

ARTICLES OF INCORPORATION (AMENDED)

OF

NORTHPORT/LEELANAU TOWNSHIP 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 (the "Act").

ARTICLE I- NAME

The name of this authority is the "Northport/Leelanau Township Utilities Authority" (the "AUTHORITY"). The principal office of the AUTHORITY will be initially located at the office of the Clerk of the Village of Northport, the address of which is 116 West Nagonaba, P.O.Box 336, Northport, Michigan 49670, or at such other location or locations as the Authority Board shall determine from time to time.

ARTICLE II-INCORPORATING MUNICIPALITIES

The Incorporating Municipalities creating this AUTHORITY are the Village of Northport and the Township of Leelanau, each located in the County of Leelanau, State of Michigan, and each of which is hereby designated as a CONSTITUENT MUNICIPALITY.

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-LEGAL ENTITY

The AUTHORITY shall be a public body corporate with power to sue or to be sued in any court of the State of Michigan (the "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 shall have a corporate seal.

ARTICLE V-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 the first day of March in each year and end on the last day of February next following.

ARTICLE VII-POWERS

The Authority shall be governed by a Board of Directors (the Authority Board). The Authority Board shall exercise final authority regarding the powers of the Authority. The Authority Board may delegate to its staff, volunteers and committees such powers as it deems appropriate, as long as such delegation does not create a conflict of interest or is otherwise unlawful. The Authority Board shall be comprised of five (5) members. One of the members of the Authority Board shall be a member of the Leelanau Township

Board appointed by the Township Board. The Leelanau Township Board shall also appoint one (1) additional member of the Authority Board from the residents of the township. One of the members of the Authority Board shall be a member of the Northport Village Council appointed by the Village Council. The Northport Village Council shall also appoint one (1) additional member of the Authority Board from the residents of the village. Finally, the fifth member of the Authority Board shall be appointed by mutual consent and action of both the Leelanau Township Board and the Northport Village Council.

The members of the Authority Board appointed by separate action of the Leelanau Township Board and the Northport Village Council 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. The member of the Authority Board appointed by mutual consent and action of both the Leelanau Township Board and the Northport Village Council shall serve at the pleasure of both legislative bodies and may be removed at any time, with or without cause, by the mutual consent and action of both the Leelanau Township Board and the Northport Village Council.

Each member of the AUTHORITY BOARD shall qualify by taking the constitutional oath of office and filing it with the clerk of the member's CONSTITUENT MUNICIPALITY. The members' terms shall be two years beginning with the first day of the month, 2006 next following the appointment.

The members of the Authority Board, and such officers thereof who also are members of the Authority Board, may be paid a per diem payment only if the amount of

each per diem payment is specified in the proposed budget of the Authority. The AUTHORITY BOARD may reimburse its members, officers, volunteers, and employees, for expenses that may have been incurred on behalf of the Authority.

The AUTHORITY BOARD annual organization meeting shall meet on the third Tuesday of April of each year at 7:00 o'clock p.m., at the place of holding the meetings. At such organization meeting the AUTHORITY BOARD shall select a Chair, a Vice-Chair and a Secretary, who shall be members of the AUTHORITY BOARD, and a Treasurer, who may but need not be a member of the AUTHORITY BOARD. Such officers shall serve until the organization meeting in the following year or until their respective successors shall be selected and qualify.

ARTICLE VIII-VACANCIES

In the event of a vacancy on the AUTHORITY 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 AUTHORITY BOARD, such vacancy shall be filled by the AUTHORITY BOARD for the unexpired term. In case of the temporary absence or disability of any officer, the AUTHORITY 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.

ARTICLE IX-MEETINGS

Regular meetings of the AUTHORITY BOARD shall be held at least twice a year (which will include the annual organization meeting) at such time and place as shall be prescribed by resolution of the AUTHORITY BOARD and each member of the

AUTHORITY BOARD shall have one vote. Special meetings of the AUTHORITY BOARD may be called by the Chair or by any two members of the AUTHORITY BOARD, by serving written notice of the time, place and purpose thereof, (1) upon each member of the AUTHORITY BOARD personally or (2) by leaving it at the AUTHORITY BOARD member's place of residence at least eighteen hours prior to the time of such meeting, or (3) 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 such 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 AUTHORITY BOARD may waive notice of any meeting either before or after the holding thereof. At least a majority of the members-elect of the AUTHORITY BOARD shall be required for a quorum. Each BOARD member shall have one (1) vote. The Authority Board 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, there shall be required a majority vote of the members-elect of the AUTHORITY BOARD. For all other matters, a vote of a majority of the members of the AUTHORITY BOARD present at any meeting at which a quorum is present shall be sufficient for passage. The AUTHORITY BOARD shall keep a journal of its proceedings, which shall be signed by the Secretary. All votes shall be "yeas" and "nays", except that where the vote is unanimous, it shall only be necessary to so state.

Action required or permitted to be taken, by the AUTHORITY BOARD, pursuant to authorization voted at a meeting of the AUTHORITY BOARD, may be taken without a meeting if, before or after the action, all members of the AUTHORITY BOARD

consent thereto in writing.

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

The AUTHORITY BOARD shall have the right to adopt rules governing its procedures and regulating the affairs of the AUTHORITY that are not in conflict with the terms of the Act or any other statute or these Articles. The AUTHORITY BOARD shall also have the right to establish rules and regulations for the use of any project constructed by it under the provisions of the enabling acts.

ARTICLE X-FINANCES

The Chair of the AUTHORITY BOARD shall be the presiding officer thereof. 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 give it a bond conditioned upon the faithful performance of the duties of his or her office. The cost of said bond shall be paid by the AUTHORITY. All money shall be deposited in a bank(s) to be designated by the AUTHORITY BOARD, and all checks or other forms of withdrawal there from shall be signed by the Chair or Vice Chair and either the Treasurer or the Secretary. The officers of the AUTHORITY BOARD shall have such other powers and duties as may be conferred upon them by the AUTHORITY 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 its Secretary by manual or facsimile signature, and the corporate seal of the AUTHORITY

or a facsimile there of shall be printed on or affixed to bonds.

The AUTHORITY BOARD shall prepare, adopt and submit to the legislative bodies of the CONSTITUENT MUNICIPALITIES 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 of the upcoming year, such budget to be submitted to each CONSTITUENT MUNICIPALITY at least sixty (60) days before the proposed budget is adopted by the AUTHORITY BOARD. No budget shall be adopted unless approved by at least a simple majority of the members of the entire AUTHORITY 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 (1) 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 (2) 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 only if (a) the consent of the creditor shall be obtained or (b) the individual obligation assumed by the withdrawing member shall be paid by the withdrawing CONSTITUENT MUNICIPALITY on terms satisfactory to the creditor.

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 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-LOCATION OF PROJECT

The AUTHORITY shall have the power to determine the location of any project constructed by it under the provisions of the Act and to determine, in its discretion the design, standards, and the materials of construction, and construct, maintain, repair and operate the same.

The AUTHORITY BOARD may hire such employees and fix their compensation, engage such volunteers, and create such committees as it deems appropriate.

ARTICLE XIII-CONTRACTS

The AUTHORITY and any of 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. The AUTHORITY may enter into contracts with any non-constituent county, city, village, township or charter township for the furnishing of a disposal treatment service by any system owned or operated by the AUTHORITY, which contract shall provide for reasonable charges or rates for such

service furnished. The AUTHORITY shall have the power to enter into contracts with any CONSTITUENT MUNICIPALITY or other municipality for the purchase of a sewage disposal system from such CONSTITUENT MUNICIPALITY or other municipality. No contract shall be for a period exceeding forty years.

ARTICLE XIV-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 pledge of each contracting CONSTITUENT MUNICIPALITY in accordance with and subject to the provisions of the Act.

ARTICLE XV-REVENUE BONDS

The AUTHORITY and any of its CONSTITUENT MUNICIPALITIES and any other municipality shall have authority, if provided by the terms of any contract, to acquire, construct, improve, enlarge or extend a sewage disposal system, to provide for the sale and purchase of a sewage disposal service from such system or systems, and after the execution of such contract or contracts, the AUTHORITY shall have the authority to issue self-liquidating revenue bonds in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, or any other act providing for the issuance of revenue bonds, which bonds shall be payable solely from the revenues of the sewage disposal system. The charges specified in any such contract or contracts 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 (40) years.

ARTICLE XVI-HIRING

The AUTHORITY BOARD shall have power to hire all necessary officers and employees to carry out the functions of the AUTHORITY and to fix the compensation therefor. It is further understood that the AUTHORITY BOARD may contract with any CONSTITUENT MUNICIPALITY or some outside governmental agency for the purpose of examining and preparing a legible register of prospective employees for the several classifications of officers and employees needed to operate such facilities.

ARTICLE XVII-AUDIT

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

ARTICLE XVIII-PUBLICATION/FILING

These Articles shall be published once in a newspaper which has general circulation within the territory encompassed by the AUTHORITY. Printed copies of the Articles of Incorporation as printed in the aforementioned newspaper, certified as a true copy thereof by the person designated below and 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 with the Clerk of the County of Leelanau.

The Clerk of the Village of Northport is hereby designated as the person to cause these Articles of Incorporation to be published, certified and filed as aforesaid. In the event he or she shall be unable to act or shall neglect to act, then the Clerk of the Township of Leelanau shall act in his or her stead. All expenses for the publication of

these Articles and all other expenses, if any, incurred in the incorporation and establishment of the Authority shall be paid by the Village of Northport, with one-half of such expenses to be reimbursed by Leelanau Township, within forty-five (45) days of the effective date for the AUTHORITY..

ARTICLE XIX-EFFECTIVE DATE

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

ARTICLE XX-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 then 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.

ARTICLE XXI-MISCELLANEOUS

The captions in these Articles of Incorporation are for convenience only and shall

not be considered as part of these Articles of Incorporation or in any way limiting or amplifying the terms and provisions hereof.

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

The foregoing Articles of Incorporation were adopted by the Village Council of the Village of Northport, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of January, 2006.

Michael F. Rogers, President
Village of Northport

Laura A. Weiss, Clerk
Village of Northport

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Leelanau, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of **January, 2006**.

James P. Neve, Supervisor
Township of Leelanau

Deborah K. Van Pelt, Clerk
Township of Leelanau

**FIRST AMENDMENT TO THE ARTICLES OF INCORPORATION OF THE
NORTHPORT/LEELANAU TOWNSHIP UTILITIES AUTHORITY**

The following revisions to the Articles of Incorporation for the Northport/Leelanau Township Utilities Authority were approved by the Northport Village Council on 9/7/06, and by the Leelanau Township Board on 9/12/06:


As to Article VII:

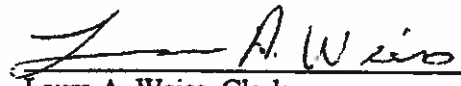
- (i) The third paragraph is deleted.
- (ii) The last paragraph is hereby amended to read, in its entirety, as follows:
The Authority Board shall set, by written resolution signed by a majority of the Board, the time and place for the initial organization meeting. Subsequent organization meetings shall be held on the first Tuesday of April of each year at 10:00 a.m., or at such other time and place as prescribed by resolution of the Authority Board. At each organization meeting, the Authority Board shall select a Chair, a Vice-Chair, and a Secretary, who shall be members of the Authority Board, and a Treasurer, who may but need not be a member of the Authority Board. Such officers shall serve until the organization meeting in the following year, or until their respective successors shall be selected and qualify.

As to Article IX:

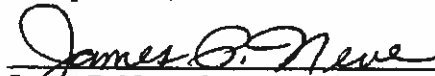
- (1) The first sentence is hereby amended to read, in its entirety, as follows:
Regular meetings of the Authority Board shall be held at least twice a year (which will include the annual organization meeting) at such time and place as shall be prescribed by resolution of the Authority Board and each member of the Authority Board shall have one vote.


The foregoing First Amendment to the Articles of Incorporation was adopted by the Village Council of the Village of Northport, County of Leelanau, State of Michigan, at a meeting duly held on the 7th day of September, 2006.


Michael F. Rogers, President
Village of Northport


Laura A. Weiss, Clerk
Village of Northport

The foregoing First Amendment to the Articles of Incorporation was adopted by the Township Board of the Township of Leelanau, County of Leelanau, State of Michigan, at a meeting duly held on the 12th day of September, 2006.


James P. Neve, Supervisor
Township of Leelanau


Deborah K. Van Pelt, Clerk
Township of Leelanau

**SECOND AMENDMENT TO ARTICLES OF INCORPORATION OF THE
NORTHPORT/LEELANAU TOWNSHIP UTILITIES AUTHORITY**

The following revisions to the Articles of Incorporation for the Northport/Leelanau Township Utilities Authority (the "Authority") were approved by the Northport Village Council and by the Leelanau Township Board:

1. The first paragraph of Article X is hereby amended to read, in its entirety, as follows:

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

2. The last paragraph of Article VII is hereby amended to read, in its entirety, as follows:

The AUTHORITY BOARD annual organization meeting shall meet on the third Tuesday of April of each year at 7:00 o'clock p.m., at the place of holding the meetings. At such organization meeting the AUTHORITY BOARD shall select a Chair, a Vice-Chair and a Secretary, who shall be members of the AUTHORITY BOARD, and a Treasurer, who may but need not be a member of the AUTHORITY BOARD. Such officers shall serve until the organization meeting in the following year or until their respective successors shall be selected and qualify.

3. Article XVII is hereby amended is hereby amended to read, in its entirety, as follows:

The AUTHORITY BOARD shall cause an annual audit to be made, if required by law or financial obligations, of its financial transactions by a certified public accountant and shall furnish at least two (2) copies thereof to each CONSTITUTENT MUNICIPALITY.

The foregoing Second Amendment to the Articles of Incorporation was adopted by the Village Council of the Village of Northport, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of _____, 2007.

Michael E. Rogers, President
Village of Northport

Laura A. Weiss, Clerk
Village of Northport

The foregoing Second Amendment to the Articles of Incorporation was adopted by the Township Board of the Township of Leelanau, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of _____, 2007.

James P. Neve, Supervisor
Township of Leelanau

Deborah K. Van Pelt, Clerk
Township of Leelanau

h:\wmd\northportsewer\authority\second amend to art of incorp fin.doc

THIRD AMENDMENT TO ARTICLES OF INCORPORATION

Northport/Leelanau Township Utilities Authority

The first paragraph of Article X (Finances) is hereby amended to read, in its entirety, as follows:

The Chair of the AUTHORITY BOARD shall be the presiding officer thereof. 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 give it a bond conditioned upon the faithful performance of the duties of his or her office. The cost of said bond shall be paid by the AUTHORITY. All money shall be deposited in a bank(s) to be designated by the AUTHORITY BOARD. The Chairperson, Vice-Chair, Treasurer, Secretary, or any other Board member authorized by resolution of the AUTHORITY BOARD, may sign checks or make deposits on behalf of the AUTHORITY. Two signatures shall be necessary on all AUTHORITY checks. The officers of the AUTHORITY BOARD shall have such other powers and duties as may be conferred upon them by the AUTHORITY BOARD.

The foregoing Third Amendment to Articles of Incorporation was adopted by the Village Council of the Village of Northport, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of _____, 2013.

Barbara VonVoigtlander, President
Village of Northport

Joni L. Scott, Clerk
Village of Northport

The foregoing Third Amendment to Articles of Incorporation was adopted by the Township Board of the Township of Leelanau, County of Leelanau, State of Michigan, at a meeting duly held on the _____ day of _____, 2013.

Doug Scripps, Supervisor
Township of Leelanau

Deborah Van Pelt, Clerk
Township of Leelanau

CERTIFICATION

The undersigned, Clerk of the Village of Northport, and as designated and authorized in accordance with Article XVIII of the Articles of Incorporation, hereby certifies that this document is a true and complete copy of the Second Amendment to Articles of Incorporation adopted by the Village Council of the Village of Northport and the Township Board of the Township of Leelanau and which was published on _____, 2013 in *The Leelanau Enterprise* newspaper, which is located in Lake Leelanau, Michigan, and which newspaper has general circulation within Leelanau County, including Leelanau Township and the Village of Northport. A true copy of the publisher's Affidavit of Publication is attached hereto.

Joni L. Scott
Clerk of the Village of Northport

Dated: _____