

MEMORANDUM OF UNDERSTANDING

("MOU")

This MEMORANDUM OF UNDERSTANDING ("**MOU**") is made on this _____ day of _____, 2026 at _____ (the "*Effective Date*").

BETWEEN

1. **Spring-Well Foundation for Better Living**, a nonprofit organization, hereafter referred to as "**Spring-Well**,"

AND

2. the **City of Jefferson City**, hereafter referred to as "**the City**." A city in Jefferson County, part of the Morristown Metropolitan Statistical Area, known for its history as Mossy Creek and its location near Cherokee Lake.

(Each of Spring-Well and City shall be referred to as a "Party" and collectively as the "Parties".)

1. BACKGROUND / RECITALS

1. Spring-Well exists to empower individuals, restore communities, and build systems of care that last.
 2. City serves as a key industrial, educational, and recreational hub in East Tennessee, acting as a residential town focused on historical preservation and downtown revitalization.
 3. The Parties wish to collaborate for the purpose of this MOU to establish a cooperative partnership to support the
 4. The purpose of this MOU is to establish a cooperative partnership to support the **repurposing and revitalization of Nelson Merry Park facilities** for the benefit of the Jefferson City community through educational, childcare, and community programming.
 5. This MOU sets out the mutual understanding, principal terms and framework for the Parties' collaboration and is intended to provide the basis for negotiating and executing a definitive agreement covering detailed commercial, technical and legal terms.
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2. DEFINITIONS

In this MOU, unless the context otherwise requires:

- **"Confidential Information"** means information disclosed by one Party to the other under or in connection with this MOU and includes technical, commercial, financial, operational and other proprietary information (see Clause 9).
 - **"Project Period"** means the initial two (2) year period commencing on the Effective Date, as set out in Clause 7, during which Parties shall cooperate to achieve Project objectives.
 - **"Steering Committee"** has the meaning given in Clause 5.1.
 - **"Background IP"** has the meaning given in Clause 8.1.
 - **"Foreground IP"** has the meaning given in Clause 8.2.
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3. PURPOSE & SCOPE

6. **Purpose:** To outline the collaboration between Spring-Well and the City of Jefferson City to enable Spring-Well to pursue and secure grant funding for the **renovation and repurposing of designated spaces within Nelson Merry Park**.
 7. **Scope.** The Parties' activities shall include (without limitation):
 - 7.1. **Administrative Support:** The City agrees to provide administrative support necessary for grant applications, including providing documentation or authorization required by grantors to demonstrate partnership, site approval, or municipal support for the project.
 - 7.2. Establish a community hub and childcare center that serves families in Jefferson City first and the surrounding county.
 - 7.3. Spring-Well and the City commit to ongoing collaboration, communication, and partnership to ensure the success of the community hub, childcare services, and park revitalization efforts.
 - 7.4. Both Parties acknowledge the importance of community engagement, transparency, and cooperative planning to meet the evolving needs of Jefferson City residents.
 - 7.5. Joint project planning and governance.
 - 7.6. Joint pursuit of grants, certifications, or incentives.
 - 7.7. Preparation of a roadmap for facility operations (upon successful completion of renovation).
 8. **Annexures:** Detailed Deliverables, Milestones, Roles & Responsibilities and Project Plan are set out in Annexures A, B, and C respectively.
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4. ROLES & RESPONSIBILITIES

4.1 SPRING-WELL (Party A) will:

9. Lead grant research, applications, and reporting on behalf of the Project.

10. Develop and submit renovation plans for the designated Nelson Merry Park spaces in compliance with applicable building, zoning, and childcare licensing standards.
11. Hire, onboard, and manage all staff and personnel required to operate the childcare center and community hub.
12. Obtain and maintain all required licenses, permits, and certifications to operate a licensed childcare center and community facility (see also Clause 4, Licensing and Regulatory Compliance).
13. Provide training materials and conduct community engagement and programming as outlined in Annexure B.
14. Maintain operations during the agreed Project Period and provide monthly and annual progress reports to the Steering Committee.

4.2 CITY (Party B) will:

15. Provide site access, reasonable working space, and facility support to Spring-Well's project and deployment team.
16. Facilitate local permits, zoning approvals, and construction inspections, and coordinate with relevant municipal departments and operators as needed.
17. Provide required documentation, letters of support, and authorization for grant applications as reasonably requested by Spring-Well.
18. Ensure availability of City personnel for coordination, inspections, and documentation activities.
19. Cooperate in evaluation, reporting, and documentation activities.

Each Party shall perform its obligations in good faith, using suitably qualified personnel and in compliance with applicable laws, health & safety rules and site protocols.

5. PROJECT GOVERNANCE

20. **Steering Committee:** Within 15 days of the *Effective Date*, the Parties shall constitute a Project Steering Committee consisting of two (2) representatives from each Party (the "Steering Committee") to oversee Project execution, approve milestones and resolve operational issues.
 21. **Meetings & Reporting:** Steering Committee to meet at least once every calendar month (or as otherwise agreed). Spring-Well to deliver monthly progress reports and a final pilot report at the end of the Project Period as per Annexure D.
 22. **Project Manager:** Each Party will appoint a Project Manager who shall be the primary contact for day-to-day coordination.
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6. FINANCIAL TERMS

23. **Costs & Funding:** Unless otherwise agreed in a separate Commercial Agreement, each Party will bear its own costs and expenses incurred in connection with this MOU and Project activities during the Project Period.
24. **Grant Funding and Facility Improvements:**
- 24.1. During Phase I of the project, Spring-Well will pursue grant opportunities including, but not limited to, the **T-Mobile Hometown Grant** and other applicable community development grants. Grant funding will be used to renovate and improve the following spaces located within Nelson Merry Park:
- Two existing classroom spaces;
 - The lower-level locker room area, which will be repurposed into a **community room and multipurpose space**. The improvements will support the creation of a **community hub and childcare facility** serving local families.
25. **Facility Use and Lease Agreement.** Lease terms, rental fees, and operational details will be finalized in a separate facility lease agreement between the City and Spring-Well.
26. **Additional Funding Contributions:** If any material financial contribution is required (e.g., equipment purchase, third-party services or grant co-funding), a separate written agreement detailing the payment terms, schedules, deliverables and applicable taxes shall be executed prior to incurring such obligations.
27. **Taxes & Duties:** Each Party shall be responsible for its own taxes, duties and statutory levies arising from their performance of this MOU unless otherwise agreed in writing.
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7. PROJECT DURATION & MILESTONES

28. **Project Period:** This MOU shall be effective from the *Effective Date* and shall remain in force for an initial period of two (2) years (the "Project Period"), unless earlier terminated under Clause 14.
29. **Extension:** The Parties may, by mutual written agreement, extend the Project Period and/or implement further phases.
30. **Milestones:** Key milestones, acceptance criteria and timeframe are set out in Annexure B (e.g., Phase 1 — Grant Applications & Site Agreements: Months 1–3; Phase 2 — Renovation & Construction: Months 4–9; Phase 3 — Licensing, Staffing & Soft Open: Months 7–12; Phase 4 — Full Operations & Evaluation: Year 2).
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8. INTELLECTUAL PROPERTY (IP)

31. **Pre-Existing IP:** Each Party shall retain ownership of its pre-existing intellectual property (the "Background IP") and nothing in this MOU shall transfer title to such Background IP.
32. **Project IP:** Subject to Clause 8.3, new Intellectual Property conceived, developed or reduced to practice jointly during the Project ("Foreground IP") shall be owned jointly by the Parties in proportions to be agreed in a subsequent definitive agreement.
33. **License:** Each Party grants the other a non-exclusive, nontransferable, royalty-free license to use its Background IP to the extent necessary for performance of the Project

during the Project Period only. Any commercial exploitation, sublicensing or transfer of Foreground IP shall require a separate written agreement.

34. **Patents & Protection:** The Parties shall, subject to mutual consent, determine the filing, prosecution and maintenance of patent applications and share costs as per a subsequent written arrangement.
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9. CONFIDENTIALITY & DATA PROTECTION

35. **Confidentiality Obligation:** Each Party undertakes to keep Confidential Information received from the other Party strictly confidential and not to use or disclose such information to any third party except as permitted under this MOU or with prior written consent.
36. **Exclusions:** Confidential Information does not include information which (a) is or becomes publicly available through no breach of this MOU; (b) is independently developed by the receiving Party; or (c) is rightfully received from a third party without restriction.
37. **Permitted Disclosures:** Disclosure is permitted to the receiving Party's employees, advisors, or contractors on a need-to-know basis, provided they are bound by confidentiality obligations no less stringent than this Clause.
38. **Data Protection:** The Parties shall comply with applicable data protection laws and shall implement reasonable technical and organizational measures to protect personal data exchanged under this MOU. Any personal data processing instructions and responsibilities shall be set out in a separate Data Processing Addendum if required.
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10. DELIVERABLES, ACCEPTANCE & TESTING

39. **Deliverables:**
- A licensed childcare center.
 - A community hub offering educational, family, and community programming.
40. **Acceptance Tests:** On completion of each milestone, acceptance tests shall be conducted by the Steering Committee. If Deliverables fail acceptance, Spring-Well shall have a reasonable period to remedy defects at its cost.
41. **Sign-off.** By signing below, the Parties acknowledge their agreement to the terms outlined in this Memorandum of Understanding.
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11. WARRANTIES, REPRESENTATIONS & COVENANTS

42. Each Party represents and warrants that it has full power and authority to enter into this MOU and to perform its obligations.
43. Spring-Well warrants that the goods and services provided under the Project shall be of commercially reasonable quality and shall conform to the specifications in Annexure A.

EXCEPT AS EXPRESSLY SET OUT IN THIS MOU, NEITHER PARTY GIVES ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. LIMITATION OF LIABILITY & INDEMNITY

44. **Limitation:** Except for (a) liability arising from gross negligence, willful misconduct or fraud; (b) breach of confidentiality; and (c) willful infringement of third-party rights, the Parties' aggregate liability under or in connection with this MOU shall be limited to the direct damages actually incurred and proven, capped at the total sums actually paid under any executed Commercial Agreement between the Parties.
 45. **Indirect Damages:** Neither Party shall be liable for indirect, incidental, consequential, special or punitive damages (including loss of profits, loss of business or reputation) except as expressly provided herein.
 46. **Indemnity:** Each Party shall indemnify, defend and hold harmless the other from and against any third-party claims arising out of the indemnifying Party's negligence, willful misconduct, or breach of applicable laws in performing its obligations under this MOU.
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13. INSURANCE

(a) Liability. Spring-Well agrees to maintain **adequate liability insurance coverage** for the duration of the project and any subsequent facility operations. Proof of insurance must be provided to the City prior to the commencement of renovations and maintained throughout the duration of the operational agreement.

(b) Insurance. During the Project Period, each Party shall maintain insurance policies (including public liability and employer's liability) in amounts customary for similar projects and shall provide evidence of such insurance upon reasonable request.

14. TERM OF AGREEMENT

47. **Termination for Convenience:** Either Party may terminate this MOU by giving thirty (30) days prior written notice to the other Party.
 48. **Termination for Cause:** Either Party may terminate with immediate effect by written notice if the other Party materially breaches this MOU and fails to remedy such breach within thirty (30) days after receiving written notice specifying the breach.
 49. **Effect of Termination:** On termination, each Party shall promptly return or destroy Confidential Information of the other, cease use of Licensed IP (except as permitted), and settle outstanding obligations accrued prior to termination. Termination shall not affect rights or liabilities accrued prior to termination.
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15. FORCE MAJEURE

Neither Party shall be liable for any delay or failure to perform its obligations to the extent caused by events beyond its reasonable control (acts of God, pandemics, war, governmental action, strikes, natural disasters). The affected Party shall promptly notify the other and use reasonable efforts to resume performance.

16. ASSIGNMENT

Neither Party shall assign or transfer its rights or obligations under this MOU without the prior written consent of the other Party, except to an affiliate or in connection with a merger or sale of substantially all its business, provided the assignee assumes the assigning Party's obligations.

17. NOTICES

All notices required or permitted under this MOU shall be in writing and shall be deemed given when delivered personally, sent by registered post, or by email to the addresses set out below (or such other address as the Party may notify in writing):

For: SPRING-WELL FOUNDATION FOR BETTER LIVING:

Name / Organization: _____

Attention: _____

Email: _____

Address: _____

For: CITY OF JEFFERSON CITY, TN:

Name / Title: _____

Attention: _____

Email: _____

Address: _____

18. AMENDMENT

This MOU may be amended only by a written instrument signed by authorized representatives of both Parties.

19. SEVERABILITY

If any provision of this MOU is held invalid, illegal or unenforceable, the remainder of this MOU shall continue in full force and effect and the Parties shall negotiate in good faith to replace the invalid provision with a valid provision reflecting the Parties' intent.

20. ENTIRE AGREEMENT & NON-BINDING NATURE

50. This MOU records the Parties' mutual understandings regarding the Project and, except for Clauses 8 (IP), 9 (Confidentiality), 12 (Liability), 14 (Termination), 15 (Force Majeure), 17 (Notices), 19 (Severability) and 20 (Entire Agreement & Non-binding Nature), which the Parties agree shall be binding, this MOU is intended only as a statement of intent and is not legally binding.
 51. The Parties acknowledge that no legally binding obligation to enter into any further agreement shall arise unless and until the Parties execute a definitive written agreement covering the commercial and legal terms of the Project.
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21. GOVERNING LAW & DISPUTE RESOLUTION

52. This MOU shall be governed by and construed in accordance with the laws of the State of Tennessee.
 53. The Parties shall attempt to resolve disputes amicably through negotiation. If unresolved within thirty (30) days, disputes shall be referred to arbitration under the Tennessee Uniform Arbitration Act (T.C.A. § 29-5-301 et seq.). The seat of arbitration shall be Jefferson City, Tennessee (or such other Tennessee city as mutually agreed), the tribunal shall consist of a sole arbitrator appointed by mutual agreement, and the language of arbitration shall be English. The award shall be final and binding.
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22. COUNTERPARTS

This MOU may be executed in counterparts, each of which when executed will be an original, and all counterparts together will constitute one and the same instrument.

SIGNATURES

Spring-Well Foundation for Better Living

Name: _____

Title: President / Executive Director

Signature: _____

Date: _____

City of Jefferson City, TN

Name: _____

Title: _____

Signature: _____

Date: _____

ANNEXURES (to be attached and populated)

Annexure A: Detailed Deliverables & Technical Specifications

Spring-Well agrees that all renovation and construction work will be completed in accordance with municipal and state regulations. Specifically:

- A licensed general contractor must be used for all renovation work.
- All project plans must be submitted to the City of Jefferson City for review and approval.
- City inspectors must review and inspect construction plans and completed work to ensure compliance with building codes and safety regulations.

Spring-Well agrees to secure and provide firm commitment letters from key community partners, including but not limited to:

- Carson-Newman University
- Renovate Farms
- Jefferson City Housing Authority

These partnerships will support programming, workforce development opportunities, and community engagement within the community hub.

Annexure B: Project Milestones, Acceptance Criteria & Timeline

- Spring-Well will provide the City with plans outlining projected enrollment and community programming.
- Enrollment for the childcare center will be **county-wide**, while ensuring that a fair and reasonable percentage of available enrollment opportunities are **prioritized for Jefferson City residents** to support local families.

Anticipated Project Phases:

- **Phase 1 (Months 1–3):** Grant applications, MOU with City, site access agreements, finalize licensing path and construction scope.
- **Phase 2 (Months 4–9):** Renovation and construction of classroom spaces, locker room conversion, and playground improvements.
- **Phase 3 (Months 7–12):** Staffing, licensing inspections, curriculum development, soft launch of childcare operations.
- **Phase 4 (Year 2):** Full operations, community hub programming, ongoing evaluation and reporting.

Annexure C: Roles & Responsibilities Matrix and Resource Plan

Spring-Well recognizes and supports the **City of Jefferson City's Ten-Year Master Plan** for community development and park utilization. The City acknowledges the **growing need for accessible and quality childcare services within the community** and recognizes that childcare operations require extended hours to serve working families.

Spring-Well childcare operations are anticipated to include:

- **Monday through Friday: 6:00 AM – 7:00 PM**
- **Afterschool programming**
- **Occasional weekend programming and community activities**

These hours are intended to support the needs of working families while maintaining compatibility with park operations.

Annexure D: Monthly Report Template & Final Evaluation Report Format

[To be developed by Spring-Well and approved by the Steering Committee within 30 days of the Effective Date.]

Annexure E: Commercial Terms (if applicable) — Equipment Cost Schedule / Payment Schedule

[To be completed if material financial contributions are required. Otherwise, this Annexure is not applicable.]

Annexure F: Data Processing Addendum (if Personal Data exchanged)

[To be completed if personal data of children, families, or staff is exchanged between the Parties. Otherwise, this Annexure is not applicable.]

Annexure G: Health, Safety & Site Protocols

[To be developed in accordance with applicable Tennessee childcare licensing requirements, City building codes, and OSHA standards. To be populated prior to commencement of renovation work.]

4A. LICENSING AND REGULATORY COMPLIANCE

Spring-Well agrees to obtain and maintain all required licenses and approvals necessary to operate a childcare center and community facility, including but not limited to:

- State childcare licensing
- Local operational permits
- Any applicable health and safety certifications

Spring-Well agrees to comply with all **local, state, and federal regulations** governing childcare operations and facility use.

4B. PARK OPERATIONS AND RECREATION COMPATIBILITY

Spring-Well agrees that its operations will **not interfere with existing park and recreation activities**, including sports programs, recreational leagues, clubs, or other community activities hosted within Nelson Merry Park.

Spring-Well will coordinate scheduling and facility use with the City to ensure that park activities continue to operate without disruption and that all community recreational programming remains accessible.