

**AMENDMENT NO. 1 IN THE
DISTRICT LIBRARY AGREEMENT FOR THE
COMMUNITY DISTRICT LIBRARY**

This Agreement is entered into as of the 19 day of November, 2007 by and among the TOWNSHIP OF BURNS, a general law township, 10355 Bath Road, Byron, Michigan; the CHARTER TOWNSHIP OF CALEDONIA, a charter township, 135 North State Road, Owosso, Michigan; the CITY OF CORUNNA, a home rule city, 402 N. Shiawassee Street, Corunna, Michigan (the "City"); the TOWNSHIP OF HAZELTON, a general law township, 7505 Orchard Street, New Lothrop, Michigan; the TOWNSHIP OF PERRY, a general law township, 2770 W. Ellsworth Road, Perry, Michigan; the TOWNSHIP OF SHIAWASSEE, a general law township, 625 Grand River Road, Bancroft, Michigan; and the TOWNSHIP OF VENICE, a general law township, 960 New Lothrop Road, P.O. Box 222, Lennon, Michigan (collectively, the "Townships"); and the CITY OF PERRY, a home rule city, 203 W. Polly Street, Perry, Michigan ("Perry").

WHEREAS the City and the Townships entered into a District Library Agreement (the "Agreement") to establish the Community District Library (the "District Library") as of March 15, 2004;

WHEREAS the Agreement was approved by the State Librarian as required by the District Library Establishment Act, MCL 397.171, *et seq.* (the "Act");

WHEREAS Section 5(c) of the Agreement provides that the Agreement may be amended by a written agreement approved by the legislative bodies of the City and the Townships;

WHEREAS Perry, by its City Council, has agreed to become a Participating Municipality of the District Library, and the City and the Townships have agreed that Perry may join the District Library as a Participating Municipality, upon certain terms and conditions.

IT IS THEREFORE AGREED AS FOLLOWS:

Section 1. Establishment of the District Library. Section 1 of the Agreement is hereby amended by the amendment of subsections (b) and (d) thereof, so as to read in their entirety as follows:

(b) Participating Municipalities. The Participating Municipalities in this Agreement are the Townships, the City and Perry.

(d) District Description. The District of the District Library (the "District") shall consist of the entire geographic area of the Townships, the City and Perry.

Section 2. District Library Board. Section 2 of the Agreement is hereby amended by the amendment of subsection (a)(1) so as to read in its entirety as follows:

(a) District Library Board; Appointment of Board Members; Term. The District Library shall be governed by a District Library Board (the

“Board”) consisting of eight members. The legislative body of each participating municipality shall each appoint one Board member.

(1) The term of office of Board members shall be four years; provided, however, that the terms of the members first appointed shall have differing expiration dates, as follows:

<u>Participating Municipality</u>	<u>Term Expires</u>
Township of Burns	December 31, 2008
Charter Township of Caledonia	December 31, 2008
City of Corunna	December 31, 2008
Township of Hazelton	December 31, 2007
Township of Perry	December 31, 2007
Township of Shiawassee	December 31, 2006
Township of Venice	December 31, 2006
City of Perry	December 31, 2012

As the above-stated staggered terms expire, each Board member shall be appointed for a term of four years commencing January 1 of the year immediately following the year in which the previous term expired. Board members may be reappointed for successive terms, in the discretion of the respective Participating Municipality.

Section 3. District Library Financial Support. Section 3 of the Agreement is hereby amended by the addition of subsection (a)(6) and the amendment of subsection (d), as follows:

(a) Termination Unless Millage Approved....

(6) This Amendment No. 1 of the Agreement shall terminate and Perry shall not become a Participating Municipality of the District Library, effective December 31, 2008, unless on or before November 30, 2008, the electors of Perry approve a property tax for District Library purposes (the “District Library millage”), within the territory of Perry, at a rate not less than 0.5 mill; provided, however, that if a District Library millage is not approved in Perry by November 30, 2008, then the District Library Board shall determine whether this Amendment No. 1 shall continue, pending a further vote on a District Library millage in and for Perry, upon such terms and according to such schedule as the District Library Board, in solely its own discretion, may determine.

(i) The failure of approval of the District Library millage in Perry shall terminate Perry’s participation in the Agreement and the District Library, as of the date of certification of the result of the District Library millage vote in Perry, subject only to the above-stated agreement by the District Library Board to permit the

continued participation of Perry in the District Library, upon terms and conditions required by the District Library Board.

(ii) Perry shall timely take all necessary measures to submit to its electorate a District Library millage proposal at the rate specified in subsection (a) of this Section, on or before November 30, 2008. The cost of such election shall be borne by Perry. The proposal shall specify a four-year duration for the millage, and shall state that the revenue from the millage shall be disbursed by Perry to the District Library. Upon receiving the annual revenue from the District Library millage, the Perry City Council shall promptly disburse such funds to the District Library.

(iii) Except as stated herein with respect to financial support of the District Library by Perry prior to the approval and collection of a District Library millage by the Perry electorate, and continuing in-kind library support by Perry, the financial obligation of Perry for support of the District Library shall be only the annual revenue from the District Library millage approved by Perry electors, including revenue resulting from payments of or with respect to delinquent District Library millage. Perry shall take all necessary measures for the collection of that part of delinquent property taxes constituting unpaid District Library millage, to the same extent that it collects other delinquent ad valorem property taxes.

(iv) If this Amendment No. 1 is terminated and if Perry does not become a Participating Municipality in the District Library as of December 31, 2008, pursuant to Section 3(a), Perry need not submit to its electors a further District Library millage until such time as a further Amendment in the Agreement has been assented to by the Participating Municipalities and Perry.

(v) In the event that this Amendment No. 1 terminates pursuant to this Section, all net assets of the Perry Public Library that have been transferred to the District Library, under the terms of Section 4(a) hereof, shall be returned and transferred to the Perry Public Library, and public library service shall thereafter be provided to the residents of Perry by the re-establishment and operation of the Edna Bentley Memorial Library (the "Perry Public Library").

(d) Financial Support; Participating Municipalities.

(1) [no change]

(2) [no change, but add the following:] Until the levy and collection of a District Library millage approved by the electors of Perry and the receipt of the millage revenue by the District Library (or, in the case of

the District Library millage not being approved by the Perry electorate, then until a determination by the District Library Board under Section 3(a) as to whether Perry may submit a further District Library millage proposal to its electorate), or until December 31, 2008, whichever is earlier, Perry shall financially support the District Library by continuing to provide all of the monies and the in-kind services that it now provides for and with respect to the Perry Public Library and the service area of that library; provided, however, that Perry shall continue to provide, following approval of the above-stated District Library millage, the in-kind support that it currently provides to and for the Perry Public Library, including though not limited to payment of public utilities, library building and site maintenance, repair and replacement and other expenses of the Perry library building and site.

(3) The penal fines and state aid allocated to the Shiawassee County Library, to the City and to Perry shall be paid to the District Library.

(4) [no change]

(5) Payments from general fund monies or otherwise by the Participating Municipalities and by Perry shall be deposited into the District Library fund. Such payments, together with in-kind contributions shall constitute each Participating Municipality's and Perry's entire required financial and other support of the District Library, for the period of time commencing with the effective date of this Agreement and continuing until the approval and collection of a District Library millage in each Participating Municipality, or until December 31, 2004, whichever is the earlier or, in the case of Perry, until December 31, 2008, whichever is the earlier; provided, however, that each Participating Municipality shall continue to provide, following approval of the above-stated District Library millages, the in-kind support that it currently provides to and for the library building within its territory, including though not limited to payment of public utilities, library building and site maintenance, repairs, replacement and other expenses of its library building and site.

(6) The Participating Municipalities shall have no obligation to support the District Library financially, except for the above-stated in-kind support, following the levy and collection of a District Library millage at the rate stated in this Agreement on or before November 30, 2004, in the Participating Municipalities and the receipt of the millage revenues by the District Library, or until December 31, 2004, whichever is earlier. Perry shall have no obligation to support the District Library financially following the levy and collection of a District Library millage in Perry at the rate stated in this Agreement and the receipt of the millage revenue by the District Library, except as stated above with respect to in-kind support.

(7) The District Library Board shall annually determine the amount of money necessary for the establishment and operation of the

District Library, and shall state that amount in the annual budget of the District Library. Of the amount of money thus stated in the annual budget, each Participating Municipality and Perry shall annually pay to the District Library, the following respective percentages (each stated percent being determined by the estimated revenue anticipated from the annual levy and collection of a 0.5 mill District Library millage in each Participating Municipality and Perry):

<u>Participating Municipality</u>	<u>Annual Percentage</u>
Township of Burns	13.33
Charter Township of Caledonia	25.71
City of Corunna	9.12
Township of Hazelton	8.93
Township of Perry	14.68
Township of Shiawassee	10.84
Township of Venice	10.06
City of Perry	7.33

(8) No provision of this Agreement shall be construed to prohibit voluntary contributions from any Participating Municipality or from Perry. The District Library shall also be supported by penal fines and state aid payments pursuant to state law and any other lawful sources of funding paid or available to the Participating Municipalities and Perry.

Section 4. Transfer of Property; Library Employees. Section 4 of the Agreement is hereby amended by the addition to each of the subsections thereof the following, which shall be added to each of the respective subsections at the end thereof:

(a) **Transfer of Personal Property.** . . . On or before the effective date of this Agreement, Perry and the Perry Public Library shall transfer and convey to the District Library all right, title and interest in and to all personal property and all other rights and privileges currently owned and used in connection with the operation of their respective libraries, including but not limited to, books, periodicals, fixtures, equipment, supplies, cash, funds on deposit, endowments and all other assets, goods and property owned by such libraries and used by them for library purposes. Such transfer and conveyance shall be made in consideration of the continuation of library services, but without monetary payment by the District Library.

(b) **Lease or Other Use of Real Property.** . . . On or before the effective date of this Agreement, Perry and the Perry Public Library shall assign to the District Library all leases and other rights and privileges of use of the library buildings and other library premises now located and used in and for Perry and the Perry Public Library, to the District Library. The Participating Municipalities hereby consent to the assignment of any such leases, rights and privileges by Perry and the Perry Library Board, to the District Library.

(c) **Assignment of Contracts.** . . . On or before the effective date of this Agreement, Perry and the Perry Public Library shall assign to the District Library all right, title and interest in and to their existing contracts and agreements, if any, for or relating to library services.

(d) **Interlocal Library Agreements.** . . . The current interlocal library agreements between Perry and/or the Perry Public Library and other parties shall be terminated as of the effective date of this Agreement. On or after such date, the District Library Board and other parties to such interlocal agreements shall enter into similar agreements with respect to branch library premises and other relevant matters covered by such current agreements.

(e) **Assumption of Liability; Indemnification.** . . . Upon the conveyance of the above-stated assets of the Perry Public Library, the District Library shall assume all responsibility for operation and management of such assets and properties for library purposes. The District Library shall assume all liability, indebtedness and expense for the operation, maintenance and improvement of the library facilities, together with all lawful and valid claims arising on or after the effective date of this Agreement from or pertaining to the operation of the District Library. The District Library shall indemnify and hold harmless Perry and the Perry Public Library from all claims and liabilities arising out of the ownership, operation, maintenance and improvement of the District Library pursuant to this Amendment No. 1.

(f) **Employees.** . . . The employees of the Perry Public Library shall be transferred to the District Library, and shall become employees of the District Library as of the effective date of this Agreement. Such employees shall be transferred with the same terms and conditions of employment with respect to wages and salaries, workers compensation, pension, seniority, sick leave, vacation, health insurance and other benefits, as are currently enjoyed by such persons as employees of the Perry Public Library, but each employee's relationship with the District Library shall be an "at will" employment, terminable by the District Library Board at any time and without cause.

(g) **Dissolution of Current Libraries.** . . . As of the effective date of this Agreement, the Perry Public Library is hereby dissolved, subject to the applicable provisions of this Agreement.

Section 5. Other Matters. Section 5 of the Agreement is amended as follows:

(a) **Term.** [no change, but add the following:] This Agreement shall remain in effect until it is terminated under Section 3(a), or until a decision to terminate the Agreement is made by the District Library Board as a result of the District Library millage not being approved in Perry.

(b) **Withdrawal.** [no change, but add the following:] Perry may withdraw from the District Library pursuant to the procedures stated in Section 24 of

the Act; provided, however, that any resolution to withdraw before the levy and collection of a District Library millage within Perry, or December 31, 2008, whichever is the earlier, shall be null and void. If Perry withdraws after that date, the procedure for withdrawal shall be governed by Section 24 of the Act.

(c) **Amendment.** This Agreement shall not be amended except by written agreement approved by the legislative bodies of all of the Participating Municipalities and Perry.

(d) **Governing Law.** This Agreement shall be interpreted in accordance with the laws of the State of Michigan.

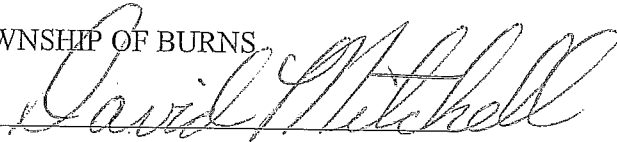
(e) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. The original signature pages from each counterpart may be detached therefrom and may then be attached to a single counterpart of the Agreement, so as to form the original of the Agreement.

(f) **Consolidated Agreement.** Upon the execution of this Amendment No. 1, and the satisfaction of all conditions required for the participation of Perry as a Participating Municipality in the District Library, this Amendment No. 1 and the Agreement may be combined into a single, consolidated District Library agreement for the Community District Library. In the preparation of the consolidated agreement, all separate references to Perry may be deleted (except those in the first paragraph and in the signature of Perry), inasmuch as Perry will have become a Participating Municipality, as the term is defined in the Agreement; provided, however, that the form and content of such consolidated agreement shall be consistent with the terms of this Amendment No. 1. In the preparation of the consolidated agreement, the signature pages from the original agreement and the signature page showing the signature of Perry in Amendment No. 1 may be detached from the original Agreement and Amendment No. 1, respectively, and may then be attached to a single counterpart of the consolidated agreement, so as to form the original of the consolidated agreement.

The Participating Municipalities and Perry have signed this Agreement on the respective dates indicated.

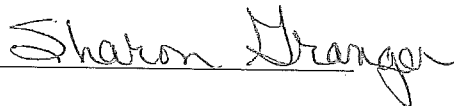
TOWNSHIP OF BURNS

By:



Its: Supervisor

and by:



Its: Clerk

August 6, 2007

TOWNSHIP OF PERRY

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

TOWNSHIP OF SHIAWASSEE

By: *Thomas Campbell*

Its: Supervisor

and by: *James A. Sedlak*

Its: Clerk

Dated: *August 9*, 2007

TOWNSHIP OF VENICE

By: *Ken B. Benjett*

Its: Supervisor

and by: *Jerry J. [Signature]*

Its: Clerk

Dated: *9-10 -*, 2007

CITY OF PERRY

By: _____

Its: Mayor

and by: _____

Its: Clerk

Dated: _____, 2007

Dated: Nov 19th, 2007

CHARTER TOWNSHIP OF CALEDONIA

By: Joseph White Carlo
Its: Supervisor

and by: Marcy Brady
Its: Clerk

Dated: 11-19-, 2007

CITY OF CORUNNA

By: [Signature]
Its: Mayor

and by: Nicholas J Cowdrey
Its: Clerk

Dated: 8-20, 2007

TOWNSHIP OF HAZELTON

By: Jim Sheridan
Its: Supervisor

and by: [Signature]
Its: Clerk

Dated: August 16, 2007

TOWNSHIP OF PERRY

By: July Z. Russell

Its: Supervisor

and by: Sandra Michalek

Its: Clerk

Dated: 9-26, 2007

TOWNSHIP OF SHIAWASSEE

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

TOWNSHIP OF VENICE

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

CITY OF PERRY

By: _____

Its: Mayor

and by: _____

Its: Clerk

Dated: _____, 2007

TOWNSHIP OF PERRY

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

TOWNSHIP OF SHIAWASSEE

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

TOWNSHIP OF VENICE

By: _____

Its: Supervisor

and by: _____

Its: Clerk

Dated: _____, 2007

CITY OF PERRY

By: *Chris De Luca*

Its: Mayor

and by: *Judith A. Duenther*

Its: Clerk

Dated: July 17, 2007

This Agreement is hereby approved and accepted:

EDNA BENTLEY MEMORIAL LIBRARY
(PERRY PUBLIC LIBRARY)

By: _____
Library Board President

By: _____
Library Board Secretary

Dated: _____ 2007

COMMUNITY DISTRICT LIBRARY

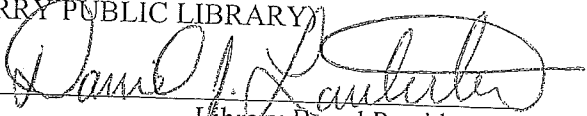
By: Carol Chrusinske
Library Board President

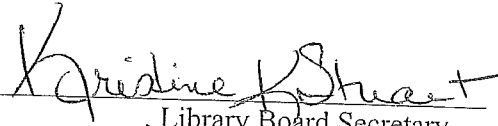
By: Debra Newman
Library Board Secretary

Dated: May 23, _____ 2007

This Agreement is hereby approved and accepted:

EDNA BENTLEY MEMORIAL LIBRARY
(PERRY PUBLIC LIBRARY)

By: 
Library Board President

By: 
Library Board Secretary

Dated: June 25, 2007

h:\jrb\eln\shia\wasce\amendment.district.library.agr.doc