

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into this 4th day of February, 2026 and describes the understanding for providing and paying for employment and benefits of an executive director and up to two additional staff of FRASER VALLEY ARTS ("FVA") between the TOWN OF FRASER, whose address is 153 Fraser Ave. Fraser, CO 80442 ("Fraser") and FVA, whose address is 1274 Ranch Creek Drive, Fraser, CO 80442 (each a "Party" and collectively, the Parties").

RECITALS:

WHEREAS, Fraser Valley Arts was formed at the request of the Town of Fraser in 2021 to fund, build, and operate the Fraser Center for the Creative Arts and to help build an arts-centric brand for the Town;

WHEREAS, Fraser Valley Arts is a separate legal entity, has its own sources of revenue, and is empowered to employ agents and employees and to set the salaries of the same;

WHEREAS, in this early stage of its existence, Fraser Valley Arts is lacking certain administrative services, such as a human resources department, and does not currently offer or provide any employee benefits.

WHEREAS, to facilitate Fraser Valley Arts' ability to attract and hire an executive director and a some limited staff, Fraser is willing, subject to the terms of this MOU, to hire, employ and provide employee benefits to said staff on behalf of Fraser Valley Arts; and

WHEREAS, subject to the terms of this MOU, Fraser Valley Arts will reimburse Fraser for the staff's salary and benefits, up to such time that Fraser Valley Arts exceeds three full-time employees.

NOW, THEREFORE, in consideration of mutual rights and obligations as set forth below, the Parties agree as follows:

1. The selection, appointment, and termination of an executive director and staff is in the sole discretion of FVA. The salary amount shall be specified by FVA. Fraser shall provide salary and benefits for the staff in the same manner it does for Fraser employees, and FVA shall reimburse Fraser for the salary and benefits paid by Fraser to the FVA staff. Except for payroll purposes, the executive director and staff shall be deemed an employee and agent of FVA. Actions taken by the executive director and staff in the course and scope of their employment shall be attributed to FVA and not to Fraser. The executive director and staff shall take direction from FVA and not from Fraser.
2. During the term of this MOU, Fraser shall be responsible for the timely

administration and provision of all employment and processing costs associated with the executive director and staff (including, but not limited to, required taxes, withholdings, and insurance premiums), and FVA shall reimburse Fraser quarterly for all such costs incurred under this MOU.

3. The failure by a Party to enforce any provision of this MOU or the waiver of any specific requirement of this MOU shall not be construed as a general waiver of the agreement or any provision herein, nor shall such action act to estop that Party from subsequently enforcing this MOU according to its terms.

4. Either Party may terminate this MOU at any time for convenience by giving the other Party written notice of not less than thirty (30) days. In the event of termination, FVA shall make all outstanding payments due to Fraser within thirty (30) days of the date of termination.

5. This MOU, and any agreement or document referenced herein, constitutes the entire understanding between the Parties with respect to the subject matter hereof and all other prior understandings or agreements shall be deemed merged into this MOU. No attempt to modify this MOU shall be valid or become a part of this agreement unless reduced to writing and signed by both Parties.

6. Nothing herein shall be interpreted as an assumption by Fraser of any liability, debt, or other obligation of FVA at any time under this MOU or thereafter, including any current obligation of FVA to perform, indemnify, or guarantee performance of any third person or entity, nor shall this MOU be interpreted as a guarantee by Fraser of any outstanding duty or obligation of FVA.

7. Each Party is responsible for its own actions or omissions, and those of its officers, agents and employees in the performance or failure to perform work under this Agreement. By agreeing to this provision, neither Party waives or intends to waive, as to any person not a party to the MOU, the limitations on liability that are provided to the Parties under the Colorado Governmental Immunity Act,C. R. S. § 24- 10- 101,et seq. Nothing herein shall be interpreted as a waiver of either Party' s sovereign immunity under the Colorado Governmental Immunity Act.

8. Any financial obligations of the Parties arising under this MOU are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available by the respective governing bodies, except that FVA shall guarantee any unpaid sums of

salary paid by Fraser are reimbursed. No term or condition of this MOU is intended nor shall be interpreted to create a multi -fiscal year obligation or debt of the Parties.

9. The provisions of this MOU shall not be construed as creating a partnership, joint venture, or other relationship between the Parties. Unless specifically provided, this Agreement shall not allow any Party to act as the agent of the other Party, nor permit any Party to have any authority to act for, or to assume any obligations or responsibilities on behalf of the other Party, nor in any manner limit the Parties in carrying out their respective separate businesses or activities. Employees, agents, consultants, and attorneys of one Party are not, and shall not be deemed to be, employees, agents, consultants, and attorneys of the other Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be approved by their governing boards or duly authorized officers as of the date first written.

TOWN OF FRASER

_ Brian Cerkvenik, Mayor

ATTEST:

Antoinette McVeigh, Town Clerk

FRASER VALLEY ARTS

Steve Fitzgerald, President

ATTEST:

Name: