

AN ORDINANCE APPROVING A MANAGEMENT AGREEMENT WITH THE CHATHAM RAILROAD MUSEUM ASSOCIATION PERTAINING TO THE CHATHAM DEPOT MUSEUM

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: That certain Management Agreement between the Chatham Railroad Museum Association, an Illinois not-for-profit corporation, and the Village of Chatham, a copy of which is attached hereto, is hereby approved.

SECTION 2: The President of the Village is authorized and directed to execute the Management Agreement on behalf of the Village, and the proper officers of the Village are authorized and directed to carry out the agreement by its terms.

SECTION 3: This Ordinance is effective immediately.

PASSED this 14 day of April, 2015.

Thomas J Gray
VILLAGE PRESIDENT

ATTEST:

Pat Schaefer
Village Clerk



AYES: 5 BOYCE CLAYTON HOLLEN FORMER SCHAFFMAN
NAYS: 0
PASSED: 4-14-15
APPROVED: 4-14-15
ABSENT: Kimbley

MANAGEMENT AGREEMENT

This Agreement is between the Village of Chatham, Illinois, an Illinois municipal corporation, and the Chatham Railroad Museum Association, an Illinois not-for-profit corporation ("Association"), and is effective the 14 day of April, 2015.

WHEREAS, the Village is the owner of a railway depot of considerable historical interest ("the Chatham Depot");

WHEREAS, in 1999, the Village entered into a development and management agreement with the Chicago and Illinois Midland Chapter of the National Railway Historical Society ("Society") regarding development and management of a railway museum at the Chatham Depot; the management agreement has automatically renewed according to its terms since 1999;

WHEREAS, the Association has succeeded to the assets of the Society and has undertaken the management of the Chatham Depot, and the parties wish to formalize their status of the Association;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, the Village and the Association agree as follows:

1. Management of the Museum

The Association shall manage the Chatham Depot Museum. The Association shall adhere to the following performance guidelines:

A. The museum shall be open to the public at least one Sunday per month for two hours.

B. In addition, the museum shall be open at reasonable times and on reasonable notice to groups, such as scouting groups, youth groups, and similar groups organized for educational, youth or cultural purposes;

C. No admission shall be charged for the museum, although the Association may solicit donations on museum premises solely to help defray the cost of operation, upkeep and maintenance of the museum; if donations are solicited, there shall be a sign stating clearly that donations are voluntary and will be used by the Association solely for the operation, upkeep and maintenance of the museum.

D. The museum shall not discriminate in its admission policies in any way which would be contrary to State or Federal law;

E. The museum may operate on volunteer, unpaid labor; however, if the Association elects to pay its workers, the Association shall observe all State and Federal laws and regulations pertaining to wages, hours, overtime, worker safety, and Unemployment and Workers Compensation insurance. All workers shall be required, upon hiring or volunteering, to acknowledge in writing that while engaged in the business of the Association, they are not acting as employees or agents of the Village of Chatham.

F. The Association shall promptly make, at its expense, all needed repairs to the Depot other than those set forth in Paragraph 2(A) of this Agreement. No member of the Association or its governing board shall be interested, directly or indirectly, in any contract of the Association for maintenance on the Depot.

G. The museum shall be operated in accordance with all applicable laws and ordinances.

H. No for-profit activities, or activities which would jeopardize the Chatham Depot's exemption from real estate taxation, shall be carried on at the Chatham Depot. This provision does not prohibit fund raising by the Association or the sale of refreshments, souvenirs or gift

items, the net proceeds of which are used exclusively for the operation and maintenance of the Chatham Depot.

I. The Village may, upon reasonable notice, use the Chatham Depot for official functions of the Village Board.

J. At all times during this Agreement, the Association shall maintain its status as a not-for-profit corporation with tax-exempt status under Section 501(c) of the Internal Revenue Code.

K. No alcoholic beverages shall be sold, possessed or consumed in the Chatham Depot without the express and prior written consent of the Chatham Village Board.

L. In its literature, in displays, and otherwise, the Association shall disclose to the public that the museum is owned by the Village of Chatham and operated by the Association as an independent contractor.

M. Annually, the Association shall make a report to the Village Board of the activities of the museum for the previous year, including attendance figures and a financial report.

N. The Association may use the museum for its meetings, as long as those meetings are open to the public. The Association may make the museum available for meetings by other persons and groups, but only pursuant to a written policy which has been expressly approved by the Village.

3. Utilities, Repairs and Insurance

A. The Village shall pay all utilities charged to or used by the Chatham Depot. The Village shall make all reasonable repairs to the structure, foundation, roof, and HVAC, electric

and plumbing systems of the Chatham Depot upon reasonable notice thereof by Association. Such repairs shall be at the Village's expense, except that the Association shall reimburse the Village with the cost of any repair which was necessitated by the negligence of the Association or acts of visitors to the Chatham Depot which could have reasonably been prevented by the Association.

B. Except as specifically stated in subparagraph A hereof, all costs and expenses for maintenance, upkeep and operation of the Chatham Depot shall be the sole responsibility of the Association. Upon vacation of the Chatham Depot by the Association at the expiration or termination of this Agreement, the Association shall be liable for any damages to the Chatham Depot, other than the items set forth in subparagraph A, and fair wear and tear.

C. The Association shall maintain fire and casualty insurance for the contents of the Chatham Depot; the Village shall maintain fire and casualty insurance, or self-insurance, for the building and any fixtures permanently attached thereto. The Association shall procure liability insurance to protect against personal injury claims of any third parties with respect to the museum, and shall name the Village as an additional insured thereunder.

3. Term; Renewals

The initial term of this Agreement shall be until midnight, July 31, 2017. Thereafter, this Agreement shall automatically renew in successive four year terms, each ending on July 31 of years in which there is an election for Village President for a four year term, unless at least 60 days prior to the expiration of the original term or any renewal date, one party gives to the other notice of intention not to renew, or unless this Agreement terminated for cause in accordance with Paragraph 4.

4. Termination for Cause

This Agreement may be terminated by either party for cause. "Cause" shall be limited to the following:

- A. The material breach by a party of any term of this Agreement, which breach is not corrected by that party within 10 days written notice by the non-breaching party;
- B. The dissolution of Association;
- C. The filing by either party for relief under the bankruptcy laws of the United States;
- D. Fire or other casualty or act of God which damages the Chatham Depot to an extent of more than 50% of its replacement value. In such event, the Village may in its sole discretion elect to rebuild the Depot or demolish it. In the event the Village elects demolition, Association may terminate this Agreement;

5. Control of the Chatham Depot

During the term of this agreement, Association shall have the exclusive right to control access to the Chatham Depot, and shall maintain security at the Chatham Depot, except that the Village Police Department shall be furnished with one copy of every key used for access to any part of the Chatham Depot; if any digital lock or alarm system is installed, the Police Department shall be furnished with the combination. The Police Department will use the keys or combination only in event of an emergency.

6. Rights of the Parties Upon Termination or Expiration

Upon termination or expiration of this agreement, Association shall have 60 days to vacate the Chatham Depot and to remove its moveable property from the Chatham Depot. As

used in this paragraph, "moveable property" refers to all items which are not permanently affixed to the Chatham Depot. All property which is permanently affixed to the Chatham Depot shall remain the property of the Village.

7. Indemnification

The Association shall defend, indemnify, and hold harmless the Village from all claims and causes of action (including the Village's attorneys fees) brought by any third party arising from the operation of the museum or from personal injuries sustained by any person on the Chatham Depot premises during the term of this Agreement and until the date the Association vacates the Chatham Depot. In any such litigation, the Village may, at its option, retain separate counsel at the expense of the Association or the Association's insurer, if any. The duties of the Association pursuant to this paragraph shall survive any termination or expiration of this agreement.

8. Miscellaneous Provisions

A. The Association is an independent contractor. Neither the Association, nor any officer, director, member or employee thereof, is an agent or employee of the Village for any purpose whatsoever, nor shall they hold themselves out as such.

B. In the event of material breach of this agreement by the Village, the Association's rights shall be limited to termination of the agreement for cause, or a suit for specific performance. In no event shall the Village be liable to the Association for any damages whatsoever.

C. The Association shall not seek historical landmark designation for the Chatham Depot without prior consultation with, and approval of, the corporate authorities of the Village.

D. This Agreement shall be governed by Illinois law and shall be enforced only in the Circuit Court of the Seventh Judicial Circuit, Sangamon County, Illinois.

E. This is the entire agreement between the parties with respect to its subject matter, and all prior oral and written representations are expressly disclaimed. All amendments to this agreement shall be in writing.

F. This agreement, and any amendments thereto, shall be effective only upon its approval by the corporate authorities of the Village and the Board of Directors of the Association, and its execution by the Village President and the President of the Association.

AGREED:

THE VILLAGE OF CHATHAM, ILLINOIS,
an Illinois municipal corporation

By: Thomas J. Gray
Its President

Attest: Pat Schad
Its Clerk



CHATHAM RAILROAD MUSEUM ASSOCIATION,
an Illinois not-for-profit corporation

By: William H. Stinson
Its President

Attest: Joe Blagden
Its Secretary

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

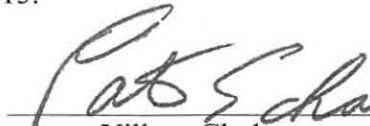
I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 15- 11, adopted by the President and Board of Trustees of said Village on the 14 day of April, 2015, said Ordinance being entitled:

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I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 14 day of April, 2015.


Village Clerk

