

**MEMORANDUM OF UNDERSTANDING
BETWEEN

BURNET COUNTY, TEXAS
AND
FRIENDS OF SPICEWOOD COMMUNITY LIBRARY, INC.**

Effective Date: _____

ARTICLE I — PARTIES

This Memorandum of Understanding ("MOU" or "Agreement") is entered into by and between:

Burnet County, Texas, a political subdivision of the State of Texas, acting by and through its duly authorized representatives ("County"); and

Friends of Spicewood Community Library, Inc., a private nonprofit organization duly organized and operating under the laws of the State of Texas ("Friends").

The County and the Friends are referred to collectively herein as the "Parties."

ARTICLE II — PURPOSE

The purpose of this MOU is to set forth the terms and conditions under which the Parties will collaborate to support the operation and maintenance of the Spicewood Community Library ("Library") pursuant to Texas Local Government Code 323.012. This Agreement is intended to formalize the respective roles, responsibilities, and contributions of each Party and to ensure the continued availability of library services to the residents of the Spicewood community and surrounding areas.

ARTICLE III — TERM

This MOU shall become effective upon the date of the last signature below and shall remain in effect for a period of one (1) year, unless sooner terminated in accordance with Article IX of this Agreement. This MOU shall be renewed automatically for successive one-year terms for up to five (5) years unless terminated or modified in accordance with Article IX of this agreement.

ARTICLE IV — ROLES AND RESPONSIBILITIES OF THE FRIENDS OF SPICEWOOD COMMUNITY LIBRARY, INC.

Section 4.1 — Ownership of Property

The Friends shall retain ownership of the Library building, real property, library collections, books, and all other physical assets associated with the Library (collectively, "Library Assets"), unless otherwise agreed to in writing by the Parties.

Section 4.2 — Maintenance of Library Assets

The Friends shall be responsible for the maintenance, repair, and upkeep of the Library building and physical collections, including but not limited to:

1. Structural and exterior maintenance of the Library building;
2. Acquisition of the library collection;
3. Payment of property insurance for the Library building and contents; and
4. Any capital improvements to the Library building, unless otherwise agreed in writing.

Section 4.3 — Financial Management of Private Funds

The Friends shall maintain sole authority and control over all funds raised, donated, or otherwise received by the Friends in connection with Library operations ("Friends' Funds"). All Friends' Funds shall be maintained in accounts held in the name of the Friends and shall be subject to the Friends' internal financial controls and governance.

Section 4.4 ---Donations

Any donations made to the library shall be considered a donation to the Friends of Spicewood Community Library, Inc. and used exclusively for the benefit of the library in Spicewood. No donations may be used for any other purpose. Burnet County shall have no control or authority over any donations to the Friends of Spicewood Community Library, Inc..

ARTICLE V — ROLES AND RESPONSIBILITIES OF BURNET COUNTY

Section 5.1 — County Personnel

The County shall assign County employees to staff the Library and provide day-to-day library services to the public as the Burnet County Commissioners Court deems appropriate. All such personnel shall remain employees of Burnet County and shall be subject to all applicable County personnel policies, procedures, and employment laws.

The County shall be responsible for the payment of all employee compensation, benefits, payroll taxes, and related expenses from County funds.

Section 5.2 — Information Technology Support

The County shall provide information technology ("IT") support for Library operations, including but not limited to network connectivity, computer hardware and software support, and technology infrastructure maintenance, as deemed appropriate by the County in its sole discretion. All IT resources provided by the County shall remain the property of the County.

ARTICLE VI — LIMITATIONS ON COUNTY EMPLOYEE USE OF FRIENDS' FUNDS

Section 6.1 — Statutory Compliance — Texas Local Government Code Chapter 262

The Parties expressly acknowledge that Burnet County is a governmental entity subject to the purchasing and procurement requirements of Texas Local Government Code Chapter 262. Accordingly, the following limitations apply to any expenditure or use of Friends' Funds by or through County employees or County officials:

1. No County employee, official, or agent shall have authority to expend, commit, obligate, or direct the expenditure of Friends' Funds.
2. County employees shall not use Friends' Funds to purchase goods or services on behalf of the County or the Library.
3. County employees shall not co-mingle County funds or resources with Friends' Funds. All transactions involving Friends' Funds shall be separately documented and maintained.
4. County employees shall not make representations to vendors or third parties that purchases funded by Friends' Funds carry the credit, backing, or authority of Burnet County.

Section 6.2 — No County Liability for Friends' Funds

Burnet County shall not be liable for any debts, obligations, or expenditures incurred by the Friends or made from Friends' Funds. The Friends acknowledge that County employees who assist with Library operations do so in their capacity as County employees, and that any involvement of County personnel in activities funded by Friends' Funds shall not create any financial obligation on the part of the County.

ARTICLE VII — INSURANCE

The Friends shall maintain liability insurance for its library facility and shall provide proof of such insurance to the Burnet County Auditor annually while this agreement is in effect.

The County shall maintain coverage for County employees assigned to the Library through the County's existing workers' compensation and liability programs. Each Party shall provide the other with evidence of applicable insurance coverage upon request.

ARTICLE VIII — DISPUTE RESOLUTION

In the event of any dispute arising out of or relating to this MOU, the Parties agree to first attempt to resolve the dispute through good-faith negotiation between designated representatives of each Party. If the dispute cannot be resolved through negotiation within thirty (30) days, the Parties may agree to submit the matter to non-binding mediation before pursuing any other legal remedy. Nothing herein shall be construed to waive any legal rights or remedies available to either Party under applicable law.

ARTICLE IX — TERMINATION

Either Party may terminate this agreement for any reason by giving a six month notice to the other.

ARTICLE X — GENERAL PROVISIONS

Section 11.1 — Entire Agreement

This MOU constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, or agreements, whether written or oral, relating to the same subject matter.

Section 11.2 — Amendments

This MOU may not be amended, modified, or supplemented except by a written instrument signed by authorized representatives of both Parties.

Section 11.3 — No Third-Party Beneficiaries

This MOU is for the sole benefit of the Parties and their respective successors and permitted assigns. Nothing in this MOU shall create or be deemed to create any rights in any third party.

Section 11.4 — Governing Law and Venue

This MOU shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any dispute arising under this MOU shall be in Burnet County, Texas.

Section 11.5 — Severability

If any provision of this MOU is found to be invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect.

Section 11.6 — Counterparts

This MOU may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed valid.

Section 11.7 — No Waiver of Governmental Immunity

Nothing in this MOU shall be construed as a waiver of Burnet County's governmental immunity from suit or liability, or any other immunity or defense available to the County under Texas or federal law.

SIGNATURES

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Memorandum of Understanding as of the date first written above.

BURNET COUNTY, TEXAS

Bryan Wilson, Burnet County Judge

Date

FRIENDS OF TSPICEWOOD COMMUNITY LIBRARY, INC.

President, Friends of Spicewood Community Library, Inc.

Date