

Town of Middlebury – Union School District #3 (UD#3) – DRAFT 3  
Recreation Facility Project  
Term Sheet – January \_\_\_\_, 2014

Objective – Construction of a modern recreation facility and associated amenities by the Town of Middlebury (“Town”) on property owned by Union School District #3 (“UD#3”) on Creek Road.

Terms –

1. The Town and UD#3 will enter into a 25-year lease agreement to site a recreation facility on property owned by UD#3 on Creek Road, in the agreement location of the former American Legion Building. The lease agreement will be renewable in 25-year terms.
2. The Town will construct, operate and maintain a new recreation facility on the site, to include building-mounted exterior lighting of the building and appropriate signage.
3. The Town will be responsible for the safe and appropriate removal of the existing structure (the former American Legion Building).
4. The Town will be responsible for the operation, repair, and maintenance of the building, access areas to the building and plowing and sanding of the parking lot.
5. UD#3 will contribute \$400,000 to the Town Project to incorporate the construction of locker rooms, either by issuing bonds or entering into a debt agreement with the Town.
6. The Town will include locker rooms in the construction of the recreation facility.
7. The Town and UD#3 will cooperatively develop programming and a Shared Use Agreement. The Town will be responsible for programming the use of the building, and will coordinate scheduling of the facilities with programs and events of UD#3 as per the Shared Use Agreement.
8. UD#3 will have final approval of the facility site plan so as not to encroach on existing structures and/or use agreements with other organizations. Furthermore, the final facility design will be presented to UD#3 for input and approval.
9. Future improvements to the Town recreation facility on Creek Road, including but not limited to, parking and a playground, will be upon mutually agreeable terms.
10. The Town will insure the building for property and liability, and will be sole owner of the facility.
11. The Town will indemnify UD#3 from any and all costs, liabilities, claims, damages or expenses.
12. The parties understand that the project is contingent on and subject to UD#3 Board and voter approval as necessary, successful bond vote(s) on the project, and acquiring any permits that are required.

This Term Sheet supersedes all prior term sheets and agreements. By signing below, the Town and UD#3 acknowledge their intent to work together toward a formal agreement and agree, The terms stated above are preliminary only and should not be considered binding on either party unless and until incorporated into a formal agreement. Either party reserves the right to withdraw from negotiations unless and until a formal agreement is signed.

Acknowledged and agreed to:

\_\_\_\_\_ Date \_\_\_\_\_ Date \_\_\_\_\_  
Town of Middlebury UD#3