# DISTRICT LIBRARY AGREEMENT

THIS DISTRICT LIBRARY AGREEMENT is entered into as of the 3rd day of May, 2024 by and between the Village of Blissfield and the Blissfield Community Schools, County of Lenawee (collectively referred to as the "Participating Municipalities") pursuant to the District Library Establishment Act, 1989 PA 24, MCL 397.171, et seq., (the "Act").

The Participating Municipalities agree to establish a district Library pursuant to the Act to assure continued Library services to the area described in Exhibit A and depicted in Exhibit A-1 attached hereto and made a part hereof. The governing bodies of the Participating Municipalities have determined that it is in the best interests of the residents of their respective communities to provide Library services by establishing a district Library. The governing body of the Schultz-Holmes Memorial Library has also determined it is in the best interests of the residents and approved the establishment of a district Library under this Agreement as required by the Act.

Therefore, in consideration of the premises and other mutual obligations and promises, the Parties agree as follows:

## I. ESTABLISHMENT

A. **Name.** As of the effective date of this Agreement, the Participating Municipalities hereby establish a district Library pursuant to the Act to be known as the "Schultz-Holmes District Library" (the "District Library"), having all the powers granted to such district libraries by the Act.

B. **Participating Municipalities.** The Participating Municipalities to this Agreement are the Village of Blissfield ("Village") and the Blissfield Community Schools ("School District").

C. **Territory of the District Library.** The territory of the Participating Municipalities included within the District Library shall be as described in Exhibit A (the "District") and depicted in Exhibit A-1.

D. **Effective Date of the Agreement.** The Effective Date of the Agreement shall be the date the Agreement is approved by the State Librarian.

## II. LIBRARY BOARD

A. **Governing Board.**

1. Permanent Elected Board. The District Library shall be governed by a board (the "Library Board") which shall consist of seven (7) members to be elected at large from the District Library District. Board members shall be elected on nonpartisan ballots.

a. *First Election.* The first election of the Library Board members shall take place at the same time as the first regularly scheduled election of School District board members occurring on or after the thirteenth Monday following the appointment of the first member of the Provisional Library Board as set forth in Paragraph A.2 below.

b. *Terms.* The four (4) persons receiving the most votes at the first election of Library Board members shall have four (4) year terms, and the three (3) remaining persons elected to the Library Board shall have two (2) year terms. After the first election, Library Board members shall be elected at general elections for four (4) years.

c. *Beginning of Terms.* The term of office of the Library Board members shall begin at the same time as the term of a School District Board member elected at the same election.

2. Provisional Library Board. From the Effective Date of the Agreement until the permanent Library Board is elected and qualified, the Provisional Library Board shall consist of four (4) members appointed by the Village and three (3) members appointed by the School District.

B. **Authority.** The Library Board shall have all the powers enumerated in Section 12 of the Act, MCL 397.182, all the powers enumerated in the District Library Financing Act, MCL 397.281, *et seq*, and any other powers granted by law, including but not limited to the following:

1. Establish, maintain, and operate a public Library for the District Library.

2. Appoint and remove officers from among its members.

3. Appoint and remove a librarian and necessary assistants and fix their compensation.

4. 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.

5. Erect buildings.

6. Supervise and control District Library property.

7. Enter into a contract to receive Library-related service from or give Library-related service to a Library or a municipality within or without the District Library District.

8. Adopt bylaws and regulations, not inconsistent with this Act, governing the Library Board and the District Library.

9. Propose and levy upon approval of the electors as provided in this Act a tax for support of the District Library.

10. Borrow money pursuant to the District Library Financing Act, 1988 PA 265, MCL 397.281 to 397.290.

11. Issue bonds pursuant to the District Library Financing Act, 1988 PA 265, MCL 397.281 to 397.290.

12. Accept gifts and grants for the District Library.

13. Do any other thing necessary for conducting the District Library service, the cost of which shall be charged against the District Library fund.

14. Exercise any other power authorized by law.

C. **Expenses and Compensation.** The District Library may reimburse Library Board members for necessary expenses that Library Board members incur in the performance of their official duties and may compensate Library Board members pursuant to Section 12(2) of the Act, MCL 397.182.

D. **Vacancy**. The office of a Library Board member becomes vacant when the incumbent dies, resigns, is convicted of a felony, is removed from office by the governor pursuant to section 10 of Article V of the State Constitution of 1963, or ceases to be a resident of the District. In addition, the office of an appointed provisional Library Board member becomes vacant when the incumbent ceases to be a resident of the Participating Municipality that appointed the incumbent.

1. Provisional Board Vacancy. In the event of a vacancy in the appointed provisional board, the Library Board shall appoint a replacement whose term shall extend to the end of the term of the Library Board member being replaced.

2. Elected Board Vacancy. If a vacancy occurs in the elected Library Board, the vacancy shall be filled until the expiration of the vacating Library Board member's term by appointment of the majority of the remaining board members. If the vacancy occurs 140 or more days before the regularly-scheduled election of Library Board members that follows the beginning of the term of the Library Board member vacating office and that term is four (4) years, the following apply: (1) the vacancy shall be filled by appointment by majority vote of the remaining Library Board members only until the next date on which the term of any Library Board member expires and (2) the Library Board member shall be elected at the regularly-scheduled election of Library Board members next following the occurrence of the vacancy to fill the vacancy for the remainder of the term of the Library Board member vacating office.

E. **Removal.** In accordance with Section 8(2) of the Act, MCL 397.178(2), the Governor of the State of Michigan shall have the power to remove a member of the Library Board for

cause, pursuant to the provisions of Section 10 of Article V of the State Constitution of 1963, as amended.

## III. FUNDING AND PROPERTY

A. **Funding.**

1. General Funding. Except during the period commencing the Effective Date of the Agreement and continuing until the District Library authorizes and levies a districtwide millage and that levy has become due ("Interim Period"), funds necessary for the operation of the District Library shall be derived from state aid, grants, penal fines, donations, and bequests, a districtwide millage, or other millage authorized to be levied upon taxpayers of the District, and any other source authorized by law.

Library funds on hand with the Schultz-Holmes Memorial Library, including any trusts or endowments including but not limited to the Library Fund Balance ("Library Funds"), shall be transferred to the District Library into a District Library fund in accordance with the terms of this Agreement. Upon the Effective Date of the Agreement, the total amount of the fund balances of each Library Fund (each Library Fund that is identified in the 2023 audited financial records) of the Schultz-Holmes Memorial Library shall be transferred to the District Library.

To the extent any monies or property from any source whatsoever are received by either of the Participating Municipalities designated for the operation and administration of community Library services or acquisition of books or equipment or other real or personal property for community Library use, such Participating Municipality shall transfer such monies and personal property upon receipt thereof to the District Library. Participating Municipalities may also enter into contractual agreements with the District Library. Until a written lease is agreed to by the Village and the District Library, the Village shall maintain Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228.

2. Interim Period Funding. During the Interim Period, the operation of the District Library will be funded from revenues derived from state aid, penal fines, grants, donations, and bequests, if any, as stated more fully in Section III.A.1 above. In addition, during the Interim Period, the Participating Municipalities shall provide appropriations to the District Library as follows:

a. *Village Funding.* During the interim period, the Village shall be required to fund the District Library as follows:

1. The Village shall pay the District Library $62,075.25 on both April 1, 2024 and July 1, 2024.

2. The Village shall pay the District Library $87,500.00 on October 1, 2024 and January 1, 2025.

3. After the January 1, 2025 payment, the Village shall have no additional obligation to fund the District Library.

4. Until a written lease is agreed to by the Village and the District Library, the Village shall continue to maintain the Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228 as the facility exists as of the effective date of the agreement, including any planned projects or repairs such as roof repair or replacement. Nothing in this agreement prohibits the District Library from requesting capital improvement funds from the Village, as the Village will continue to own the real property located at 407 S Lane St., Blissfield, MI 49228.

5. Aside from the payments above, during of the Interim Period, the Village shall have no (0%) additional obligation to provide funds for the District Library.

6. At any time, the Village Council could always agree to provide Library with additional funding.

b. *School District Funding.* The School District shall have no (0%) obligation to provide funds for the District Library during the Interim Period or at any other time, unless agreed to by the School Board after the District Library is formed.

B. **Budget.** The Library Board shall annually determine and approve the District Library's Budget.

C. **Fiscal Year.** Unless otherwise changed by the Library Board after the Effective Date of this Agreement, the fiscal year of the District Library shall be the annual period commencing October 1 and ending the following September 30, provided that the initial fiscal year shall commence on the Effective Date of this Agreement and shall end on the September 30, 2024 following the Effective Date of this Agreement.

D. **Personal Property Transfer.** As of the Effective Date of this Agreement, personal property described in Exhibit B, whether tangible or intangible, of the Schultz-Holmes Memorial Library relating to the Schultz-Holmes Memorial Library shall be transferred pursuant to the terms of the Property Transfer Agreement substantially in the form attached as Exhibit C, and conditioned upon the Village and/or Schultz-Holmes Memorial Library and the District Library entering into the following:

1. The assumption of contractual obligations of the Schultz-Holmes Memorial Library associated with the operation of the Library listed on the Assignment and Assumption of Contracts agreement, substantially in the form attached as Exhibit C-2; and

2. The District Library shall assume the Employee Leasing Services Agreement, substantially in the form attached to this Agreement as Exhibit D; and

D. **Real Property.** Upon the Effective Date of the Agreement, the District Library shall negotiate and enter a lease of property located at 407 S Lane St, Blissfield, MI 49228 pursuant to a lease agreed to by the District Library and the Village.

E. **Contractual Obligations.** Contractual obligations of the Village and the Schultz-Holmes Memorial Library associated with the operation of the Schultz-Holmes Memorial Library listed on Exhibit C-2 shall be assumed by the District Library on the Effective Date of this Agreement.

F. **Indemnification and Other Obligations of Library Board.** As a condition of the transfer of property or funds to the District Library and to the extent permitted by law, the District Library shall be required to indemnify the Village and the School District and Schultz-Holmes Memorial Library (collectively referred to as the "Parties") against all claims, demands, actions, citations or legal proceedings arising from or relating to the operation by the Library Board of the District Library after the Effective Date of this Agreement, as provided in Exhibit C, and shall be required to obtain insurance coverage in amounts reasonably determined by the Parties to meet such liabilities. Such insurance policies shall name the Parties as additional insureds. The Schultz-Holmes Memorial Library shall be required to notify the District Library of all pending, probable, or threatened claims, demands, actions, citations, or legal proceedings that arise on or before the effective date of the Agreement ("Pre-Existing Claims") and the Schultz-Holmes Memorial Library shall indemnify the District Library against Pre-Existing Claims.

## IV. EMPLOYEES

A. **Employee Lease**. Upon the Effective Date of the Agreement, employees of the Village shall be leased to the District Library under the terms and conditions provided in the Employee Leasing Services Agreement substantially in the form attached as Exhibit D. The District Library shall assume the contractual obligation of the Employee Leasing Services Agreement

## V. OTHER PROVISIONS

A. **Term**. This Agreement shall continue in perpetuity unless the District Library is dissolved pursuant to Section V.B or automatically terminated pursuant to Section V.C.

B. **Dissolution of District Library/Distribution of Assets.** The District Library shall be dissolved if a Participating Municipality withdraws from the District Library as provided in Section V.C. Upon such dissolution, the Schultz-Holmes Memorial Library shall be reinstated in accordance with the City, Village and Township Libraries Act, 1877 PA 164, MCL 397.201, *et seq.*, and all assets of the District Library shall revert to the Schultz-Holmes Memorial Library.

C. **Automatic Termination**. In the event a district wide millage of at least 1.25 mills has not been authorized by March 31, 2025, District Library Agreement shall expire by its terms and all assets of the District Library shall be distributed as provided in Section V.B.

D. **Withdrawal from Agreement.** Any Participating Municipality may withdraw from the District Library in accordance with Section 24 of the Act, MCL 397.194, provided that no Participating Municipality may adopt a resolution authorizing its withdrawal prior to two (2) years from the Effective Date of the Agreement. In the event the withdrawal of the Participating Municipality would cause the dissolution of the District Library, such withdrawal and dissolution shall be subject to the requirements specified in Section V.B of this Agreement. In the event the withdrawal of a Participating Municipality would not cause the dissolution of the District Library, the assets belonging to the District Library would remain the property of the District Library.

E. **Addition of Other Municipalities.** Any city, village, township, or county (a "Municipality") may become a Participating Municipality to this Agreement and all or a portion of the territory of the Municipality be added to the District if:

1. The governing body of the Municipality resolves by majority vote that the Municipality become a Participating Municipality to this Agreement and that all or a portion of the territory of the Municipality be added to the District.

2. The governing body of the Municipality files a certified copy of its resolution with the chairperson of the Library Board.

3. The Library Board adopts a resolution authorizing an amendment to this Agreement reflecting the addition of the Municipality and the territory of the Municipality to the District, specifying the changes in Library Board representation, or identifying changes to the percentage of funds necessary for the establishment and operation of the District Library to be provided by the Municipality within six (6) months of the date of receipt of the resolution of the Municipality.

4. The electors of the Municipality or the portion of the territory of the Municipality to be added to the District shall have approved the levy of the district-wide millage, if any, by majority of the electors voting on the question.

5. The amendment to the agreement shall be reviewed and approved by the State Librarian as required by Section 5(2) of the Act, MCL 397.175(2).

F. **Remedies.** In the event of failure by any of the Parties to perform its obligations under this Agreement, the other Parties, and each of them separately, shall have the power to seek such remedies as shall be available to them at law or in equity, including actions for mandamus.

G. **Amendment.** This Agreement may be amended in writing upon the consent of the legislative bodies of the Participating Municipalities, pursuant to Section 4(1)(e) of the Act, MCL 397.174(1)(e) and a majority of the Library Board appointed and serving and upon approval of the State Librarian as provided in Section 5 of the Act, MCL 397.175.

H. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

I. **Severability.** If any clause, provision, or section of this Agreement shall be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions, or sections.

J. **Execution in 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 Participating Municipality to any counterpart shall be deemed a signature to and may be appended to any other counterpart. IN WITNESS WHEREOF, the Participating Municipalities have caused this Agreement to be duly executed as of the date first written above.

BLISSFIELD COMMUNITY SCHOOLS

By: _____
Its: SUPERINTENDENT

VILLAGE OF BLISSFIELD

By: _____
Its: President (Village Council)

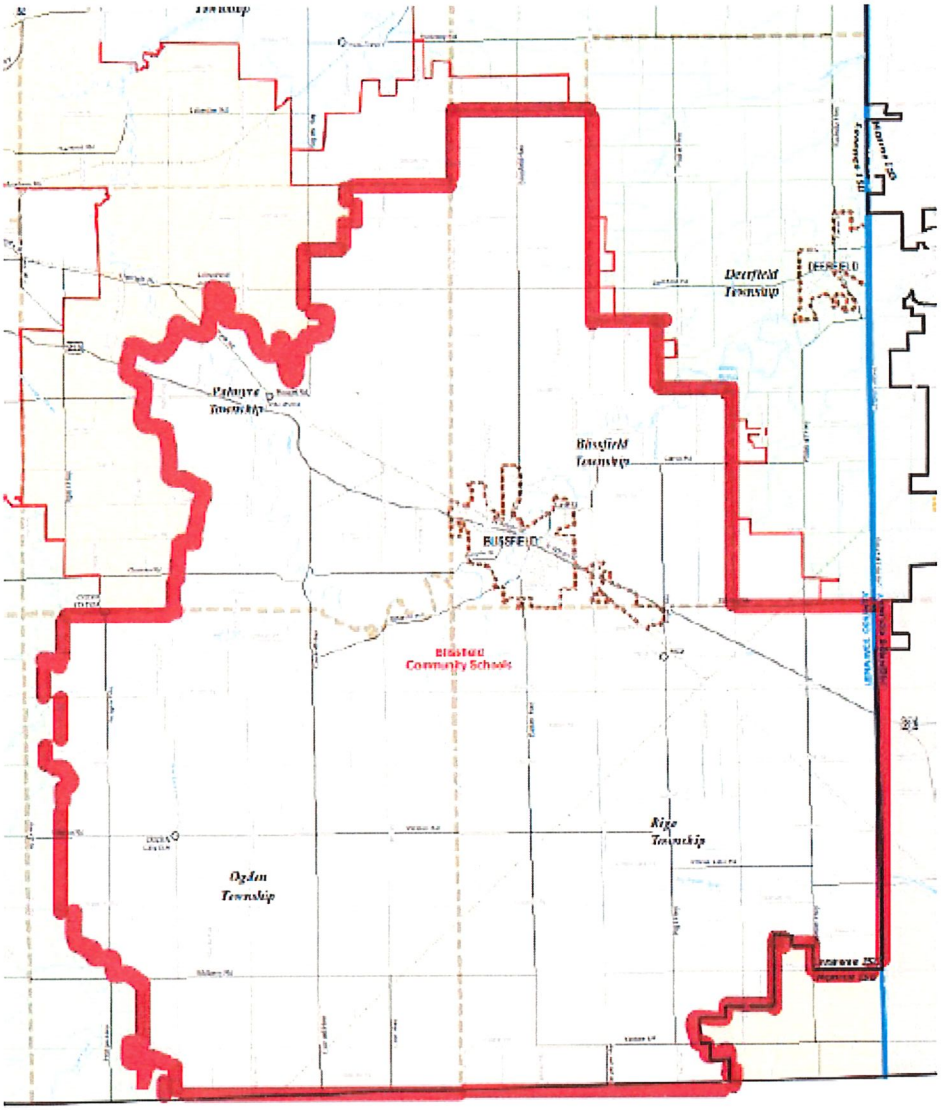
SCHULTZ-HOLMES MEMORIAL LIBRARY

By: _____
Its: President (Board of Trustees)

## EXHIBIT A

The District Library shall be comprised of all that territory which is currently located in the jurisdictional limits of the portions of the Blissfield Community Schools that are located within Blissfield Township (which includes the Village of Blissfield), Palmyra Township, Riga Township. and Ogden Township.

**EXHIBIT A-1**




The Red Highlighed Boundary is the Boundary of the Schultz-Holmes District Library

## EXHIBIT B

PERSONAL PROPERTY

The following assets, including personal property and other funds, belong to the Schultz-Holmes Memorial Library and are held for Library purposes, including but not limited to:

1. All personal property located in the Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228, on the Effective Date of the Agreement, including but not limited to:

   a. All books, magazines, books on tape, compact discs, videos, and DVDs.

   b. All computers, equipment for the network and all other hardware and software.

   c. All tables, chairs, desks, and filing cabinets.

   d. All Library records.

   e. All supplies.

2. All shelving and cabinets located in the Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228, on the Effective Date of the Agreement.

3. Schultz-Holmes Memorial Library cash and other assets.

**EXHIBIT C**

**PROPERTY TRANSFER AGREEMENT**

**TRANSFER OF ASSETS AND ASSUMPTION OF LIABILITIES AND CONTRACTUAL OBLIGATIONS**

THIS AGREEMENT is entered into as of the 3rd day of May, 2024, by and between the Village of Blissfield (hereinafter "Village"), Schultz-Holmes Memorial Library and the Schultz-Holmes District Library (hereinafter "District Library").

WHEREAS, the District Library was established by agreement effective as of May 3, 2024 ("District Library Agreement") entered into by the Village, and the Blissfield Community Schools ("School District") in accordance with the District Library Establishment Act, 1989 PA 24, as amended, to provide Library services in the School District boundaries;

WHEREAS, the Schultz-Holmes Memorial Library has operated a Schultz-Holmes Memorial Library (the "Schultz-Holmes Memorial Library") and the financial records of the Schultz-Holmes Memorial Library have been maintained on the same fiscal year as that of the Village which ends on each September 30; and the financial records of the Schultz-Holmes Memorial Library have been audited separately from those of the Village.

THEREFORE, in consideration of the premises, the Village, the Schultz-Holmes Memorial Library, and the District Library agree as follows:

1. The Schultz-Holmes Memorial Library shall close the fiscal year of the Schultz-Holmes Memorial Library as of the Effective Date of the District Library Agreement.

2. At its own cost, the District Library shall either audit the financial statement of the Schultz-Holmes Memorial Library for the period of October 1, 2023 through the Effective Date of the District Library Agreement (as defined in the District Library Agreement) or shall cause the financial statements of the Schultz-Holmes Memorial Library for the period October 1, 2023 through the Effective Date of the District Library Agreement to be audited. The District Library shall provide at no cost to the Village a copy of the audited statements for the Schultz-Holmes Memorial Library for the short fiscal year ending on the Effective Date of the District Library Agreement upon completion and release by the certified public accountant performing the audit.

3. On the Effective Date of the District Library Agreement, subject to the terms of this Property Transfer Agreement and pursuant to the terms of the Bill of Sale attached as Exhibit C-1 to this Agreement, the Schultz-Holmes Memorial Library shall transfer all of the tangible and intangible personal property assets of the Schultz-Holmes Memorial Library, including (a) the Library Fund held in the

Village of Blissfield treasury (which would include any trusts or endowments,) and (b) all Schultz-Holmes Memorial Library assets, to the District Library listed in Exhibit B of the District Library Agreement subject to all the liabilities and contractual obligations to the District Library.

The Schultz-Holmes Memorial Library and the District Library shall execute the Bill of Sale attached as Schedule C-1 to this Property Transfer Agreement. The District Library shall have authority to dispose of such property as authorized by the District Library Board if it is no longer needed for Library purposes.

4. The Schultz-Holmes Memorial Library shall assign and the District Library accepts the assignment of the Library Contracts set forth in Exhibit C-2 to this Property Transfer Agreement. The Schultz-Holmes Memorial Library and the District Library shall execute the Assignment and Assumption of Contracts attached as Exhibit C-2 to the Property Transfer Agreement.

5. The Village shall lease employees to the District Library as set forth in the Employee Leasing Services Agreement attached as Exhibit D to the District Library Agreement.

6. In the event of failure by either party to perform its obligations under this Agreement, the other party shall have the power to seek such remedies as shall be available to it at law or in equity, including actions for mandamus.

IN WITNESS WHEREOF, the Village, the Schultz-Holmes Memorial Library, and the District Library shall have executed this Agreement as of the date first indicated above by and through their respective duly authorized representatives.

SCHULTZ-HOLMES DISTRICT LIBRARY

By: _____

Its: Provisional Presiding officer

SCHULTZ-HOLMES MEMORIAL LIBRARY

By: _____

Its: President (Board of Trustees)

VILLAGE OF BLISSFIELD

By: _____

Its: President (Village Council)

**EXHIBIT C-1**

**BILL OF SALE**

This Bill of Sale is made as of the 3rd day of May, 2024, between **SCHULTZ-HOLMES MEMORIAL LIBRARY,** a Michigan Library established pursuant to 1877 PA 164, ("Seller"), and the **SCHULTZ-HOLMES DISTRICT LIBRARY**, a Michigan Library established pursuant to the District Library Establishment Act, 1989 PA 24 ("Purchaser").

For valuable consideration, Seller transfers and conveys to Purchaser all of Seller's right, title and interest in and to all of the tangible and intangible personal property used by Seller in providing Schultz-Holmes Memorial Library services, including, without limitation, all of the books, furniture, equipment, and other personal property located in or used in connection with the Schultz-Holmes Memorial Library located at Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228, and all books, records, reports, documents, instruments and agreements evidencing, detailing or pertaining to any of the personal property, and the Seller's rights therein. The personal property transferred to the Purchaser shall include, without limitation, the items listed in Exhibit 1 attached hereto. None of the personal property is subject to any claim, lien, encumbrance or interest of any kind or nature.

Except as expressly provided herein, Seller makes the transfer under this Bill of Sale without any representation, warranty, or guaranty, whether express, implied or statutory, including any warranty of condition, merchantability, habitability or fitness for a particular use or purpose. This transfer is made as is, where is, and with all faults.

Purchaser accepts delivery of the personal property and assumes all risk of loss and responsibility for the performance and compliance with any contractual agreement or undertaking related to any of the personal property or any of the Seller's rights therein.

This Bill of Sale is made as of the date written above.

**SCHULTZ-HOLMES DISTRICT LIBRARY**

By: _____

Its: Provisional Presiding Officer

**SCHULTZ-HOLMES MEMORIAL LIBRARY**

By: _____

Its: President (Board of Trustees)

## Exhibit 1 to Bill of Sale

PERSONAL PROPERTY

The following assets, including personal property and other funds, belong to the Schultz-Holmes Memorial Library and are held for Library purposes, including but not limited to:

1. All personal property located in the Schultz-Holmes Memorial Library, Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228, on the Effective Date of the Agreement, including but not limited to:

   a. All books, magazines, books on tape, compact discs, videos, and DVDs.

   b. All computers, equipment for the network and all other hardware and software.

   c. All tables, chairs, desks, and filing cabinets.

   d. All Library records.

   e. All supplies.

2. All shelving and cabinets located in the Schultz-Holmes Memorial Library, 407 S Lane St., Blissfield, MI 49228, on the Effective Date of the Agreement.

3. Schultz-Holmes Memorial Library cash and other assets.

**EXHIBIT C-2 TO PROPERTY TRANSFER AGREEMENT**

**ASSIGNMENT AND ASSUMPTION OF CONTRACTS**

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS ("Assignment") is made as of the 3rd day of May, 2024 between the Schultz-Holmes Memorial Library and the Schultz-Holmes District Library ("District Library").

For valuable consideration, the Schultz-Holmes Memorial Library assigns, conveys and transfers to the District Library, and the District Library accepts, acquires, and assumes the obligations of the Schultz-Holmes Memorial Library under the agreements attached hereto as Exhibit A ("Agreements").

The Schultz-Holmes Memorial Library warrants that, based on information and representations made to it by its Library Board, it has substantially performed and complied with all its covenants and agreements under the Agreements, and that no event has occurred or condition exists which is an event of default or breach of the Agreements.

The District Library assumes the covenants, agreements, obligations, and responsibilities of the Schultz-Holmes Memorial Library under the Agreements from and after the date of this Assignment.

IN WITNESS WHEREOF, the Schultz-Holmes Memorial Library and the Schultz-Holmes District Library have caused this assignment to be executed by their duly authorized officers.

SCHULTZ-HOLMES MEMORIAL LIBRARY

By: _____

Its: President (Board of Trustees)

SCHULTZ-HOLMES DISTRICT LIBRARY

By: _____

Its: Provisional Presiding Officer

EXHIBIT A TO THE ASSIGNMENT AND
ASSUMPTION OF CONTRACTS

**LIST ALL CONTRACTS**

1. All contracts currently in the name of the Schultz-Holmes Memorial Library
2. Building Lease
3. Employee Leasing Service Agreement
4. Woodland Cooperative (membership, not contract) and through them Overdrive & RIDES
5. Printer lease and maintenance

**FACILITY LEASE AGREEMENT**

This Lease Agreement ("Lease") is made effective this 10th day of June 2024 (the "Effective Date") between the Schultz Holmes District Library, organized as a public Library pursuant to PA 24 of 1989 (the "Act"), as amended, located at 407 S. Lane St. Blissfield, MI 49228 ("Library") and the Village of Blissfield a municipal corporation in the state of Michigan, located at 130 S. Lane St. Blissfield, MI 49228 ("Village"), hereinafter collectively referred to as the "Parties".

WHEREAS, the Library operates a wide variety of programs and services to provide education to the public; and

WHEREAS, the Library and Village share many common goals and interests related to education, access to information, and community engagement; and

WHEREAS, the Library and Village are invested in a long-term partnership by providing facilities to the Library to accomplish these common goals and interests; and

WHEREAS, the Parties wish to enter into a lease providing for the continued use and possession of the Premises (as defined below) according to the following terms and conditions.

NOW, THEREFORE, in consideration of mutual benefit and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. DESCRIPTION OF PREMISES. The Village of Blissfield leases to the Schultz Holmes District Library the real property located at 407 S. Lane St. Blissfield, Michigan 49228 ("Premises").

2. TERM OF LEASE. This Lease shall commence on the date written above and remain in full force and effect for one (1) year, renewing annually, unless terminated by either party. Either party may terminate this Lease for any or no reason by giving at least six (6) months' prior written notice to the other before the effective date of the termination.

3. RENT. This is a no rent lease.

4. GOVERNING LAW. This Lease shall be construed and governed in accordance with the laws of the State of Michigan.

ON.

e. To the extent permitted by law, the Village agrees to indemnify, defend ibrary from any and all claims, obligations, losses, liabilities, damages, ies (including interest, penalties and actual reasonable attorney fees, h the Library may suffer or incur as a result of: (i) the nonpayment of any nent tax or any other tax, assessment or expense that is payable by the the claims brought by the Library employees; and (ii) any claims or suits nection with claims brought by Village employees working at the Library the Village. The Village shall also pay to the Library all actual reasonable l expenses incurred by the Library, in enforcing the indemnification, ne Village shall not be obligated to indemnify, defend or hold harmless

the Library with respect to any claims or suits arising as the result of actions of the Library. The Library shall give the Village prompt notice of any claim or suit with respect to which such indemnification claim relates, and the Village shall have the right to control the litigation and/or possible settlement of such underlying claim.

5.2 By the Library. To the extent permitted by law, the Library agrees to indemnify, defend and hold harmless the Village from any and all claims, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and actual reasonable attorney fees, costs and expenses) which the Village may suffer or incur as a result of any claims or suits against the Village: (i) in connection with the enforcement of any obligation of the Library under this Agreement; and (ii) in connection with claims brought by Village employees working at the Library that arise from actions of the Library. The Library shall also pay to the Village all actual reasonable attorney's fees, costs and expenses incurred by the Village in enforcing the indemnification, provided, however, that the Library shall not be obligated to indemnify, defend or hold harmless the Village with respect to any claims or suits arising as the result of actions of the Village. The Village shall give the Library prompt notice of the claim or suit with respect to which such indemnification claim relates, and the Library shall have the right to control the litigation and/or possible settlement of such underlying claim.

6. MAINTENANCE AND ALTERATIONS. The Library shall be responsible for the expense of day-to-day maintenance and upkeep of the inside of the Premises. This Lease does not in any way limit the Library's ability to request appropriations from the Village and capital needs (large maintenance expenses) shall be requested through the Village's annual budget process. Maintenance of the sidewalks and parking lot shall be the responsibility of the Village. The Library shall submit its budgetary requests in a timely manner in order for the Village to consider such requests in the upcoming budgetary year. If such requests are not submitted by the Library in a timely manner, the Village is under no obligation to honor or fund such requests.

7. IMPROVEMENTS. No permanent improvements shall be placed or constructed upon the Premises without the prior written consent of the Village, which consent will not be unreasonably withheld. Improvements to mean any new feature of the property. Maintenance and repair of existing features of the facility fall under maintenance and alterations and do not require prior written consent.

8. UTILITIES. Utilities include water, sewer, electricity, natural gas, and communications services. The Library shall pay for all utilities associated with the lease of the Premises. The Library shall be permitted to select the service provider(s) for each utility, other than water and sewer, and contract with those service providers without Village approval. Within ninety (90) calendar days from the receipt of funds from the first successfully levied millage for the operation of the Schultz Holmes Memorial District Library, the Library shall transfer all utilities into its name and begin direct payment.

9. DEFAULT.

9.1 By the Library. The following acts by the Library shall constitute default:
(A) Violation by the Library of any provision of this Lease.

9.2 By the Village. The following acts by the Village shall constitute default:
(A) Violation by the Village of any provision of this Lease.

9.3 Cure. If either party defaults under any provision of this Lease, which default is not cured within thirty (30) calendar days following written demand for cure, then the non-defaulting party may, by an additional written notice to the defaulting party, and without limitation on the non-defaulting party's other remedies, terminate this Lease.

10. SURRENDER OF POSSESSION. Upon termination of this Lease the Library shall surrender possession of the Premises to the Village in as good condition as the same were in at the beginning of the term of this Lease, subject to reasonable wear and tear, or the condition to which they may be improved with the prior written consent of the Village.

11. SOCIAL EQUITY REQUIREMENTS/NON-DISCRIMINATION. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Lease because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Library and the Village agree to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, to the extent those laws are applicable.

12. ASSIGNMENT. Neither party shall assign this Lease or its rights and duties hereunder or any interest herein, without the prior written consent of the other party.

13. ENTIRE AGREEMENT. This instrument contains the entire agreement of the Parties and supersedes all prior and contemporaneous agreements or understandings, whether written or oral, with respect to the subject matter of this Lease. No amendment or modification to this Lease shall be valid unless in writing and signed by both Parties of the Lease.

14. SEVERABILITY. If any provision of this Lease, or any amendment of it, should be invalid, the remaining provision shall remain in effect and be so construed as to effectuate the intent and purposes of this Lease and any amendments to it.

15. NOTICES. All notices, requests and communications provided hereunder shall be in writing, and hand delivered or mailed by United States registered, certified, or express mail, return receipt requested, and addressed to the party's principal place of business as set forth in this Lease.

16. ANTI KICK-BACK. No officer or employee of the Village, having the power or duty to perform an official act or action related to this Lease, shall have or acquire any interest in the Lease, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in this Lease.

17. INSURANCE. The Village shall maintain property insurance coverage on the building and Premises. Library acknowledges that the Village's insurance does not cover personal property damage caused by fire, theft, rain, war, acts of God, acts of others, and/or any other causes. Library shall be responsible; at its expense, for fire and extended coverage insurance on all of its personal property located in the Premises ("Contents").

(Signature Page To Follow)

Signed this 10th day of June, 2024.

VILLAGE OF BLISSFIELD

By: James Eitzen
President, Village of Blissfield Council

SCHULTZ HOLMES DISTRICT LIBRARY

By: _____
President, The Schultz Holmes District Library Board of Trustees

STATE OF MICHIGAN )
) ss.
County of Lenawee )

On this 10 day of June, 2024, before me personally appeared Greg Brown, to me known to be the President of the Board of Trustees of the Schultz Holmes District Library organized as a District Library pursuant to PA 24 of 1989, as amended, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the Library, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

Brandon Paul Hudson
Notary Public in and for the State of Michigan
Lenawee County, Michigan
My commission expires 7/4/2024

STATE OF MICHIGAN )
)ss.
County of Lenawee )

On this 10 day of June, 2024, before me personally appeared James Eitzen to me known to be the Village President of the Village of Blissfield, the company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation and on oath stated they he was authorized to execute said instrument.

Notary Public in and for the State of Michigan
Lenawee County, Michigan
My commission expires 7/4/2024

Brandon Paul Hudson

RCVD PM 1:07 SEP23 '25 LENAWEE

LIBER 2690 PAGE 0404 1 of 1
STATE OF MICHIGAN - LENAWEE COUNTY
RECORDED 09/23/2025 01:11:05 PM D.QU
Carolyn S. Bater , REGISTER OF DEEDS $30.00

COPY

# QUIT CLAIM DEED

The GRANTOR, **Village of Blissfield**, a municipal corporation located in the County of Lenawee, State of Michigan, whose address is 130 South Lane Street, Blissfield, MI 49228, quit claims to the **Schultz Holmes District Library**, organized as a public library pursuant to 24 PA of 1989, as amended, whose address is 407 South Lane Street, Blissfield, MI 49228, the following described premises situated in the Village of Blissfield, County of Lenawee, State of Michigan, to wit:

Lot Number One Hundred Four (104) of Assessor's Plat Number One (1) of the Village of Blissfield. Also, Commencing in the East line of South Lane Street at the Southwesterly corner of Lot Number One Hundred Three (103) of Assessor's Plat Number One (1) of the Village of Blissfield; thence Easterly along the Southerly line of said Lot One Hundred Three (103) and a continuation of such line two hundred seventeen and three tenths (217.3) feet; thence Northerly and parallel to the Easterly line of South Lane Street three hundred thirty and six tenths (330.6) feet; thence Westerly at right angles to the Easterly line of said South Lane Street eighty-two and one-half (82 1/2) feet; thence Southerly along the Easterly line of Lots Numbered One Hundred Six (106), One Hundred Five (105) and One Hundred Four (104) of said Assessor's Plat Number One (1) to the Northeasterly corner of said Lot Number One Hundred Three (103) of said. Assessor's Plat Number One (1); thence Westerly along the Northerly line of said Lot Number 0ne Hundred Three (103) to the Northwesterly corner thereof; thence Southerly along the Easterly line of South Lane Street to the place of beginning.

Reference:
(Source of Legal Description: Deed of Trustees, dated August 15, 1956, recorded on Liber 537 Page 143, Lenawee County Records)

The grantor grants to the grantee the right to make all available division(s) under Section 108 of the Land Division Act, Act No. 288 of Public Acts of 1967. Draftor of deed made no inquiry as to allowable number of lot divisions and the parties waive any claim against Draftor related to the number of allowable division.

Consideration: **ONE ($1.00) DOLLAR.**
Dated this 16 day of SEPTEMBER, 2025

**Signed by:**

Mike Gunter, President, Village of Blissfield

**STATE OF MICHIGAN** )
SS.
**COUNTY OF LENAWEE** )

The foregoing instrument was acknowledged before me on this 16 day of September, 2025 by Mike Gunter, President, Village of Blissfield

Brandon Paul Hudson
Notary Public, Lenawee County, Michigan
My Commission Ex: 7/4/2030

Tax ID Nos.: BL2-300-1030-00
BL2-300-1040-00
BL2-520-0071-00

Return deed after recording to Grantee

Drafted without opinion by :
Stimpson & Associates, P.C.
David E. Lacasse
108 West Chicago Boulevard, Tecumseh, MI 49286

GRANTOR

# FACILITY LEASE TERMINATION AGREEMENT

This Facility Lease Termination Agreement ("Agreement") is made effective this 15th day of September, 2025 (the "Effective Date") between the Schultz-Holmes District Library, organized as a public library pursuant to PA 24 of 1989, as amended, whose address is 407 South Lane Street, Blissfield, MI 49228 ("Library") and the Village of Blissfield, a municipal corporation located in the County of Lenawee, State of Michigan, whose address is 130 South Lane Street, Blissfield, MI 49228 ("Village"), hereinafter referred to as the "Parties".

WHEREAS, the Parties entered into a Facility Lease Agreement on June 10, 2024 ("Lease") by which the Library leased from the Village certain real property located at 407 South Lane Street, Blissfield, Michigan (the "Premises"); and

WHEREAS, the Parties wish to terminate the Lease and transfer fee title ownership of the Premises from the Village to the Library by Quit Claim Deed, which is executed concurrently with this Agreement; and

WHEREAS, the Parties waive the requirement of paragraph 10 of the Lease, which requires the Library to surrender possession of the Premises to the Village upon termination of the Lease.

NOW THEREFORE, in consideration of the mutual benefit and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree to the following:

1. The Lease is terminated effective on the date identified above.

2. The Parties shall have no obligation to each other regarding the Premises, except as required by law.

3. The Parties agree to execute a Quit Claim Deed concurrently with this Agreement to transfer fee title of the Premises from the Village to the Library on terms mutually agreeable to the Parties.

* * * SIGNATURES ON FOLLOWING PAGE * * *

Signed this 15 day of September, 2025.

VILLAGE OF BLISSFIELD

By: _____
Mike Gunter, Village President

SCHULTZ-HOLMES DISTRICT LIBRARY

By: _____
Ciara McGrane, President, Board of Trustees

STATE OF MICHIGAN )

COUNTY OF LENAWEE )

On this 15 day of September, 2025, before me personally appeared Mike Gunter, Village President of the Village of Blissfield, and executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the Village, for the purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

_____
Notary Public
Lenawee County, Michigan
My commission expires: 7/4/2030

STATE OF MICHIGAN )

COUNTY OF LENAWEE )

On this 11th day of September, 2025, before me personally appeared Ciara McGrane, President of the Board of Trustees of the Schultz-Holmes District Library, and executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the Library, for the purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

_____
Notary Public
Lenawee County, Michigan
My commission expires: 4.23.31

# EXHIBIT D

EMPLOYEE LEASING SERVICES AGREEMENT

EMPLOYEE LEASING SERVICES AGREEMENT

This Employee Leasing Services Agreement ("Lease") is made effective this 11th day of July 2023 (the "Effective Date") between the Schultz Holmes Memorial Library, organized as a public library pursuant to, PA 164 of 1877, as amended located at 407 S. Lane St. Blissfield, MI 49228 ("Library") and the Village of Blissfield a municipal corporation in the state of Michigan, located at 130 S. Lane St. Blissfield, MI 49228 ("Village"), hereinafter collectively referred to as the "Parties".

WHEREAS, the Schultz Homes Memorial Public Library operates a wide variety of programs and services to provide education to the public; and

WHEREAS, the Library and Village share many common goals and interests related to education, access to information, and community engagement; and

WHEREAS, certain employees of the (municipality) have been employed at the library; and

WHEREAS, the Library desires to cooperate with the Village to provide library service in the Village of Blissfield and to continue to utilize Village employees to staff the library.

NOW, THEREFORE, pursuant to mutual covenants contained in this Agreement, the Parties agree as follows:

1. PERSONNEL.

1.1 Provision of Employees. Subject to the terms of this Agreement, the Village agrees to furnish to the library, and the library agrees to utilize from the Village, all personnel with experience and qualifications necessary for the proper functioning of the library, as determined by the library and consistent with the personnel policy of the Village of Blissfield, as determined by the library with the authority granted to it in sec. 3.1 of the present document.

1.2 The Village as Employer. The Village is, and shall remain, the employer of those persons furnished to the Library for employment at the Library, and is liable as such for all purposes, including, without limitation, processing of all paychecks for the employees employed at the Library, compiling, preparing and filing all payroll and employee information, the payment of all federal, state and local employment taxes and the filing of all related tax returns, the provision of workers' compensation coverage and funding of all pension, welfare and fringe benefits programs for the employees working at the Library. The Village reserves the exclusive right to exercise all power and control over its employees belonging to an employer at common law and by statute, provided, however, nothing contained in this Agreement limits the library's statutory authority in connection with its operation of the library.

1.3 Compliance with Applicable Law. The Village and the Library each agree to comply with all applicable state and federal laws in performing their obligations under this Agreement, including but not limited to wage and hour, employee benefit and nondiscrimination laws.

2. TERM OF AGREEMENT. This Agreement shall commence on the date written above and remain in full force and effect for one (1) year, renewing annually according to its terms and based on the first date set forth above, unless terminated by either party. Either party may terminate this Agreement for any or no reason by giving at least forty-five (45) days' prior written notice to the other.

3. ADMINISTRATION.

3.1 Supervision. All Library staff are employees of the Village. Under this agreement, the Library's Board may exercise its statutory authority under PA 164 of 1877 as amended and shall be responsible for hiring the Library Director and the direct supervision of the Library Director. The Library Director shall hire, supervise, and be responsible for employees working at the library. The parties agree the library may conduct routine counseling of employees, provided such counseling is documented and forwarded to the Village to be made part of the employee's personnel file.

3.2 Personnel Policies. All Village employees working at the library shall be subject to the library's policies, as adopted for the operation of the library.

3.3 Report of Hours Worked. The library shall report to the Village all time worked by all of the Village employees assigned to the library each pay period and shall provide the Village with written verification of same. The Village shall be responsible for processing the payroll and fringe benefits for all employees employed at the library, based on reported hours.

4. FEE. In consideration of the personnel services provided by the Village under this Agreement, the Village and the Library agree:

4.1 Reimbursement of Costs. As specified in this Agreement the Library shall reimburse the Village for all associated payroll costs for the Village employees assigned to the library, promptly upon receipt of documentation itemizing such costs. The term "associated payroll costs" shall include, but not be limited to, wages, salaries, and all fringe benefit costs, including workers' compensation, unemployment compensation, medical and life insurance premiums and contributions, pension, payroll and other taxes and other related costs properly allocated to the employees assigned to the library. Where an employee is assigned for less than a full calendar month, the cost of monthly premiums or payments may be prorated accordingly.

4.2 Adjustment of Costs. During the Term of this Agreement, the Village may adjust the payroll costs as made necessary by statutory and regulatory changes, including, but not limited to, adjustments to FICA, federal and/or state employment taxes and workers' compensation, medical and pension contributions and life insurance as well as collective bargaining agreements and Village policies and directives.

5. INSURANCE.

5.1 Insurance Coverage. The Village shall furnish, and keep in full force and effect at all times during the Term of this Agreement, all insurance and benefit coverages which apply to the Village employees working at the library, including but not limited to general liability, and workers' compensation insurance. Upon written request by the Library, the Village shall furnish a certificate of insurance verifying such coverage.

6. INDEMNIFICATION.

6.1 By the Village. The Village agrees to indemnify, defend and hold harmless the Library from any and all claims, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and actual reasonable attorney fees, costs and expenses) which the Library may suffer or incur as a result of: (i) the nonpayment of any payroll expense, employment tax or any other tax, assessment or expense that is payable by the Village in connection with the claims brought by the Library employees; and (ii) any claims or suits against the Library in connection with claims brought by Village employees working at the Library that arise from actions of the Village. The Village shall also pay to the

library all actual reasonable attorney fees, costs and expenses incurred by the library, in enforcing the indemnification, provided, however, that the Village shall not be obligated to indemnify, defend or hold harmless the library with respect to any claims or suits arising as the result of actions of the library. Further, if the library submits a claim for indemnification to the Village, then the library shall give the Village prompt notice of any claim or suit with respect to which such indemnification claim relates, and the Village shall have the right to control the litigation and/or possible settlement of such underlying claim.

6.2 By the Library. The Library agrees to indemnify, defend and hold harmless the Village from any and all claims, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and actual reasonable attorney fees, costs and expenses) which the Village may suffer or incur as a result of any claims or suits against the Village: (i) in connection with the enforcement of any obligation of the Library under this Agreement; and (ii) in connection with claims brought by Village employees working at the Library that arise from actions of the Library. The library shall also pay to the Village all actual reasonable attorney fees, costs and expenses incurred by the Village in enforcing the indemnification, provided, however, that the library shall not be obligated to indemnify, defend or hold harmless the Village with respect to any claims or suits arising as the result of actions of the Village. Further, if the Village submits a claim for indemnification to the library, then the Village shall give the library prompt notice of the claim or suit with respect to which such indemnification claim relates, and the library shall have the right to control the litigation and/or possible settlement of such underlying claim.

7. DEFAULT.

7.1 By the Library. The following acts by the library shall constitute default: Violation by the Library of any provision of this Agreement.

7.2 By the Village. The following acts by the Village shall constitute default:

(A) Failure to timely make payroll payments, group health coverage premiums, life insurance premiums, pension contributions or other payments necessary to maintain the Village's employee benefit programs for Village employees working at the library.

(B) Violation by the Village of any provision of this Agreement.

7.3 Cure. If either party defaults under any provision of this Agreement, which default is not cured within thirty (30) calendar days following written demand for cure, then the non-defaulting party may, by written notice to the defaulting party, and without limitation on the non-defaulting party's other remedies, terminate this Agreement.

8. ACCESS TO INFORMATION. Either party shall have the right, but not the obligation, to demand from the other party with respect to any application for reimbursement or payment any showing, certificate, opinion, appraisal or other information as a condition of disbursement or payment of the library moneys as either may reasonably determine is necessary.

9. NOTICE OF DISCONTINUATION. Should either party give notice of its intent to terminate this Agreement, as provided for in Section II above, at least thirty (30) days before the Termination Date, the Village shall give notice to all Village employees currently assigned to the library that the Village will cease providing employees to the library effective on the Termination Date.

10. TRANSITION LIABILITY. The library shall defend, indemnify and hold harmless the Village, and its officers, agents and employees, against all claims brought by Village employees assigned to the library arising from or relating to the execution, delivery, and fulfillment of this Agreement except as provided in Section VI. This obligation shall survive the termination of the Agreement.

11. ASSIGNMENT. Neither party shall assign this Agreement or its rights and duties hereunder or any interest herein, without the prior written consent of the other party.

12. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Lease because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The library agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, to the extent those laws are applicable.

13. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of Michigan.

14. ENTIRE AGREEMENT. This instrument contains the entire Agreement of the Parties and supersedes all prior and contemporaneous agreements or understandings, whether written or oral, with respect to the subject matter of this Agreement. No amendment or modification to this Agreement shall be valid unless in writing and signed by both Parties of the Agreement.

15. SEVERABILITY. If any provision of this Agreement, or any amendment of it, should be invalid, the remaining provision shall remain in effect and be so construed as to effectuate the intent and purposes of this Agreement and any amendments to it.

16. NOTICES. All notices, requests and communications provided hereunder shall be in writing, and hand delivered or mailed by United States registered, certified, or express mail, return receipt requested, and addressed to the party's principal place of business as set forth in this Agreement.

17. MISCELLANEOUS.

17.1 The Library and the Village agree to immediately report to each other in writing all accidents and injuries involving the Village's employees leased to the library for employment at the library.

17.2 This Agreement is between the Village and the Library and creates no individual or third-party beneficiary rights to the employees against the Library or the Village.

17.3 The Village and the Village's workers' compensation insurance carrier shall have the right to inspect the library's premises. To the extent possible, such inspection shall be scheduled at a mutually convenient time.

Signed this 11 day of 7-2023.

VILLAGE OF BLISSFIELD SCHULTZ HOLMES MEMORAL LIBRARY

By: James Eitzen By: [signature]

Its: Village President Its: Library Board President

STATE OF MICHIGAN:
: ss.
County of Lenawee:

On this 11 day of July, 2023 before me personally appeared Greg Brown, to me known to be the President of the Library Board Trustees of the Schultz Holmes Memorial Library, organized as a public library pursuant to PA 164 of 1877, as amended, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the Library, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation. In witness whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

Brandon Paul Hudson

Notary Public in and for the State of Michigan

My commission expires 7/4/2024

STATE OF MICHIGAN:
: ss.
County of Lenawee:

On this 11 day of July, 2023 before personally Appeared James Eitzen, to me known to be the Village President of the Village of Blissfield, the company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated they he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation. In witness whereof I have hereunto set my hand affixed my official seal the day and year first above written.

Brandon Paul Hudson

Notary Public in and for the State of Michigan

My commission expires 7/4/2024

## EMPLOYEE LEASING SERVICES AGREEMENT

This Employee Leasing Services Agreement ("Lease") is made effective this 10th day of June 2024 (the "Effective Date") between the Schultz-Holmes District Library, organized as a district library pursuant to, PA 24 of 1989, as amended, on May 10, 2024, located at 407 S. Lane St. Blissfield, MI 49228 ("Library") and the Village of Blissfield a municipal corporation in the State of Michigan, located at 130 S. Lane St. Blissfield, MI 49228 ("Village"), (collectively the "Parties"), hereinafter collectively referred to as the "Parties".

WHEREAS, the Schultz-Holmes District Library operates a wide variety of programs and services to provide education to the public; and

WHEREAS, certain employees of the (municipality) have been employed at the library; and

WHEREAS, the Village and the Schultz Holmes Memorial Library entered into an Employee Lease Agreement, dated July 11, 2023, and the Village and the Library wish to enter into this Lease as a result of the establishment of the Library.

NOW, THEREFORE, pursuant to mutual covenants contained in this Lease the Parties agree as follows:

1. PERSONNEL.

1.1 Provision of Employees. Subject to the terms of this Agreement, the Village agrees to furnish to the Library, and the Library agrees to utilize from the Village, all personnel with experience and qualifications necessary for the proper functioning of the Library, as determined by the Library and consistent with the personnel policy of the Village, as determined by the Library with the authority granted to it in sec. 3.1 of the present document.

1.2 The Village as Employer. The Village is, and shall remain, the employer of those persons furnished to the Library for employment at the Library, and is liable as such for all purposes, including, without limitation, processing of all paychecks for the employees employed at the Library, compiling, preparing and filing all payroll and employee information, the payment of all federal, state and local employment taxes and the filing of all related tax returns, the provision of workers' compensation coverage and funding of all pension, welfare and fringe benefits programs for the employees working at the Library. The Village reserves the exclusive right to exercise all power and control over its employees belonging to an employer at common law and by statute, provided, however, nothing contained in this Agreement limits the Library's statutory authority in connection with its operation of the Library.

1.3 Compliance with Applicable Law. The Village and the Library each agree to comply with all applicable state and federal laws in performing their obligations under this Lease, including but not limited to, wage and hour, employee benefit and nondiscrimination laws.

2. TERM OF AGREEMENT. This Agreement shall commence on the date written above and remain in full force and effect for up to ninety (90) calendar days following the receipt of funds from the first successfully levied millage for the operation of the Schultz-Holmes District Library ("Transition Period"). Upon the expiration of the Transition Period, any and all employees subject to this Lease shall become employees of the library, at which time their employment for the Village shall cease, which shall include

the termination of any and all benefits provided to the employees of the Village. At the expiration of the Transition Period, this Lease shall terminate.

3. ADMINISTRATION.

3.1 Supervision. All Library staff are employees of the Village. Under this Lease, the Library's Board may exercise its statutory authority under PA 24 of 1989 as amended, and shall be responsible for hiring the Library Director and the direct supervision of the Library Director. The Library Director shall hire, supervise, and be responsible for employees working at the Library. The Parties agree the Library may conduct routine counseling of employees, provided such counseling is documented and forwarded to the Village to be made part of the employee's personnel file.

3.2 Personnel Policies. All Village employees working at the Library shall be subject to the Library's policies, as adopted for the operation of the Library.

3.3 Report of Hours Worked. The Library shall report to the Village all time worked by all of the Village employees assigned to the Library each pay period and shall provide the Village with written verification of same. The Village shall be responsible for processing the payroll and fringe benefits for all employees employed at the Library, based on reported hours.

4. FEE. In consideration of the personnel services provided by the Village under this Lease, the Village and the Library agree:

4.1 Reimbursement of Costs. As specified in this Lease the Library shall reimburse the Village for all associated payroll costs for the Village employees assigned to the Library, promptly upon receipt of documentation itemizing such costs. The term "associated payroll costs" shall include, but not be limited to, wages, salaries, and all fringe benefit costs, including workers' compensation, unemployment compensation, medical and life insurance premiums and contributions, pension, payroll and other taxes and other related costs properly allocated to the employees assigned to the Library. Where an employee is assigned for less than a full calendar month, the cost of monthly premiums or payments may be prorated accordingly.

4.2 Adjustment of Costs. During the Term of this Lease, the Village may adjust the payroll costs as made necessary by statutory and regulatory changes, including, but not limited to, adjustments to FICA, federal and/or state employment taxes and workers' compensation, medical and pension contributions and life insurance as well as collective bargaining agreements and Village policies and directives.

5. INSURANCE.

5.1 Insurance Coverage. The Village shall furnish, and keep in full force and effect at all times during the Term of this Lease, all insurance and benefit coverages which apply to the Village employees working at the Library, including but not limited to general liability, and workers' compensation insurance. Upon written request by the Library, the Village shall furnish a certificate of insurance verifying such coverage.

6. INDEMNIFICATION.

6.1 By the Village. The Village agrees to indemnify, defend and hold harmless the Library from any and all claims, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and actual reasonable attorney fees, costs and expenses) which the Library may suffer or incur as a result of: (i) the nonpayment of any payroll expense, employment tax or any other tax, assessment

or expense that is payable by the Village in connection with the claims brought by the Library employees; and (ii) any claims or suits against the Library in connection with claims brought by Village employees working at the Library that arise from actions of the Village. The Village shall also pay to the Library all actual reasonable attorney fees, costs and expenses incurred by the Library, in enforcing the indemnification, provided, however, that the Village shall not be obligated to indemnify, defend or hold harmless the Library with respect to any claims or suits arising as the result of actions of the Library. Further, if the Library submits a claim for indemnification to the Village, then the Library shall give the Village prompt notice of any claim or suit with respect to which such indemnification claim relates, and the Village shall have the right to control the litigation and/or possible settlement of such underlying claim.

6.2 By the Library. The Library agrees to indemnify, defend and hold harmless the Village from any and all claims, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and actual reasonable attorney fees, costs and expenses) which the Village may suffer or incur as a result of any claims or suits against the Village: (i) in connection with the enforcement of any obligation of the Library under this Lease; and (ii) in connection with claims brought by Village employees working at the Library that arise from actions of the Library. The Library shall also pay to the Village all actual reasonable attorney's fees, costs and expenses incurred by the Village in enforcing the indemnification, provided, however, that the Library shall not be obligated to indemnify, defend or hold harmless the Village with respect to any claims or suits arising as the result of actions of the Village. Further, if the Village submits a claim for indemnification to the Library, then the Village shall give the Library prompt notice of the claim or suit with respect to which such indemnification claim relates, and the Library shall have the right to control the litigation and/or possible settlement of such underlying claim.

7. DEFAULT.

7.1 By the Library. The following acts by the Library shall constitute default: Violation by the Library of any provision of this Lease.

7.2 By the Village. The following acts by the Village shall constitute default:

(A) Failure to timely make payroll payments, group health coverage premiums, life insurance premiums, pension contributions or other payments necessary to maintain the Village's employee benefit programs for Village employees working at the Library.

(B) Violation by the Village of any provision of this Lease.

7.3 Cure. If either party defaults under any provision of this Lease, which default is not cured within thirty (30) calendar days following written demand for cure, then the non-defaulting party may, by written notice to the defaulting party, and without limitation on the non-defaulting party's other remedies, terminate this Lease.

8. ACCESS TO INFORMATION. Either party shall have the right, but not the obligation, to demand from the other party with respect to any application for reimbursement or payment any showing, certificate, opinion, appraisal or other information as a condition of disbursement or payment of the Library moneys as either may reasonably determine is necessary.

9. NOTICE OF DISCONTINUATION. Should either party give notice of its intent to terminate this Lease, as provided for in Section II above, at least thirty (30) days before the Termination Date, the Village shall

give notice to all Village employees currently assigned to the Library that the Village will cease providing employees to the Library effective on the Termination Date.

10. TRANSITION LIABILITY. The Library shall defend, indemnify and hold harmless the Village, and its officers, agents and employees, against all claims brought by Village employees assigned to the Library arising from or relating to the execution, delivery, and fulfillment of this Lease except as provided in Section VI. This obligation shall survive the termination of the Lease.

11. ASSIGNMENT. Neither party shall assign this Lease or its rights and duties hereunder or any interest herein, without the prior written consent of the other party.

12. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Lease because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Library agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, to the extent those laws are applicable.

13. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of Michigan.

14. ENTIRE AGREEMENT. This instrument contains the entire agreement of the Parties and supersedes all prior and contemporaneous agreements or understandings, whether written or oral, with respect to the subject matter of this Lease. No amendment or modification to this Lease shall be valid unless in writing and signed by both Parties of the Lease.

15. SEVERABILITY. If any provision of this Lease, or any amendment of it, should be invalid, the remaining provisions shall remain in effect and be so construed as to effectuate the intent and purposes of this Lease and any amendments to it.

16. NOTICES. All notices, requests and communications provided hereunder shall be in writing, and hand delivered or mailed by United States registered, certified, or express mail, return receipt requested, and addressed to the party's principal place of business as set forth in this Lease.

17. MISCELLANEOUS.

17.1 The Library and the Village agree to immediately report to each other in writing all accidents and injuries involving the Village's employees leased to the Library for employment at the Library.

17.2 This Lease is between the Village and the Library and creates no individual or third-party beneficiary rights to the employees against the Library or the Village.

17.3 The Village and the Village's workers' compensation insurance carrier shall have the right to inspect the Library's premises. To the extent possible, such inspection shall be scheduled at a mutually convenient time.

Signed this 10th day of June, 2024.

VILLAGE OF BLISSFIELD

By: James Eitzen

Its: Village President

SCHULTZ-HOLMES DISTRICT LIBRARY

By: Greg Brown

Its: Library Board President

STATE OF MICHIGAN:
: ss.
County of Lenawee:

On this 10 day of June, 2024, before me personally appeared Greg Brown, to me known to be the President of the Library Board Trustees of the Schultz-Holmes District Library, organized as a public library pursuant to PA 24 of 1989, as amended, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the Library, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation. In witness whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

Brandon Paul Hudson

Notary Public in and for the State of Michigan

My commission expires 7/9/2029

STATE OF MICHIGAN:
: ss.
County of Lenawee:

On this 10 day of June, 2024, before personally Appeared James Eitzen, to me known to be the Village President of the Village of Blissfield, the company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated they he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation. In witness whereof I have hereunto set my hand affixed my official seal the day and year first above written.

Brandon Paul Hudson

Notary Public in and for the State of Michigan

My commission expires 7/9/2029

**THE SCHULTZ-HOLMES DISTRICT LIBRARY**

**RESOLUTION TO TERMINATE EMPLOYEE LEASING SERVICES AGREEMENT**

At a regular meeting of the Board of the Schultz-Holmes District Library, Lenawee County, Michigan, held at the Library on the 10th day of December, 2024,

PRESENT: Brown, G. Brown, O,, Waggoner, McGrane, DeVantier, Briggs, Burtle

ABSENT: None

The following Resolution was offered by McGrane and seconded by Browm, O.

WHEREAS, pursuant to the District Library Establishment Act, 1989 PA 24, ("DLEA"), a District Library Agreement has been approved by the Library of Michigan establishing a district library to be known as the Schultz-Holmes District Library (the "District Library") with the Village of Blissfield (the "Village") and Blissfield Community Schools as participating municipalities; and

WHEREAS, Exhibit D "Employee Leasing Services Agreement" to the District Library Agreement states that during the term of this Lease Agreement, the Village agrees to provide all personnel necessary for the proper functioning of the Library, including a Director;

WHEREAS, the District Library has notified the Village Administrator of its intention to terminate the Employee Leasing Services Agreement as of December 31, 2024 and to hire all current staff directly;

NOW THEREFORE, BE IT RESOLVED by the Board of the Schultz-Holmes District Library as follows,

1. The District Library Board gives official notice to the Village of Blissfield of the District Library's decision to terminate the Employee Leasing Services Agreement as of December 31, 2024.

ADOPTED:

YEAS: 7

NAYS: 0

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN )
) ss.
COUNTY OF LENAWEE )

I, the undersigned, the duly qualified and acting Secretary of the Schultz-Holmes District Library, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the Library Board of said Library at a meeting held on the 10th day of December, 2024, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required under the Open Meetings Act.

Library Board Secretary