

AMENDMENT to
LOWELL AREA TRAILWAY AGREEMENT

WHEREAS the City of Lowell, the Township of Vergennes and the Charter Township of Lowell entered into the Lowell Area Trailway Agreement dated November 15, 2004 for the purpose of establishing and providing a separate legal entity to be known as the "Lowell Area Recreation Authority" for the purpose of developing, acquiring, constructing, operating and maintaining one or more trails for the use and enjoyment of the residents of the Townships and the City; and

WHEREAS, the Lowell Area Recreation Authority acquired MDNR Grant funding for the Phase 1 Trail project in 2010 and desires to apply for MDNR Grant funding for future trail projects, and

WHEREAS, the MDNR requires that all lands involved with projects with MDNR Grant funds be under the control of the grant recipient in perpetuity via ownership or easements, and

WHEREAS the MDNR has requested that the existing Lowell Area Trailway Agreement be amended to address the assignment of responsibility of said lands in the event the Lowell Area Recreation Authority was dissolved,

NOW BE IT RESOLVED:

Article VI – Personal and Real Property of the Lowell Area Trail Agreement dated November, 15th, 2004 is hereby amended to add Section E. – MDNR Grant Requirements as follows:

Article VI - Section E. – MDNR Grant Requirements – All lands purchased or developed with Michigan Department of Natural Resources Trust Fund (MDNRTF), Land and Water Conservation Fund (LWCF), or Recreation Passport (RP), collectively known as "DNR Grants", herein after, must be maintained as public land in perpetuity or as outlined in the DNR Project Agreement. In the event, that in the time of dissolution, the Authority is in possession of land acquired with, in whole or in part, with DNR Grants, the participating municipality in which the lands acquired or developed with MDNR Grants are located shall assume title and control of said lands and per the DNR Grant Project Agreement.

This Amendment shall be approved by resolution of the governing board of each Constituent Unit, and signed by the Township Supervisor and Clerk, as to the Townships and by the City Mayor and Clerk, as to the City.

This Amendment shall become effective upon its approval in accordance with Article XIV and upon its filing with the Kent County Clerk and the Michigan Secretary of State as set forth in Article XIII.L.

IN WITNESS WHEREOF, the Constituent Units have caused these presents to be signed by their respective duly authorized officers as of March 19, 2018.

Vergennes Township

Supervisor


Tim Wittenbach

Clerk

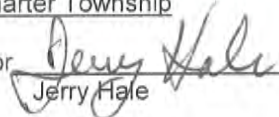

Heather Hoffman

Date

3.19.18

Lowell Charter Township

Supervisor


Jerry Hale

Clerk



Monica Burt

Date

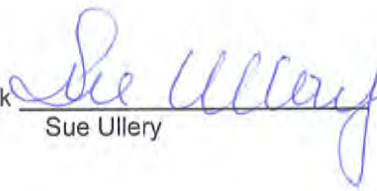
03-19-18

City of Lowell

Mayor


Michael DeVore

Clerk


Sue Ullery

Date

03-19-18

LOWELL AREA TRAIL AGREEMENT

THIS AGREEMENT is made 15th day of November, 2004, by and between the Township of Vergennes, the Charter Township of Lowell and the City of Lowell, all in Kent County, Michigan (the "Constituent Units"):

WHEREAS, the City of Lowell, the Township of Vergennes and the Charter Township of Lowell desire to work cooperatively for the purpose of establishing and providing a separate legal entity to be known as the "Lowell Area Recreation Authority" for the purpose of developing, acquiring, constructing, operating and maintaining one or more trails for the use and enjoyment of the residents of the Townships and the City;

WHEREAS, the Lowell Charter Township Board, the Vergennes Township Board and the Lowell City Council have determined that it would be in the best interests of Lowell Charter Township, Vergennes Township and the City of Lowell to establish, operate and maintain a trail system or systems jointly;

WHEREAS, the Urban Cooperation Act, Act 7 of the Public Acts of Michigan of 1967, First Extra Session ("Act 7"), authorizes the city and the townships to agree to form a board constituting a separate legal entity, which board is to establish, operate and maintain such trails and a trail system; and

WHEREAS, it is the desire of the Charter Township of Lowell, the Township of Vergennes and the City of Lowell to establish a governing board which shall have the authority and responsibilities as set forth in this Agreement.

IN CONSIDERATION OF THE FOREGOING, the Charter Township of Lowell, the Township of Vergennes and the City of Lowell agree as follows:

ARTICLES OF AGREEMENT

ARTICLE I
ESTABLISHMENT

Pursuant to Act 7, there is hereby established a separate legal entity known as the Lowell Area Recreation Authority (hereafter, the "Authority").

The Authority shall have the authority to sue and be sued in any court of this state. It shall include all territory embraced within its Constituent Units. It shall possess, in addition to the authority expressly granted by this Agreement, all authority granted by statutes, including those authorities which are permissive, in addition to all authority necessary to carry out the purposes of this Agreement and those incident thereto. The enumeration of any authority granted herein shall not be construed as a limitation on its authority, unless the context clearly indicates otherwise.

ARTICLE II
CONSTITUENT UNITS

The local governmental units included in the Authority (referred to herein as the “Constituent Units”) are the City of Lowell, Kent County, Michigan, the Township of Vergennes, Kent County, Michigan, and the Charter Township of Lowell, Kent County, Michigan.

An additional local governmental unit may become a part of the Authority upon approval of the governing bodies of each of the Constituent Units and upon amendment of this Agreement to reflect the role, duties and responsibilities of the additional local governmental unit so added to the Authority.

ARTICLE III
PURPOSES

The purpose of the Authority shall be to establish, develop, operate and maintain trails and a trail system in the best interest of the City and the Townships, within the budgetary and personnel resources available to the Authority, and in a manner that provides a safe and effective trail system and recreational area for residents of the Townships and the City.

In furtherance of this purpose, the Authority may do any or all of the following:

- Contract with a governmental entity, a profit or non-profit cooperation, a partnership, a limited liability company or a private individual for goods or services necessary or incidental to the establishment, development, operation and maintenance of one or more trail projects.
- Prepare and implement policies for the use of one or more trail projects.
- Study and adopt short-term and long-range plans for trail development and trail improvement.
- Approve the proposed annual operating budget and the proposed capital expenditure budget, and authorize expenditures from the approved budgets and other expenditures approved by the Constituent Units.
- Determine compensation for employees of the Authority.
- Ensure that adequate insurance is provided to protect itself, the Constituent Units, and their officers, employees and agents from loss by way of damage to trail area property, and from claims by third parties, and provide workers compensation or similar coverage as provided by law.
- Accept gifts, grants, assistance funds, bequests or donations for trail project purposes and make appropriate agreements with such donors or grantors pertaining to conditions of use of the funds.

- Approve the sale or disposal of surplus trail project property, subject to approval of each Constituent Unit.
- Other activities not specifically authorized herein, but necessary, helpful or incidental to the authority granted herein.

ARTICLE IV TERM

This Agreement shall have an initial term of five years, subject to withdrawal and termination as provided in Article XI.

Upon the expiration of five years, the Constituents Units shall review the terms of this Agreement to evaluate and determine whether any changes are necessary or advisable and, if so, shall execute a new agreement incorporating such changes, provided that each Constituent Unit determines that it is in its best interest to continue participation in the Authority.

If no changes are incorporated after the initial five year term, the Agreement shall be automatically renewed for successive five-year periods, subject to the right of withdrawal, unless the Constituent Units agree to a different term of extension.

ARTICLE V AUTHORITY BOARD

Section A. Governing Body

The governing body of the Authority shall be known as the “Lowell Area Recreation Board” (hereafter, the “Board”), which is hereby vested with the management of the Authority’s business and affairs.

Section B. Board Members

- The Board shall consist of seven members, comprised of the following:
- A member of the Lowell Charter Township Board, appointed by majority vote of the Township Board.
- A member of the Vergennes Township Board, appointed by majority vote of the Township Board.
- A member of the Lowell City Council, appointed by majority vote of the City Council.
- One resident of Vergennes Township, appointed by majority vote of the Township Board.
- One resident of the Charter Township of Lowell, appointed by majority vote of the Township Board.

- One resident of the City of Lowell, appointed by the City Council.
- One resident of the City or the Townships, appointed jointly by the Lowell Charter Township Board, the Vergennes Township Board and the Lowell City Council.

A Constituent Unit may appoint an alternate member(s) who may sit on the Board in the absence of a regular member appointed by the Constituent Unit. Such alternate shall have all the powers and duties of a regular member while the regular member is absent.

Township Supervisors and the City Mayor and City Manager shall not serve as Board members or alternate members.

Section C. Term of Office

The term of office of the members of the Board shall be for two years; provided, however, the term of a member appointed by virtue of membership on the governing body of a Constituent Unit shall terminate if that member resigns or otherwise ceases to be a member of the governing body.

No person who has served for 4-1/2 or more consecutive years shall be eligible for appointment to the Board unless it has been at least two years since that person served on the Board. Years of service with less than a two-year interval between them shall be considered consecutive years.

The Constituent Units may agree to vary the terms of initial appointments so as to stagger the terms of the appointed resident members.

If a Township Board member or City Council member who is serving on the Board ceases to hold his or her office on the Township Board or City Council, that seat on the Board shall immediately become vacant and the governing body of the respective Constituent Unit shall appoint a replacement member at its next regular meeting, who shall serve for the un-expired remainder of the term of that seat on the Board.

Notwithstanding the foregoing, any member may be removed from office at will by the Constituent Unit that appointed the member, without cause or prior notice; provided however, as to the member jointly appointed, the affirmative vote for removal of the governing board of any of the Constituent Units shall be sufficient to cause the termination of that member, also without cause or prior notice. If a member is removed from office by a Constituent Unit, that Constituent Unit shall promptly notify the remaining Constituent Units of the removal.

Section D. Compensation

Members of the Board shall serve without compensation from the Authority and Constituent Units, but shall be entitled to reimbursement from the Board for actual and necessary expenses incurred in the performance of his or her duties as a member of the Board.

Section E. Vacancies

A seat on the Board shall become vacant by death, disability, resignation or removal; or, if membership on the governing body of a Constituent Unit is a prerequisite for a seat, then upon termination of such membership. A vacancy shall be filled in the same manner as above for the unexpired term of the original appointment.

Section F. Bylaws

This Agreement shall be the bylaws of the Board; provided, however, that the Board may adopt additional procedural rules governing the conduct of its meetings, insofar as such procedural rules do not conflict with the terms of this Agreement. If the Board does not adopt procedural rules, the conduct of its meetings shall be governed by the most recent version of Robert's Rules of Order.

Section G. Annual Organizational Meeting

Within 30 days from the effective date of this Agreement and, thereafter, annually within 30 days after the commencement of the Authority's fiscal year, the Board shall conduct its organizational meeting at which the following officers shall be elected from the members of the Board by majority vote of the Board: Chairperson; Vice-Chairperson; Secretary; and Treasurer. The elected officers shall serve until a successor is elected. The Chairperson and Vice-Chairperson shall not both be persons appointed by the same Constituent Unit.

Section H. Officers

The Chairperson of the Board shall be the presiding officer thereof. In the absence or disability of the Chairperson, the Vice Chairperson shall perform the duties of the Chairperson. The Secretary shall be the recording officer of the Board and, subject to the approval of the Board, may employ such assistants as may be necessary. The Treasurer shall be the custodian of the funds of the Authority and, subject to the approval of the Board, may employ such assistants as may be necessary.

All monies of the Authority shall be deposited in an insured financial institution to be designated by the Board. Three members of the Board, including the Chairperson, the Treasurer and another member, shall be authorized by the Board to sign checks. All checks or other forms of withdrawal shall be signed by at least two authorized members of the Board. Each member signing checks shall be bonded in an amount to be determined by the Board. The officers of the Board shall have such additional powers and duties as may be conferred upon them, from time to time, by the Board.

Section I. Meetings

Regular meetings of the Board shall be held at least quarterly at such times as shall be prescribed by the Board.

The Chairperson or any other two members of the Board may call a special meeting of the Board by serving written notice of the time, place and purpose thereof upon each member of the Board, either in person or by providing written notice at his or her place of residence, at least 18

hours in advance of such special meeting. Special meetings of the Board at which all members are present shall be deemed valid, even through notice thereof may not have been provided in the manner described above. Any member of the Board may waive notice of any special meeting, either before or after the holding thereof.

The Board is a public body and, therefore, all meetings of the Board shall be noticed and conducted in accordance with the requirements of the Michigan Open Meetings Act, MCL 15.261, et seq.

Section J. Quorum and Voting

A quorum for the transaction of business shall consist of a majority of the Board members then serving; provided, however, at least one representative appointed by each Constituent Unit shall be present at the annual organizational meeting in order to transact business.

The Board shall act only by motion or resolution adopted by a majority of the members present and serving, except where a different voting composition is required by the terms of this Agreement. A roll call vote shall be taken and recorded in the minutes for all substantive matters decided by the Board.

The Board shall keep written minutes of its meetings, which shall be approved at the next regular meeting, and which shall thereafter be signed by the Secretary. Upon approval, the Secretary shall provide a copy of the minutes to each Constituent Unit.

Section K. Committees

The Board may appoint standing or ad hoc committees from time-to-time to study and make recommendations to the Board on matters involving or related to its purposes and duties.

Section L. Board Records

The records of the Board shall be available to the public in accordance with the requirements of the Michigan Freedom of Information Act, MCL 15.231, et seq. Copies of meeting minutes shall be provided to each Constituent Unit. The Constituent Unit may post or disseminate the minutes.

ARTICLE VI
PERSONAL AND REAL PROPERTY

Section A. Ownership of Real Property and Fixtures

The Authority shall be the sole fee owner of the easements and other property it may acquire for the trail system or other purposes of this Agreement during the term of this Agreement.

Any and all fixtures now present and subsequently erected on such property by the Authority, including, but not limited to, signs, fencing, in-ground benches and pavilions, shall be held and managed by the Authority in trust for the Constituent Units for the purposes of this Agreement.

Upon termination of this Agreement or upon withdrawal from this Agreement by any Constituent Unit, the Authority shall release, disburse and convey to the withdrawing Constituent Unit all of the real property interests and fixtures located within the boundaries of that Constituent Unit.

Section B. Ownership of Other Property

Any and all transient personal property placed on or used in connection with the trail system or other property owned by the Authority, including, but not limited, to moveable picnic tables, maintenance equipment, trash cans and dumpsters, shall be held and managed by the Authority in trust for the Constituent Units for the purposes of this Agreement.

Upon termination of this Agreement or upon withdrawal from this Agreement by any Constituent Unit, the Authority shall release and disburse such personal property to the Constituent Units on an equal basis. If the Constituent Units cannot agree as to the division, the personal property shall be sold at auction and the proceeds, less expenses, divided equally.

Section C. General Authority of Board

The Board may acquire in any manner permitted by law, any such personal property or fixtures as the Board deems necessary or helpful in promoting the purposes of this Agreement, and may hold, manage, control, sell, exchange or lease such property and fixtures in the name of the Board, in trust for the Constituent Units.

Section D. Storage and Inventory of Property

All personal property and fixtures in control of the Authority shall be used or housed at the discretion of the Board. The Board shall maintain, at all times, an up-to-date inventory list of all personal property and fixtures it holds or controls.

ARTICLE VII
BOARD POWERS

Section A. General Powers

The Board shall have, in addition to powers granted elsewhere in this Agreement, the following powers and authority:

(1) The power to purchase, lease, receive, acquire, sell, lease or rent to others, dispose of, divide, distribute or own all or any part of any land or any improvements thereon as may be necessary or useful for the purposes of this Agreement. Land or interests in land shall not be sold by the Authority without the prior consent of the governing body of each of the Constituent Units. All property, real or personal, owned by the Authority shall be used solely for the purposes stated in this Agreement.

(2) The Authority shall have the power to improve, build, maintain and operate public trails, access sites and appropriate structures on Authority land or easements.

(3) Contract or cooperate with other governmental units, public agencies or private parties to carry out Authority functions or fulfill Authority obligations.

(4) Hire employees or other personnel as may be necessary to carry out the purposes of the Authority, each such person to serve at the pleasure of the Authority subject to applicable law.

(5) Accept funds, voluntary work, and other assistance to carry out Authority functions or obligations, from any source, public or private, including but not limited to local government funding, state or federal grants, and private donations. A complete record of all funds received shall be maintained and made a part of the annual financial report.

(6) Establish policies or rules governing use of Authority land, easements or facilities in compliance with state and local law.

(7) Recommend local ordinance provisions to Constituent Units to provide for the safety of the public utilizing Authority lands or facilities.

(8) Seek federal or state aid, payable to the individual Constituent Units or to the Authority, as may be available to carry out Authority functions.

Section B. Limitations

The Authority shall not have the power or authority to do the following:

- (1) Levy any tax in its own name or issue any bonds in its own name.
- (2) Incur any debts on behalf of a Constituent Unit, except as authorized in this Agreement.
- (3) Condemn any land for any purpose.

ARTICLE VIII INSURANCE

The Board shall obtain adequate insurance for the Authority, including, but not limited to, comprehensive public liability insurance, casualty loss insurance, no fault insurance for vehicles, and workers' disability compensation, to protect itself, the Constituent Units, and their officers, employees and agents from loss by way of damage to Authority property, and from claims by third parties. The Constituent Units shall be named as an additional insured on all policies.

ARTICLE IX BUDGETING AND FINANCIAL ADMINISTRATION

A. Fiscal Year

The fiscal year of the Authority shall be from July 1 to June 30 of each year.

B. Budget Preparation

A proposed budget for each fiscal year shall be prepared for the Authority in accordance with the Uniform Budgeting and Accounting Act, Public Act 2 of 1968, as amended. The Board Chairperson, the Board Treasurer and a third Board member, appointed by the Board, shall comprise the budget committee. The budget committee shall prepare a proposed budget. The proposed budget shall be as specific as possible with the respect to the items approved for expenditure during the succeeding fiscal year, in order to facilitate expenditures without the need for further Board action following approval of the budget. The proposed budget shall have two primary components.

(1) Operating Expenditures. A proposed budget shall include anticipated operating costs of the Authority, including, by way of example, utilities, insurance costs, purchase of consumable supplies, routine maintenance of buildings, apparatus and equipment, and other expenditures not involving capital expenditures.

(2) Capital Expenditures. A proposed budget shall also include capital expenditures, including, by way of example, acquisition of fixtures, real property, major renovation or expansion of buildings, equipment and apparatus purchases, and purchase of all other durable equipment with an expected useful life exceeding one year. For planning purposes, the budget may include projected expenditures for the next five years, but approval for purpose of expenditure shall be given only for that fiscal year.

C. Budget Approval

The proposed budget shall be approved by the Board each year. If a budget is not approved prior to commencement of the fiscal year, then the portion of the budget for the prior year pertaining to operating expenditures, but not capital expenditures, shall be deemed to be the approved budget, unless and until a revised budget is approved.

D. Budgeted Expenditures

(1) Expenditures less than \$1,000 from the Authority's operating expenditure portion of the budget may be made without further Board approval. Expenditures from the Authority's operating expenditure portion of the budget in excess of \$1,000 must be approved by the Board, unless such an expenditure is reasonably determined by the Chairperson to be immediately necessary.

(2) All expenditures from the capital expenditure portion of the budget must first be approved by the Board.

E. Funds

Funds of the Authority shall be held in an account or accounts, in the name of the Authority, separate from the funds of the Constituent Units, and invested in the manner provided by law and in accordance with Board approval.

F. Audits

All accounts of the Authority shall be audited as provided by law, and not less than annually. The expense of such audit shall be an Authority expense. The auditor shall be chosen by the Board, and in the event the Board is not able to select an auditor, then the auditor shall be the auditor employed by one of the Constituent Units, first selected by lot, and thereafter alternatively if the Board is not able to agree upon an auditor.

G. Financial Information

Books and records showing all income, expenditures, inventory of equipment, and all other financial transactions of the Authority shall be maintained by the Treasurer. Such books and records shall be available promptly to any Constituent Unit, upon request of its Supervisor or Mayor (or City Manager). Upon request of the Supervisor or the Mayor (or City Manager) of a Constituent Unit, the Board Chairperson shall prepare reasonable reports concerning operations of the Authority.

ARTICLE X
FINANCIAL CONTRIBUTIONS

A. Cost Sharing

Each Constituent Unit shall contribute an equal share (currently 1/3) of the Authority budget, unless otherwise provided by grants or donations. The Board shall not approve an annual budget amount that exceeds the amount of the combined O&M payments specified in Article X.F., unless the Board has received donations, grants or other income equal to or greater than the amount by which the budget exceeds the combined O&M payments or has otherwise received prior approval of the budget from each of the Constituents Units.

In the event any Constituent Unit received donations or grants for Authority purposes, the Constituent Unit shall transfer such donations or grants to the Authority, which shall be treated as a voluntarily contribution of such Constituent Unit pursuant to Article X.D.

In the event the Authority, or any Constituent Unit is held liable for any property damage or personal injury incurred as a result of Authority operations, all damages and amounts paid in settlement, and costs of defense, including attorney's fees, shall be an Authority expense.

B. Payments

Each year, each Constituent Unit shall contribute in cash an amount equal to its share of the approved budgets (as allocated in Article X.A), payable and due on July 1. If the required payment from Constituent Units is increased with approval of the Board and the governing boards of the Constituent Units, any additional required payments shall be made within 30 days after approval of such budget increase. The first payment, consisting of the O&M payment provided in Article X.F., below, shall be due July 1, 2005.

If a Constituent Unit fails to make any payment required under this Agreement and such failure continues for a period of 90 days, the voting rights of that Constituent Unit's appointed

members shall be suspended until the payment is made (and during such time the required meeting quorum shall be reduced to exclude those board members).

If a Constituent Unit fails to budget for and/or pay a required payment under this Agreement, and such failure continues for a period of 90 days, any remaining Constituent Unit who has budgeted for the required payments and is not delinquent in payments may elect to immediately withdraw from this Agreement without regard to the provisions of Article XI limiting withdrawal during the first two years and requiring not less than six months notice thereafter.

C. Source of Revenues

Each Constituent Unit shall determine, within its discretion, the method of obtaining revenue necessary to pay its share of the cost of operating the Authority by any permitted lawful means. The collection of monies, from whatever source, for the payment of its share of the costs of operating the Authority, shall be the sole responsibility of each respective Constituent Unit.

D. Voluntary Contributions

(1) A Constituent Unit may voluntarily contribute additional monies, land or equipment from that Constituent Unit's funds or from donations to that Constituent Unit, to the Authority, for specific purposes. The money, land or equipment, if accepted, shall be used for such purposes as are deemed to be in furtherance of the operation of the Authority by the Board.

(2) However, where the equipment that is proposed to be donated by a Constituent Unit is equipment which, by reason of its size or nature, will involve significant future maintenance requirements, then the Constituent Unit that is proposing to donate such equipment shall first raise the matter at a meeting of the Board, and disclose to the Board members the equipment that is proposed to be donated, the likely future maintenance requirements and other information that will serve to acquaint the Board members with possible future financial requirements as to maintenance that may be involved if the equipment is donated. The Board members shall then have a discussion concerning whether the equipment should or should not be donated, and covering other aspects of the matter that the members wish to discuss. Following such discussion, the Constituent Unit may proceed to make, or not to make, the proposed contribution; provided, however, that such equipment shall be used for Authority purposes if it is deemed by the Board to be in furtherance of the operations of the Authority.

(3) Unless approved by the Board, such voluntary contributions shall not be considered to offset any portion of that Constituent Unit's responsibility for budgeted expenditures.

(4) If a Constituent Unit has voluntarily contributed funds for purchase of identified equipment, or has furnished other monies voluntarily pursuant to this Article, all such equipment shall, upon any dissolution of the Authority, become the sole property of the Constituent Unit so furnishing it, and shall not be subject to the procedures otherwise provided for distribution of property upon dissolution or withdrawal.

E. Fees for Trail Use

The Authority may generate additional revenue for its operation from the charging of fees for the exclusive use of certain trail facilities for a limited duration, such as, but not limited to, the rental of a trail pavilion, if any, for a private party or event. The amount of the fees to be charged for such events shall be determined by the Board.

The Authority may not generate revenue through the charging of an admission fee for the trail unless the governing boards of the Constituent Units first approve the charging of an admission fee and the amount of such admission fee.

F. Annual Operation and Maintenance Contributions

In order to fund the operation and maintenance of the Authority, each Constituent Unit shall make an annual operation and maintenance contribution (the "O&M payment") of one thousand dollars (\$1,000) to the Authority. This annual O&M payment shall be paid by each Constituent Unit, commencing on July 1, 2005 and annually thereafter on July 1 of each year. The Constituent Units shall not be required to make payments in excess of the O&M payment unless the excess payments are approved by each of the Constituent Units.

O&M payments shall be in cash, rather than in-kind property, unless specifically agreed to by all Constituent Units.

ARTICLE XI
WITHDRAWAL

Commencing two years after the effective date of this Agreement, any Constituent Unit may give notice of withdrawal from the Authority, with or without cause. The notice shall be in writing, delivered to the Supervisor or Mayor of the other Constituent Units, and shall specify an effective date of withdrawal, which shall be not less than 6 months nor more than 12 months following the date of such notice.

During the first two years of this Agreement, Constituent Units shall not have a right to withdraw except for cause upon breach of this Agreement by another Constituent Unit. In the case of withdrawal for cause, an aggrieved Constituent Unit shall provide specific written notice of the breach, and allow a period of 90 days for remedy thereof, before giving notice of withdrawal. The party allegedly in default shall be conclusively deemed to be in default unless said party initiates an action for declaratory relief in the Kent County Circuit Court not later than 30 days after being served with notice of withdrawal for default. In the event such a challenge is filed, dissolution shall be suspended until resolution of the issue by the Court. Dissolution may also be effected by joint agreement of the parties at any time.

Upon dissolution, the real property, fixtures and other personal property of the Authority shall be distributed by the Authority in accordance with Article VI and Article X.D(4). Money deposited in accounts of the Authority shall first be used to pay outstanding debts of the Authority and shall then be distributed to the Constituent Units in accordance with their proportional contributions, as stated in Article X.A, unless such accounts include monies voluntarily provided to

the Authority pursuant to Article X.D, in which case said monies shall be distributed in accordance with Article X.D(4).

ARTICLE XII
DISPUTE RESOLUTION

Section A. Arbitration

Disagreements with respect to the establishment and the maintenance of the Authority that may arise between the Constituent Units, and which cannot be voluntarily resolved, may be submitted to binding arbitration in accordance with the Commercial Dispute Resolution Procedures of the American Arbitration Association, by agreement of the Constituent Units. The Constituent Units may also submit a dispute to mediation under the Community Dispute Resolution Program or a similar voluntary dispute resolution forum.

Section B. Good Faith Re-negotiation of Agreement Terms

If during the term of this Agreement a Constituent Unit desires to re-negotiate a provision or provisions hereof, such party shall give the other parties written notice of its desire, which notice shall set forth the specific provision or provisions it desires to be re-negotiated. The parties agree upon the giving of such notice they will in good faith re-negotiate such provision or provisions. In the event of the adoption of State or Federal laws materially affecting the terms and conditions of this Agreement, the parties agree to re-negotiate such terms and conditions in good faith.

ARTICLE XIII
GENERAL TERMS

A. Notices. Except as otherwise provided, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to be given when dispatched by regular, registered or certified mail, postage prepaid, personal delivery or by telegram confirmed the same day by regular, registered or certified mail, postage prepaid, addressed as follows:

If to Vergennes Township:

P.O. Box 203
Lowell, Michigan 49331-0208

If to Lowell Charter Township:

2910 Alden Nash Ave., S.E.
Lowell, Michigan 49331

If to the City of Lowell:

301 E. Main Street
Lowell, Michigan 49331-1798

The Constituent Units may, by notice given hereunder, designate a further or different address to which subsequent notices, certificates or other communications may be sent.

B. Governing Law. This Agreement shall be construed in all respects in accordance with the laws of the State of Michigan.

C. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

D. Binding Effect. The covenants contained herein shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto.

E. Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

F. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

G. Entire Agreement. This Agreement constitutes the entire agreement between the parties, and there are no representations, warranties, promises, guarantees or agreements, oral or written, express or implied, between the parties hereto with respect to this Agreement. All previous agreements are superseded, as of the effective date of this Agreement.

H. Amendments. This Agreement may not be amended, changed, modified, altered, or assigned except in a writing approved by all Constituent Units.

I. Assignment. This Agreement and all rights and obligations hereunder shall not be assignable unless all Constituent Units agree in writing to such assignment.

J. Waiver. The waiver by any Constituent Unit of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach of the same or any other provision of this Agreement.

K. Parties. This Agreement shall be enforceable only as to the parties hereto and their successors in interest by virtue of an assignment which is not prohibited under the terms of this Agreement and no other person shall have the right to enforce any provisions contained herein.

L. Filing. An executed copy of this Agreement, along with certified copies of resolutions adopted by the governing bodies of each Constituent Unit authorizing its execution, shall be promptly filed with the Kent County Clerk and the Michigan Secretary of State. The Constituent Unit last adopting a resolution approving this Agreement shall be responsible for filing the Agreement and all approving resolutions with the County Clerk and Secretary of State. Amendments to this Agreement shall be filed in the same manner.

ARTICLE XIV
APPROVAL

This Agreement shall be approved by resolution of the governing board of each Constituent Unit, and signed by the Township Supervisor and Clerk, as to the Townships and by the City Mayor and Clerk, as to the City.

ARTICLE XV
EFFECTIVE DATE

This Agreement shall become effective upon its approval in accordance with Article XIV and upon its filing with the Kent County Clerk and the Michigan Secretary of State as set forth in Article XIII.L.

IN WITNESS WHEREOF, the Constituent Units have caused these presents to be signed by their respective duly authorized officers as of the day and year first written above.

VERGENNES TOWNSHIP

By 
Its: Supervisor

and by Mari C. Stone
Its: Clerk

LOWELL CHARTER TOWNSHIP

By John R. Simpson Supr.
Its: Supervisor

and by Linda Regan
Its: Clerk

CITY OF LOWELL

By C. Jeanne Shores
Its: Mayor

and by Betty R. Moorlock
Its: Clerk