LETTER OF INTENT

Hard'Ack Pool

This non-binding Letter of Intent, by and between the City of St. Albans (the "**City**") and the Town of St. Albans (the "**Town**" and collectively with the City, the "**Parties**", and each a "**Party**"), is entered into as of the ___ day of January, 2020, to document the terms by which the Parties will develop, finance, construct, and operate a new community pool (the "**Community Pool**") on land owned by the City and located within the Town on property known as the Hard'Ack Recreation Area.

The elements of the proposed agreement between the Parties are as follows:

1. The City will deed to the Town an undivided 50 percent interest in the land deeded to the City by Hard'Ack, Inc. by Warranty Deed dated April 11, 2018.

2. The Parties will agree to construct the Community Pool in substantial conformance with the Pool Rendering and Site Plan attached hereto as Exhibits 1 and 2, respectively.

3. The Parties agree that the total construction cost (hard and soft costs) shall not exceed $5.5 million.

4. Each Party shall utilize its bonding capacity to contribute not less than $2.75 million to fund the construction costs of the Community Pool.

5. The Parties shall enter into a contract for joint municipal development consistent with the terms of this Letter of Intent and in such form acceptable to the Parties and to facilitate approval of bonding for the project.

6. Each Party shall request voter approval for the project at their respective March, 2020 municipal meetings.

7. The City shall be responsible for the negotiation and execution of all contracts necessary for the construction of the Community Pool. All bond proceeds shall be deposited to a segregated fund established and managed by the City.

8. Once constructed, operation and management of the Community Pool will be the responsibility of the City Recreation Department, with input from the St. Albans Recreation Commission and the Trustees of Hard'Ack, Inc. The Recreation Commission shall contain an equal number of City and Town residents. Each Party, through their respective City Council and Selectboard, shall appoint members to the Recreation Commission.

9. The City shall be responsible for managing the operating expenses for the Community Pool, and shall have the authority to set rates accordingly. The Town