

**FIRST AMENDMENT TO THE MEMORANDUM OF AGREEMENT**

**BETWEEN**

**THE UNITED STATES DEPARTMENT OF THE ARMY**

**AND**

**THE JO-CARROLL DEPOT LOCAL REDEVELOPMENT AUTHORITY**

This Memorandum of Agreement Amendment (the "Amendment") is made and entered into by and between the United States of America, acting by and through the Deputy Assistant Secretary of the Army (Installations & Housing) (the "Army"), and the Jo-Carroll Depot Local Redevelopment Authority (the "Authority"), an agency of Jo Daviess and Carroll Counties, Illinois, as of this 26th day of May 2005.

**WHEREAS**, the Army and the Authority entered into an Memorandum of Agreement (the "MOA") dated August 22, 2003, regarding, amongst other things, the conveyance of approximately 2957.95 acres of real property at the former Savanna Army Depot (the "Property") by the Army to the Authority; and

**WHEREAS**, in furtherance of the MOA, the Army and the Authority wish to memorialize additional agreements to expedite the conveyance of the Property from the Army to the Authority; and

**WHEREAS**, the Army and the Authority have agreed to amend the MOA with the agreements provided herein.

**NOW, THEREFORE**, for and in consideration of mutual covenants and agreements set forth herein, the Army and the Authority do hereby agree as follows:

1. Paragraph B of Section 2.01 of the MOA is hereby deleted in its entirety and replaced with the following four paragraphs:

“B. Remaining Transfers. The Army and the Authority are committed to completing all of the remaining transfers of the Property from the Army to the Authority by June 1, 2006. The portions of the Property that have not, to date, been transferred to the Authority constitute approximately 2,555 acres. The parties will take all necessary actions to complete the transfer of the Property, and the water and sanitary sewer utility infrastructure accompanying the Property. Transfer shall occur upon the completion and Army approval of requisite Finding of Suitability to Transfer (“FOST”) documents, as well as a Finding of Suitability of Early Transfer (“FOSET”), as the case may be. The Army agrees to use its best efforts to approve FOSTs and the FOSET, and to convey the portions of the Property covered thereby as soon thereafter as practicable. The Authority agrees to accept transfer of the Property pursuant to the terms of the MOA, this Amendment, the Defense Base Closure and Realignment Act of 1990, as amended (the BRAC Law), and other applicable laws.

C. Transfer Schedule – FOST Property

The Army agrees to use its best efforts to complete a FOST or FOSTs for all parcels that will be suitable for transfer during the course of the Army's 2005 Fiscal Year, beginning October 1, 2004 and ending September 30, 2005, and to convey all parcels as soon thereafter as practicable. The 2005 Fiscal Year FOST Property currently includes but is not limited to the following JCDLRA parcels: 2, 3A, 16A, A1, 3B (except for a portion of Crim Drive), 6Z, 10A, 10B and 18A. The Army is currently considering these additional parcels for FOST: 11A and 15A. If a FOST is not obtained for one or more of these parcels by September 30, 2005, then the parcels will be included in the FOSET Property as set forth in subparagraph D herein. The Army further agrees to convey said parcels to the Authority pursuant to the terms of the MOA and this Amendment.

#### D. Transfer Schedule – FOSET Property

The Army agrees to use its best efforts to complete a FOSET for all of the property remaining for transfer at the end of the Army's 2005 Fiscal Year, and, subject to approvals of the early transfer from the United States Environmental Protection Agency ("EPA") and the Governor of Illinois, required by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) Section 120(h)(3)(C), the Army agrees to convey the FOSET Property to the Authority as soon thereafter as practicable.

E. Acceptance

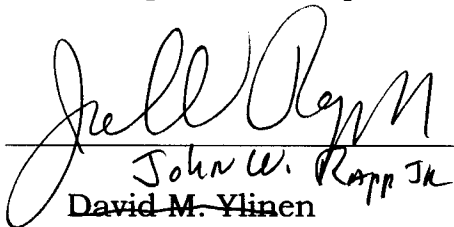
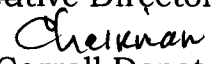
The Authority hereby agrees to accept ownership of all FOSET property within 45 days of the Army acquiring approval of early transfer by the EPA and the Governor of Illinois, as required by CERCLA Section 120(h)(3)(C).”

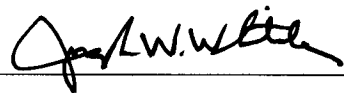
2. The Authority hereby confirms its obligation under Section 2.01 of the MOA and this Amendment to accept the conveyance of the Property, pursuant to the terms of the MOA, this Amendment, the BRAC Law, and all other applicable laws.

3. The terms of the MOA, as amended by this Amendment, are hereby ratified and confirmed. Except as modified herby, the terms of the MOA are incorporated herein by reference.

**IN WITNESS WHEREOF**, the Parties execute this Amendment as of this 26 day of May 2005.

Jo-Carroll Depot Redevelopment Authority United States of America

By:   
John W. Rapp Jr.  
David M. Ylinen  
Executive Director  
the Army   
Jo-Carroll Depot  
Local Redevelopment Authority

By:   
Joseph W. Whitaker  
Deputy Assistant Secretary of  
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