

MEMORANDUM OF UNDERSTANDING
BETWEEN
TOWN OF FALMOUTH
AND
GREATER PORTLAND TRANSIT DISTRICT

WHEREAS, the Town Council of the Town of Falmouth (“Falmouth”) has voted to seek membership for Falmouth in the Greater Portland Transit District (“METRO”); and

WHEREAS, the Board of Directors of METRO has voted to accept Falmouth for membership in METRO; and

WHEREAS, Falmouth and METRO have reached certain understandings and agreements related to Falmouth’s membership in METRO; and

WHEREAS, it will be necessary for the Maine Legislature to enact legislation in order for Falmouth to become a member of METRO;

NOW, THEREFORE, Falmouth and METRO hereby agree as follows:

1. Falmouth and METRO agree to seek the introduction to the Maine Legislature of legislation to include Falmouth as a member of METRO with two voting members on the board of directors, substantially in the form attached hereto as Exhibit A.

2. Until the effective date of legislation which includes Falmouth as a member of METRO, METRO shall continue to provide transportation services to Falmouth, and Falmouth shall continue to contribute to the cost of such services, in accordance with the present contractual arrangements between Falmouth and

METRO, or on such other terms as may be mutually agreed upon by Falmouth and METRO, provided however, that if legislation including Falmouth as a member of METRO has not been enacted by the Maine Legislature on or before June 30, 2009 with an effective date on or before September 30, 2009, then this Memorandum of Understanding shall terminate as of June 30, 2009 and shall have no further effect on the transportation services provided by METRO to Falmouth or on the related contractual arrangements between Falmouth and METRO.

3. Falmouth shall not become a member of METRO until the effective date of legislation enacted by the Maine Legislature which includes Falmouth as a member of METRO. Until the effective date of legislation which includes Falmouth as a member of METRO, Falmouth shall have no responsibility for METRO's financial obligations and Falmouth shall not be responsible for any claims or causes of action against METRO. After the effective date of legislation which includes Falmouth as a member of METRO, Falmouth shall continue to contribute to METRO's costs for the balance of the then current fiscal year on the same basis that Falmouth is then contributing toward METRO's costs for that fiscal year. In subsequent fiscal years, Falmouth shall be responsible for its share of METRO's operating expenses, debt service costs, and other financial obligations as calculated in accordance with 30-A M.R.S.A. §3516, provided that Falmouth shall not be financially responsible for costs, including attorney's fees and other costs of defense, not covered and paid for by METRO's insurance, of

claims or causes of action against METRO arising prior to the effective date of legislation which includes Falmouth as a member of METRO.

4. Falmouth and METRO agree to work together for a one year period from the date of this Memorandum of Understanding on proposed improvements to METRO's transportation routes between Portland and Falmouth and on a joint marketing effort to increase ridership on those routes. During this one year period METRO shall collect hard data on any changes in ridership on those transportation routes and Falmouth and METRO shall agree on a metric to be used to evaluate the Falmouth route improvement and joint marketing program. Following this one year period, METRO shall prepare a report for the METRO board of directors and the Falmouth Town Council evaluating the success or failure of the Falmouth route improvement and joint marketing program based on the agreed upon evaluation metric and data collected.

5. Beginning on the effective date of legislation which includes Falmouth as a member of METRO, Falmouth shall be responsible for its share of METRO's costs using the same cost sharing formula as applies to METRO's other members, provided however, that from the effective date of legislation which includes Falmouth as a member of METRO, and for as long thereafter as METRO receives federal Job Access Reverse Commute ("JARC") funding for routes between Portland and Falmouth, METRO will reimburse Falmouth for that portion of JARC funding which is attributable to vehicle route miles traveled in Falmouth.

Dated _____, 2008.

TOWN OF FALMOUTH

GREATER PORTLAND TRANSIT
DISTRICT

By: _____
Its _____

By: _____
Its _____