



TOWN OF CASTLE ROCK SERVICES AGREEMENT (2026 Funding Agreement)

DATE: _____.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (the "Town").

CASTLE ROCK MERCHANTS ASSOCIATION d/b/a DOWNTOWN MERCHANTS ASSOCIATION, a Colorado nonprofit corporation, 18 South Wilcox Street, Suite 202, Castle Rock, Colorado 80104 ("DMA").

RECITALS:

The Town and the DMA agree to the below terms and conditions by which the Town will provide funding, and the DMA will utilize said funding, for the operation and provision of certain community services of the DMA as more fully described in the following Agreement and Exhibits.

TERMS:

1. **Scope of Services and Payment.** The DMA shall provide all of the services and events as set forth below, at the rates below, and as set forth in greater detail in the DMA's 2026 Proposal attached as ***Exhibit 1*** and incorporated herein ("Services"):

• Spring Kickoff Concert	\$6,000.00
• Car Show Kickoff Concert	\$6,000.00
• Car Show	\$7,000.00
• Boots and Brews (after Douglas County Fair Parade)	\$7,000.00
• Oktoberfest	\$20,000.00
• Staff	\$52,000.00

The DMA shall complete the Services consistent with standards and practices of the profession.

In no event shall the total payment to the DMA under this Agreement exceed **\$102,000.00**. Payments shall be made to the DMA in two (2) installments: in the amount of \$51,000.00 (50%) on or before January 31, 2026 and \$51,000.00 (50%) on or before July 31, 2026. In the event that the DMA fails to perform or implement the above listed events or services, the Town may withhold payment for such event or service from the final payment.

The Town will assist with the facilitation of road closures for local streets for the events identified in ***Exhibit 1***. The Parties acknowledge that per Section 10.04.030.E of the Castle Rock Municipal Code, a permit is required for the closure of roads for the purpose of celebrations, parades, and special local events or civic functions. The Parties agree that the DMA shall only be required to complete one (1) Application for Street/Lane Closure for Special Event ("Application") for the events identified in ***Exhibit 1***. The DMA shall still be required to complete all necessary Special Event Permits and provide all required insurance certificates for each event, as well as all required information for the Application. The Parties agree that the DMA will not be required to meet the



signature requirements for the Application and instead the DMA shall be required to provide written notices of road closures to all properties adjacent to the streets identified in the Application. The written notices shall include the following: (i) a notice sent via first class mail sent not later than April 30, 2026, to include information on all proposed events; (ii) a hand-delivered notice to be delivered no earlier than forty (40) calendar days and no later than thirty (30) calendar days prior to each separate scheduled event; and (iii) a hand-delivered notice to be delivered no earlier than fourteen (14) calendar days and no later than seven (7) calendar days prior to each separate scheduled event. Each notice must include at least the following information: the dates and times of all road closures, the reason for the closure, and the contact information of the event coordinator of each event. The Parties acknowledge that this does not waive the requirement for the DMA to complete a Special Event Permit for every event listed in this Agreement.

2. **Term.** The term of this Agreement shall commence on January 1, 2026 and expire on December 31, 2026 (the “Term”). The DMA shall complete any Services in progress as of the expiration date. The DMA shall devote adequate resources to assure timely completion of the Services in accordance with the standards specified in this Agreement. The DMA shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

3. **Termination.** The Town shall have the right to terminate this Agreement with or without cause at any time with ten (10) days’ written notice to the DMA. Upon termination of the Agreement, the DMA shall have no claim against the Town as a result of the termination except for payment for Services completed up to and including the date of termination.

4. **Assignment.** This Agreement shall not be assigned by the DMA without the written consent of the Town.

5. **Notice.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is to be given at the address set forth on the first page of this Agreement, or at such other address as has been previously furnished in writing to the other Party or Parties. Such notice shall be deemed given when deposited in the United States mail.

6. **Reporting.** The DMA shall submit in writing to the Town Manager a report on its activities no later than July 31, 2026, and shall also submit a written annual report for 2026 no later than January 31, 2027. Such reports shall include, but not be limited to, financial reporting and information on DMA achievements of 2026 performance objectives as outlined in ***Exhibit 1***. The Parties agree the DMA’s reporting obligations to the Town as set forth in this Section shall survive the expiration or termination of this Agreement.

7. **Insurance.**

A. **General Conditions:** The DMA agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. The DMA shall keep the required insurance coverage in force at all



times during the term of the Agreement, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-VII" or better. Each policy shall require notification to the Town in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the Parties identified in the Notices section of this Agreement. Such notice shall reference the Town. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, The DMA shall provide written notice of cancellation, non-renewal and any reduction in coverage to the Town by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). The DMA shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the DMA. The DMA shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement. All commercial and automobile liability policies shall have the following additional provisions:

- Severability of interests or separation of insureds provision;
- Provision that coverage is primary and non-contributory with other coverage maintained by the Town;
- The underlying Agreement is an "insured contract" under the policy;
- Defense costs shall be outside the policy limits for liability coverage.

B. Proof of Insurance: The DMA may not commence services or work relating to this Agreement prior to placement of coverages required under this Agreement. The DMA certifies that the certificate of insurance attached as **Exhibit 2**, preferably an ACORD form, complies with all insurance requirements of this Agreement. The Town's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of The DMA's breach of this Agreement or of any of the Town's rights or remedies under this Agreement. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The Town may require additional proof of insurance, including but not limited to policies and endorsements.

C. Additional Insureds: For Commercial General Liability and Automobile Liability, the DMA and subcontractor's insurer(s) shall include the Town, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town as additional insured.

D. Waiver of Subrogation: For all coverages required under this Agreement, The DMA's insurer shall waive subrogation rights against the Town, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town.



E. **Subcontractors:** The DMA shall confirm and document that all (including independent contractors, suppliers or other entities providing goods or services required by this Agreement) procure and maintain coverage as approved by the DMA and appropriate to their respective primary business risks considering the nature and scope of services provided.

F. **Workers' Compensation and Employer's Liability Insurance:** The DMA shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

G. **Commercial General Liability:** The DMA shall maintain a Commercial General Liability insurance policy with minimum limits of \$1,000,000 for each occurrence and \$2,000,000 products and completed operations aggregate, and \$2,000,000 general aggregate (per project). The policy shall provide coverage for all claims for bodily injury, property damage (including loss of use), products and completed operations, and contractual liability.

H. **Automobile Liability:** The DMA shall maintain Automobile Liability with minimum limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.

8. **No Waiver of Colorado Governmental Immunity Act.** The Parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.

9. **Indemnification.** The DMA expressly agrees to indemnify, defend and hold harmless Town or any of its officers, agents or employees from any and all claims, damages, liability, or court awards including attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by anyone, including, but not limited to, any person, firm, partnership, or corporation, to the extent caused by the negligent acts, errors or omissions of the DMA or any of their employees or agents in performing Services pursuant to this Agreement. In the event that any such suit or action is brought against Town, Town will give notice within ten (10) days thereof to the DMA. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

10. **Delays.** Any delays in or failure of performance by any Party of the obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, strikes, labor disputes, accidents, regulations or orders of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such Party.

11. **Additional Documents; Entire Agreement; Severability.** The Parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement. Further, this Agreement represents the entire agreement between the Parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by



an instrument in writing signed by the Parties. If any other provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

12. **Time of the Essence.** If any payment or any other condition, obligation, or duty is not timely made, tendered or performed by either Party, then this Agreement, at the option of the Party who is not in default, may be terminated by the non-defaulting Party, in which case, the non-defaulting Party may recover such damages as may be proper.

13. **Default and Remedies.** In the event either Party should default in performance of its obligations under this Agreement, and such default shall remain uncured for more than ten (10) days after notice of default is given to the defaulting Party, the non-defaulting Party shall be entitled to pursue any and all legal remedies (subject to the following limitations on damage) and recover its reasonable attorney's fees and costs in such legal action. No Party will be entitled to lost profits or incidental, consequential, punitive or exemplary damages in the event of a default.

14. **Waiver.** A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party.

15. **Venue, Choice of Law and Disputes.** Venue for all legal actions shall lie in the District Court in and for the County of Douglas, State of Colorado, and shall be governed by the laws of the State of Colorado as well as the Charter and Municipal Code, rules, regulations, Executive Orders, and fiscal rules of the Town.

16. **Americans with Disabilities Act.** The DMA agrees to ensure that any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement, to include website design services, will comply with all requirements of the Colorado Anti-Discrimination Act, Title II of the Americans with Disabilities Act and, where applicable, Section 504 of the Rehabilitation Act and the Architectural Barriers Act. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement fail to comply with the requirements of this Section, the DMA shall indemnify the Town in accordance with the terms of this Agreement and, at the Town's option, shall re-visit, re-construct, or similar, the non-compliant deliverable, work, service, or equipment, or reimburse the Town for the cost associated with bringing the non-compliance deliverable, work, service or equipment into compliance.

17. **No Discrimination in Employment.** The Town is a governmental agency and, therefore, in connection with the performance of work or Services under this Agreement, the DMA shall not refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability, or any other protected class under Federal or State law; and the DMA shall insert the foregoing provision in any subcontracts hereunder.



18. **Title VI Compliance.** To the extent applicable, the DMA shall ensure its current and future compliance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d et seq., as amended, which prohibits the exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin.

19. **Digital Accessibility.** The DMA shall be responsible for ensuring that all deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement comply with Colorado law governing digital accessibility, including but not necessarily limited to at a minimum conforming with the current Web Content Accessibility Guidelines (“WCAG”) followed by the State of Colorado. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement fail to comply with the requirements of this Section, the DMA releases, defends, indemnifies and holds harmless Town, its officers, agents, and employees from any and all claims, damages, suits, costs, expenses, liabilities actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, said failure. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

20. **Copyright.** The DMA warrants that all Services performed under this Agreement shall comply with all applicable patent, trademark and copyright laws, rules, regulations and codes of the United States. The DMA shall not utilize any protected patent, trademark or copyright in performance of the Services unless the DMA has obtained proper permission and all licenses, releases and other necessary documents. The DMA releases, defends, indemnifies and holds harmless the Town, its officers, agents, and employees from any and all claims, damages, suits, costs, expenses, liabilities, actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, the performance of the Services under this Agreement which infringes upon any patent, trademark or copyright protected by law.

21. **Open Records.** The DMA acknowledges and understands that the Town is subject to the Colorado Open Records Act, C.R.S. § 24-72-201, et seq. (“CORA”). The Parties understand and agree that nothing in this Agreement shall restrict the Town from complying with CORA. Should the Town receive a request under CORA, the Town shall release copies of this Agreement and any other documents relevant to this Agreement to the extent that such records are subject to disclosure under CORA, or as otherwise required by subpoena, law, regulation, or court order.

22. **Authority.** The individuals executing this Agreement represent that they are expressly authorized to enter into this Agreement on behalf of the Town and the DMA and bind their respective entities. This Agreement is executed and made effective as provided above.

23. **Relationship of the Parties.** This Agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, or formal business association or organization of any kind between the Parties, and the rights and obligations of the Parties shall only be those expressly set forth in this Agreement. The DMA and the Town hereby represent that there is no employer-employee relationship between the Parties. The Agreement shall not be construed to create any employment relationship or contract for



employment between the Parties. It is understood and agreed by and among the Parties that each Party's employees shall remain employees of that Party at all times and for all purposes, and for the sake of clarity, the Parties expressly acknowledge that it is not intended nor shall it be construed that any employee of the DMA is an employee of the Town for purposes of unemployment compensation, workers' compensation, or any other purpose whatsoever. The DMA is not covered by any worker's compensation insurance or any other insurance maintained by Town except as would apply to members of the general public. The DMA shall not create any indebtedness on behalf of the Town.

24. **No Third-Party Beneficiaries.** It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and the DMA, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person or entity other than Town or the DMA receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

25. **Counterparts & Electronic Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Each of the Parties hereto shall be entitled to rely upon a counterpart of the instrument executed by the other Party and sent by electronic mail. Each Party agrees that this Agreement and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

26. **Licenses/Taxes.** The DMA affirms that it is in good standing with and is authorized to do business in the State of Colorado. Further, the DMA shall be solely responsible for paying all applicable taxes associated with or arising out of this Agreement.

27. **Confidentiality.** The DMA agrees that it shall treat as confidential all information provided by the Town regarding the Town's business and operations. All confidential information provided by the Town hereto shall be used by the DMA solely for the purposes of rendering services or work pursuant to this Agreement and, except as may be required in carrying out the terms of this Agreement, shall not be disclosed to any third party without the prior consent of the Town. The foregoing shall not be applicable to any information that is publicly available when provided or which thereafter becomes publicly available or which is required to be disclosed by any regulatory authority in the lawful and appropriate exercise of its jurisdiction over a Party, any auditor of the Parties hereto, by judicial or administrative process or otherwise by applicable law or regulation.

28. **Priority of Provisions.** In the event that any terms of this Agreement and any Exhibit, attachment, or other referenced document are inconsistent, the following order of priority shall control: (1) this Agreement; (2) Exhibit containing Certificate of Insurance; and (3) Exhibit containing Proposal.

ATTACHED EXHIBITS:

EXHIBIT 1 – 2026 PROPOSAL

EXHIBIT 2 – CERTIFICATE OF INSURANCE

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK



ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

David L. Corliss, Town Manager

DOWNTOWN MERCHANTS ASSOCIATION:

By: _____
(Signature)

(Print Name)

Its: _____
(Title)



EXHIBIT 1

2026 PROPOSAL



EXHIBIT 2

CERTIFICATE OF INSURANCE