

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF ROCHELLE
AND THE FLAGG-ROCHELLE COMMUNITY PARK DISTRICT
(ROCHELLE GOLF COURSE PROPERTY)**

This First Amendment to Intergovernmental Agreement ("Amendment"), effective as of the ____ day of March, 2016, between the City of Rochelle, an Illinois municipal corporation, and the Flagg-Rochelle Community Park District, an Illinois municipal corporation:

WITNESSETH

THAT WHEREAS, the parties entered into an Intergovernmental Agreement dated March 20, 2013 ("Agreement"), relating to the acquisition and leasing of certain real estate located within the City and the Park District, improved with a golf course, restaurant and ancillary facilities, consisting generally of approximately 74.285 acres ("Property"); and

WHEREAS, the parties subsequently acquired the Property and entered into lease agreements with third parties for the purpose of operating the golf course and the restaurant on the Property, or subleasing the Property for such purposes; and

WHEREAS, all leases and subleases relating to the operation of the golf course and the restaurant on the Property have expired or been terminated, and no leases or subleases are currently in effect; and

WHEREAS, recognizing that the operation of a golf course on the Property is a valuable amenity to the City and the Park District, and their constituents, the City and the Park District have agreed to operate the golf course (but not the restaurant) for the 2016 golf season on the terms set forth herein; and

WHEREAS, in order to memorialize the terms of their joint operation of the golf course, the parties wish to amend certain provisions of the Agreement, as set forth herein;

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, and pursuant to authorization of the governing boards of the parties enacted in accordance with all applicable statutes and ordinances, the parties agrees as follows:

1. Amendments to Agreement. The Agreement is hereby amended, effective as of the date set forth above, in the following particulars:

(a) Section 5 is amended by adding the following:

"Notwithstanding the foregoing, the parties agree to jointly operate the golf course facility (but not the restaurant) on the terms set forth herein, or on such other terms as to which the parties may mutually agree, effective as of March____, 2016, for the 2016 golf season and for as long thereafter as the parties agree to continue such joint operation. The terms of such joint operation shall include the following: (i) the City, with the consent of the Park District, shall hire a golf course manager, and such other employees as may be necessary for the operation of the golf course, all of whom shall be City employees; (ii) the golf course manager shall supervise all such employees, and shall report to the Park District Executive Director, who shall be responsible to oversee the golf course manager's management of the golf course; (iii) all revenues and expenses of the golf course shall be processed through the City's financial department and paid by the City, with each party ultimately bearing responsibility for 50% of any net gain or loss on an annual basis, following an accounting of same by the City";

(b) Section 6 is amended by adding the following sentence:

"Notwithstanding the foregoing, effective March ____, 2016, and continuing thereafter for as long as the parties continue the joint operation of the golf course facility, the parties shall be responsible for procuring and maintaining in force, such insurance coverage as each party may deem appropriate to cover such party's interest in the golf course property and such party's potential liability to others, which shall include the following insurance coverage: (i) General Liability with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate; (ii) Public Officials Liability with limits of not less than \$1,000,000 per occurrence/\$2,000,000 aggregate; (iii) dram shop coverage in amounts to be determined by the parties. The City will arrange for the Park District to be named as a loss payee on the City's insurance coverage for the Park District's interest in the golf course property, as has been the case since the original intergovernmental agreement was executed."

(c) Section 7 is amended by adding the following sentence:

"Notwithstanding the foregoing, should the option periods expire with neither party exercising its option rights, and should the parties be jointly operating the golf course at such time, the parties shall defer listing the Property for sale or selling the Property, until the parties no longer jointly operate the golf course. ".

2. Recordable Memorandum. The parties shall execute a memorandum of the Agreement, as amended by this Amendment, and cause the same to be recorded in the Office of the Ogle County Recorder.

3. Other Terms. Except as expressly amended herein, the terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

CITY OF ROCHELLE, an Illinois municipal corporation

FLAGG ROCHELLE COMMUNITY PARK DISTRICT, an Illinois municipal corporation

By: _____
DAVID S. PLYMAN
City Manager

By: _____
ROGER BUNGER
President

Attest: _____
BRUCE MCKINNEY
City Clerk

Attest: _____
MICHELLE PEASE
Secretary

STATE OF ILLINOIS)
) ss.
COUNTY OF OGLE)

I, the undersigned notary public, do hereby certify that David S. Plyman and Bruce McKinney, the City Manager and City Clerk, respectively of the City of Rochelle, an Illinois municipal corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument in said capacity, pursuant to authority of the governing body of the City.

Given under my hand and official seal, this _____ day of _____, 2016.

(SEAL)

NOTARY PUBLIC

STATE OF ILLINOIS)
) ss.
COUNTY OF OGLE)

I, the undersigned notary public, do hereby certify that Roger Bunger and Michelle Pease, the President and Secretary, respectively of the Flagg-Rochelle Community Park District, an Illinois municipal corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument in said capacity, pursuant to authority of the governing body of the Flagg-Rochelle Community Park District.

Given under my hand and official seal, this _____ day of _____, 2016.

(SEAL)

NOTARY PUBLIC

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EXHIBIT A
(Legal Description of Property)

PARCEL 1

Part of Section 25, Township 40 North, Range 1 East of the Third Principal Meridian, Ogle County, Illinois, bounded and described as follows, to-wit: Beginning at the Northwest corner of Lot 1 in Block 1 of Earl Cleveland Subdivision, according to the Plat thereof recorded as Document No. 310159 in Book H of Plats at page 25 in the Office of the Ogle County Recorder; thence North 88 degrees 50 minutes 22 seconds East (assumed datum) along the North line of said Subdivision, a distance of 789.83 feet; thence North 54 degrees 40 minutes 57 seconds East along the Northerly line of said Subdivision and the Northerly line of Earl Cleveland Subdivision No. 2, a distance of 1698.80 feet to the Northeasterly corner of Lot 6 in Block 1 of said Subdivision; thence North 39 degrees 48 minutes 32 seconds West along the Southwesterly line of South Main Street, a distance of 417.37 feet; thence continuing North 38 degrees 12 minutes 09 seconds West along said Southwesterly line, a distance of 110.00 feet to a point 56 feet Northwesterly of the Southeast corner of Lot 6 in Block 2 of Southworth's Addition to the City of Rochelle; thence South 50 degrees 52 minutes 39 seconds West, parallel to the Northwesterly line of said Lot 6, a distance of 140.02 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 74.69 feet; thence South 50 degrees 52 minutes 39 seconds West, parallel to the Northwesterly line of said Lot 6, a distance of 81.74 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 61.19 feet to a point on the Northwesterly line of said Lot 6; thence North 50 degrees 52 minutes 39 seconds East along said Northwesterly line, a distance of 52.37 feet to a point 169 feet Southwesterly of the Southwesterly line of South Main Street; thence North 38 degrees 12 minutes 09 seconds West, parallel to said Southwesterly line, a distance of 197.86 feet to a point on the Northwesterly line of Lot 3 in Block 2 of said Southworth's Addition; thence South 50 degrees 52 minutes 37 seconds West along said Northwesterly line, a distance of 75.00 feet; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 131.84 feet to a point on the Southeasterly line of Avenue D; thence South 50 degrees 51 minutes 33 seconds West along said Southeasterly line, a distance of 49.64 feet to the Northwesterly corner of Lot 1 in Block 2 of said Southworth's Addition; thence North 38 degrees 12 minutes 09 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 66.00 feet to a point on the Northwesterly line of said Avenue D; thence North 50 degrees 51 minutes 33 seconds East, along said Northwesterly line, a distance of 94.02 feet to a point 68 feet Southwesterly of the Southeasterly corner of Lot 3 in Block 1 of said Southworth's Addition; thence North 38 degrees 06 minutes 58 seconds West, parallel to the Southwesterly line of said South Main Street, a distance of 335.29 feet; thence South 50 degrees 18 minutes 41 seconds West, parallel to the Northwesterly line of said Block 1, a distance of 51.10 feet; thence North 38 degrees 41 minutes 37 seconds West, a distance of

73.00 feet to a point 252 feet Southwesterly of the Southwesterly line of said South Main Street; thence North 50 degrees 18 minutes 41 seconds East, a distance of 16.91 feet; thence North 38 degrees 06 minutes 58 seconds West, parallel to said Southwesterly line of South Main Street, a distance of 45.96 feet; thence North 35 degrees 37 minutes 42 seconds West, parallel to said South Main Street, a distance of 193.54 feet to a point on the centerline of Kyte Creek; thence South 51 degrees 14 minutes 54 seconds West, along said centerline, a distance of 76.85 feet; thence North 37 degrees 42 minutes 12 seconds West, a distance of 168.00 feet; thence South 53 degrees 51 minutes 48 seconds West, a distance of 55.00 feet to a point on the East line of the vacated alley along the East side of Block 1 in Atwater's Addition to the City of Rochelle; thence North 01 degrees 32 minutes 06 seconds West, along said East line, a distance of 94.40 feet to a point on the Easterly extension of the North line of Lot 7 in said Block 1; thence South 88 degrees 27 minutes 54 seconds West along said North line and its extension, a distance of 140.39 feet to the Northwest corner of said Lot 7; thence South 01 degrees 32 minutes 06 seconds East, along the West line of said Block 1, a distance of 282.24 feet to a point on the centerline of said Kyte Creek; thence South 78 degrees 41 minutes 46 seconds West along said centerline, a distance of 111.35 feet; thence South 84 degrees 57 minutes 15 seconds West along said centerline, a distance of 260.12 feet; thence North 71 degrees 56 minutes 04 seconds West along said centerline, a distance of 141.07 feet; thence North 86 degrees 12 minutes 01 seconds West along said centerline, a distance of 132.04 feet to a point on the Easterly right of way line for F.A. Route 740 (Illinois Route 251); thence South 01 degrees 40 minutes 31 seconds East along said right of way line, a distance of 75.00 feet; thence South 02 degrees 37 minutes 00 seconds West along said right of way line, a distance of 270.76 feet; thence South 01 degrees 40 minutes 31 seconds East along said right of way line, a distance of 1713.02 feet to the point of beginning; situated in the County of Ogle and State of Illinois; (74.320 acres m.o.l.)

Excepting Therefrom:

Part of the Northwest Quarter (1/4) of Section 25, Township 40 North, Range 1 East of the Third Principal Meridian, City of Rochelle, Ogle County, Illinois, bounded and described as follows, to-wit:

Beginning at the intersection of the North line of Lot Seven (7) in Block One (1) of Atwater's Addition to the City of Rochelle, extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block One (1); thence South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 14.13 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 16.74 feet to a point on the North line of said Lot Seven (7), extended Easterly; thence North 88 degrees 27 minutes 48 seconds East, along said extended line, a distance of 8.99 feet to the point of beginning; situated in the Township of Flagg, the County of Ogle and State of Illinois; (0.001 acres m.o.l.)

Also Excepting Therefrom:

Part of the Northwest Quarter (1/4) of Section Twenty-Five (25), Township Forty (40) North, Range One (1) East of the Third Principal Meridian, Ogle County, Illinois, bounded and described as follows, to wit:

Beginning at the intersection of the North line of Lot Seven (7) in Block 1 of Atwater's Addition to the City of Rochelle extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block 1; thence South 01 Degrees 32 Minutes 07 Seconds East along said East line, a distance of 14.13 feet; thence South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 80.27 feet; thence North 53 degrees 51 minutes 48 seconds East, a distance of 43.11 feet to the Point of Beginning; thence continuing 53 degrees 51 minutes 48 seconds East, a distance of 11.89 feet; thence South 37 degrees 42 minutes 12 seconds east, a distance of 168.00 feet to a point on the centerline of Kyte Creek; thence South 59 degrees 28 minutes 48 seconds West, along said centerline, a distance of 22.79 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 165.82 feet, to the Point of Beginning; situated in the Township of Flagg, County of Ogle, and State of Illinois. (0.066 acres m.o.l.)

PARCEL 2

Part of the Northwest Quarter (1/4) of Section Twenty-Five (25), Township Forty (40) North, Range One (1) East of the Third Principal Meridian, City of Rochelle, Ogle County, Illinois, bounded and described as follows, to wit:

Commencing at the intersection of the North line of Lot Seven (7) in Block 1 of Atwater's Addition to the City of Rochelle extended Easterly to the East line of the vacated alley lying East of and adjacent to said Block 1; thence South 01 degrees 32 minutes 07 seconds East along said East line, a distance of 14.13 feet to the Point of Beginning; thence continuing South 01 degrees 32 minutes 07 seconds East, along said East line, a distance of 80.27 feet; thence North 53 degrees 51 minutes 48 seconds East, a distance of 43.11 feet; thence North 33 degrees 59 minutes 35 seconds West, a distance of 66.12 feet to the Point of Beginning; situated in the Township of Flagg, County of Ogle, and State of Illinois. (0.033 acres m.o.l.)