shall be paid no compensation by the AUTHORITY except as may be authorized from time to time in writing by all of the CONSTITUENT MUNICIPALITIES; provided, however, that the BOARD may authorize the payment of the actual expenditures of any member or officer incurred in connection with the business of the AUTHORITY. A CONSTITUENT MUNICIPALITY may compensate its appointed BOARD members for meetings attended in its discretion.

The BOARD shall meet on the fourth Thursday of February of each year at 4:00 o'clock p.m., local time, at the place of holding the meetings of the BOARD, for the purpose of organization. If a regularly scheduled organizational meeting must be postponed (e.g., due to inclement weather), the annual organizational meeting shall occur at the same time and place

the following week, or such other time as may be reasonably satisfactory to all BOARD members or their alternates. At each organization meeting, the BOARD shall select a Chair, a Vice-Chair and a Secretary, who shall be members of the BOARD, and a Treasurer, who may, but need not, be a member of the BOARD. These officers shall serve until the organization meeting in the following year or until their respective successors shall be selected.

Within thirty (30) days after the organization of the AUTHORITY shall become effective, the legislative body of each CONSTITUENT MUNICIPALITY shall select its representatives on the BOARD to serve for the initial BOARD terms provided above, and within thirty (30) days after such selection, the members of the BOARD shall qualify by taking the constitutional oath of office and shall meet for the purpose of organizing the BOARD for the balance of the year 1997. The time and place for such meeting shall be fixed by a majority of the members of the BOARD, and notice thereof shall be served upon all members in the manner provided in Article IX in case of a special BOARD meeting. No appointment to the BOARD and no selection of an officer of the BOARD shall be deemed to be invalid because it was not made within or at the time specified in these Articles.

The members of the BOARD shall serve at the pleasure of the legislative body of the appointing CONSTITUENT MUNICIPALITY and may be removed at any time, with or without cause, by the legislative body of the appointing CONSTITUENT MUNICIPALITY.

ARTICLE VIII - VACANCIES

In the event of a vacancy on the BOARD, the legislative body of the CONSTITUENT MUNICIPALITY selecting such representative shall fill the vacancy for the unexpired term. In the event of a vacancy in any office of the BOARD, such vacancy shall be filled by the BOARD for the unexpired term. In case of the temporary absence or disability of any officer, the BOARD may appoint some person temporarily to act in his or her stead except that in the event of the temporary absence or disability of the Chair, the Vice-Chair shall so act. All persons serving in the offices of Chair, Vice-Chair or Secretary shall be members of the BOARD; the person serving as Treasurer may, but need not, be a member of the BOARD.

ARTICLE IX - BOARD MEETINGS

The BOARD shall meet annually for its organization meeting as is provided in Article VII above. If the BOARD elects to have regular meetings, these meetings of the BOARD shall be held at such time and place as shall be prescribed by resolution of the BOARD. Special meetings of the BOARD may be called by the Chair or any two (2) BOARD members, by serving written notice of the time, place and purpose, upon each member of the BOARD personally; or by leaving it at the BOARD member's place of residence or delivering it via facsimile (or similar electronic means) to his or her home or office at least eighteen (18)

hours prior to the time of the 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 (72) hours prior to the time of the meeting, enclosed in a sealed envelope properly addressed to the BOARD member at his or her home or office address, with first class postage fully prepaid. Any member of the BOARD may waive notice of any meeting either before or after the holding thereof. Any meeting at which all members of the BOARD are present shall be a legal meeting for the conduct of business, notwithstanding that written notice was not provided in the manner set forth above, provided that notice of such meeting of the AUTHORITY was given in accordance with the provisions of Act 267 of the Public Acts of 1976. At least a majority of the members-elect of the BOARD shall be required for a quorum. Each BOARD member shall have one (1) vote. The BOARD shall act by motion, resolution or ordinance. For the passage of any motion, resolution or ordinance, the execution of any contract, and all other matters, there shall be required a majority vote of all of the members-elect of the BOARD, unless a greater majority or a unanimous vote of all BOARD members is required by these Articles.

Public notice of all organization, regular, special or rescheduled regular meetings of the BOARD shall be given pursuant to the applicable provisions of The Open Meetings Act, being Act 267, Public Acts of 1976, as amended.

The BOARD shall have the right to adopt bylaws governing its procedures and regulating the affairs of the AUTHORITY which are not in conflict with the terms of the Act, any other statute or these Articles. The BOARD shall also have the right to establish rules and regulations in accordance with the Act for the use or administration of any AUTHORITY sewage disposal system or facility, provided, however, that such rules and regulations shall not become effective as to any CONSTITUENT MUNICIPALITY unless and until approved by the legislative body of that CONSTITUENT MUNICIPALITY. All actions of the BOARD of the AUTHORITY shall be governed by Roberts Rules of Order if not inconsistent with these Articles, the AUTHORITY BYLAWS, or applicable law.

The BOARD shall keep a journal of its proceedings, which shall be signed by the Secretary. This journal shall show how each member voted and each member shall vote upon all motions, resolutions and ordinances unless disqualified from voting thereon by reason of any direct or indirect personal interest as defined by the conflict of interest laws of the State of Michigan. All votes shall be "yeas" and "nays", except that where the vote is unanimous, it shall only be necessary to so state.

ARTICLE X - BOARD AFFAIRS

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

The Treasurer shall be custodian of the funds of the AUTHORITY and shall provide a bond conditioned upon the faithful performance of the duties of his or her office. The cost of this bond shall be paid by the AUTHORITY. All money shall be deposited in a bank(s) to be designated by the BOARD, and all checks or other forms of withdrawal therefrom shall be signed by the Chair and the Treasurer or Secretary. The officers of the BOARD shall have such other powers and duties as may be conferred upon them by the BOARD.

Bonds issued by the AUTHORITY, and interest coupons relating thereto, if any, shall be executed in the name and on behalf of the AUTHORITY by its Chair and Secretary by manual or facsimile signature, and the corporate seal of the AUTHORITY or a facsimile thereof shall be printed on or affixed to the bonds.

The BOARD shall prepare, adopt and submit to their respective legislative bodies an annual budget covering the proposed expenditures to be made for organizing and operating of the AUTHORITY and for the necessary funds required from each CONSTITUENT MUNICIPALITY for the next fiscal year beginning January 1. Such budget shall be submitted to each CONSTITUENT MUNICIPALITY on or before October 1 of the previous fiscal year. No budget shall be adopted unless approved by unanimous vote of the members-elect of the BOARD; provided, however, that no obligation shall be assumed by the AUTHORITY which may then or at any time in the future become in whole or in part the individual liability of any CONSTITUENT MUNICIPALITY without the prior individual consent of the CONSTITUENT MUNICIPALITY; and provided further, that any CONSTITUENT MUNICIPALITY may withdraw from the AUTHORITY at any time prior to the incurrence of indebtedness by the AUTHORITY for which the CONSTITUENT MUNICIPALITY may incur an individual liability without any obligation whatever, and may also withdraw after the assumption of indebtedness by the AUTHORITY for which the individual CONSTITUENT MUNICIPALITY has by its prior agreement thereto incurred an individual liability, but in the case of such latter withdrawal, the consent of the creditor shall be obtained or the individual obligation assumed by the withdrawing member shall be paid by the withdrawing CONSTITUENT MUNICIPALITY on terms satisfactory to the creditor. During such times as the only AUTHORITY bonds outstanding are for a project or projects located exclusively in and benefitting solely one of the CONSTITUENT MUNICIPALITIES, the CONSTITUENT MUNICIPALITY where the project or projects are located and which is solely benefitted shall pay all of the expenses for the operation and maintenance of the AUTHORITY including, without limitation, the treasurer's bond fee and all legal, accounting and audit fees.

The provisions of this Article shall be considered controlling over all other provisions of these Articles of Incorporation.

ARTICLE XI - PROPERTY ACQUISITION

The AUTHORITY shall possess all powers necessary to carry out the purposes thereof and those incident thereto. The AUTHORITY may acquire property by purchase, construction, 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 statute which grants any municipality or public body the authority to acquire private property for public use.

ARTICLE XII - PROJECTS

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 as authorized and provided in the Act. However, the AUTHORITY shall not acquire, purchase, construct, improve, enlarge, extend, operate or finance a sewage disposal system within any CONSTITUENT MUNICIPALITY without the prior written approval of that CONSTITUENT MUNICIPALITY. In addition, unless the CONSTITUENT MUNICIPALITY within which a sewage disposal system project is located shall agree otherwise, any sewage disposal system improvements shall be operated and maintained exclusively by the CONSTITUENT MUNICIPALITY within which they are located.

ARTICLE XIII - SALE OF BONDS

For the purpose of obtaining funds for the acquisition, construction, improving, enlarging or extending of a sewage disposal 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 the Act.

ARTICLE XIV - EMPLOYEES

The BOARD shall have power to hire officers and employees, to carry out the functions of the AUTHORITY and to fix the compensation therefor.

ARTICLE XV - AUDIT

The BOARD shall cause an annual audit to be made of its financial transactions by a certified public accountant and shall furnish at least two (2) copies thereof to each CONSTITUENT MUNICIPALITY.

ARTICLE XVI - PUBLICATION

These Articles shall be published once in the *Grand Rapids Press*, Grand Rapids, Michigan, which newspaper has general circulation within the territory encompassed by the AUTHORITY. One (1) printed copy of the Articles of Incorporation as printed in this newspaper, certified as a true copy thereof as provided below, with the date and place of publication shown by a publisher's affidavit of publication attached thereto, shall be filed with the Secretary of State and also the Clerk of the County of Kent after the execution and publication thereof has been completed.

The Alpine Township Clerk is hereby designated as the person to cause these Articles of Incorporation to be published, certified and filed as aforesaid.

All expenses for the publication of these Articles and all other expenses incurred in the incorporation and establishment of the AUTHORITY shall be paid by the constituent municipality whose clerk is above-designated as the person to cause these Articles of Incorporation to be published, certified and filed as aforesaid; however, such expenses shall be reimbursed by the other constituent members in the same proportion as the constituent municipalities are determined to be responsible for flow at the Four Mile Lift Station, or if the Four Mile Lift Station is no longer the sole connection of the North Kent sewage disposal system to the Grand Rapids sewage disposal system, then at the point(s) at which the combined flow of the CONSTITUENT MUNICIPALITIES through the North Kent sewage disposal system enters the Grand Rapids sewage disposal system, or as otherwise agreed.

ARTICLE XVII - EFFECTIVE DATE

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

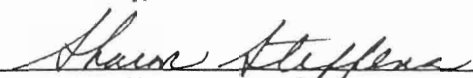
ARTICLE XVIII - AMENDMENTS

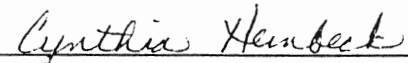
These Articles of Incorporation may be amended at any time so as to permit any county, city, village, township or charter township to become a member of the AUTHORITY, if such amendment to the Articles of Incorporation is adopted by the legislative body of such county, city, village, township or charter township 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 this AUTHORITY.


These Articles have been adopted by the five incorporating municipalities, as is set forth in the following endorsements, and in witness whereof the designated officials of each CONSTITUENT MUNICIPALITY have endorsed thereon a statement of such adoption.

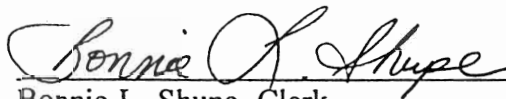
The foregoing Articles of Incorporation were adopted by the Alpine Township Board of Trustees, County of Kent, State of Michigan, at a meeting duly held on the 20th day of October, 1997.


Sharon Steffens, Supervisor,
Alpine Township

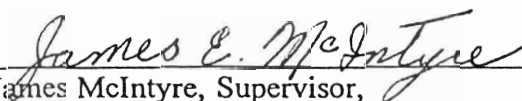

Cynthia Heinbeck, Clerk,
Alpine Township

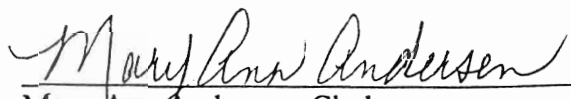
The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Cannon, County of Kent, State of Michigan, at a meeting duly held on the 8th day of December, 1997.


James Alles, Supervisor,
Cannon Township

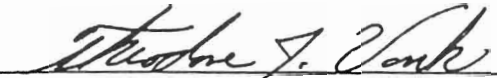

Bonnie L. Shupe, Clerk,
Cannon Township

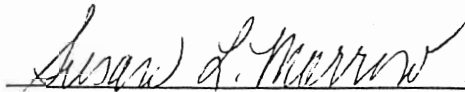
The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Courtland, County of Kent, State of Michigan, at a meeting duly held on the 16th day of November, 1997.


James McIntyre, Supervisor,
Courtland Township



Mary Ann Anderson, Clerk,
Courtland Township

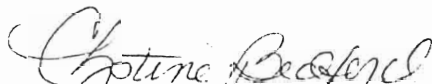
The foregoing Articles of Incorporation were adopted by the Township Board of the Charter Township of Plainfield, County of Kent, State of Michigan, at a meeting duly held on the 24th day of December, 1997.


Theodore J. Vonk, Supervisor,
Plainfield Charter Township


Susan Morrow, Clerk,
Plainfield Charter Township

The foregoing Articles of Incorporation were adopted by the City Council of the City of Rockford, County of Kent, State of Michigan, at a meeting duly held on the 8th day of December, 1997.


Neil Blakeslee, Mayor,
City of Rockford


Christine Bedford, Clerk,
City of Rockford