



FROM THE OFFICE OF THE CITY MANAGER

April 16, 2012

To: Mayor and City Council Members

From: John Szerlag, City Manger

A handwritten signature in black ink, appearing to read "John Szerlag", written over the printed name.

Subject: City Council Member Questions and Responses

I have discussed questions advanced by Mayor and Council with Staff, and responses are attached. Thank you for asking questions in advance of the meeting.

Question #1

From: Doug Tietz

Subject: RE: City Council Agenda - April 16, 2012

Could I have a copy of the letter of agreement between Troy and the Historical society?

Response:

Agreement Attached.

Question #2

From: Dave Henderson [mailto:davehenderson@wideopenwest.com]

Sent: Saturday, April 14, 2012 10:55 AM

To: John Szerlag

Subject: Troy Today Printing...

I have a question about lowest bidder items and Troy companies. This comes up frequently and I'm not sure of legal issues as it relates to bids. Is it not possible to give local companies (specifically Troy) first priority when it comes to printing a Troy city publication? Again I'm not entirely familiar with the legal issues of the bid process, but I would love to be able to honor local business with doing business with us if possible... is there a way to accomplish this? There has to be a printer in Troy that would love this job.

Thanks for any insight you can provide.

Response:**From:** Susan A Leirstein**Subject:** RE: Troy Today Printing...

Many of Troy solicitations include language allowing local preference to Troy businesses. If the bid of a local vendor is within 5% of the lowest responsive and responsible non-local bidder, the local vendor is given an opportunity to match the low bid. This was a City Council directive a few years ago. Unfortunately, there are very few printers with the capacity and capability to produce our quarterly newsletter. The 'Troy Today' in its current format is mass produced using web or an offset 4-color printing process verses a sheet fed process. To my knowledge no printer from Troy has ever bid for this work.

Lesson of the day...Offset lithography is one of the most common ways of creating printed matter. A few of its common applications include: newspapers, magazines, brochures, stationery, and books. Compared to other printing methods, offset printing is best suited for cost-effectively producing large volumes of high quality prints in an economically sound manner that requires little maintenance.

Question #3**From:** Dave Henderson [mailto:davehenderson@wideopenwest.com]**Sent:** Saturday, April 14, 2012 10:41 AM**To:** John Szerlag**Subject:** CDBG funds in the public hearing

The funds that have not been used need to be expended or relinquished. A couple questions about that. If they need to be relinquished, why have they not been relinquished from 2009 until today? If they are relinquished... where would the funding get relinquished to? Seems like a lot of money sitting out there unused since 2008, is this a common practice?

Response:**From:** Cynthia A Stewart**Subject:** RE: CDBG funds in the public hearing

The City of Troy has limited options to spend CDBG funds. Only Section 36 qualifies as an eligible low income area within the City where we can spend the CDBG funds. We have done a number of Flood Drain projects within that section but it is very expensive. The only way to fund such projects is to utilize funding from multiple years. We did this with the Milverton Park project and now that it is complete, we can utilize the remaining funds to complete the Flood Drain Improvements in Section 36 (Lovington Street from Minnesota to Dequindre). We are never certain with funds designated for Home Chore how much will be expended on an annual basis since we are never certain how many qualified individuals we will have in the program. And since projects such as snow removal are weather dependent, we have no idea how much money will be utilized per season. Oakland County's Community and Home Improvement Division monitors our program very closely and had suggested

we reallocate our funds in this manner. Yes, it is a common practice for communities to “save” money for a few years in order to complete a major project such as Flood Drain Improvement.

Funds not expended would be redistributed by Oakland County to other communities participating in the CDBG program.

Clarification for Agenda Item N-09

From: Loraine M Campbell

Subject: Clarification for Council Agenda 4-16-12

Please note that the memo from The Troy Historical Society operational transition began on July 1, 2011, not July 1, 2012.

We also wish to clarify the city manager’s statement that without an increased contribution from the city, the museum and village green will no longer be able to operate beyond July 1, 2012:

The Troy Historical Society will incur a significant deficit for Village operations in 2011/12. While the Society will continue to run the Village in FY 2012/13, they will terminate their operations agreement with the City and the Museum will close without identifying additional financial resources in 2012/13 to support a sustainable business model.

Question #4

From: Dave [mailto:davehenderson@wideopenwest.com]

Subject: Assessing department question

Im reviewing the report and had a quick question. What about a hybrid scenario. If we outsourced to oakland county but kept the ability to audit, in fact audited more, we would capitalize on the counties lower quote and our higher audit rate... Adding \$ 156,820 to the outsourced net number for a total of \$388,522... over a 50% reduction in our current cost.

I understand we would still have department costs for an auditing function, but i imagine it wouldnt total almost \$400k, and it might afford us the opportunity to audit more and increase that revenue stream.

Any additional comments are welcome.

Response:

From: Nino A Licari

Subject: RE: Assessing department question

The short answer is, the math doesn't work that way. If you wanted to keep an in-house auditing function that brings in \$156,820, that's 2 appraisers, at \$118,179 each, or \$236,358 per year, a net loss of \$79,538 per year. And then, it's not a gain against the County quote either, the loss makes it less efficient to take the County quote, not more.

Just as important, it ignores the fact that the County can't cover their labor costs to do what they say they'll do with this quote, and in 2 years, you have a hike in the bid, and no way to get out of it for at least 2 more years.

c: Table

JS/bt\Agenda\2012\04.16.12 – Council Questions and Responses

**AGREEMENT BY AND BETWEEN
THE CITY OF TROY AND THE TROY HISTORICAL SOCIETY
FOR USE, OPERATION AND MANAGEMENT OF
THE TROY MUSEUM & HISTORIC VILLAGE**

This Agreement is made this 28th day of March, 2011 by and between the City of Troy, a Michigan Municipal Corporation, whose address is 500 W. Big Beaver Road, Troy, Michigan 48084, ("TROY") and the Troy Historical Society, a Michigan non-profit corporation, whose address is 60 W. Wattles, Troy, Michigan 48098, ("THS"), and collectively referred to as the "parties" hereby agree as follows:

RECITALS

- A. WHEREAS, TROY has owned and operated a museum of local and regional history, now known as the Troy Museum & Historic Village ("Museum") since 1968. In the intervening years, the Museum has grown into a 4-acre campus with eleven (11) historic structures and has become a regional cultural destination; and
- B. WHEREAS, both the Museum and THS have adopted a Mission and Vision Statement by which the Museum and THS function (Exhibit 1); and
- C. WHEREAS, the Museum has provided outstanding programs regarding everyday life in historic times and access to buildings and displays in a historical setting to thousands of school children and the public for the purpose of providing educational and enrichment opportunities; and
- D. WHEREAS, THS is a 501(c) (3) non-profit corporation incorporated in 1966 to support the formation of the TROY Museum with volunteer services and significant financial donations in its mission to assist TROY in developing the Museum site, including, but not limited to, the movement of historical buildings to the Museum grounds and the restoration of those buildings; and
- E. WHEREAS, due to current economic conditions and budgetary constraints, TROY will no longer be able to keep the Museum open to the public after June 30, 2011; and
- F. WHEREAS, it is the mission of both TROY and THS is to continue to offer such outstanding historical programs and access to the collections of exceptional historical buildings to educate students and the public regarding our history; and
- G. WHEREAS, TROY and THS have entered into discussions regarding allowing THS to use and manage the Museum property without compensation from TROY except as set out in this Agreement; and

WHEREAS, the parties desire to enter into this Agreement to facilitate the mutual goals of the parties.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. NON-PROFIT STATUS. THS represents and warrants that it is a Michigan non-profit corporation exempt from tax under Sec. 501 (c) (3) of the Internal Revenue Code and that it has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution, delivery and performance of this Agreement have been authorized by all necessary action, including the approvals and ratification by the THS Board of Trustees prior to the effective date hereof. This Agreement shall only be effective if THS continues its status as a Michigan non-profit corporation with the same or similar mission and vision attached hereto as Exhibit 1.

2. USE OF CITY PROPERTY. TROY, in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration, will allow THS the non-exclusive use of its property commonly known as the Troy Museum & Historic Village, located at 60 W. Wattles, TROY, Michigan 48084 ("Museum"), legally described on Exhibit 2, which is a locally designated Historic District. The property includes the following structures:

- Troy Township Hall, built on site in 1927, currently houses Museum offices, THS Museum Store and records, Pioneer Room for classes and meetings, reference library, and collections storage areas;
- Log cabin, built circa 1840 in Monroe County, Michigan;
- Caswell House, which is included on the National Register of Historic Places, was built in 1832 in Troy;
- Poppleton School, a one-room, red brick schoolhouse built in 1877 in Troy;
- A replica of Cutting's General Store, originally located at Troy Corners, two miles north of the Museum, resembles its appearance in 1918. The Museum Archive is located on the second floor;
- The Village Print Shop, an on-site, rebuilt water meter testing station, appointed to 1910, containing two turn-of-the-century printing presses;
- Wagon Shop, built at Troy Corners circa 1859, containing a functioning blacksmith's forge and woodworking shop;
- Troy Parsonage, built at Troy Corners circa 1880 and appointed with 1912 furnishings, also has a collections workshop in the basement;

- Troy Historic Church (formerly United Methodist Church of Troy), built at Troy Corners in 1837;
- Town Hall, built circa 1864 in Troy as a one-room school now functions as an interactive learning area;
- Gazebo, replica of a nineteenth century structure, serves as a focal point for music and activities in the Village;
- Niles-Barnard House, built in 1837 at Troy Corners, now awaits interior restoration;
- The residence at 109 Lange St., purchased for future Museum expansion and presently used by TROY and Museum for storage.

The use of the term "Museum" also refers to the land and improvements contained on the property known as 60 W. Wattles, Troy, Michigan 48084. The Museum is to be occupied and used for the sole purpose of promoting the mission and vision of TROY and THS through mission and vision focused historical programs and under the requirements set out in this Agreement. THS is limited to the use of the Museum for the period of July 1, 2011 to June 30, 2016 unless this Agreement is terminated as set out in Paragraph 21 or unless those dates are amended under the procedures set out in Paragraph 20 of this Agreement.

The Museum shall remain the property of TROY at all times. At any time, employees of TROY acting as agents on behalf of TROY, may enter onto the Premises for maintenance, service and inspection or for any other purpose set out in this Agreement.

3. USE OF CITY COLLECTIONS AND OTHER EQUIPMENT AND ASSETS ON MUSEUM PROPERTY.

TROY, in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration, will allow THS the non-exclusive use of its collections and assets located on the Museum property, including but not limited to, the following: historic furnishings; documentary and photographic artifacts (archives); domestic and agricultural implements; textiles and clothing, vehicles and other objects indicative of the lifestyles, customs, dress and resources of the residents, businesses, and government of the area. These items are either exhibited or stored in designated areas on site.

TROY will also allow THS the non-exclusive use of its other Museum's equipment and assets, located on the Museum property, including but not limited to, office furniture and equipment, picnic tables, books, reference materials and other property used in the administration of the Museum. TROY has provided an inventory of all relevant equipment and assets on the Museum which may be used by THS (Exhibit 3).

4. APPOINTMENT OF THS TO USE, MANAGE AND OPERATE THE MUSEUM.

Based upon the prior experience of THS in assisting with the operation of the Museum, effective July 1, 2011, TROY grants to THS the right, subject to TROY'S approval as set out in this Agreement, to use, manage and operate the Museum and THS accepts the use, management and operation of the Museum in accordance with the terms of this Agreement.

5. START-UP FUNDING BY TROY. TROY agrees to provide a maximum amount of \$50,000.00 as start-up funding for the purpose of allowing THS to retain consultants, and purchase equipment, supplies and materials to effectuate the transition from a TROY managed facility to a THS managed facility. Funds shall be transferred on an as needed basis from TROY to THS upon documentation of the need for the service, equipment, supplies or materials. THS shall supply documentation to TROY of its efforts to obtain the best pricing available for quality services, equipment, supplies and materials. Request for funding shall be supplied to the Assistant City Manager/Finance & Administration. All funding above \$50,000.00 shall be the responsibility of THS unless otherwise set forth in this Agreement.

6. NO COMPENSATION TO THS. THS understands and acknowledges that TROY shall not and has no duty to compensate THS for any services performed under this Agreement except as set forth in this Agreement.

7. DUTIES AND RESPONSIBILITIES OF THS. The duties and responsibilities of THS include all aspects of the use, operations and management of the Museum. At the effective date of this Agreement, THS will maintain public hours of operation that will not exceed Monday through Sunday from 9:00 a.m. to 5:00 p.m. Additionally, facility rentals and/or special programs will conclude no later than 10:30 p.m. Events outside of these hours will be scheduled only with prior approval of TROY's contact person.

Except as otherwise set out in this Agreement, THS will have sole discretion and authority to manage the day-to-day operations of the Museum, in accordance with the mission and vision of the Museum and THS, including, but not limited to the following:

- a. Employees, staffing and volunteers in compliance with Paragraph 8;
- b. Days and hours of operation;
- c. Customer service performance standards;
- d. Admission rates after consulting with TROY'S contact person;
- e. Rental rates for use of the premises by the public after consulting with TROY'S contact person;
- f. Collections and other operational policies and procedures;
- g. Present exhibits;
- h. Programs, products and interpretive services that are in keeping with the mission and vision statements of the Museum and THS;
- i. Care, preservation and use of Museum collections and historic buildings, in compliance with standards set by the American Association of Museums and the

U.S. Department of Interior Standards for Historic Rehabilitation, consistent with current Museum policies;

- j. Provide inventory and merchandise for the Museum store;
- k. Oversee rental of the use of the Museum property to avoid damage by the public;
- l. Care, use and cleaning of Museum assets including, but not limited to, office furnishings and equipment.

8. MUSEUM STAFF AND VOLUNTEERS. By the effective date of this Agreement and during the duration of this Agreement, THS shall employ a full-time Museum Director. THS will endeavor to select a Museum Director with history or museum studies, archival and/or other appropriate qualifications. If THS retains other employees, such as but not limited to, a curator, archivist, interpreters or other professional staff, THS will endeavor to select individuals with appropriate qualifications. THS shall insure that all employees, staff members and volunteers be subject to a background check. THS shall supply a list of current employees and volunteers on a quarterly basis to TROY'S contact person. TROY may conduct its own background check of those employees and volunteers. If TROY objects to THS employment or use of a specific individual, THS will cooperate with TROY to remove that individual from service on the Museum property.

No volunteer shall be under the age of 14 years old. Any volunteers that are between the ages of 14 and 18 years old, such as, but not limited to, school programs youth volunteers or Boy Scouts or Girls Scouts, shall be supervised at all times by Museum staff and/or an adult present at the site on behalf of the volunteers. No minor volunteers shall be present during any activities or programs at which alcohol is served.

9. ALLIANCES. THS, after consulting with TROY'S contact person, may enter into partnerships, collaborations, or other relationships with entities other than TROY to enhance the Museum's mission-focused visitor experience, enhance operations, diversify sources of private or public funding, reduce costs, or realize other benefits or operational efficiencies.

10. MUSEUM REVENUES. THS will retain all revenues earned from the Museum's operations, including, but not limited to: admission fees; program revenues; museum store revenue; facilities or property rentals for private functions or use; revenues provided, or funds received, from federal, state or county sources; and all other revenues, funds, grants, donations or pledges, in cash or in kind (such as donations of property or securities) from any private or public source. Further, any revenues related to artifact or collections-related activities shall accrue to the THS. THS will continue to maintain and operate a Museum store and keep THS files and financial records at the Museum. All funds received by THS from Museum operations will be used to further and promote the general welfare and interests of the Museum.

11. PROTECTION OF COLLECTIONS. THS recognizes that Museum archives and collections are not financial assets and will adhere to the American Association of Museums Code of Ethics (1991), attached hereto as Exhibit 4, regarding the acquisition,

accessioning, deaccessioning, and disposal of collections materials. Any property of TROY'S shall not be used as collateral by THS. THS shall not deaccess or dispose of any building or collection materials without TROY's prior permission. New accessions donated to or purchased by THS will become the property of TROY. If TROY authorizes the sale of any building or collection materials, any proceeds from the sale of any building or collection materials will be used only for the acquisition of new artifacts, or archival materials, or for the care of existing collections.

12. SECURITY. THS shall allow members of the Troy Police Department and/or any other federal or state law enforcement agency onto the property at any time to ensure security of the premises.

13. DUTIES AND RESPONSIBILITIES OF TROY.

A. Utilities and Maintenance. To insure the continued integrity of the Museum assets, buildings and collections, whether or not the Museum is open to the public, and in recognition of TROY'S continued ownership of all Museum assets and collections, TROY will provide an annual operations appropriation to THS for the duration of this Agreement, which will be allocated for the following costs of maintaining the Museum at least at the level it was maintained from July 1, 2010 to June 30, 2011:

1. Utilities to all Museum buildings, including heat, electricity and water;
2. Maintain liability insurance for TROY;
3. Building maintenance at the level of the 2010 fiscal year;
4. Grounds maintenance, including mowing, snow removal, and fall clean-up at the level of the 2010 fiscal year;
5. Trash removal from barrels on days the Museum is open to the public and emptying of dumpster on a regular basis.
6. TROY will provide and pay for three (3) analog phone lines for security, fax and fire. THS will have the use of five (5) Troy computers and IP phones for Fiscal Year 2011/2012 and THS will pay a total of \$13,925.00 for those services in quarterly installments of \$3,481.25 each on October 1st, January 1st, April 1st and July 1st. During the term of this Agreement or if this Agreement is extended under Paragraph 20, THS will notify TROY in writing, by January 15th of each year if THS intends to renew, change or discontinue using Troy computers and IP phones. After the July 1, 2012 payment under this Paragraph, if THS continues to use computers or IP phones, the new quarterly payments will be adjusted in accordance with Troy's fiscal year budget for computers and IP phones.
7. TROY will provide the use of a copier until the lease on that copier expires on November 30, 2011. THS will pay for the lease cost of the copier of \$108.30 per month until the expiration of that lease. Five (5) days before the expiration of the copier lease, TROY shall be given possession of the copier. If TROY chooses to continue to lease the copier under a new lease agreement and THS notifies

TROY that it wished to continue to have use of the copier, THS will be provided with the use of the copier at the month rate set out in any new lease agreement. If TROY does not enter into a renewal lease agreement for the copier, THS will be required to provide for its own copier, unless TROY and THS make other arrangement for use of another copier as long as THS makes the monthly payments for the copier lease in accordance with TROY'S fiscal year budget. If other arrangements are made with TROY, the copier will be returned to TROY at the termination of this Agreement or when THS no longer desires to use the copier. When any copier supplied by TROY is returned to TROY, THS will no longer be responsible for monthly payments.

All remaining costs of using, managing and operating the Museum will be the responsibility of THS.

B. Repairs and Improvements. TROY will provide a separate capital fund, through the annual budget process, to insure that the Museum grounds and all buildings, which are included in a locally designated Historic District, are maintained in compliance with Chapter 13, the local preservation ordinance, State of Michigan statutes and the U.S. Department of Interior Standards for Historic Rehabilitation. All appropriations to the fund will be used by the THS, with TROY's prior approval, to make repairs and improvements, as approved by TROY's Historic District Commission and in consultation with TROY'S contact person. In the event of catastrophic damage, TROY will work in consultation with THS and the Historic District Commission to implement appropriate restorations in compliance with the Department of Interior Standards for Historic Restoration. The fund will be renewed each year to a minimum balance of \$50,000, with any fund balance remaining at year's end carried over to the next year. All monies in this fund shall remain the property of TROY.

C. Miscellaneous Items.

1. TROY shall continue to pay licensing fees for the Museum for performance rights organizations such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music Incorporated (BMI) and Society of European Stage Authors and Composers (SESAC).
2. TROY shall transfer maintenance of Museum collections electronic database (PastPerfect) to THS.

14. KRESGE FOUNDATION GRANT TRANSFER. TROY agrees to transfer to THS \$20,000.00 in grant monies previously awarded to the TROY Museum and Historic Village by the Kresge Foundation for operation of the Museum and Historic Village but only if Kresge Foundation approves the transaction in writing. That grant money is due to be released to TROY in August, 2011. THS acknowledges that it is required by both

this Agreement and the conditions of the grant to use that grant money for operation of the Museum in accordance with its mission and vision statement.

15. FINANCIAL STATEMENTS AND REPORTS. By July 31st of each year, THS shall furnish an annual report of its activities with respect to the Museum, to TROY. This report shall include the following subject matters:

- a. Itemized revenues and expenses;
- b. Fund raising activities;
- c. Number of visitors during the reporting period;
- d. The schedule of hours of operation of the Museums during the reporting period and the average number of hours per week that the Museum was open to the public during the reporting period;
- e. List of major accessions and deaccessions.

By November 30th of each year, THS shall deliver a copy of its annual financial statements for the previous fiscal year, audited, compiled or reviewed by an independent certified public accountant, to TROY.

16. Insurance. THS shall carry general liability insurance, personal property insurance, workers compensation, and motor vehicle liability, and for any actions, claims, liability or damages caused to others arising out of the performance of this Agreement in amounts approved by TROY and set forth in the attached Exhibit 5 – Sample Certificate of Insurance. TROY shall be named as an additional insured on the general liability insurance using the following wording: "City of Troy, all elected and appointed officials, all employees and volunteers, boards, commissions and/or authorities and their board members, employees, and volunteers are additional insureds" on ISO form B or broader.

TROY shall be notified of any cancellation or material change of any insurance within 30 days. The cancellation clause shall read:

"Should any of the above-described policies be canceled or materially changed before the expiration date thereof, the issuing company will provide 30 days written notice to the additional insured."

Cancellation of the insurance shall be considered a material breach of this Agreement, and the Agreement shall become null and void unless THS immediately provides proof of renewal of continuous coverage to TROY. All insurance carriers shall be licensed and admitted to do business in the State of Michigan and acceptable to TROY.

Proof of insurance meeting these requirements shall be provided to TROY within 24 hours after execution of this Agreement.

THS is responsible for any deductibles for any of the policies. THS shall furnish to TROY three (3) complete copies of the acceptable Certificates of Insurance. If any of the policies expire during the term of the Agreement, THS shall deliver renewal

certificates and/or policies to TROY at least ten (10) days prior to the expiration date.

17. INDEMNIFICATION. To the fullest extent permitted by law, THS agrees to defend, pay on behalf of, indemnify, and hold harmless TROY, its elected and appointed officials, employees and volunteers and others working on behalf of TROY, against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from TROY, its elected and appointed officials, employees, volunteers or others working on behalf of TROY, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with the execution of activities by THS as outlined in this Agreement or as relating to or resulting from those activities.

18. ALCOHOL AND TOBACCO USE. THS shall prohibit the use of tobacco on the Museum property at all times. The use of alcohol on Museum property shall be prohibited unless there is a valid permit issued by the Michigan Liquor Control Commission. Persons who refuse to cooperate with this requirement shall be removed from the premises by THS and/or law enforcement personnel.

19. DUTY TO NOTIFY AND COOPERATE. The parties shall provide notice within twenty-one (21) days of the receipt of any claim for damages or injuries. The parties shall cooperate with the defense of any claims subject to the indemnification provisions of Paragraph 17.

20. TERM OF AGREEMENT. This Agreement shall remain in effect for a five (5) year period beginning on July 1, 2011 unless terminated by either party as set out in Paragraph 21. Within sixty (60) days prior to the end of the term of this Agreement, THS shall notify TROY that it desires to continue to perform the services described in the original Agreement. At that time, Troy City Council may decide to renew the Agreement for an additional five (5) year period. Thereafter, Troy City Council has three (3) options to renew the Agreement for five (5) year periods.

21. TERMINATION AND SURRENDER OF PREMISES. TROY or THS for any Reason may terminate this Agreement upon one hundred twenty (120) days written notice to the other party. Notice shall be provided as set out in Paragraph 29. THS shall peaceably surrender the Museum premises to TROY immediately when requested to do so by TROY in the same condition as the date of first use of the Museum premises by THS, excepting normal wear and tear.

22. TAXES. THS agrees to pay any and all sales, use or other taxes that may be legally due and owing to any governmental agency as a result of its use, operation, occupation and/or management of the Museum.

23. ACCOUNTING. For the purpose of ascertaining revenues and expenditures, THS agrees to maintain records showing all income, expenditures and other receipts with respect to THS's use, operation and/or management of the Museum. TROY shall

have the right to examine THS's records at any time. THS further agrees to meet with the City Manager of TROY or his/her designee when requested, but at least once a calendar year, for the purpose of jointly evaluating the continued use, operation and/management of the Museum. THS shall further provide to TROY an annual verification or certification status as a Michigan Non-Profit Organization. THS will provide an annual report to TROY and include financial reporting of revenues, expenditures and programming reviews and set out in Paragraph 15.

24. INDEPENDENT CONTRACTOR RELATIONSHIP. THS is an independent contractor and as such shall have full authority and responsibility to discharge the duties imposed upon it hereunder without restrictions other than those imposed by or pursuant to this Agreement.-Nothing contained in this Agreement shall constitute the parties as partners or joint venturers for any purpose, it being the express intention of the parties that no such partnership or joint venture exists and that each party has only those duties to the other that are specified in this Agreement.

25. DOCUMENTATION. TROY and THS agree that they will execute and deliver any documents which may be necessary to implement this Agreement.

26. NO AUTHORITY TO BIND OTHER PARTY. THS, its Board of Trustees and its Officers, shall not have any right or authority to bind or obligate TROY, nor shall TROY have any right or authority to bind or obligate THS, without the other party's prior written consent.

27. NON-ASSIGNABILITY. THS's privilege to use, operate and manage the Museum premises shall be solely in connection with this Agreement. THS shall not transfer or assign this Agreement or any rights hereunder. This Agreement is non-assignable in whole or in part.

28. CONTACT PERSONS. TROY will contact the President of THS regarding issues of concern regarding use, operation and management of the Museum premises and this Agreement. In the absence or unavailability of the President, TROY will contact the individual named by the President as his/her designee. For concerns regarding the day to day use, operation and management of the Museum premises, THS will contact the City Manager or an individual named as his/her designee.

It is the intent of this Agreement that THS will cooperate with TROY in accommodating TROY's concerns regarding management of the Museum, including, but not limited to, the amount of fees charged for admission so that members of the general public will not be prohibited financially from visiting the Museum, using its facilities and/or participating in its programs. If, after consultation with TROY's contact person, there is a dispute between TROY and THS regarding a management, funding or admission issue, the parties agree to abide by the decision of the Assistant City Manager/Finance & Administration.

29. NOTICES. All notices required under this Agreement shall be in writing and be sent by certified mail addressed to the respective party at the address indicated below or at such other address as the parties shall designate in writing. A change in address may be effected by a letter sent via first class mail by either party to the other. Notices regarding termination shall be sent by certified mail return receipt requested. In the alternative, notices of termination may be given by personal service on the party.

To the CITY-
City Manager
TROY City Hall
500 W. Big Beaver Rd.
TROY, MI 48084

With copies to-

TROY City Clerk
TROY City Hall
500 W. Big Beaver Rd.
TROY, MI 48084

and

TROY City Attorney
TROY City Hall
500 W. Big Beaver Rd.
TROY, MI 48084

To THS -

Troy Historical Society
Attention: President
60 W. Wattles Rd.
TROY, MI 48098

30. ENTIRE AGREEMENT; AMENDMENT; WAIVER. This Agreement is and shall be deemed to be the complete and final expression of the agreement among the parties as to the matters contained in and related to this Agreement and supersedes any previous understandings, dealing and communications, including negotiations, discussions, representations, warranties, information, documents and agreements, among the parties pertaining to such matters. This Agreement shall not be modified or amended except pursuant to a written agreement signed by both parties. Any waiver of any party's rights or obligations under this Agreement must be in writing and must be signed by the party against which such waiver is to be enforced. No party's failure to exercise a right or to invoke a remedy in any particular circumstance shall be

construed as a waiver of such right or remedy, and no waiver by either party of any right or remedy in one situation shall constitute a waiver of such party's rights or remedies in any other subsequent situation, whether similar or not.

31. SEVERABILITY. If any court, agency, commission, legislative body or other authority of competent jurisdiction declares invalid, illegal or unenforceable any portion of this Agreement or its application to any person, that decision shall not affect the validity of the remaining portions of this Agreement.

32. NO THIRD PARTY BENEFICIARIES. Except to the extent expressly contemplated in this Agreement, the obligations undertaken by TROY and THS in this Agreement are for the benefit of TROY and THS only, and neither any creditor of TROY and THS, nor any other party, shall have the right to rely on or enforce the provisions of this Agreement as a thirty-party beneficiary or otherwise.

33. COMPLIANCE WITH THE LAW. THS shall comply with all Federal and State laws, and TROY's Code of Ordinances. THS shall comply with all permit and licensing requirements, including, but not limited to, acquiring any permits or licenses required under those laws.

34. NON-DISCRIMINATION. THS shall not discriminate in the hiring of any employees or contractors, in its use of volunteers or in its use of the Premises, directly or indirectly on the basis of age, race, color, religion, national origin, sex, height, weight, disability, familial relationship, political orientation or any other illegal basis.

35. GOVERNMENTAL IMMUNITY. By entering into this Agreement, TROY in no way gives up its right to claim governmental immunity or any other defense provided to governmental entities under Federal or State law, on behalf of itself, all elected and appointed officials, all employees and volunteers, those working as agents or on behalf of TROY, its boards, commissions and/or authorities, or board members, employees, and volunteers.

36. SECTION HEADINGS. The Section headings contained in this Agreement have been inserted only as a matter of convenience and for reference and will not be construed to define, limit or describe the scope or intent of any provision of this Agreement

37. GOVERNING LAW. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan. In the event any provision of this Agreement is in conflict with any statute or rule of any law in the State of Michigan or is otherwise unenforceable for any reason whatsoever, then that provision shall be deemed severable from or enforceable to the maximum extent permitted by law, as the case may be, and that provision shall not invalidate any other provision of this Agreement. Venue for any action brought under this Agreement shall lie in Oakland County Circuit Court, Michigan.

38. CERTIFICATION OF AUTHORITY TO SIGN AGREEMENT. The persons signing this Agreement on behalf of the parties hereto certify by their signatures that they are

Attachment

duly authorized to sign on behalf of said parties and that this Agreement has been authorized by said parties.

WITNESSES:

Cheryl A. Stewart
Cheryl A. Stewart

M. Aileen Bittner
M. Aileen Bittner

WITNESSES:

Phoebe W. Crandall

Mard Randol

CITY OF TROY,
a Michigan Municipal Corporation

By: Louise E. Schilling
Louise E. Schilling, Mayor

By: Tonni Bartholomew
Tonni Bartholomew, City Clerk

TROY HISTORICAL SOCIETY,
a Michigan Non-Profit Corporation

By: Cheryl L. Barnard
Cheryl L. Barnard
Title: President



**TROY HISTORICAL SOCIETY
EXCERPT
March 22, 2010
Minutes**

Approval of "Agreement by and Between the City of Troy and the Troy Historical Society For Use, Operation and Management of the Troy Museum & Historic Village"

Resolution

Moved by Randol

Seconded by Jackson

Resolved that The Board of Trustees of the Troy Historical Society approves the proposed attached "Agreement by and Between the City of Troy and the Troy Historical Society For Use, Operation and Management of the Troy Museum & Historic Village" and authorizes the President to execute the agreement of behalf of the Troy Historical Society..

Yes: Barnard, C., Barnard R., Ogawa, Siess, Iceman, J., Iceman, A., Randol, Lavender, J., Lavender, S., Rounds, Jackson, Bernard, and Anderlie,

No: None

Absent: Hupman and Young

MOTION CARRIED

I, Cheryl Barnard, do hereby certify that the foregoing constitutes a true and complete excerpt of a portion of the Troy Historical Society Meeting duly called and held on Tuesday, the Twenty-22 day of March, 2011.

Cheryl Z. Barnard

Cheryl Barnard
President, THS



**CITY OF TROY
HISTORICAL COMMISSION
RESOLUTION**

At a rescheduled meeting of the Troy Historical Commission held on Monday, March 21, 2011, the following Resolution was passed:

Support for the "Agreement by and Between the City of Troy and the Troy Historical Society For Use, Operation and Management of the Troy Museum & Historic Village"

Resolution #HC-2011-3-002

Moved by Lindsey

Seconded by Navratil

RESOLVED, That the Historical Commission supports the approval and implementation of the "Agreement by and Between the City of Troy and the Troy Historical Society For Use, Operation and Management of the Troy Museum & Historic Village".

Yes: 5 — Kornacki, Navratil, Wattles, Miltz, and Lindsey

No: 0

MOTION CARRIED

I, Loraine Campbell, duly appointed Museum Manager of Troy, do hereby certify that the foregoing constitutes a true and complete copy of a Resolution adopted by the Troy Historical Commission at a Rescheduled Meeting duly called and held on Monday, the Twenty-first day of March, 2011.

Loraine Campbell
Museum Manager

Troy Museum & Historic Village

Mission Statement

The Troy Museum & Historic Village preserves and interprets the history and heritage of Troy and the region for our diverse community and provides a unique setting for life-long learning.

Vision

The Troy Museum & Historic Village will be recognized as an outstanding cultural destination in southeast Michigan that welcomes all and emphasizes learning and knowledge-sharing by interaction among staff, volunteers and visitors and that stimulates curiosity, awareness and appreciation of regional history and heritage.

Core Values

- * Focusing on its visitors
- * Preserving cultural heritage through historically significant structures and materials
- * Preserving the history of Troy Township and the City of Troy through archived records and materials
- * Providing access to ideas, resources and materials that encourage curiosity, stimulate awareness, appreciation and understanding of the history and cultural heritage of the community
- * Creating a unique learning environment in an intimate historic setting where the community can interact with resources, a knowledgeable staff and each other.

Troy Historical Society

Mission Statement

The Troy Historical Society promotes the appreciation and awareness of the rich heritage of the citizens of Troy, encourages preservation of records, pictures, structures and other objects of local historical significance, and sponsors programs to carry out these purposes.

Legal Description for Parcel No. 88-20-16-478-035

Common Address: 60 W. Wattles

Troy, Michigan 48098-4699

**T2N, R11E, SEC 16 LAKEWOOD SUB LOTS 89 TO 93 INCL,
ALSO LOTS 130 TO 134 INCL EXC S 27 FT TAKEN FOR
RD, ALSO N 30.75 FT OF LOT 138 EXC E 27 FT TAKEN FOR RD,
ALSO LOTS 139 TO 142 INCL EXC E 27 FT TAKEN FOR RD
10-14-10 FR 026, 027 & 033**

Attachment**Inventory of Museum Assets**

Category	Description (Unless noted all measurements are in inches)	Quantity
Desks	Metal office desks, Formica tops, 52 x 40	6
	Corner (wrap around) desk units with 3-drawer base units	2
	Old wood desk, 54 x 30	1
Tables	Computer tables (sizes range from 38 x 24 to 60 x 36)	7
	Conference tables, 96 x 44	2
	Card table	1
	Work tables, 24 x 60	2
	Work table, adjustable, 48 x 24	1
	6 foot banquet tables	8
	8 foot banquet tables	8
	School tables, 72 x 18	10
	8 foot folding tables (very old metal and particle board)	9
	Work bench, 72 x 36	1
	Round table (misc. for display)	1
Chairs	High backed office chairs	9
	Conference room chairs (upholstered with arms)	10
	General use chairs (upholstered no arms)	12
	Misc. office and computer chairs	12
	Old kitchen chairs (Naugahyde-vinyl)	10
	Wooden folding chairs	40
File cabinets	2 drawer letter	8
	3 drawer legal	1
	4 drawer letter	1
	4 drawer legal	2
	4 drawer legal (archive)	9

Revised March 10, 2011

EXHIBIT 3

Attachment

	5 drawer	1
	2 drawer lateral	2
	4 drawer lateral	6
	Map drawer (archive)	2
Cabinetry	Wooden bookcases with glass doors, 52 x 40 x 24	3
	Bookshelf units with shelves and cupboards, 42 x 29	3
	Glass display cases, 75 x 60 x 24	1
	Glass display cases, 60 x 42 x 22	1
	Glass display cases, 48 x 40 x 20	2
	Old wooden display cases , 64 x 25 x 25	1
	Old wooden display cases, 64 x 75 x 25	1
	Old wooden display cases, 36 x 75 x 25	2
	Magazine and pamphlet holder, 19 x 42 x 12	1
	Upright player piano (Bush and Gerts, Chicago)	1
	Toy chests	2
	Child's table and chair set	1
	Wooden chest (lobby)	1
	Antique table (lobby)	1
	Vintage chair (lobby)	1
Storage Units	Mobile Storage Units	7
	Metal storage cabinets , 76 x 36 x 18	4
	Rubbermaid AV carts	2
	Large AV stand	1
	Industrial shelf units (metal with ¾" particle board shelves) collections storage	67
	Metal utility shelf units, 74 x 36 x 18	16
	Small metal shelf units, various sizes generally 36 x 30 x 18	10
	Mini library shelf units, 84 x 36 x 12	6

Attachment

Outdoor	Picnic tables	13
	Cast iron and wood park benches	7
	Ash park benches	7
	Oak trash barrels with vinyl liners and wooden lids	6
	Metal trash barrels	2
Audio visual and IT	Carvin 400 sound stage system (2 amplifiers with one microphone)	1
	TV, portable, Montgomery Ward	1
	TV/VCR, small portable, Toshiba	1
	TV, portable Sharp	1
	Panasonic VHS player	1
	Samsung DVD/VHS Player	1
	Sony Audio Visual Control Center	1
	Kodak Carousel Projector	1
	Sanyo Transcribing tape recorder	1
	Olympus C-7070 Wide Zoom digital camera	1
	Projection Screen	1
	hp scanjet 8200 scanner for archive	1
	hp Deskjet 6540 color inkjet printer	1
	Brother Intellifax 2920 fax machine	1
	Epson EMP-811p LCD projector with travel case	1
	Epson LCD projector ceiling mounted in church	1
Appliances	Kenmore refrigerator (donated)	1
	Kenmore stove (donated)	1
	Old upright freezer (donated for collections treatment)	1
	Microwave ovens (donated)	2
Office Machines	Fellows PS77C shredder	1
	Holmes Hepe Dehumidifiers	6

Revised March 10, 2011

Attachment

	Nilfisk Hepa vacuum cleaners for collections areas	5
	Utility lights on stands	3
	IBM Personal Wheelwriter 2 typewriter	1
	TBS paraffin Pot	1
	Sharp EL-1750Plll adding machines	2
	Oscillating floor fans	4
Miscellaneous	Portable, collapsible easels	3
	Bulletin boards- framed cork	10
	Bulletin Boards- fabric covered	2
	Hat Tree	1
	Wheelchair	1
	Chest coolers	3
	Coffee urns	3
	Bunn Coffee maker	1
	Flexi display units	4
	Imagine Banner with stand	1
	Display Manikins	7
	Kinder Timber log cabin (activity set for children)	1
	Interior Christmas decorations for each building	



[Click here to print](#)

Code of Ethics for Museums

Introduction

Ethical codes evolve in response to changing conditions, values, and ideas. A professional code of ethics must, therefore, be periodically updated. It must also rest upon widely shared values. Although the operating environment of museums grows more complex each year, the root value for museums, the tie that connects all of us together despite our diversity, is the commitment to serving people, both present and future generations. This value guided the creation of and remains the most fundamental principle in the following *Code of Ethics for Museums*.

Code of Ethics for Museums

Museums make their unique contribution to the public by collecting, preserving, and interpreting the things of this world. Historically, they have owned and used natural objects, living and nonliving, and all manner of human artifacts to advance knowledge and nourish the human spirit. Today, the range of their special interests reflects the scope of human vision. Their missions include collecting and preserving, as well as exhibiting and educating with materials not only owned but also borrowed and fabricated for these ends. Their numbers include both governmental and private museums of anthropology, art history and natural history, aquariums, arboreta, art centers, botanical gardens, children's museums, historic sites, nature centers, planetariums, science and technology centers, and zoos. The museum universe in the United States includes both collecting and noncollecting institutions. Although diverse in their missions, they have in common their nonprofit form of organization and a commitment of service to the public. Their collections and/or the objects they borrow or fabricate are the basis for research, exhibits, and programs that invite public participation.

Taken as a whole, museum collections and exhibition materials represent the world's natural and cultural common wealth. As stewards of that wealth, museums are compelled to advance an understanding of all natural forms and of the human experience. It is incumbent on museums to be resources for humankind and in all their activities to foster an informed appreciation of the rich and diverse world we have inherited. It is also incumbent upon them to preserve that inheritance for posterity.

Museums in the United States are grounded in the tradition of public service. They are organized as public trusts, holding their collections and information as a benefit for those they were established to serve. Members of their governing authority, employees, and volunteers are committed to the interests of these beneficiaries. The law provides the basic framework for museum operations. As nonprofit institutions, museums comply with applicable local, state, and federal laws and international conventions, as well as with the specific legal standards governing trust responsibilities. This *Code of Ethics for Museums* takes that compliance as given. But legal standards are a minimum. Museums and those responsible for them must do more than avoid legal liability, they must take affirmative steps to maintain their integrity so as to warrant public confidence. They must act not only legally but also ethically. This *Code of Ethics for Museums*, therefore, outlines ethical standards that frequently exceed legal minimums.

Loyalty to the mission of the museum and to the public it serves is the essence of museum work, whether volunteer or paid. Where conflicts of interest arise — actual, potential, or perceived — the duty of loyalty must never be compromised. No individual may use his or her position in a museum for personal gain or to benefit another at the expense of the museum, its mission, its reputation, and the society it serves.

For museums, public service is paramount. To affirm that ethic and to elaborate its application to their governance, collections, and programs, the American Association of Museums promulgates this *Code of Ethics for Museums*. In subscribing to this code, museums assume responsibility for the actions of members of their governing authority, employees, and volunteers in the performance of museum-related duties. Museums, thereby, affirm their chartered purpose, ensure the prudent application of their resources, enhance their effectiveness, and maintain public confidence. This collective endeavor strengthens museum work and the contributions of museums to society — present and future.

Governance

Attachment

Museum governance in its various forms is a public trust responsible for the institution's service to society. The governing authority protects and enhances the museum's collections and programs and its physical, human, and financial resources. It ensures that all these resources support the museum's mission, respond to the pluralism of society, and respect the diversity of the natural and cultural common wealth.

Thus, the governing authority ensures that:

- all those who work for or on behalf of a museum understand and support its mission and public trust responsibilities
- its members understand and fulfill their trusteeship and act corporately, not as individuals
- the museum's collections and programs and its physical, human, and financial resources are protected, maintained, and developed in support of the museum's mission
- it is responsive to and represents the interests of society
- it maintains the relationship with staff in which shared roles are recognized and separate responsibilities respected
- working relationships among trustees, employees, and volunteers are based on equity and mutual respect
- professional standards and practices inform and guide museum operations
- policies are articulated and prudent oversight is practiced
- governance promotes the public good rather than individual financial gain.

Collections

The distinctive character of museum ethics derives from the ownership, care, and use of objects, specimens, and living collections representing the world's natural and cultural common wealth. This stewardship of collections entails the highest public trust and carries with it the presumption of rightful ownership, permanence, care, documentation, accessibility, and responsible disposal.

Thus, the museum ensures that:

- collections in its custody support its mission and public trust responsibilities
- collections in its custody are lawfully held, protected, secure, unencumbered, cared for, and preserved
- collections in its custody are accounted for and documented
- access to the collections and related information is permitted and regulated
- acquisition, disposal, and loan activities are conducted in a manner that respects the protection and preservation of natural and cultural resources and discourages illicit trade in such materials
- acquisition, disposal, and loan activities conform to its mission and public trust responsibilities
- disposal of collections through sale, trade, or research activities is solely for the advancement of the museum's mission. Proceeds from the sale of nonliving collections are to be used consistent with the established standards of the museum's discipline, but in no event shall they be used for anything other than acquisition or direct care of collections.
- the unique and special nature of human remains and funerary and sacred objects is recognized as the basis of all decisions concerning such collections
- collections-related activities promote the public good rather than individual financial gain
- competing claims of ownership that may be asserted in connection with objects in its custody should be handled openly, seriously, responsively and with respect for the dignity of all parties involved.

Programs

Museums serve society by advancing an understanding and appreciation of the natural and cultural common wealth through exhibitions, research, scholarship, publications, and educational activities. These programs further the museum's mission and are responsive to the concerns, interests, and needs of society.

Thus, the museum ensures that:

- programs support its mission and public trust responsibilities
- programs are founded on scholarship and marked by intellectual integrity

- programs are accessible and encourage participation of the widest possible audience consistent with its mission and resources
- programs respect pluralistic values, traditions, and concerns
- revenue-producing activities and activities that involve relationships with external entities are compatible with the museum's mission and support its public trust responsibilities
- programs promote the public good rather than individual financial gain.

Promulgation

This *Code of Ethics for Museums* was adopted by the Board of Directors of the American Association of Museums on November 12, 1993. The AAM Board of Directors recommends that each nonprofit museum member of the American Association of Museums adopt and promulgate its separate code of ethics, applying the *Code of Ethics for Museums* to its own institutional setting.

A Committee on Ethics, nominated by the president of the AAM and confirmed by the Board of Directors, will be charged with two responsibilities:

- establishing programs of information, education, and assistance to guide museums in developing their own codes of ethics
- reviewing the *Code of Ethics for Museums* and periodically recommending refinements and revisions to the Board of Directors.

Afterword

In 1987 the Council of the American Association of Museums determined to revise the association's 1978 statement on ethics. The impetus for revision was recognition throughout the American museum community that the statement needed to be refined and strengthened in light of the expanded role of museums in society and a heightened awareness that the collection, preservation, and interpretation of natural and cultural heritages involve issues of significant concern to the American people.

Following a series of group discussions and commentary by members of the AAM Council, the Accreditation Commission, and museum leaders throughout the country, the president of AAM appointed an Ethics Task Force to prepare a code of ethics. In its work, the Ethics Task Force was committed to codifying the common understanding of ethics in the museum profession and to establishing a framework within which each institution could develop its own code. For guidance, the task force looked to the tradition of museum ethics and drew inspiration from AAM's first code of ethics, published in 1925 as *Code of Ethics for Museum Workers*, which states in its preface:

Museums, in the broadest sense, are institutions which hold their possessions in trust for mankind and for the future welfare of the [human] race. Their value is in direct proportion to the service they render the emotional and intellectual life of the people. The life of a museum worker is essentially one of service.

This commitment to service derived from nineteenth-century notions of the advancement and dissemination of knowledge that informed the founding documents of America's museums. George Brown Goode, a noted zoologist and first head of the United States National Museum, declared in 1889:

The museums of the future in this democratic land should be adapted to the needs of the mechanic, the factory operator, the day laborer, the salesman, and the clerk, as much as to those of the professional man and the man of leisure. . . . In short, the public museum is, first of all, for the benefit of the public.

John Cotton Dana, an early twentieth-century museum leader and director of the Newark Museum, promoted the concept of museum work as public service in essays with titles such as "Increasing the Usefulness of Museums" and "A Museum of Service." Dana believed that museums did not exist solely to gather and preserve collections. For him, they were important centers of enlightenment.

By the 1940s, Theodore Low, a strong proponent of museum education, detected a new concentration in the museum profession on scholarship and methodology. These concerns are reflected in *Museum Ethics*, published by AAM in 1978, which elaborated on relationships among staff, management, and governing authority.

During the 1980s, Americans grew increasingly sensitive to the nation's cultural pluralism, concerned about the global environment, and vigilant regarding the public institutions. Rapid technological change, new public policies relating to nonprofit corporations, a troubled educational system, shifting patterns of private and public wealth, and increased

financial pressures all called for a sharper delineation of museums' ethical responsibilities. In 1984 AAM's Commission on Museums for a New Century placed renewed emphasis on public service and education, and in 1986 the code of ethics adopted by the International Council of Museums (ICOM) put service to society at the center of museum responsibilities. ICOM defines museums as institutions "in the service of society and of its development" and holds that "employment by a museum, whether publicly or privately supported, is a public trust involving great responsibility."

Building upon this history, the Ethics Task Force produced several drafts of a Code of Ethics for Museums. These drafts were shared with the AAM Executive Committee and Board of Directors, and twice referred to the field for comment. Hundreds of individuals and representatives of professional organizations and museums of all types and sizes submitted thoughtful critiques. These critiques were instrumental in shaping the document submitted to the AAM Board of Directors, which adopted the code on May 18, 1991. However, despite the review process, when the adopted code was circulated, it soon became clear that the diversity of the museum field prevented immediate consensus on every point.

Therefore, at its November 1991 meeting, the AAM Board of Directors voted to postpone implementation of the Code of Ethics for at least one year. At the same meeting an Ethics Commission nominated by the AAM president was confirmed. The newly appointed commission — in addition to its other charges of establishing educational programs to guide museums in developing their own code of ethics and establishing procedures for addressing alleged violations of the code — was asked to review the code and recommend to the Board changes in either the code or its implementation.

The new Ethics Commission spent its first year reviewing the code and the hundreds of communications it had generated, and initiating additional dialogue. AAM institutional members were invited to comment further on the issues that were most divisive — the mode of implementation and the restrictions placed on funds from deaccessioned objects. Ethics Commission members also met in person with their colleagues at the annual and regional meetings, and an ad hoc meeting of museum directors was convened by the board president to examine the code's language regarding deaccessioning.

This process of review produced two alternatives for the board to consider at its May meeting: (1) to accept a new code developed by the Ethics Commission, or (2) to rewrite the sections of the 1991 code relating to use of funds from deaccessioning and mode of implementation. Following a very lively and involved discussion, the motion to reinstate the 1991 code with modified language was passed and a small committee met separately to make the necessary changes.

In addition, it was voted that the Ethics Commission be renamed the Committee on Ethics with responsibilities for establishing information and educational programs and reviewing the Code of Ethics for Museums and making periodic recommendations for revisions to the board. These final changes were approved by the board in November 1993 and are incorporated into this document, which is the AAM *Code of Ethics for Museums*.

Each nonprofit museum member of the American Association of Museums should subscribe to the AAM *Code of Ethics for Museums*. Subsequently, these museums should set about framing their own institutional codes of ethics, which should be in conformance with the AAM code and should expand on it through the elaboration of specific practices. This recommendation is made to these member institutions in the belief that engaging the governing authority, staff, and volunteers in applying the AAM code to institutional settings will stimulate the development and maintenance of sound policies and procedures necessary to understanding and ensuring ethical behavior by institutions and by all who work for them or on their behalf.

With these steps, the American museum community expands its continuing effort to advance museum work through self-regulation. The *Code of Ethics for Museums* serves the interests of museums, their constituencies, and society. The primary goal of AAM is to encourage institutions to regulate the ethical behavior of members of their governing authority, employees, and volunteers. Formal adoption of an institutional code promotes higher and more consistent ethical standards. To this end, the Committee on Ethics will develop workshops, model codes, and publications. These and other forms of technical assistance will stimulate a dialogue about ethics throughout the museum community and provide guidance to museums in developing their institutional codes.

CERTIFICATE OF LIABILITY INSURANCE		DATE (MMDDYY)
PRODUCER Complete <u>Sample Certificate</u>	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURERS AFFORDING COVERAGE		
INSURED Complete	INSURER A: <u>XYZ Company</u>	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MMDDYY)	POLICY EXPIRATION DATE (MMDDYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> City of Troy - additional insured see below <input checked="" type="checkbox"/> Annual Contract Aggregate Limit GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	0001	XX-XX-XX	XX-XX-XX	EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG. \$ 1,000,000
X	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	0002	XX-XX-XX	XX-XX-XX	COMBINED SINGLE LIMIT (Ea accident) \$ 500,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	0003	XX-XX-XX	XX-XX-XX	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
 Additional insured under General Liability - City of Troy including all elected and appointed officials, all employees and volunteers, boards, commissions and/or authorities and their board members, employees and volunteers on ISO form B or broader.

CERTIFICATE HOLDER City of Troy 500 W. Big Beaver Rd. Troy, MI 48084	<input checked="" type="checkbox"/>	ADDITIONAL INSURED BY INSURER LETTER: A	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED OR MATERIALLY CHANGED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. AUTHORIZED REPRESENTATIVE
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CITY COUNCIL REAGEND ITEM

Date: March 23, 2011

MAR 24 2011

To: John Szerlag, City Manager

CITY OF TROY
CITY MANAGER'S OFFICE

From: John M. Lamerato, Assistant City Manager/Finance & Administration
Cathleen Russ, Library Director
Loraine Campbell, Museum Manager

Subject: Agreement Between the City of Troy and the Troy Historical Society for Management of the Troy Museum & Historic Village

Background

On December 10, 2010 the Troy Historical Society (THS) submitted to City Council a letter indicating that the Board of Trustees wished to negotiate an agreement to assume operational management of the Troy Museum & Historic Village to avert closure of the facility to the public. Representatives from the Museum Transition Team, the City Attorney's office and City administration have developed an "Agreement by and Between the City of Troy and the Troy Historical Society for Use, Operation and Management of the Troy Museum & Historic Village".

The attached Agreement outlines the responsibilities and duties of the THS and the City of Troy in a five-year, renewable lease that maintains or increases the current museum operations and public access. (Presently the Museum is open to the public three days each week.) Through the agreement the City of Troy retains ownership of the land, buildings and collections and allocates funds for utilities, insurance, security and building maintenance. The City will also appoint a contact person to consult with THS through the duration of the agreement. THS assumes all other operational costs and agrees to hire a full time director and other staff as appropriate. All revenues generated through admissions, grants, fundraising and program activities will support museum operations and the THS will provide the City with regular reports, financial statements and an annual audit.

Both the THS Board of Trustees and the Historical Commission reviewed the agreement and approved unanimously their attached resolutions of support.

Recommendation

That the Agreement by and between the Troy Historical Society and the City of Troy for the operation and management of the Troy Museum and Historic Village is approved and that the Mayor and City Clerk are authorized to execute the agreement.

Fund Availability

Funds to maintain the museum if it is closed to the public or if management is conferred to another group are available in the approved, three-year budget.



CITY COUNCIL AGENDA ITEM

City Attorney's Review as to Form and Legality

A handwritten signature in black ink, appearing to read "L. Grigg Bluhm", written over a horizontal line.

Lori Grigg Bluhm, City Attorney

JS/lc, AGENDA ITEMS103.28.11 – Agreement between the City of Troy and the Troy Historical Society for Management of the Troy Museum & Historic Village

Attachment

RESOLUTION:

WHEREAS, TROY has owned and operated a museum of local and regional history, now known as the Troy Museum & Historic Village ("Museum") since 1968.

WHEREAS, the Museum has provided outstanding programs regarding everyday life in historic times and access to buildings and displays in a historical setting to thousands of school children and the public for the purpose of providing educational and enrichment opportunities; and

WHEREAS, THS is a 501(c) (3) non-profit corporation incorporated in 1966 to support the formation of the TROY Museum with volunteer services and significant financial donations in its mission to assist TROY in developing the Museum site,

WHEREAS, due to current economic conditions and budgetary constraints, TROY will no longer be able to keep the Museum open to the public after June 30, 2011; and

WHEREAS, it is the mission of both TROY and THS is to continue to offer such outstanding historical programs and access to the collections of exceptional historical buildings to educate students and the public regarding our history; and

WHEREAS, TROY and THS have entered into discussions regarding allowing THS to use and manage the Museum property without compensation from TROY except as set out in this Agreement; and

WHEREAS, the parties desire to enter into this Agreement to facilitate the mutual goals of the parties.

THEREFORE BE IT RESOLVED that The City of Troy **APPROVES** the proposed attached "Agreement by and Between the City of Troy and the Troy Historical Society For Use, Operation and Management of the Troy Museum & Historic Village" and authorizes the Mayor and City Clerk to execute the agreement of behalf of the City of Troy. A copy of the Agreement is **ATTACHED** to the original Minutes of this meeting.

