

**ARTICLES OF INCORPORATION FOR THE
KEWEENAW HEARTLANDS RECREATIONAL & NATURAL RESOURCES AUTHORITY**

These Articles of Incorporation (these “Articles”) are adopted, signed, and acknowledged by the undersigned municipality for the purpose of establishing an authority under the provisions of the Michigan Recreational & Natural Resources Authorities Act, being Act 321 of the Public Acts of 2000, as amended, found at MCL 123.1131 *et seq.* (the “Recreational & Natural Resources Authorities Act” or the “Act”). Capitalized terms used but not otherwise defined in these Articles will have the meanings assigned to them in the Act, as amended.

ARTICLE 1

NAME

This authority formed under these Articles will be known as the Keweenaw Heartlands Recreational & Natural Resources Authority (the “Authority”).

ARTICLE 2

KEWEENAW COUNTY

Keweenaw County, a Michigan municipality (the “Keweenaw County”) hereby establishes the Authority in accordance with the Act. There shall be no other participating municipalities and these Articles contain no provisions for admission of other municipalities.

ARTICLE 3

PURPOSE

The Authority is established for the purpose of owning, operating, maintaining and/or improving a public forest and natural resources area (as defined in the Act) for all the uses permitted and related activities authorized or permitted by the Act, except to the extent limited by these Articles.

ARTICLE 4

DURATION

The Authority will continue in existence perpetually, unless and until the Authority is dissolved in accordance with these Articles and the Act.

ARTICLE 5

TERRITORY

The territory of the Authority will be the corporate boundaries of Keweenaw County.

ARTICLE 6

POWERS

The Authority will be a governmental subdivision or unit of the State of Michigan and a public body corporate and politic, with power to sue and be sued in any court of the State of Michigan. Except to the extent limited by these Articles, the Authority will have all of the rights and powers granted to authorities established under the Act and all powers incidental thereto. The Authority will be solely responsible for the payment of all debts, liabilities and obligations that it incurs and for the performance of all contracts to which it is a party. Unless Keweenaw County expressly agrees otherwise in writing, it will not have any liability or responsibility to pay, perform or discharge any debt, liability or obligation of the Authority.

ARTICLE 7

DUTIES

- Section 1 The Authority will comply with the requirements of the Act and all other laws applicable to the Authority, including without limitation all requirements regarding budgets, audits, accounting, appropriations, freedom of information and open meetings. Unless applicable law requires otherwise, the Authority will have an annual budget adopted by the Board (as defined below).
- Section 2 The Authority may not expend funds beyond its Board approved annual budget for the corresponding fiscal year.
- Section 3 If the Authority owns or manages real property, it will adopt and maintain one or more management plans that cover all real property the Authority owns or manages. The management plan(s) will be updated from time to time, as determined by the Board or as may be required by law or contract.
- Section 4 The Authority will obtain and maintain insurance with such terms, coverages and amounts, and with such insurers, as the Board, in its discretion, determines are necessary or appropriate to manage risks related to the Authority's property, operations, employees, indemnification obligations and such other risks as the Board may determine from time to time. The Board will establish risk management policies and procedures, including a regular review and assessment of the Authority's liability exposure and risks, which may include obtaining professional insurance and legal advice.
- Section 5 To the fullest extent permitted by applicable law, the Authority will hold (a) its directors, officers, and employees, and (b) Keweenaw County, its employees, and elected officials harmless from, indemnify them for, and defend them (with legal counsel reasonably satisfactory to the indemnified person) against any cause of action, claim, damage, accident, injury or

liability that may arise as a result of ownership, construction, maintenance or operation of the property, facilities, programs or services of the Authority. This indemnification is in addition to any insurance coverage required by these Articles.

Section 6 The Authority must adopt a Code of Ethics within one hundred eighty (180) days of the first meeting of the Authority's Board, and thereafter will annually review the Code of Ethics to determine if any amendment thereof is necessary. The Code of Ethics will cover the conduct of the Authority and its Board members and, in the Board's discretion, may cover the conduct of other persons employed by or providing goods or services to the Authority.

ARTICLE 8

GOVERNING BODY – ELECTED DIRECTORS

Section 1 The Authority will be directed and governed by a board of directors consisting of five (5) members (the “Board of Directors” or the “Board”). Except in the case of a vacancy, each member of the Board will be elected in at-large, non-partisan elections by Keweenaw County electors, voting collectively, following the procedures set forth by the Act and other applicable law. Unless otherwise required by applicable law or these Articles, the non-partisan elections for the Board will follow the same election processes and procedures as the processes and procedures used by Keweenaw County for its elections, including candidate filing deadlines. An elected Board member will assume office on January 1 of the year following his or her election.

Section 2 The initial Board members will be elected at elections held in August or November 2026. Two members of the first Board will serve terms expiring December 31, 2028 and three members will serve terms expiring December 31, 2030. After the initial elected Board, the subsequent terms of each Board member will be four (4) years. There are no term limits.

Section 3 The Board will designate one of its members as Chairperson, another of its members as Vice Chairperson, another of its members as Secretary, and another as Treasurer. Officers will be designated annually by a date set forth in the Bylaws (as defined below).

Section 4 The Authority must adopt bylaws, including rules of procedure consistent with the Act (“Bylaws”), within ninety (90) days of the first meeting of the Authority's Board, and thereafter may amend the Bylaws in the Board's discretion. In the event of any conflict between the Bylaws and these Articles, these Articles will control. The Bylaws will provide for regular meetings of the Board not less frequent than quarterly. The Bylaws will be consistent with these Articles, the Act and other applicable law and the

Bylaws may not require a different number or percentage of votes by Board members for the Board to take action (e.g., majority, supermajority or unanimous) than is provided in these Articles.

- Section 5 The Chairperson will preside at all meetings of the Board and may, subject to any approval requirements set forth in these Articles and/or the Bylaws, sign and execute all Authority-authorized bonds, contracts and other obligations in the name of the Authority. The Chairperson will have such powers and authority and do and perform such other duties as may be fixed by the Bylaws or assigned by the Board from time to time.
- Section 6 The Vice Chairperson will have such powers and authority and perform such other duties as are set forth in the Bylaws. The Vice Chairperson will preside at meetings of the Board in the absence of the Chairperson.
- Section 7 The Secretary will have such powers and authority and perform such other duties as are set forth in the Bylaws.
- Section 8 The Treasurer will have such powers and authority and perform such other duties as are set forth in the Bylaws.
- Section 9 Board members may receive compensation for services as a member of the Board and reimbursement for reasonable expenses related to Board service, including travel, under any policies and procedures established by the Board that are consistent with the Act and other applicable law.
- Section 10 No employee of the Authority is eligible to be a Board member unless otherwise permitted by applicable law.
- Section 11 In addition to any eligibility requirements imposed by applicable law, only Keweenaw County electors are eligible to be Board members.
- Section 12 A vacancy occurs on the happening of any event set forth in MCL 201.3. Without limiting the foregoing, a Board member ceasing to be an elector of Keweenaw County will no longer be eligible to be a Board member and that member's position on the Board will become vacant. In the event of a vacancy on the Board, the position will be filled in accordance with the procedure set forth by applicable law, or in the absence of a procedure being prescribed by applicable law, any manner set forth in the Bylaws that is permitted by and consistent with applicable law.
- Section 13 A Board member may be recalled or removed from office in any manner permitted by law, or any manner set forth in the Bylaws that is permitted by and consistent with applicable law.
- Section 14 The Michigan Department of Natural Resources (the "Department") will have the right, but not the obligation, from time to time, to designate one (1) liaison to the Board ("DNR Liaison"). The DNR Liaison will be a

Department employee and will be selected by the Department. The role of the DNR Board Liaison will be to facilitate communication and information exchange between the Department and the Board, and to communicate recommendations from the Department to the Board. The DNR Liaison will have no vote on any matter presented by the Board, may not receive any compensation from the Authority, may not serve as an officer of the Authority, need not be an elector of Keweenaw County, and will not be counted for purposes of establishing a Board quorum.

Section 15 The Keweenaw Bay Indian Community (KBIC) will have the right, but not the obligation, from time to time, to designate one (1) liaison to the Board (“KBIC Liaison”). The role of the KBIC Board Liaison will be to facilitate communication and information exchange between KBIC and the Board, and to communicate recommendations from KBIC. The KBIC Liaison will have no vote on any matter presented by the Board, may not receive any compensation from the Authority, may not serve as an officer of the Authority, need not be an elector of Keweenaw County, and will not be counted for purposes of establishing a Board quorum.

ARTICLE 9

ADVISORY COMMITTEES

Section 1 The Board will establish the advisory committees described in this Article 9 and may from time to time establish such other committees to advise the Board as it deems necessary or appropriate.

Section 2 The Board will establish and maintain a standing Community Advisory Committee (“Community Advisory Committee”), consisting of at least six (6) members, including members representing, at a minimum, the following interests: (a) Environmental Interests; (b) Cultural and Historical Resource Management; (c) Forestry and Commercial Use; (d) Recreational Uses; (e) Infrastructure Management and Public Safety; and (f) Economic Development. The Community Advisory Committee’s purpose is to advise the Board with respect to such matters as may be set forth in the Bylaws.

Section 3 While the Board may consult with the Community Advisory Committee at any time upon its discretion, the Board will consult with the Community Advisory Committee (a) as required by these Articles or the Bylaws and (b) when the Board is considering a decision that involves acquiring real estate, adopting or amending the management plan required under these Articles, or adopting or amending the Authority’s budget. When consultation with the Community Advisory Committee is required, the Board will request a written recommendation on the matter from the Community Advisory Committee. If the Board disagrees with the

Community Advisory Committee's recommendation or the Community Advisory Committee does not provide a recommendation within 30 days of the Board's written request for consultation, the Board's action on the matter must document the Board's rationale for its disagreement with the Community Advisory Committee's recommendation or for acting before receiving, or without receiving, the Community Advisory Committee's recommendation. Documentation of the Board's rationale for its disagreement with the Community Advisory Committee's recommendation or for acting before receiving, or without receiving, the Community Advisory Committee's recommendation shall be informational only and not be subject to judicial review.

Section 4

The Board will develop policy and procedures regarding the Board's appointment of Community Advisory Committee members, the filling of vacancies on the committee, and the manner in which the Community Advisory Committee conducts business. Community Advisory Committee members will serve 4-year terms, without term limits. No Board member or Authority employee may serve on the Community Advisory Committee. The Community Advisory Committee may form subcommittees comprised of topical experts who are not members of the Community Advisory Committee. Members of the Community Advisory Committee will have no vote on any matter presented to the Board, may not serve as an officer of the Authority, need not be an elector of Keweenaw County, and will not be counted for purposes of establishing a Board quorum. Members of the Community Advisory Committee and any subcommittees thereof are volunteer positions and may not receive compensation from the Authority provided, however, that the Community Advisory Liaison (defined below) may receive compensation as provided below.

Section 5

The Community Advisory Committee will select one of its members to serve as a liaison to the Board ("Community Advisory Liaison"). The role of the Community Advisory Liaison will be to facilitate communication and information exchange between the Community Advisory Committee and the Board, and to communicate recommendations from the Community Advisory Committee to the Board. The Community Advisory Liaison will have no vote on any matter presented to the Board, may not serve as an officer of the Authority, and will not be counted for purposes of establishing a Board quorum. The Community Advisory Liaison may receive, from the Authority, compensation and reimbursement for reasonable expenses related to service to the Authority, including travel, under any policies and procedures established by the Board that are consistent with the Act and other applicable law.

Section 6

The Board will establish and maintain a standing Government Relations Advisory Committee ("Government Advisory Committee"), with each of the following governmental agencies being entitled, but not required, to appoint one member: (a) Keweenaw County Board of Commissioners; (b)

each Township within Keweenaw County; (c) Keweenaw County Sheriff; (d) Keweenaw County Road Commission; (e) the Michigan Department of Natural Resources; and (f) the Keweenaw Bay Indian Community. The Government Advisory Committee's purpose is to advise the Board with respect to such matters as may be set forth in the Bylaws.

Section 7

While the Board may consult with the Government Advisory Committee at any time upon its discretion, the Board will consult with the Government Advisory Committee (a) as required by these Articles or the Bylaws and (b) when the Board is considering a decision that involves acquiring real estate, adopting or amending the management plan required under these Articles, or adopting or amending the Authority's budget. When consultation with the Government Advisory Committee is required, the Board will request a written recommendation on the matter from the Government Advisory Committee. If the Board disagrees with the Government Advisory Committee's recommendation or the Government Advisory Committee does not provide a recommendation within 30 days of the Board's written request for consultation, the Board's action on the matter will document the Board's rationale for its disagreement with the Government Advisory Committee's recommendation or for acting before receiving, or without receiving, the Government Advisory Committee's recommendation. Documentation of the Board's rationale for its disagreement with the Government Advisory Committee's recommendation or for acting before receiving, or without receiving, the Government Advisory Committee's recommendation shall be informational only and not be subject to judicial review.

Section 8

Each respective governmental agency represented on the Government Advisory Committee may determine their representative to serve on the Government Advisory Committee provided, however, that the representative will be an individual affiliated with that governmental agency including, but not limited to, an elected or appointed official or employee. No Board member may serve on the Government Advisory Committee.

Section 9

The Government Advisory Committee will select one of its members to serve as a liaison to the Board ("Government Advisory Liaison"). The role of the Government Advisory Liaison will be to facilitate communication and information exchange between the Government Advisory Committee and the Board, and to communicate recommendations from the Government Advisory Committee to the Board. The Government Advisory Liaison will have no vote on any matter presented to the Board, may not serve as an officer of the Authority, need not be an elector of Keweenaw County, and will not be counted for purposes of establishing a Board quorum. The Government Advisory Liaison may receive, from the Authority, compensation and reimbursement for reasonable expenses related to service to the Authority, including travel, under any policies and

procedures established by the Board and consistent with the Act and other applicable law, and to the extent permitted by the governmental agency with which the Government Advisory Liaison is affiliated.

Section 10 At least ninety (90) days prior before adopting a resolution for the Authority to issue bonds, borrow money, or place a tax on the ballot for voters, all to the extent permitted by the Act, the Board will submit the proposed resolution to the Community Advisory Committee and Government Advisory Committee for review and comment.

ARTICLE 10

MEETINGS

Meetings of the Authority will be held in the manner and with such frequency as required by the Act, other applicable law and these Articles (not less than quarterly) at such time and place, including through electronic means, as will be prescribed by resolution of the Board. The Bylaws may require more frequent meetings. At least one regular public meeting of the Board will be designated as the annual meeting of the Authority. Each member of the Board will have one (1) vote on any matter submitted for a vote of the Board. Special meetings of the Board may be called by the Chairperson or any two (2) members thereof, by written notice at least eighteen (18) hours prior to the time of the meeting, unless a longer notice period is required under the Bylaws. The notice will state the purpose of the meeting.

A majority of the then members of the Board constitute a quorum, which will be required to conduct a meeting of the Board. The Board will act by motion or resolution. Unless expressly provided otherwise in these Articles or the Act, an affirmative vote of the majority of the members of the Board who are not prohibited from voting as provided by these Articles or law, and who are present at any meeting at which a quorum is present, will be sufficient for passage of any motion or resolution.

Where a supermajority vote on a matter is required by these Articles or the Act, the motion or resolution must receive an affirmative vote from at least four members of the then members of the Board. Where a unanimous vote on a matter is required by these Articles or the Act, the motion or resolution must receive an affirmative vote from all of the then members of the Board. Where a supermajority or unanimous vote is required by these Articles or the Act, all members of the Board, who are not prohibited from voting as provided by these Articles or law, must be present for the vote to occur.

All votes will be “yes” or “no”. Board members who are present at a meeting will have a duty to vote on matters before the Board except only to the extent that a member is prohibited from voting by applicable law or a under a Board policy or procedure regarding Board ethics, conflict of interest, or conduct. If a member present at a meeting is prohibited from voting, that member’s presence will be counted for purposes of establishing a quorum.

The Authority is a public body and will comply with the requirements of the Michigan Open Meetings Act, Act 267 of the Public Acts of 1976, as amended, and the Freedom of Information Act, Act 442 of the Public Acts of 1976, as amended.

ARTICLE 11

DISSOLUTION

Section 1 Provided there is no outstanding debt or contractual obligations of the Authority, it may be dissolved upon the supermajority vote of the Board and approval of the dissolution by the Keweenaw County Board of Commissioners. If there are outstanding debt or contractual obligations, dissolution may occur only after satisfying the terms and conditions of such debt or contracts.

Section 2 Upon dissolution, property of any nature, which is titled to or otherwise owned by another party, will remain the property of that person or entity.

Section 3 If the Authority dissolves, the debts and liabilities of the Authority shall not become the debts or liabilities of Keweenaw County unless the Keweenaw County Board of Commissioners has agreed by unanimous vote to assume those debts or liabilities.

ARTICLE 12

PUBLICATION AND ADOPTION

A copy of these Articles will be published not less than once in a newspaper generally circulated within Keweenaw County prior to adoption by Keweenaw County. The adoption of these Articles will be evidenced by an endorsement of these Articles by the Keweenaw Clerk. Upon adoption of these Articles by each Keweenaw County, a printed copy will be filed with the Michigan Secretary of State by Keweenaw County.

ARTICLE 13

AMENDMENT

Amendments to these Articles shall be made following consultation with the Community Advisory Committee and Government Advisory Committee. Amendments to these Articles to provide for the admission of other participating municipalities or to change a requirement that a position be held by a Keweenaw County elector require a unanimous vote of the Authority's Board. Other amendments require a supermajority vote of the Authority's Board. In addition, any amendment to these Articles must be in accordance with the Act. Before adoption, amendments must be published in the manner required by the Act. Amendments will become effective at the time provided in the Act.

ARTICLE 14

USE OF REAL PROPERTY

All real property owned by the Authority will be, and will be designated by the Authority, a public forest and natural area (as defined in the Act) and may be used for all purposes permitted under the Act, except to the extent limited by other applicable law, these Articles, contract or restrictions adopted by the Board. In consultation with the Community Advisory Committee and Government Advisory Committee, the Board will establish policies and procedures by which restrictions or limitations on the use of the Authority's real property, and by which such restrictions are amended from time to time.

These policies and procedures may result in limits or prohibitions on the use of the Authority's real property otherwise permitted under the Act; however, the Board shall make reasonable accommodation for all lawful uses of real property owned, governed, or managed by the Authority that existed prior to ownership, governance or management of the real property by the Authority, and to the extent practicable, shall allow prior lawful uses to continue as before ownership, governance, or management by the Authority, unless it is essential that prior uses be discontinued or paused (such as, for example, prohibiting the discharge of firearms in or near a newly-established campground).

ARTICLE 15

EFFECTIVE DATE

These Articles will become effective and be in full force and effect upon filing with the Michigan Secretary of State.

ARTICLE 16

TAXATION

- Section 1 To extent permitted by law, the property of the Authority will be exempt from taxation and assessments and no writ of attachment or writ of execution will be levied upon the property of the Authority.
- Section 2 After consultation with the Community Advisory Committee and Government Advisory Committee as required herein, the Authority may levy a tax in the manner permitted by the Act.
- Section 3 The Authority may make payments in lieu of taxes ("PILT") to one or more other governmental subdivisions or units of this state, including Keweenaw County, by resolution of the Authority's board. PILT may be calculated using a formula agreed to by the Authority and the other governmental subdivisions or units of this state.

ARTICLE 17

BORROWING MONEY AND BONDS

The Authority may issue bonds and borrow money to the extent permitted by the Act and in accordance with these Articles, including Community Advisory Committee and Government Advisory Committee consultation, and, at the Board's discretion, after obtaining professional advice on such matters. Except as may be required by law, money of the Authority shall be deposited at a place(s) designated by the Board, including community foundation(s) or bank(s).

ARTICLE 18

MISCELLANEOUS

These Articles may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. These Articles may be executed and transmitted in electronic or other digital form, and any such execution or transmission will be equivalent to manual execution and personal delivery of the Articles, respectively. The captions in these Articles are for convenience of reference only and will not affect the meaning or interpretation of the content of any Article.

IN WITNESS WHEREOF, Keweenaw County has adopted and authorized the execution of these Articles as of the date set forth below.

_____, _____

Date:

The foregoing Articles of Incorporation were adopted by the Board of Commissioners of _____, Michigan, at a _____ meeting duly held on the ____ day of _____, 2026.

DRAFT