

**AMENDMENT 2 OF THE ARTICLES OF INCORPORATION OF
ANN ARBOR TRANSPORTATION AUTHORITY HEREAFTER KNOWN AS THE
ANN ARBOR AREA TRANSPORTATION AUTHORITY**

This amendment to the Articles of Incorporation of the Ann Arbor Transportation Authority are adopted by the City Council of the City of Ann Arbor, the City Council of the City of Ypsilanti, and the Board of the Ann Arbor Transportation Authority for the purpose(s) of (1) altering the composition of the Ann Arbor Transportation Authority under the provisions of Act 55 of the Public Acts of Michigan of 1963, (2) changing the name of the Ann Arbor Transportation Authority to the Ann Arbor Area Transportation Authority, (3) adding the City of Ypsilanti as an incorporator with all rights granted members under Act 55, and (4) authorizing the Ann Arbor Area Transportation Authority to function as successor in interest of the Ann Arbor Transportation Authority.

ARTICLE I

NAME OF AUTHORITY

Effective on adoption of this amendment and thereafter, the name of this public corporation is the Ann Arbor Area Transportation Authority (referred to hereinafter as “Authority” and also known as AAATA).

ARTICLE II

PURPOSES

The Authority is incorporated for the purposes of acquiring, owning, operating or causing to be operated a mass transportation system within the corporate limits of the Cities of Ann Arbor and Ypsilanti, and beyond the said corporate limits.

ARTICLE III

POWERS, DUTIES AND LIMITATIONS

Section 1. The Authority shall be a body corporate with power to sue and be sued in any court in the State of Michigan.

Section 2. The Authority shall possess all the powers necessary to carry out the purposes of its incorporation and all things incident thereto.

Section 3. The Authority by contract may employ a management firm, either corporate or otherwise to operate the mass transportation system under the supervision of the Authority.

Section 4. The Authority may acquire property for a mass transportation system by purchase, construction, lease, gift or devise, either within or without the area served by such mass transportation system, and may hold, manage, control, sell, exchange or lease such property.

Section 5. The Authority, with the consent of the Ann Arbor City Council, , may utilize any appropriate statute for the purpose of condemnation of real property within the City of Ann Arbor, and with the consent of the Ypsilanti City Council may utilize any appropriate statute for the purpose of condemnation of real property within the City of Ypsilanti.

Section 6. The Authority may establish and charge such fares and enter into contracts for the service provided by the mass transportation system as shall be necessary to provide funds to meet the obligations of said Authority.

Section 7. For the purpose of acquiring, improving, enlarging or extending a mass transportation system, the Authority may issue self-liquidating revenue bonds in accordance with the provisions of state law. No such bonds shall be a general obligation of the Authority, but shall be payable solely from the revenues of the mass transportation system.

Section 8. All property owned by or leased to the Authority shall be exempt from all taxes levied by the State and by the political subdivisions in which the Authority is incorporated. All such leased property in order to be exempt shall be used and owned by the company which is under contract with the Authority for the operation of the Authority's mass transportation system. The Authority shall be required to pay taxes or assessments upon its real and personal property situated outside the corporate boundaries in which the Authority is incorporated.

Section 9. The Authority shall meet at regular intervals and conduct all meetings of the Board in compliance with the Open Meetings Act (Act 267 of the Public Acts of 1976). The Authority shall obtain an annual audit in accordance with generally accepted government auditing standards as promulgated by the United States General Accounting Office and satisfy all federal, state or local regulations related to grant requirements. Copies of the Annual Audit shall be filed with the clerks of the City of Ann Arbor and the City of Ypsilanti and made available for public review by the Authority. In addition, the books and record of the Authority and the Board shall be open for inspection and audit by the Cities of Ann Arbor and Ypsilanti at all reasonable times during the Authority's fiscal year. The Authority shall submit an annual report to the governing bodies of the City of Ann Arbor and the City of Ypsilanti and such additional reports as may from time to time be requested on the operations of the Authority

Section 10. The powers stated in these Articles of Incorporation pursuant to the above named enabling Act are in addition to those granted by any statute or by the Charters of the City of Ann Arbor and City of Ypsilanti, or any future statute or amendment thereto, and the enumeration of any power either in these Articles of Incorporation or in the enabling Act shall not be construed as a limitation on the general powers of this Authority.

ARTICLE IV

GOVERNING BODY - OFFICERS

Section 1. The Authority shall be directed and governed by a Board which shall consist of eight members appointed by the Mayor of the City of Ann Arbor with the concurrence of the Ann Arbor City Council and one member appointed by the Mayor of the City of Ypsilanti with the concurrence of the Ypsilanti City Council. All appointments to the Board shall be in accordance with the adopted policies and procedures for appointment for the respective governing bodies and each governing body retains the right to remove and replace such members in accordance with the same procedures. There shall be no limit to the number of consecutive terms an appointee can serve.

Section 2. Present members of the Ann Arbor Transportation Authority board shall continue in and complete their terms on the Board and at the expiration of any Board member's term the Mayor of Ann Arbor shall fill the position on the Board with the concurrence of the Ann Arbor City Council. All appointments shall be for a term of five years other than the terms of present Ann Arbor Transportation Authority board members who become members of the Authority board for the remainder of their original terms. All regular appointments to the Board shall be made to coincide with May 1st of each calendar year; however, seated members will hold over until a successor has been appointed, and when such a successor has been appointed the appointment term shall be modified so that it terminates to coincide with the regular appointment term. Any vacancy in office shall be filled by the City Council of the City appointing said member for the remainder of the term. Members of the Board shall serve without compensation but may be reimbursed for expenses.

Section 3. The Board shall designate one of its members as chairman, one of its members as secretary, and one of its members as treasurer, each to be designated for such term in office as may be fixed in the Board's bylaws.

Section 4. The Board shall adopt and may amend bylaws and rules of procedure

Section 5. The chairman shall preside at meetings of the Board and shall sign and execute all authorized bonds, contracts, checks and other obligations in the name of the Authority when so authorized by the Board. The chairman shall do and perform such other duties as may be fixed by the bylaws and from time to time assigned to him by the Board.

Section 6. The secretary shall keep the minutes of all meetings of the Board, and of all committees thereof, and books provided for that purpose. The secretary shall attend to the giving, serving, and receiving of all notices or process of or against the Authority. He shall sign with the chairman in the name of the Authority all contracts authorized by the Board. The secretary shall have charge of all books and records, which shall at all reasonable times be open to inspection and examination of the Board, or any member thereof and in general perform all the duties instant to this office. The secretary shall preside at meetings of the Board in the absence of the chairman.

Section 7. The treasurer shall have custody of all the funds and securities of the Authority which may come into his hands or possession. When necessary or proper, the treasurer shall endorse in behalf of the Authority for collection, checks, notes and other obligations and shall deposit them to the credit of the Authority in a designated bank or depository. The treasurer shall sign all receipts and vouchers for payments made to the Authority. The treasurer shall jointly with such other officer as may be designated by the Board sign all checks, bonds, promissory notes or other obligations of the Authority when so ordered

by the Board. The treasurer shall render a statement of his cash account when required by the Board. The treasurer shall enter regularly in the books of the Authority to be kept by him for this purpose full and accurate accounts of all monies received and paid by him on account of the Authority, and shall at all reasonable times exhibit the books and accounts to the Board or any member thereof when so required. The treasurer shall perform all acts incidental to the position of treasurer fixed by the bylaws and as assigned to the treasurer from time to time by the Board. The treasurer shall be bonded for the faithful discharge of the duties of treasurer, the premium to be paid by the Authority.

ARTICLE V

PUBLICATION AND FILING

The City Clerk of the City of Ann Arbor is charged with the responsibility of causing this amendment to the Articles of Incorporation to be published at least once in the Washtenaw County Legal News. In addition, the City Clerks of the City of Ann Arbor and the City of Ypsilanti shall publish this amendment to the Articles of Incorporation on their respective websites. The said City Clerk of the City of Ann Arbor is further charged with the responsibility of filing with the Secretary of State of the State of Michigan and with the County Clerk of the County of Washtenaw a printed copy of this amendment to the Articles of Incorporation certified as a “true copy” with the date and place of publication.

ARTICLE VI

AMENDMENTS

Amendments may be made to these Articles of Incorporation in the same manner in which the said Articles were originally adopted.

ARTICLE VII

REGISTERED OFFICE

Location of registered office and post office address of this Authority is the Office of the Ann Arbor City Clerk, City Hall, Ann Arbor, Michigan.

ARTICLE VIII

MEMBERS ADMISSION AND RELEASE FROM THE AUTHORITY

Admission of and release of a political subdivision from the Authority shall be evidenced by an amendment to the Articles of Incorporation, adopted, executed and published and filed in the same manner as the original articles of incorporation. Any such release shall be subject to the conditions set forth in Act 55.

ARTICLE VIX

EFFECTIVE DATE

These Articles of Incorporation shall become effective and be in full force upon the filing of a printed copy with the Secretary of State of the State of Michigan and the County Clerk of the County of Washtenaw as herein provided.

IN WITNESS WHEREOF, the Ann Arbor City Council, the Ypsilanti City Council and the Ann Arbor Transportation Authority Board have adopted and authorized to be executed these Articles of Incorporation in behalf of the City of Ann Arbor, a Michigan municipal corporation, by the Mayor and City Clerk, by the City of Ypsilanti, a Michigan municipal corporation, by the Mayor and City Clerk, and by the Ann Arbor Transportation Authority by the chairperson and secretary.

WITNESSES:

CITY OF ANN ARBOR, a Michigan
Municipal Corporation,

By: _____
John Hieftje, Mayor

By: _____
Jacqueline Beaudry, City Clerk

CITY OF YPSILANTI, a Michigan
Municipal Corporation,

By: _____
Paul Schreiber, Mayor

By: _____
Frances McMullan, City Clerk

AATA

By: _____
Charles Griffith, Chair

By: _____
Anya Dale Secretary

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the members elect of the City Council of the City of Ann Arbor, Washtenaw County, Michigan, at a meeting duly held on the _____ day of _____, 2013.

WITNESSES:

CITY OF ANN ARBOR, a Michigan
Municipal Corporation,

By: _____
John Hieftje, Mayor

By: _____
Jacqueline Beaudry, City Clerk

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the members elect of the City Council of the City of Ypsilanti, Washtenaw County, Michigan, at a meeting duly held on the _____ day of _____, 2013.

CITY OF YPSILANTI, a Michigan
Municipal Corporation,

By: _____
Paul Schreiber, Mayor

By: _____
Frances McMullan, City Clerk

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the Board of Directors of the Ann Arbor Transportation Authority (AATA), at a meeting duly held on the _____ day of _____, 2013.

AATA

By: _____
Charles Griffith, Chair

By: _____
Anya Dale, Secretary