

ARTICLES OF INCORPORATION OF  
CAPITAL AREA TRANSPORTATION AUTHORITY  
AS AMENDED OCTOBER 17, 2018

ARTICLE I.

The name of this corporation is Capital Area Transportation Authority hereinafter referred to as the "Authority" or "CATA".

ARTICLE II.

The purpose or purposes for which the Authority is created are:

- (1) To create a public authority to accomplish the purpose or purposes for which authorities may be authorized pursuant to 55 P.A. of 1963 as amended, which purpose or purposes are incorporated herein by reference.
- (2) To plan, promote, purchase, acquire, establish, own, operate, or cause to be operated, maintain, improve, enlarge, and modernize a mass transit system in the greater Lansing area.
- (3) To do all things necessary, suitable and/or proper for the accomplishment of the above purpose, purposes, and any one or more of them.

ARTICLE III.

The powers of the Authority shall be to do everything and anything reasonably and lawfully necessary, proper, suitable, or convenient for the achievement or furtherance of the purposes above stated, or for any of them. These powers shall include, but not be limited to the following specific powers; to issue self-liquidating or revenue bonds, to levy a tax on the real and personal property located in the service area upon the approval of a majority vote, to borrow money from a commercial or governmental institution.

ARTICLE IV.

(1) Any political subdivision which is within the service area as defined in 1963 PA 55, as amended, may become a member of the Authority upon fulfillment of the following prerequisites:

- (a) Receiving CATA public transit bus service;
- (b) Financially participating in an amount that levies the Authority's millage pursuant to 1963 PA 55 and all other requirements mandated by said Act (1963 PA 55).
- (c) Adoption of a resolution by the governing body of the political subdivision;
- (d) Acceptance by resolution adopted by majority vote of the Board; and
- (e) Compliance with the Bylaws and Policies of the Authority.

(2) The Authority shall be directed and governed by the Capital Area Transportation Authority Board, herein referred to as the "Board". Representation on the CATA Board shall be determined as follows:

- (a) Political subdivisions that are members of the Authority:

	<u>Number of Representatives</u>
i. Less than 10,000 population and not a member of the Authority as of January 1, 1975	Non-Voting
ii. 10,000-35,000 population and not a member of the Authority as of January 1, 1975	1 Voting
iii. 0-35,000 population and a member of the Authority as of January 1, 1975	1 Voting
iv. 35,001-50,000 population	2 Voting
v. 50,001- 100,000 population	3 Voting
vi. 100,001-150,000 population	4 Voting
vii. 150,001 and up	5 Voting
- (b) Effective December 7, 2018, the Board may provide in its Bylaws for a political subdivision that is not a member of CATA (an "Independent

Entity"), but which financially participates in an amount set forth by the Board, to appoint one (1) Board member as its representative (an "Independent Representative"). An Independent Representative shall have the same rights, privileges, and responsibilities as the representatives that are appointed by the political subdivisions that are members of the Authority, except and provided that, notwithstanding any provision to the contrary in these Articles of Incorporation, an Independent Representative shall cease to be a Board member, regardless of the term of appointment, upon the Independent Entity that appointed the member failing to financially participate in an amount set forth by the Board.

If any political subdivision withdraws from membership in the Authority, the term of each Board member appointed by that political subdivision shall expire at the time of withdrawal.

(3) The Board may provide in its Bylaws for political subdivisions and Independent Entities to appoint non-voting representatives to the Board on an advisory basis, subject to the pleasure of the Board and on such terms and conditions as the Board deems appropriate.

(4) The terms of the office of the Board members shall be three years, with members appointed on a rotational schedule. The rotational schedule for Board appointments is approved by the CATA Board with terms beginning at the first regular Board meeting following the annual organizational meeting. If the member is unable to complete their term of office, a successor shall be appointed in the same manner as the original appointment to complete the term.

(5) The participating political subdivisions shall not appoint persons to the Board that fall within any of the following categories:

- (a) Any individual who is an employee or agent of CATA, or
- (b) Any individual who is related to an employee, officer or agent of CATA.

Relative is defined as spouse, parent, child, sister, brother, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandchild, grandparent or legal guardian.

(6) Any Board member may be removed from office with or without cause by the political subdivision that appointed the member in accordance with the policies and procedures of the political subdivision. A Board member may resign from office at any time, effective upon receipt of written notice of resignation by the Chief Executive Officer of CATA, unless otherwise specified in the notice of resignation.

(7) The Board shall hold an annual organizational meeting each year, unless deemed otherwise, at such place, date, and hour as shall be fixed by the Board. The Board shall, at its annual meeting, elect a chairperson, vice-chairperson, and secretary/treasurer who shall be members of the Board who were appointed by members of the Authority. Said officers shall serve at the pleasure of the Board and shall have all the powers assigned to them by the Board. The Board shall transact such other business as may be necessary at its annual meeting and shall fix a time and place for regular meetings which shall be open to the public. All members of the Board shall serve without compensation from the Authority, but shall be entitled to reimbursement by the Authority of actual expenses incurred in the discharge of their duties. In the conduct of the business of the Board, a majority of the Board members then appointed and serving shall constitute a quorum. On all voting issues before the Board, a majority of the Board members present and voting shall be sufficient for the adoption of any resolutions.

(8) The chairperson or any two members of the Board may call a special meeting of the Board as set forth by CATA policy. The Board shall keep a written or printed record of every meeting, which record shall be public.

(9) The Board shall provide a system of accounts to conform to the uniform system required by law and shall provide for the auditing of said accounts once a year by a competent certified public accountant. The Board shall appoint an executive director and shall adopt rules, regulations, and policies governing the employees, patrons, and facilities under its jurisdiction.

(10) A Board member or any person holding appointment by the Board shall not have any interest either directly or indirectly in any contract entered into by the Authority, unless all material facts as to their relationship or interest as to the contract are disclosed or

known to the Board, and the Board authorizes, approves or ratifies the contract without counting the vote of the Interested member.

(11) The Board shall furnish an annual report to the governing bodies of all participating members with respect to the operation, maintenance and financial condition of the Authority.

(12) The Board shall adopt bylaws, policies and procedures that it deems necessary, suitable and/or proper for the conduct of the business of the Board and for accomplishing the purpose or purposes for which the Authority is created.

#### ARTICLE V.

(1) The Authority may be dissolved in accordance with statutory provisions, and subject to the provisions set forth in Article V. paragraph 2, below.

(2) The Authority may not be dissolved or its Articles amended if such dissolution or amendment would or could operate as an impairment of any authorized bonds.

(3) The Articles of Incorporation may be amended only by a majority vote of the Board members then serving subject to veto by the governing body of any political subdivision which is a member of the Authority as set forth below:

- (a) After approval of the proposed amendments to the Articles, the Authority shall send by certified mail with return receipt requested, the proposed amendments to the clerk for each participating member of the Authority.
- (b) The governing bodies of each participating member shall have forty five (45) days after receipt by their clerk in which to disapprove the proposed amendments and transmit a resolution of disapproval to the CATA Board.
- (c) Upon receipt of such resolution of disapproval, the proposed amendments shall not become effective unless the CATA Board by two-thirds vote of the members of the CATA Board then serving ratifies the proposed amendments within 45 days after receipt of the resolution of disapproval.

- (d) If a majority of the governing bodies of the participating members disapprove of the proposed amendments, the proposed articles shall not become effective, and the CATA Board shall not be empowered to override the participating members vote.
- (e) If a participating member fails to respond to the proposed amendments within the 45 day time period set in (b) above, this shall be tantamount to approval of the proposed amendments.

ARTICLE VI.

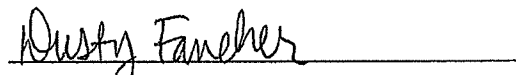
These Articles of Incorporation, as amended October 17, 2018, completely restate and supercede all prior Articles of Incorporation of Capital Area Transportation Authority.

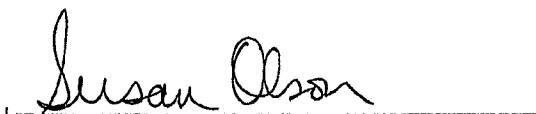
CERTIFICATE OF ADOPTION

The undersigned certify that the foregoing Articles of Incorporation were adopted by an affirmative vote of the members of the Board of Capital Area Transportation Authority at a meeting duly held on the 17th day of October, 2018.

CAPITAL AREA TRANSPORTATION AUTHORITY

  
\_\_\_\_\_  
Nathan Triplett, Board Chair

  
\_\_\_\_\_  
Dusty Fancher, Board Secretary

  
\_\_\_\_\_  
Susan Olson, Recording Secretary

EXECUTED THIS 19<sup>th</sup> DAY OF December, 2018