

JOINT MEETING

ST. JAMES & PEAINÉ TOWNSHIP BOARDS

APRIL 11, 2002 7 PM

PEAINE TOWNSHIP HALL

PRESENTATION OF EMERGENCY SERVICES

AUTHORITY CONTRACT

INTERGOVERNMENTAL AGREEMENT CREATING BEAVER ISLAND EMERGENCY SERVICES AUTHORITY

THIS INTERLOCAL AGREEMENT to create the Beaver Island Emergency Services Authority is entered into between Peaine Township and St. James Township (the Townships), both of which are Michigan general law townships located in Charlevoix County, Michigan.

RECITALS

- A. The Townships have historically operated jointly a fire/rescue department and an emergency ambulance service on Beaver Island.
- B. Because the Townships believe it is the most desirable and economic method of furnishing fire/rescue and emergency ambulance services on Beaver Island, they desire to preserve and maintain the joint fire/rescue and emergency ambulance services on Beaver Island as a joint emergency services authority.
- C. The maintenance of a joint emergency services authority is authorized by Act 57 of the Public Acts of 1988, as amended (the Municipal Emergency Services Act), being MCLA 124.601, *et seq* (the Act).
- D. The Townships, therefore, desire to enter into this Agreement, incorporating a joint emergency services authority, and to bring the administration and operation of their joint fire/rescue and emergency ambulance services in accordance with current Michigan law

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Townships hereby agree to incorporate the following joint emergency services authority, under the terms and conditions provided herein, pursuant to the provisions of the Act:

ARTICLES OF INCORPORATION

I. NAME

The name of the joint emergency services authority shall be the Beaver Island Emergency Services Authority (the Authority).

II. PURPOSE

The Authority shall provide fire/rescue and emergency ambulance services within the total territory of Peaine Township and St. James Township in Charlevoix County, Michigan.

III. 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 any powers in these Articles of Incorporation shall not be construed as a limitation upon the Authority's general powers.

IV. 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, and all powers which a general law township may possess in connection with the operation or maintenance of fire/rescue and emergency 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 213.51 to 213.77 of the Michigan Compiled Laws.

- E. To hire and discharge employees and/or volunteers, including but not limited to a fire chief, an emergency ambulance service director, and such fire fighters, officers, and ambulance personnel as shall be necessary for the proper and efficient operation and maintenance of the fire/rescue and emergency ambulance services, and attorneys, accountants, 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 governance of the Authority's employees and/or volunteers and for the care and management of the Authority's equipment and property.
- G. To apply for and accept grants, loans, or contributions from the federal government or any of its agencies, the state, or other public or private agencies to be used for any of the purposes of the Act and to do any and all things within its express or implied powers necessary or desirable to secure that financial or other aid or cooperation in the carrying out of any of the purposes of the Act.
- H. To enter into any contracts with other entities not prohibited by law.
- I. To investigate emergency services requirements, needs, and programs and engage, by contract, consultants as may be necessary and cooperate with the federal government, state, political subdivisions, and other authorities in those investigations.
- J. To carry over fund balances from year to year consistent with sound financial management for capital improvements, equipment purchases, contingencies and other similar purposes for which contingency fund balances are customary.
- K. To set up separate fire/rescue and emergency ambulance administrative divisions, combine them, or set up any other organizational framework which the Authority deems appropriate, including the ability to provide for separate or combined supervision of any division.
- L. To form other entities necessary for the purpose of implementing the purpose of the Authority.

- M. To hold public meetings and take such other actions required or authorized by law for the operation of a emergency services which uses a special assessment as one of the methods of funding.
- N. To take any additional action or make any policy necessary to implement these powers or carry out the purpose of the Authority.

V. LIMITATIONS

The Authority may not obligate any of the Townships to pay any debt of the Authority.

VI. BOARD OF DIRECTORS

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 two (2) members with one (1) member appointed by each Township. Each Township shall appoint its member for three (3) years. Each Authority Board member serves at the pleasure of the Township Board which made the appointment. As a result, an Authority Board member may be removed by the Township Board which made the appointment following written charges and a public hearing. A quorum shall be the two (2) Board members. Except as may be provided in these articles, all decisions of the Authority Board shall be made by the unanimous vote of both Authority Board members. If both Authority Board members do not agree on the issue being decided, then the Townships shall meet in joint session. A vote of the majority of the combined Township Boards may make the decision by motion (for example, six votes out of the combined membership of ten persons is sufficient to approve a motion). The Authority Board may create such offices and committees as it deems appropriate. The Authority Board shall set its schedule for meetings, but at a minimum shall meet at least once every six months. The Authority Board may pay its members 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 also reimburse its members, officers and employees for expenses which have been incurred on behalf of the Authority. The Authority Board shall adopt its own rules of procedure. The Authority Board shall also comply with the Open Meetings Act and the Freedom of Information Act.

VII. DURATION

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

VIII. FIRE HALL LEASE

The Authority shall execute a lease with Peaine Township for rental of the fire hall which is being constructed as the result of bonds which will be sold through the authority of the U.S. Department of Agriculture, Rural Development (the bonds). The lease shall contain total rental payments which at a minimum shall be sufficient for Peaine Township to make all required bond payments. These rental payments shall be made to Peaine Township at such times as the parties shall agree. In addition, by the execution of this Intergovernmental Agreement, St. James Township shall be liable to Peaine Township for one-half of all bond payments if the Authority fails to make its rental payment or if the rental payment is insufficient to make bond payments when those payments become due. Peaine Township agrees to convey ownership of the fire hall property to the Authority for \$1.00 as soon as the bonds have been completely paid.

IX. 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 Township Board at least fourteen (14) days before the budget is adopted by the Authority Board. The Authority shall be financed equally by both Townships, unless the Authority is funded by a district-wide millage, as provided by Section 12 of the Act. The funds obtained by any millage may be supplemented by

charges for services or any other method authorized by law, including such supplemental payments by the Townships as the Townships in their sole discretion may elect. At its own expense, the Authority shall have its financial records audited at least every two years by the same auditor who is used by either Township.

X. TRANSFER OF ASSETS

All assets of the current combined Township fire/rescue department and joint emergency ambulance service, including all personal property currently used in connection with the existing fire/rescue department and emergency ambulance service, shall be transferred to the Authority immediately. The Authority shall also immediately assume all existing debts of the Beaver Island fire/rescue department and emergency ambulance service.

XI. WITHDRAWAL/DISSOLUTION

- A. Neither Township may elect to withdraw from the Authority unless and until all of the following conditions are satisfied:
1. All 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 Township has to the Authority are discharged and all outstanding obligations the Authority has to each Township are discharged;
- B. After the conditions of paragraph A, above, have been satisfied, either Township may withdraw from the Authority following the procedures of this paragraph. Any withdrawal shall have the effect of dissolving the Authority.
1. Before a Township may vote on a resolution concerning withdrawal from the Authority, it must publish twice in the *Charlevoix Courier* or its successor, a public notice that the Township is considering withdrawing from the Authority and that this withdrawal will cause a dissolution of the

Authority. Both notices shall be published within 30 days of the meeting at which the actual withdrawal will be considered and the second notice shall be published at least one week before the meeting.

2. The effective date of the resolution to withdraw must be at least six months after the meeting at which the resolution was passed.
 3. A certified copy of the resolution to withdraw shall be sent by certified mail to the chair of the Authority Board and the clerk of the other Township. The resolution must be mailed at least six months before the effective date of the resolution.
 4. If both Townships elect to dissolve the Authority, then each Township shall follow the public notice and publication requirements of subsection 1, above. The Townships shall agree on the effective date of the dissolution. No mailing of the resolutions to dissolve the Authority is required.
- C. Upon dissolution, debts of the Authority shall be paid and the net assets shall be divided equally between the Townships. Each Township shall also be subject to the obligations imposed by the Act. If the Authority's assets are insufficient to pay all of the Authority's debts, then each Township shall remain liable on an equal basis for a proportion of the debts and liabilities of the Authority incurred while the Township was a part of the Authority.

XII. PUBLICATION/FILING

The Clerk for Peaine Township shall be responsible for publishing these Articles of Incorporation in the *Charlevoix Courier*, *Northern Islander* and *Beaver Beacon* and for filing a certified copy of these articles with the Secretary of State as required by the Act.

XIII. EFFECTIVE DATE

The Authority shall become effective on May 11, 2002.

The foregoing Articles of Incorporation were adopted by the Township of Peaine, Charlevoix County, Michigan at a meeting duly held on the 11th day of April, 2002.

PEAINE TOWNSHIP

By: John W. Wahl
John Works, Supervisor

By: Colleen Martin
Colleen Martin, Clerk

The foregoing Articles of Incorporation were adopted by the Township of St. James, Charlevoix County, Michigan at a meeting duly held on the 11th day of April, 2002.

ST. JAMES TOWNSHIP

By: Donald Vyse
Donald Vyse, Supervisor

By: Jean Palmer
Jean Palmer, Clerk