MEMORANDUM

DATE: June 26, 2012

TO: City Council

FROM: Judie Zimomra, City Manager

SUBJECT: Sanibel Historical Museum & Village, Inc. - Current Agreement

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On September 30, 2012, the current 5 year agreement with the Sanibel Historical Museum and Village, Inc. (HMVI) will expire. Please find attached a matrix which outlines sections of the agreement. At the July 17, 2012, Council meeting, staff will be seeking Council consensus and direction in preparing and negotiating terms for a new agreement.

In addition to the matrix, please find attached the following items:

- Current Agreement (Expiring 9/30/12)
- HMVI Financial Statement – Year ended September 30, 2011
- HMVI Profit & Loss Comparison – Month ending December 2011

Please do not hesitate to contact me if you have any questions regarding this memo or attachments. Thank you.

AGREEMENT

THIS AGREEMENT made and executed this 31st day of July, 2007, by and between the CITY OF SANIBEL (hereinafter "City"), a Florida municipal corporation, and the Sanibel Historical Museum and Village, Inc., a not-for-profit corporation organized and existing under the laws of the State of Florida, (Hereinafter collectively referred to as "Parties").

In consideration of the mutual covenants and obligations specified herein, acknowledged by the Parties to be sufficient consideration, the Parties hereto hereby agree as follows:

1. Effective October 1, 2007, The Sanibel Historical Museum and Village, Inc. will collect and be entitled to retain all admissions, donations, memberships, museum store proceeds, tour proceeds, and rental proceeds generated by the Sanibel Historical Museum and Village Facility located at 950 Dunlop Road, Sanibel, (hereinafter the "Premises"). The Sanibel Historical Museum and Village, Inc. is responsible for directly paying all applicable sales tax.

2. The City agrees to maintain at its cost current levels of utilities ($5,250), phone (4 in-coming lines, 2 for communication; 1 for fire alarm; 1 for security alarm), alarms ($2,664), ground and parking lot maintenance and repairs ($7,500), maintenance of structures ($9,897), and pest control and insurance for the Premises. Long distance calls will be the sole responsibility of the Sanibel Historical Museum and Village, Inc. The City agrees to pay the cost of the sewer connection for the restrooms scheduled to be constructed on site.

3. Payments to the Sanibel Historical Museum and Village, Inc., for administrative expenses by the City shall be as follows:

(a) Annually beginning fiscal year 2007-08 (fiscal year will begin on October 1st of each year), $45,000 will be paid to the Sanibel Historical Museum and Village, Inc. by the City as its total financial commitment for the administrative budget to be utilized for printing, promotions, office supplies and other operation expenses.

(b) Payment to the Sanibel Historical Museum and Village, Inc. for such administrative budget shall be made in quarterly installments of one-quarter the amount budgeted for the fiscal year, payable within the first week of each quarter of the City's fiscal year.

4. Payments to Sanibel Historical Museum and Village, Inc., for staff support expenses by the City shall be as follows:

(a) Annually beginning fiscal year 2007-08 (fiscal year will begin on October 1st of each year), $38,000 will be paid to the Sanibel Historical Museum and Village, Inc., by the City as its total financial commitment for contractual staff support utilized for or by the Premises.

(b) Payment to the Sanibel Historical Museum and Village, Inc., for such staff support shall be made in quarterly installments of one-quarter the amount budgeted for the fiscal year, payable within the first week of each quarter of the City's fiscal year.

5. Within twenty (20) days after the end of each fiscal quarter during the term of this Agreement, the Sanibel Historical Museum and Village, Inc. shall submit to the City Manager a balance sheet prepared in accordance with generally accepted accounting procedures and a line item accounting, including detailed transactions in "date order", of its administrative expenditures for such quarter including, but not limited to, administrative budget and contractual staff expenses. In addition, the Sanibel Historical Museum and Village, Inc. shall provide an annual audited income statement for the prior fiscal year no later than January 1st of each year.

6. The Sanibel Historical Museum and Village, Inc. shall use the Premises only for its offices, storage, meeting of its members and Board of Directors, and Historical Events, Performances and Educational activities that are consistent with the Sanibel Plan. Any rentals to the public of the Premises will also meet these conditions unless expressly approved by Sanibel City Council.

7. The Sanibel Historical Museum and Village, Inc. shall submit an annual written report on the status of operating the Sanibel Historical Museum and Village to the City Council.

8. The City shall be permitted reasonable use of the Premises, upon written prior notification, without charge.

9. Consistent with City ordinance, the Sanibel Historical Museum and Village, Inc., shall obtain a Special Events Permit as applicable for events held at the Premises. The Sanibel Historical Museum and Village, Inc., shall coordinate

parking with B. I. G. Arts, the City, and other neighboring properties to promote efficient, non-disruptive parking.

10. Consistent with City ordinances the Sanibel Historical Museum and Village, Inc. will not sell, use, or serve, nor permit the sale, use, or serving of alcoholic beverages in connection with any use on the Premises, except with prior approval of the City Council.

11. This Agreement shall terminate midnight September 30th, 2012, unless sooner extended by Resolution of City Council or terminated by either party in accordance with this section or section 12 of this agreement. Written notice to extend shall issue from the City to the Sanibel Historical Museum and Village, Inc., on or before September 1, 2012. Written acceptance of the Sanibel Historical Museum and Village, Inc. shall be provided to the City on or before September 30, 2012.

12. This Agreement will be automatically terminated upon dissolution or declaration of bankruptcy of The Historical Museum and Village, Inc. or substantial inactivity of the Premises or corporation for a period of six consecutive months. This Agreement may be terminated at will, for any reason or no reason, by either party, upon twelve (12) months prior written notice to the other party. Such termination is required to be sent U.S. mail certified, postage pre-paid, return receipt requested.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and their official seals affixed hereto on the day and year first written above.

CITY OF SANIBEL

BY: _____
Mick Denham, Mayor

BY: _____
Judith A. Zimomra, City Manager

APPROVED AS TO FORM.

_____
CITY ATTORNEY

ATTEST:

_____
Pamela Smith, City Clerk

(SEAL)
SANIBEL HISTORICAL MUSEUM AND VILLAGE, INC.

X BY: _____

Printed: Alexander F Werner Jr

Title: President

ATTEST:

_____
Signature

Pamela Smith, City Clerk
Printed Name & Title