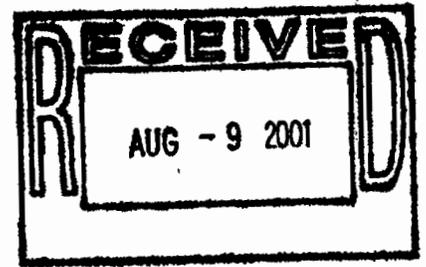


MEMORANDUM OF UNDERSTANDING
BETWEEN THE
TOWN OF SHELTER ISLAND
AND
THE NATURE CONSERVANCY



This Memorandum of Understanding is entered into this 8TH day of AUGUST, 2001, by and between the Town of Shelter Island, New York (hereinafter referred to as the "Town"), having its principal address at Shelter Island Town Hall, 44 North Ferry Road, Shelter Island, New York 11964, and THE NATURE CONSERVANCY, INC. (hereinafter referred to as the "Conservancy"), a not-for-profit corporation organized and existing under the laws of the District of Columbia, having its principal address at 4245 North Fairfax Drive, Arlington, Virginia 22203 and maintaining a Mashomack Nature Preserve Office at Post Office Box 850, Shelter Island, New York 11964.

WHEREAS, two parcels of real property, the first known as Taylor's Island (hereinafter referred to as the "Island"), located in Coecles Harbor and the second, an associated on-shore lot (hereinafter referred to as the "On-shore Lot"), both situate in the Town of Shelter Island and identified on the Suffolk County Tax Map as Nos. 0700-020.00-0.0100-014.000 and 0700-020.00-0.0100-015, respectively, are owned by the Town; and

WHEREAS, the Island and On-Shore Lot were bequeathed to the Town of Shelter Island by the Last Will and Testament of S. Gregory Taylor to be used and enjoyed by the general public in a manner reflecting the intentions of the Will; and

WHEREAS, the Island has potential substantial future value as a natural, scenic and recreational resource for the enjoyment of the residents of and visitors to the Town; and

WHEREAS, the Conservancy is the owner of the adjoining Mashomack Nature Preserve which is operated as a nature sanctuary for scientific study and the contemplation and observation of nature; and

WHEREAS, the primary purpose of the Conservancy is to preserve and conserve natural areas for their aesthetic, scientific, ecological and educational values; and

WHEREAS, the Town desires the assistance of the Conservancy on matters pertaining to the restoration and preservation of the Island as a natural area and its on-going management as a publicly-owned resource; and

WHEREAS, the Town and Conservancy desire that the building presently located on the Island be preserved in its current condition and all existing structures stabilized in a safe and sound condition; and

WHEREAS, other than for the aforesaid building and structures, the Island be returned to and maintained in an undeveloped state and used only for certain limited recreational and environmental purposes; and

WHEREAS the Town and the Conservancy desire to establish a working relationship to accomplish the Taylor's Island Restoration Plan (hereinafter referred to as the "Restoration Plan"), as well as to oversee the general management of Taylor's Island.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the Conservancy and the Town agree to act and work cooperatively in undertaking the Restoration Plan, and in maintaining and managing the Property thereafter as a public resource. It is hereby agreed that the roles and the responsibilities of the Town and Conservancy shall be as follows:

1. The Conservancy shall act as an advisor to and cooperator with the Town in seeing that the Restoration Plan is fully implemented. To that end, the Conservancy shall undertake the following:
 - i. the Conservancy will take responsibility for raising the funds necessary to undertake the ecological segments of the Restoration Plan as outlined in Exhibit "A"; and budgeted in Exhibit "B", both incorporated by reference herein, and will use its best efforts to assist the Town in raising funds necessary to undertake the Town's initial restoration obligations outlined in Exhibit "A".
 - ii. the Conservancy will oversee the implementation of its part of the Restoration Plan, including but not limited to filing on behalf of the Town for all necessary federal, state or local permits required to undertake the Restoration Plan work, obtaining bids, selecting contractors, and actively monitoring the Restoration Plan work while it is being undertaken;

- iii. upon the completion of the Restoration Plan, the Conservancy will incorporate the Property into the Mashomack Preserve's Marine and Environmental Education programs, and shall routinely lead kayaking and canoe visits to the Property as part of these programs. The Conservancy shall also on occasion monitor on behalf of the Town the public use of the Property, and shall report to the Town any repeated or chronic misuse of the Property;
 - iv. upon the completion of the Restoration Plan, the Conservancy will monitor the physical and biological conditions of the Property, and shall report to the Town as necessary on such physical and biological conditions. The Conservancy shall also on an annual basis report to the Town on the number of visitors to the Property generated by Mashomack Preserve's Marine and Environmental Education programs;
 - v. upon completion of the Restoration Plan, the Conservancy shall lead and organize all land-based visits to the Property, save for emergency visits by town emergency and police vehicles, and administrative vehicles. All such visits shall be incorporated into the Mashomack Preserve's Marine and Environmental Educational programs, and the scheduling and organization of such visits shall be worked out on a seasonal basis in connection with the intended inclusion of Taylor's Island in the Town's Nature Preserve System, the Conservancy will assist the Town in creating a Management Plan for the Property, as required by the Town's Nature Preserve System Local Law;
2. The Town, as owner of the Island and On-Shore Lot, and in order to implement fully the Restoration and Management Plans, agrees as follows

- i. the Town will be responsible for the repair and maintenance of the building, and the water, sewer and electrical systems on the Island in their current condition, as well as for the ongoing maintenance of the bulkheading around the Island, and for Mr. Taylor's gravesite.
- ii. the Town and the Conservancy hereby agree that the building on Taylor's Island shall ordinarily remain closed to the public and that its use shall generally be limited to what the Conservancy deems necessary as part of its Marine and Environmental Education programs. However, on occasion, the Town may permit local organizations to use the building as part of the Town's Nature Preserve System and pursuant to the Management Plan to be prepared for Taylor's Island.
- iii. the Town will give written permission to the Conservancy to apply, on behalf of the Town, for all necessary federal, state, and local permits necessary to undertake the work set forth in the Conservancy's portion of the Restoration Plan, and requests for such permission will be acted upon by the Town in as timely a manner as possible;
- iv. the Town shall waive all tipping fees at its recycling center for materials generated from the Island in connection with the Restoration Plan, and shall allow the on-site burning of non-toxic, combustible materials currently existing on the Island as an acceptable means of disposing of such materials in accordance with appropriate local statutes;

- v. upon completion of the Restoration Plan and approval of the Conservancy's Management Plan, the Town shall take all necessary steps to include the Island in its Nature Preserve System;
 - vi. during the Restoration Work, the Town shall promptly erect (with the Conservancy's assistance if desired) signage at appropriate locations on the Island and On-shore Lot advising the public as to the permitted uses of the Island and On-shore Lot. If, during the Restoration Work, either the Town or Conservancy feels that some part of that work presents an unsafe condition, signage will be erected by either party that limits access. All restoration work deemed unsafe must be made safe within sixty (60) working days. The uses of the Island shall be for limited recreational and educational uses that will not damage the physical or ecological integrity of the Island.
3. The Town and Conservancy agree that access to the Island by the public on an unscheduled basis shall be by water only, and that any land-based access to the Island shall be under the terms and conditions of Paragraph 1(v) set forth above as well as pursuant to the regulations set forth in Chapter 36 of the Shelter Island Town Code pertaining to town-owned beaches and parks. There shall be no general public access to or use of the On-shore Lot at any time, but land-based access to the On-shore Lot for town emergency or administrative purposes related to either the On-shore Lot itself or the Island may occur.
4. Following the undertaking of the Restoration Plan work, the Town shall be responsible for all costs and liabilities relating to its ownership of the Island and On-shore Lot, except for those costs associated with the Conservancy's ongoing incorporation of

the Island into its Marine and Environmental Education programs. The Town and Conservancy shall carry adequate comprehensive general liability insurance covering potential property damage and personal liability, and on an annual basis shall provide to each other copies of certificates of insurance.

5. The Town agrees to release, hold harmless, defend, and indemnify the Conservancy from any and all actions, causes of action, claims, and liabilities, including but not limited to injury, losses, damages, judgments, costs, expenses and fees which the Conservancy may suffer or incur as a result of or arising out of the Conservancy's responsibilities to implement the Restoration Plan unless suffered or incurred as a result of or arising out of the willfully negligent act or omission of the Conservancy, its employees, agents, guests and invitees.

6. Except for any property damage or personal injury arising through the Conservancy's programmatic use of the Island, the Town agrees to release, hold harmless, defend, and indemnify the Conservancy from any and all actions, causes of action, claims, and liabilities, including but not limited to injury, losses, damages, judgments, costs, expenses and fees which the Conservancy may suffer or incur as a result of or arising out of non-Conservancy related access to the Island by the public.

7. The Conservancy agrees to release, hold harmless, defend and indemnify the Town from any and all actions, causes of action, claims and liabilities, including but not limited to injury, losses, damages, judgments, costs, expenses and fees which may result from the Conservancy's programmatic use of the Island.

8. This Memorandum of Understanding shall become effective on the date of its execution by both parties hereto and shall remain in effect for a five (5) year period. It

shall automatically renew for additional five (5) year periods unless either the Conservancy or the Town chooses to terminate it by sending notice pursuant to paragraph "9" of their intent to do so. Any notice given indicating either party's intent to terminate this Memorandum of Understanding shall set forth the reason(s) for requesting such termination, and prior to any such termination becoming effective, the parties hereto shall meet to attempt to resolve any and all issues to their mutual satisfaction.

9. Notices and written communications between the Conservancy and the Town shall be directed as follows:

- a. The Nature Conservancy
Mashomack Preserve Office
PO Box 850
Shelter Island, New York 11964
Phone: (631-749-1001); fax: (631) 749-1480
- b. Town of Shelter Island
44 North Ferry Road
Shelter Island, New York 11964
Phone: (631) 749-0015; fax: (631) 749-0278

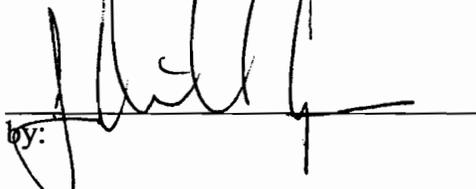
10. The Conservancy and Town agree that if any problem or dispute should arise at any time out of any aspect of this Memorandum of Understanding, the Conservancy and Town shall meet as soon as practicable to resolve such issues to their mutual satisfaction, if at all possible.

11. Nothing in this Memorandum of Understanding shall interfere with, or encumber the property rights of the Conservancy and Town in their respective properties, nor prohibit either from taking steps to ensure that their respective properties are maintained or used in manners consistent with the purposes for which they are owned by the Conservancy and the Town.

IN WITNESS WHEREOF the parties have executed this Memorandum of

Understanding this 8TH day of AUGUST, 2001

The Nature Conservancy, Inc.

by: 

Hereunto duly authorized

Town of Shelter Island

by: 

Hereunto duly authorized