

BELLEVILLE AREA DISTRICT LIBRARY AGREEMENT

THIS AGREEMENT is entered into this ____ day of February, 2010, by and between the **CHARTER TOWNSHIP OF VAN BUREN**, a Michigan general law township, 46425 Tyler Road, Van Buren Township, Michigan 48111; the **TOWNSHIP OF SUMPTER**, a Michigan general law township, 23480 Sumpter Road, Belleville, Michigan 48111; and the **CITY OF BELLEVILLE**, a Michigan home rule city, 6 Main Street, Belleville, Michigan 48111.

I. ESTABLISHMENT OF DISTRICT LIBRARY

A. Purpose. The purpose of this Agreement is to establish the BELLEVILLE AREA DISTRICT LIBRARY pursuant to Act No. 24 of the Public Acts of 1989, as amended ("Act 24").

B. Participating Municipalities. The Participating Municipalities in this Agreement are the Charter Township of Van Buren, the Township of Sumpter, and the City of Belleville.

C. Establishment; Effective Date. The Participating Municipalities hereby establish the Belleville Area District Library pursuant to Act 24 to become effective March 1, 2010, provided that the legislative bodies of the Participating Municipalities approve this Agreement on or before such date, the Wayne County Library Board approves this Agreement on or before such date, and this Agreement is approved by the State Librarian pursuant to Section 5(2) of Act 24, provided, however, that if the State Librarian approves this Agreement after March 1, 2010, the effective date of this Agreement shall be the date of approval by the State Librarian.

D. District Description. The district of the Belleville Area District Library shall consist of all that territory which is currently located in the jurisdictional limits of the Charter Township of Van Buren, the Township of Sumpter, and the City of Belleville. The district of the Belleville Area District Library is shown on Exhibit "A" of this Agreement.

II. DISTRICT LIBRARY BOARD

A. District Library Board; Appointment; Election; Term. The Belleville Area District Library shall be governed by an elected Board consisting of seven (7) members elected at large from the district. Within thirty (30) days of the signing of this Agreement, the governing body of each Participating Municipality shall appoint a provisional District Library Board. Each Participating Municipality shall appoint members of the provisional board as follows: Charter Township of Van Buren – four (4)

members; Township of Sumpster – two (2) members; and, City of Belleville – one (1) member. A vacancy on the appointed board shall be filled for the unexpired term by the participating municipality that appointed the member whose position is vacant,

The first election of board members shall take place at the first general election held 140 days or more after the appointment of the first member of the provisional board. Board members shall be elected on nonpartisan ballots. The 4 persons receiving the most votes at the first election for board members shall have 4-year terms, and the 3 remaining persons elected to the board shall have 2-year terms. Such terms shall begin after certification of election results. After the first election, board members shall be elected at general elections for 4-year terms that begin on January 1 following the election.

A vacancy in the office of a board member shall be filled until the expiration of the vacating board member's term by appointment by majority vote of the remaining board members. If the vacancy occurs 140 or more days before the first regularly scheduled election of board members that follows the beginning of the term of the board member vacating office and that term is 4 years, all of the following apply:

- (a) The vacancy shall be filled by appointment by majority vote of the remaining board members only until the next date on which the term of any board member expires.
- (b) A board member shall be elected at the regularly scheduled election of board members next following the occurrence of the vacancy to fill the vacancy for the remainder of the term of the board member vacating office.

B. District Library Board; General Powers. The Board shall be authorized and empowered to:

- (a) Establish, maintain, and operate a public library and one or more satellites within the district as provided for in this agreement;
- (b) Exclusively control the expenditure of money deposited into the district library fund;
- (c) Appoint and remove officers from among its members;
- (d) Appoint and remove a library director and fix his/her compensation;
- (e) Purchase, sell, convey, lease, or otherwise acquire or dispose of real or personal property, including, but not limited to, land contracts and installment purchase contracts;

- (f) Erect buildings;
- (g) Supervise and control district library property and services;
- (h) Enter into a contract to receive library-related service from or give library-related service to a library or municipality within or without the district;
- (i) Adopt bylaws and regulations, not inconsistent with Act 24, governing the board and the district library;
- (j) Propose and levy upon approval of the electors a tax for support of the district library, as provided in Act 24;
- (k) Borrow money pursuant to the district library financing act, Act No. 265 of the Public Acts of 1988, MCL 397.281 to MCL 397.290;
- (l) Issue bonds pursuant to the district library financing act, Act No. 265 of the Public Acts of 1988, MCL 397.281 to MCL 397.290;
- (m) Accept gifts and grants for the district library;
- (n) Do any other thing necessary for conducting the district library service, the cost of which shall be charged against the district library fund; and
- (o) Perform any other acts authorized by law.

C. District Library Board; Limitations on General Powers. The powers of the District Library Board shall be limited as follows:

- (a) Any new main library building shall be located south of the I-94 Freeway either in the Charter Township of Van Buren or in the City of Belleville and a satellite facility shall be located in the Township of Sumpter. In the event that it is determined that the new main library should be located south of Hull Rd., then a satellite facility could be located north of the I-94 freeway in Charter Township of Van Buren Township and not in Township of Sumpter.
- (b) In the event that construction begins on the new District Library Building north of Hull Road or substantial remodeling commences on the existing Fred C. Fischer Library Building, the District Library Board shall provide immediate funding in

an amount not less than \$200,000.00 ("Construction Fund"), to renovate the building to be used for the satellite library facility in Sumpter Township. The Township shall provide the property and building required for such a satellite facility. Sumpter Township, subject to the approval by the District Library Board, shall design and contract for the necessary renovations regarding the satellite facility. The renovations shall be undertaken on the satellite facility simultaneously when construction of the new District Library Building commences or when substantial renovations commence to the Fred C. Fischer Library Building, whichever should first occur. All expenses generated from the improvements referred to herein shall be paid from the Construction Fund. All operating expenses of the satellite library shall be an operating expense of the District Library without any additional contribution from Sumpter Township. Staffing and services provided for the satellite library shall be determined by the District Library Board.

- (c) In the event that it is determined that the new main library should be located south of Hull Rd., than a satellite facility could be located north of the I-94 freeway in Charter Township of Van Buren Township and not in Township of Sumpter When construction begins on the new District Library Building south of Hull Road the District Library Board shall provide immediate funding in an amount not less than \$200,000.00 ("Construction Fund"), to be used for the satellite a library facility in the Charter Township of Van Buren.
- (d) Any millage passed by the District Library shall be assessed and collected only on the December tax bills.

D. District Library Board; Compensation. The Board may reimburse a board member for necessary expenses that the member incurs in the performance of official duties. The Board may compensate board members for attending meetings of the Board and shall include the amount of compensation in the annual budget. Compensation shall be as authorized by statute and approved by the affirmative vote of five members of the Library Board. A board member shall not be compensated for attending more than 52 meetings per year as authorized by statute and approved by the affirmative vote of five members of the Library Board.

III. DISTRICT LIBRARY INTERIM PERIOD AND TERMINATION

A. Interim Period. Until December 31, 2012 or unless the Participating Municipalities reach satisfactory terms for extending this Agreement, whichever is earlier, (the "Interim Period") the District Library Board shall have the additional duties as follows:

- (a) Development of a comprehensive plan ("Development Plan") that identifies the need for present and future library services within the District and a plan detailing the facilities, personnel, fixtures and equipment necessary to implement the plan. In the event that the plan includes a satellite facility in Sumpter Township then, the Development plan must provide that the facility shall be constructed contemporaneously with the construction of a new main library and include a budget of not less than \$200,000.00 for building improvements, furniture and equipment.
- (b) Develop a financial plan sufficient to implement the Development Plan which shall include Bonding for all necessary buildings and equipment and a millage proposal sufficient to allow the District Library to operate without continued financial support from the Participating Municipalities.
- (c) Coordinate with the Participating Municipalities to identify a location to construct a new main library building south of the I-94 Freeway either in the Charter Township of Van Buren or the City of Belleville and a satellite facility in the Township of Sumpter. In the event that it is determined that the new main library should be located south of Hull Rd., then a satellite facility could be located north of the I-94 freeway in Charter Township of Van Buren Township and not in Township of Sumpter. When construction begins on the new District Library Building south of Hull Road the District Library Board shall provide immediate funding in an amount not less than \$200,000.00 ("Construction Fund"), to be used for the satellite a library facility in the Charter Township of Van Buren.
- (d) Develop and place on the ballot, before December 31, 2012, a District wide millage proposal sufficient to satisfy the requirements of this agreement.

B. Termination. At the conclusion of the Interim Period this Agreement shall terminate and the Belleville Area District Library shall be abolished effective December 31, 2012, unless on or before November 30, 2012, the electors of the Participating Municipalities of the Belleville Area District Library approve a district library tax millage of not less than seven tenths (.7) of a mill to operate and maintain library services within

the district as provided in this agreement and such millage is levied not later than December 1, 2012, or unless the Participating Municipalities reach satisfactory terms for extending this Agreement. In the event that this Agreement terminates pursuant to this Section, all net assets of the Belleville Area District Library (including, without limitation, all real property and personal property transferred pursuant to Section V of this Agreement) shall be returned and transferred to the Participating Municipalities and public library service shall be provided to the residents of the district by the re-establishment of the Fred C. Fischer Library, a branch of the Wayne County Library, the organization of which shall be the same as it existed on December 31, 2009, or the communities will adopt a plan to provide library services to their residents. Such assets shall be returned and transferred to the Participating Municipalities in proportion to their annual financial contributions for the most recent five fiscal years.

IV. DISTRICT LIBRARY FINANCIAL SUPPORT

A. District Library Board; Budget. The Board shall annually determine the budget for the District Library. Funds necessary for the operation of the Belleville Area District Library shall be derived from the following sources:

- (a) All county, state and federal aid;
- (b) Penal fines;
- (c) Gifts, grants, donations and bequests, if any;
- (d) District library millage;
- (e) Financial support provided by the Participating Municipalities under Section IV B below, prior to the time a district wide tax of at least .7 mill is approved by the electors, and any additional appropriations; and,
- (f) Any other lawful sources of funding.

B. Financial Support; Participating Municipalities. The Participating Municipalities agree that funding of the District Library shall be provided as follows:

- (a) The fiscal year of the Belleville Area District Library shall be July 1 through June 30 (provided, however, that the first fiscal year shall be a partial fiscal year from the effective date of this Agreement through June 30, 2010).
- (b) As of the effective date of this Agreement, the Fred C. Fischer Library Tri-Community Library Committee and the City of Belleville shall

transfer the balance of the Fred C. Fischer City Library Fund to the Belleville Area District Library fund. Any and all funds collected by the Fred C. Fischer Library Tri-Community Library Committee and the City of Belleville during the interim period shall also be transferred to the Belleville Area District Library Fund for use in library operations.

(c) Until the levy of a district library millage is approved by the electors as provided for in paragraph A (e) of this section or until December 31, 2012 (or unless the Participating Municipalities reach satisfactory terms for extending this Agreement), whichever is earlier, (the "Interim Period") the Participating Municipalities shall financially support the Belleville Area District Library with contributions of the Participating Municipalities. The total annual contributions ("baseline contributions") required by the three participating municipalities during the Interim Period shall be as follows:

i) Van Buren	\$ 471,407.00
ii) Sumpter	\$ 166,588.00
iii) Belleville	\$ 70,888.00

In each ensuing year after December 31, 2010 the annual contribution for each community may be adjusted either as an increase or decrease from the baseline contribution by the percentage change in the combined municipalities budgeted revenue from prior budget year to the current budget year. For purpose of this provision current year budget shall be the budget in effect for each municipality on December 31st of that year and the prior budget shall be the budget in effect on December 31st of the preceding year. If the combined budget revenues of the participating communities increase or decrease by more than 5% in a year, then each Participating Municipality's total annual contribution shall be adjusted from the baseline contributions or the adjusted baseline contribution from the prior year by the amount of the percentage change in the combined budgeted revenues. Each Participating Municipality agrees to pay in quarterly payments to the District Library each year the amount determined to be its contribution pursuant to such formula.

(d) Until the time a district wide tax of at least .7 mill is approved by the electors, each Participating Municipality will receive a quarterly invoice setting forth its required contribution. Each Participating Municipality shall pay its contribution within thirty (30) days of receiving the invoice. The failure of a Participating Municipality to pay the amount of its contribution to the District Library within six (6) months of receiving an invoice may constitute a withdrawal of that municipality from the District Library. The

withdrawing municipality shall comply with the provisions of Section 24 of the Public Acts of 1989 including the payment or provision for payment to the District Library of all obligations of the withdrawing municipality. Such obligation shall include payment of the withdrawing municipality's full financial contribution for the current fiscal year to the District Library and the withdrawing municipality shall have no right or claim to any of the assets of the District Library. The withdrawing municipality shall furnish to the Library of Michigan a plan for continuing library service for all residents of the withdrawing municipality after the municipality no longer receives library services from the District Library.

(e) During the Interim Period no participating Municipality shall be allowed to withdraw from this agreement and the financial contribution required herein shall be absolute and binding on each Participating Municipality.

(f) Following the actual levy and collection of a District Library millage the Participating Municipalities shall have no obligation to provide financial support to the Belleville Area District Library. If a District Library millage is not approved on or before November 30, 2012 and levied not later than December 1, 2012 (or unless the Participating Municipalities reach satisfactory terms for extending this Agreement), this Agreement shall terminate as provided in Section III B. of this Agreement except to the extent obligated pursuant to the re-establishment of the Fred C. Fischer Library as also set forth in Section III B of this Agreement.

(g) Except as provided above, the Participating Municipalities shall have no obligation to appropriate funds for the support of the Belleville Area District Library. Nothing in this Agreement shall be construed to prohibit voluntary appropriations to the Belleville Area District Library by a Participating Municipality. To the extent any moneys or property from any source whatsoever are received by any Participating Municipality designated for the operation and administration of library services or the acquisition of books and equipment, or real or other personal property for library use, such Participating Municipality shall transfer such moneys or property upon receipt thereof to the Belleville Area District Library.

V. TRANSFER OF PROPERTY AND EMPLOYEES

A. Transfer of Real and Personal Property. Upon the Effective Date of this Agreement, and contingent upon agreement by the Belleville Area District Library Board to undertake the obligations specified in the Library Management Contract (Exhibit "B"), the real and personal property, including, but not limited to, the personal property listed on Exhibit "C", being used for the purpose of providing library services by the Fred C. Fischer Library, shall be transferred to the Belleville Area District Library. By signing

this agreement, the personal property being used for the purpose of providing library services by the Fred C. Fischer Library shall no longer be the property of the Participating Municipalities and shall become property of the Belleville Area District Library. The City of Belleville, as landlord, shall execute a lease(Exhibit "D") for one dollar (\$1.00) for the existing Fred C. Fischer Library Building to the Belleville Area District Library, as tenant, for a term to expire upon the earlier of December 31, 2012 or at such time as the District Library is able to relocate into a new facility. In event that a District Library building millage is passed prior to December 31, 2012 the lease shall continue until such time as the District Library is able to relocate to a new facility. In the event the District Library Building millage is not passed prior to December 31, 2012, the Lease shall automatically be renewed on the same terms and conditions as on the original Lease on a year-to-year basis. The City of Belleville, as Landlord, shall immediately notify in writing the District Library, as Tenant, if an entity financially commits to and enters into a development agreement with the City of Belleville or the Belleville Downtown Development Authority to use the leased property in a redevelopment project. In such event, the District Library shall remain in its present location until the District Library and the City of Belleville have negotiated in good faith and mutually agreed upon the terms and conditions of the relocation of the Library.

B. Transfer of Library Funds. On the Effective Date of this Agreement, and contingent upon the agreement of the Belleville Area District Library Board to undertake the obligations in the Library Management Contract, the Fred C. Fischer Library Tri-Community Library Committee and the City of Belleville shall transfer the balance of the Fred C. Fischer Library fund to the district library fund of the Belleville Area District Library.

C. Assignment of Contracts. On or before the Effective Date of this Agreement and contingent upon the agreement of the Belleville Area District Library Board to undertake the obligations in the Library Management Contract, the Participating Municipalities and the Wayne County Library Board shall assign to the Belleville Area District Library all right, title and interest in and to all Fred C. Fischer Library contracts including, but not limited to, those contracts described on Exhibit "E" attached hereto, by executing the Assignment of Library Contracts attached as Exhibit "F".

D. Assumption of Liabilities; Indemnification. As of the Effective Date of this Agreement, the Belleville Area District Library shall assume all responsibility for operation and management of the properties conveyed herein for library purposes. The Belleville Area District Library shall assume all liability, indebtedness and expenses for operation, maintenance, and improvements of the library facilities together with all claims arising on or after the Effective Date of this Agreement from the operation of the District Library. The Belleville Area District Library shall defend, indemnify and hold harmless the Participating Municipalities from all claims and liabilities arising out of the operation, maintenance, and improvement of the Belleville Area District Library pursuant to this Agreement.

E. Employees. At least thirty (30) days prior to the Effective Date of this Agreement, the staff of the Fred C. Fischer Library as it existed on September 25, 2009 shall be provided with notice that the Fred C. Fischer Library may cease operating as a public library. To the best of its ability, the Belleville Area District Library will offer employment to each member of the staff notified pursuant to this section in accordance with the employment policies, procedures and benefits established by the Belleville Area District Library. The District Library further agrees, to the extent practicable, to offer these former Fred C. Fischer staff members substantially the same wages and benefits, including accrued sick leave, seniority credits, vacation time, insurance, and pension coverage as they had at the time they ceased being Fred C. Fischer Library staff members. It is understood, however, that the factors affecting reduction in personnel in a district library are based on demand for public library service and availability of funding.

F. Library Dissolution. The Fred C. Fischer Library Tri-Community Library Committee and the Fred C. Fischer Tri-Community Library Agreement dated October 25, 2001 shall discontinue upon the execution of this agreement. Provided the Belleville Area District Library may continue to use the name The Fred C. Fischer Library.

VI. MISCELLANEOUS

A. Term. This Agreement shall remain in effect unless and until all but one of the Participating Municipalities withdraw from the District Library as provided in Section VI. B. below.

B. Withdrawal. A Participating Municipality may withdraw pursuant to the procedures set forth in Section 24 of Act 24, provided, however, that any resolution of a participating municipality in which a district library tax is in effect or authorized to be levied to withdraw before December 31, 2019 shall be null and void. In the event of a withdrawal by two or more Participating Municipalities that results in termination of this Agreement pursuant to Section VI. A. above, the assets of the District Library shall be returned and transferred to the then existing Participating Municipalities for the re-establishment of the Fred C. Fischer Library as also set forth in Section III B of this Agreement. The assets shall be transferred to the Participating Municipalities in proportion to their annual financial contributions for the most recent five fiscal years in which the participating municipalities contributed directly to the district library. In the event of a later withdrawal by a Participating Municipality that does not result in termination of this Agreement pursuant to Section VI. A. above, the withdrawing Participating Municipality shall not be entitled to distribution of any assets of the District Library.

C. Amendment. This Agreement shall not be amended except by written agreement approved by the legislative bodies of all Participating Municipalities and the District Library Board.

D. Governing Law. This Agreement shall be interpreted in accordance with the law of the State of Michigan.

E. Severance. If any provision of this Agreement is found by a court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Agreement which shall remain in full force and effect. If any provision of this Agreement is so found to be invalid or unenforceable but would cease to be invalid or unenforceable if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid and enforceable.

F. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed and all of which shall constitute one and the same agreement, and the signature of any part to any counterpart shall be deemed a signature to the Agreement and may be appended to any other counterpart.

PARTICIPATING MUNICIPALITIES:

CITY OF BELLEVILLE

Dated: 02-25-10

By: Richard Smith
Richard Smith, Mayor

By: Lisa Long
Lisa Long, Clerk

TOWNSHIP OF SUMPTER

Dated: 2-25-10

By: Johnny Vawters
Johnny Vawters, Supervisor

By: Clarence Hoffman
Clarence Hoffman, Clerk

CHARTER TOWNSHIP OF VAN BUREN

Dated: Feb 23, 2010

By: Paul White
Paul White, Supervisor

By: Leon Wright
Leon Wright, Clerk

The District Library Agreement is approved by the Wayne County Library Board:

WAYNE COUNTY LIBRARY

By: [Signature]
, its: _____

Dated: 2/26/10

By: _____
, its: _____

*page 11 redone in order for all signatures to appear on one page (January 15, 2010)