

**INTERGOVERNMENTAL AGREEMENT CREATING
AMBULANCE AUTHORITY**

THIS INTERLOCAL AGREEMENT to create the Jordan Valley Emergency Medical Service Authority is entered into between the City of East Jordan, a Michigan home rule city, whose address is P.O. Box 499 East Jordan, Michigan 49727 (the City); Jordan Township, whose address is 4473 Big Marsh Rd, East Jordan, Michigan 49727; Echo Township, whose address is 2021 Finkton Rd, East Jordan, Michigan 49727; South Arm Township, whose address is P.O. Box 304, East Jordan, Michigan 49727; and Banks Township, whose address is P.O. Box 68, Ellsworth, Michigan 49729; all of which are Michigan general law townships located in Charlevoix County and Antrim County, Michigan (the Townships). Collectively these parties shall be referred to as the "Incorporating Municipalities."

RECITALS

- A. The City and Townships recognize that a stable and reliable ambulance service is essential to the health, safety, and general welfare of the residents and visitors within their respective municipalities.
- B. Historically, ambulance service has been provided by the City of East Jordan.
- C. The City of East Jordan Emergency Medical Services, which is currently providing service within the Townships and City, is facing financial difficulties which, without financial support, could jeopardize the continued ability to provide stable and reliable ambulance services within the respective municipalities.
- D. The maintenance of an ambulance authority is authorized by Act 47 of the Public Acts of 1988, as amended (The Municipal Emergency Services Act), being MCL 124.601, *et seq* (the Act).
- E. The Incorporating Municipalities, therefore, desire to enter into this Agreement, incorporating an ambulance authority, to provide the needed financial assistance to ensure a stable and reliable ambulance service within their respective municipalities.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Incorporating Municipalities hereby agree to incorporate the following ambulance authority, under the terms and conditions provided herein, pursuant to the provisions of the Act:

ARTICLES OF INCORPORATION

I. NAME

The name of the ambulance authority shall be the "Jordan Valley Emergency Medical Service Authority".

II. APPROVED CONTRACTING MUNICIPALITIES

The Incorporating Municipalities hereby agree to recognize a class of municipalities that will contract with the Authority to provide ambulance services within a portion of those municipalities, as specified in the contract. This class of municipalities shall be known as "Approved Contracting Municipalities." All Approved Contracting Municipalities shall possess the rights and obligations as specified in these Articles of Incorporation. The Incorporating Municipalities hereby agree and approve the following municipalities as Approved Contracting Municipalities:

Wilson Township, a Michigan general law township, whose address is P.O. Box 447, Boyne City, Michigan 49712; and
Eveline Township, a Michigan general law township, whose address is P.O. Box 454, Charlevoix, Michigan 49720.

Additional municipalities may become Approved Contracting Municipalities by an amendment to these Articles of Incorporation that is approved by all of the Incorporating Municipalities and the previously recognized Approved Contracting Municipalities. Nothing in this Article, however, shall be construed to limit the power of the Authority Board to contract with other municipalities to provide ambulance services under the terms and conditions of agreements approved by the Authority Board. Any such contract will not confer upon the contracting municipality recognition as an Approved Contracting Municipality, unless these Articles of Incorporation are amended as provided in this Article.

III. PURPOSE

The Authority shall provide ambulance services within the total territory of the Incorporating Municipalities and within those portions of the Approved Contracting Municipalities as specified in the written contracts with the Authority. In addition, the

Authority shall provide ambulance services as specified in any other written agreement for ambulance services with the Authority Board. As used in these Articles of Incorporation, the term "ambulance services" includes providing all types of emergency medical services, including but not limited to basic life support, limited advanced life support, and advanced life support; ambulance vehicles; non-transport pre-hospital life support vehicles; and all equipment required to carry out the above purposes.

IV. LEGAL ENTITY

As provided in Section 6 of the Act, the Authority shall be a separate, non-profit body corporate, with power to sue or be sued in any court of this state. The Authority shall possess all the powers necessary to carry out the purposes of its incorporation, and those incident to those purposes. The enumeration of the powers in these Articles of Incorporation shall not be construed as a limitation upon the Authority's general powers.

V. POWERS

The Authority shall have the following powers, which shall be liberally construed in its favor:

- A. All powers provided in the Act, now or in the future, in connection with the operation or maintenance of ambulance services.
- B. To acquire real and personal property by purchase, lease, gift, devise, or condemnation, either within or without its corporate limits.
- C. To hold, manage, control, sell, exchange, or lease the real and personal property it has acquired.
- D. To condemn private property under Act No. 149 of the Public Acts of 1911, being sections 213.1 to 213.25 of the Michigan Compiled Laws, and the uniform condemnation procedures act, Act No. 87 of the Public Acts of 1980, being sections 213.1 to 213.77 of the Michigan Compiled Laws.
- E. Subject to Section 10 of the Act, to hire and discharge employees and/or volunteers as shall be necessary for the proper and efficient operation and maintenance of the ambulance services, and attorneys, accountants, clerical staff, and consultants as the authority considers necessary to carry out the purposes of the Authority.
- F. To adopt bylaws and rules of administration to accomplish the purposes of the Act, including but not limited to establishing rules and regulations for the

- member of the Authority Board appointed shall be a resident of the municipality making the appointment. Except for the first appointments, each member of the Authority Board shall serve for a term of three (3) years, or until his or her successor is appointed and assumes office. For the first appointments, Banks Township, South Arm Township and Wilson Township shall each appoint one member of the Authority Board for a term of three (3) years; Echo Township and Jordan Township shall each appoint one member of the Authority Board for a term of two (2) years; and the City of East Jordan and Eveline Township shall each appoint one member of the Authority Board for a term of one (1) year.
- C. Any Authority Board member appointed by a legislative body may be removed from the Authority Board by the legislative body which made the appointment following written reasons and a public hearing. Any vacancy that occurs on the Authority Board shall be filled by the legislative body making the original appointment for the balance of the term being filled.
- D. A quorum of the Authority Board necessary to conduct business shall be a majority of the entire board members (i.e., four (4) board members for the initial board). All decisions of the Authority Board shall be made by the vote of a majority of the entire board members (i.e., a vote of four (4) board members for the initial board). If additional municipalities become Approved Contracting Municipalities pursuant to Article II, then such additional Approved Contracting Municipalities shall be entitled to appoint one member to the Authority Board as provided herein. The initial term for the board member appointed by an additional Approved Contracting Municipality shall be two (2) years; thereafter, the term shall be three (3) years. If additional Authority Board members are appointed as provided herein, then the quorum and voting requirements specified above shall be deemed revised to continue the requirement that a quorum and the required vote for all decisions shall remain a majority of the entire, then existing board members.
- E. The Authority Board may create such committees as it deems appropriate.
- F. The Authority Board shall set its schedule for meetings, but at a minimum shall meet at least quarterly each year.
- G. The Authority Board may reimburse its members, officers, volunteers, and employees for authorized expenses which have been incurred on behalf of the Authority.
- H. The Authority Board shall adopt its own rules of procedure. The Authority Board shall also comply with the Open Meetings Act, as amended, and the Freedom of Information Act, as amended.

VIII. OFFICERS

The Authority Board shall annually select from its members a President, Vice President, Secretary, and Treasurer. Each officer shall serve for a term of one (1) year, or until his or her successor is appointed and assumes office. The President shall be the presiding officer of the Authority Board. In the absence of the President, the Vice President shall perform the duties of the President. The Secretary shall be the recording officer of the Authority. The Treasurer shall be the custodian of the Authority's funds. At the request of the Authority Board, the Treasurer shall give the Authority a bond in an amount determined by the Authority Board for the faithful performance of his or her duties. No Authority funds shall be expended, except by a check or other bank draft signed by the Treasurer and one other Authority officer to be determined by the Authority Board.

IX. DURATION

The Authority shall continue indefinitely unless it is dissolved as provided by these Articles of Incorporation.

X. FINANCES

The Authority Board shall have budgetary and financial control over the Authority. However, the Authority shall adopt a line item budget. A copy of the Authority budget must be given to each Incorporating Municipality and Approved Contracting Municipality at least thirty (30) days before the budget is adopted by the Authority Board. The Authority shall be financed primarily by millage requested by the Authority under Section 12 of the Act and approved by the electorate within the Authority district. In addition, an Approved Contracting Municipality shall by written agreement with the Authority be required to pay the Authority the same millage rate (as applied to that portion of the Approved Contracting Municipality's territory being serviced by the Authority) levied by the Authority Board within the Authority district. However, in the event an Authority millage is not approved by the electorate within the Authority district, then each Incorporating Municipality and Approved Contracting Municipality shall pay the Authority its proportionate share of the municipal revenue deemed necessary by the Authority Board to operate the ambulance services for the next fiscal year. For purposes of this Article, the "proportionate share" required to be paid by each Incorporating Municipality and Approved Contracting Municipality shall be calculated as follows:

The amount of the municipal revenue needed shall be divided among the Incorporating Municipalities and Approved Contracting Municipalities on a pro rata basis based on the taxable value of all real and personal property within the territory being provided ambulance services (i.e., the total taxable value of real and personal property within the Incorporating Municipalities, plus the taxable value of real and personal property within those portions of the Approved Contracting Municipalities' territory being provided ambulance services).

Any funds obtained by any Authority millage may be supplemented by charges for services or any other method authorized by law, including such supplemental payments by the Incorporating Municipalities and Approved Contracting Municipalities, which in their sole discretion they may elect. Finally, at its own expense, the Authority shall have its financial records audited by an auditor selected by the Authority Board as required by law.

XI. FISCAL YEAR

The fiscal year of the Authority shall begin on April 1 each year.

XII. TRANSFER OF ASSETS AND LIABILITIES

On April 1, 2015, or such other date mutually agreed to in writing by the Authority Board and the City of East Jordan, the City of East Jordan shall transfer to the Authority all assets and rights of the existing city ambulance department, including any and all ambulance vehicles and other personal property currently used in connection with the existing city ambulance department. Upon the effective date of the transfer of the assets as provided herein, the Authority shall assume all existing debts and liabilities of the existing city ambulance department.

XIII. WITHDRAWAL

- A. An Incorporating Municipality and an Approved Contracting Municipality may not elect to withdraw as an Incorporating Municipality from the Authority or cease to be an Approved Contracting Municipality unless and until all of the following conditions are satisfied:
 - 1. Any bonded indebtedness of the Authority, including indebtedness to the United States as the result of bonds purchased through the authority of

the U.S. Department of Agriculture, Rural Development, is discharged; and,

2. All outstanding obligations each such Incorporating Municipality or Approved Contracting Municipality has to the Authority are discharged and all outstanding obligations the Authority has to each such Incorporating Municipality or Approved Contracting Municipality are discharged.

B. After the conditions of paragraph A, above, have been satisfied, an Incorporating Municipality or Approved Contracting Municipality may withdraw from the Authority or cease to be an Approved Contracting Municipality following the procedures of this paragraph.

1. Before an Incorporating Municipality or Approved Contracting Municipality may vote on a resolution concerning withdrawal from the Authority or concerning ceasing to be an Approved Contracting Municipality, it must publish in a newspaper of general circulation within such Municipality, a public notice that the Municipality is considering withdrawing from the Authority or ceasing to be an Approved Contracting Municipality. The notice shall be published at least ten (10) days before the meeting.
2. The effective date of the resolution to withdraw as an Incorporating Municipality or to cease to be an Approved Contracting Municipality shall be at least two (2) months after the meeting at which the resolution was passed.
3. A certified copy of the resolution to withdraw as an Incorporating Municipality or to cease to be an Approved Contracting Municipality shall be sent by certified mail to the President of the Authority Board and the clerks of the remaining Incorporating Municipalities and Approved Contracting Municipalities. The resolution must be mailed at least two (2) months before the effective date of the resolution.

C. An Incorporating Municipality that withdraws from the Authority shall continue to be subject to pay any tax levied in its jurisdiction by the Authority for the duration of the period of that tax.

D. An Incorporating Municipality that withdraws from the Authority and an Approved Contracting Municipality that cease to be an Approved Contracting Municipality shall remain liable for a proportion of the normal debts and

liabilities of the Authority up to the effective date of the withdrawal, but shall not be liable for any capital expenditures incurred by the Authority between the date the resolution to withdraw was adopted and the effective date of the withdrawal. The proportion of the Authority's debt for which an Incorporating Municipality or an Approved Contracting Municipality remains liable shall be determined by dividing the taxable value of the real and personal property in the Incorporating Municipality or Approved Contracting Municipality by the taxable value of all real and personal property in the Authority, plus the taxable value of real and personal property within an Approved Contracting Municipality being provided ambulance service at the time of the withdrawal or at the time of ceasing to be an Approved Contracting Municipality.

XIV. DISSOLUTION

The Authority may be dissolved by a two-thirds (2/3) vote of the entire Authority Board after all of the conditions and procedures for withdrawal specified in Article XIV above have been met. Upon dissolution, the debts of the Authority shall be paid and the net assets shall be divided among the Incorporating Municipalities and Approved Contracting Municipalities in existence at the time of the dissolution. Each Municipality's share of the assets shall be determined by dividing the taxable value of the real and personal property in that Municipality by the taxable value of all real and personal property in the Authority, plus the taxable value of real and personal property within an Approved Contracting Municipality being provided ambulance service at the time of the dissolution. Each Incorporating Municipality shall also be subject to the obligations imposed by the Act, and each Approved Contracting Municipality hereby voluntarily agrees to be subject to the obligations of an Incorporating Municipality imposed by the Act. If the Authority's assets are insufficient to pay all of the Authority's debts, then each Incorporating Municipality and Approved Contracting Municipality in existence at the time of the dissolution shall remain liable for those debts. The proportion of the Authority's debt for which an Incorporating Municipality and Approved Contracting Municipality remains liable shall be determined by dividing the taxable value of the real and personal property in that Municipality by the taxable value of all real and personal property in the Authority, plus the taxable value of real and personal property within an Approved Contracting Municipality being provided ambulance service at the time of the dissolution.

XV. PUBLICATION/FILING

The Clerk for City of East Jordan shall be responsible for publishing these Articles of Incorporation in the *Antrim County Review* and in the *Charlevoix County News* and for filing a certified copy of these articles with the Secretary of State as required by the Act.

XVI. EFFECTIVE DATE

The Authority shall become effective January 1, 2014, provided that all Incorporating Municipalities have approved these Articles of Incorporation prior to that date. Otherwise, the Authority shall become effective 30 days after final approval by all of the Incorporating Municipalities.

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Banks, Antrim County, Michigan at a meeting duly held on the 20th day of January, 2014.

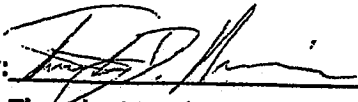
BANKS TOWNSHIP

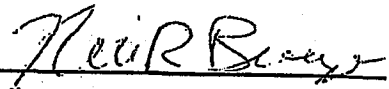
By: Thomas P. Mann
Thomas Mann, Supervisor

By: Donna L. Heeres
Donna L. Heeres, Clerk

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Jordan, Antrim County, Michigan at a meeting duly held on the _____ day of 27 Jan, 2014

JORDAN TOWNSHIP

By: 
Timothy Morris, Supervisor

By: 
Neil, Booze, Clerk

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Echo, Antrim County, Michigan at a meeting duly held on the 4 day of December, 2013.

ECHO TOWNSHIP

By: William Derenzy

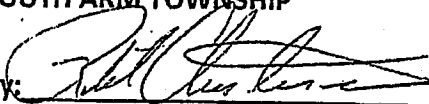
William Derenzy, Supervisor

By: Carolyn Barnett


Carolyn Barnett, Clerk

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of South Arm, Charlevoix County, Michigan at a meeting duly held on the 8 day of January, 2014.

SOUTH ARM TOWNSHIP

By: 

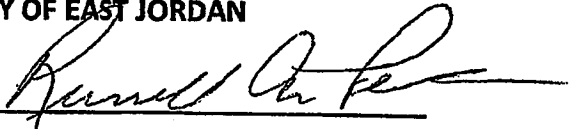
Robert Christensen, Supervisor

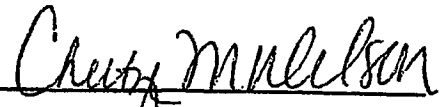
By: 

Kimberly Ostrom, Clerk

The foregoing Articles of Incorporation were adopted by the East Jordan City Commission, Charlevoix County, Michigan at a meeting duly held on the 21 day of January, 2014.

CITY OF EAST JORDAN

By: 
Russell A. Peck, Mayor

By: 
Cheltzi Wilson, Clerk