

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is between Red Lion Borough Council (“Council”) and the Red Lion Borough Redevelopment Commission (“Commission”). This MOU is intended to be a statement of intent and authorization, and may be modified or revoked by Council at any time.

1. Red Lion Borough has authorized the Commission members to form an independent committee made up of the members of the Commission and other interested citizens for the sole purpose of designing and constructing what is to be called “The Red Lion Mile.” The Red Lion Mile (RLM) is defined as the trail from North Main Street to Mill St. The trail is basically constructed along the MA & PA railroad right-of-way. After construction of the trail or portions of the trail, maintenance of the trail will be the responsibility of the borough.

2. The Committee shall notify the Red Lion Borough Council President in writing and provide proof that a checking account has been established in the name of a committee. The committee may use the EIN for Red Lion Borough for this account. The Committee must establish the checking account at one of two local banks located within the Borough of Red Lion, either Wachovia or M&T.

3. After notification and proof of establishment of such account is verified, the Council President is authorized by Council to provide written authorization to the Borough Treasurer to transfer all funds to the Committee checking account which were previously raised, donated or collected, including the \$26,000 dollars approved by Council for the design, construction and maintenance of the trail. Only funds designated for use to build or maintain the trail is to be transferred and will not include any façade funds. Amount to be transferred will be \$34,622.51.

4. The checking account shall require that at least three members of the committee must sign each and every check. Deposits of initial and subsequently received funds must be made in a timely manner. All disbursement of funds for any reason must obtain prior approval by the full committee at a regularly scheduled meeting. Records of all disbursements and deposits, and the nature of the same must be maintained in writing.

5. The committee shall be authorized to design, construct, obtain all right-of-way agreements and prepare such agreements in the name of Red Lion Borough and present to Council for approval and signing. The Solicitor for Red Lion Borough shall review and approve any and all agreements. After review and approval by the Solicitor, Council will execute any and all agreements in accordance with Commonwealth of Pennsylvania and federal statutes. Prior to construction resuming, the design will be approved by Council and any/all Right-of-Way agreements will in place.

6. The Committee shall have no authority to act on behalf of the Council, except to design and construct the RLM as previously approved by Council. Council shall, at a regularly scheduled public meeting, review and approve any and all proposed designs and shall make changes to the design or any part of the Trail design which Council may deem necessary, convenient or appropriate in the best interest of the Borough and citizens.

7. Any need for Borough resources (employees and/or equipment) to perform tasks or functions associated with the project shall be made through Borough Council. Use of borough resources will be scheduled and hours and rates agreed to prior to usage. All requests will be documented in writing detailing the agreed rates and hours.

8. The Committee shall report directly to Borough Council which includes but is not limited to providing status reports to Borough Council.

9. It is agreed and understood that one individual designated by Council will be appointed to the Regional Greenways Committee. That member shall represent Council and have the authority to act for Council.

MAY 10, 2010  
Approved this date

Vally A. Hrab  
President of Red Lion Borough Council

Donna M. Hrab  
Borough Secretary

Robert J. Hrab  
Chairperson of Redevelopment Commission