

^{M.E.}
SIMPSON
Co., Inc.

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April 13, 2007

Angela Podesta
Utilities Superintendent
Village of Lombard
1051 S. Hammerschmidt Avenue
Lombard, IL 60148

Dear Ms. Podesta,

Here are two copies of the Contract for the Valve Program for the Village of Lombard for 2007. Please have both signed and return one of them to us for our records.

We anticipate that once the contract has been approved, we will be ready to start the Valve Program before the end of April. We expect the Valve Program to take between seventeen to twenty days to complete.

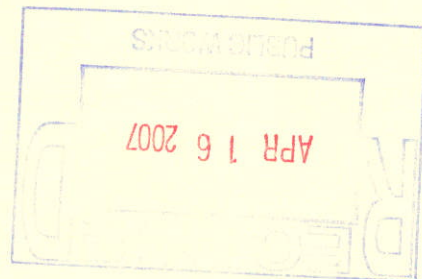
If there are any inquiries regarding this Contract, please do not hesitate to contact us. We look forward to hearing from you soon.

Sincerely yours,



John H. Van Arsdel
Vice President

Encl: 2 copies of Contract



VILLAGE OF LOMBARD

CONTRACT DOCUMENT NUMBER PWU-0732

This agreement is made this 19th day of April, 2007 by and between, and shall be binding upon, the Village of Lombard, an Illinois municipal Corporation hereinafter referred to as (the "Village") and M.E. Simpson Company, Inc. hereinafter referred to as (the "Contractor").

Witnesseth That in consideration of the mutual promises of the parties delineated in the Contract Documents, the Contractor agrees to perform the services and the Village agrees to pay for the following services as set forth in the Contract Documents:

Exercise and collect data on water distribution valves in an amount not to exceed \$30,000

1. This Contract shall embrace and include all of the applicable Contract Documents listed below as if attached hereto or repeated herein:
 - a. Specification and Contract Document no. PWU-0732 for Water Valve Exercising, consisting of the following:
 - i) Cover Sheet
 - ii) Table of Contents
 - iii) Invitation to Bid on Contract Document No. PWU-0732 - Legal Notice
 - iv) General Terms, Conditions and Instructions
 - v) Specific Terms, Conditions and Instructions
 - vi) Bid Proposal Form
 - vii) Plans and Specifications and Specification Deviation Form
 - b. The Contractor's Bid Proposal Dated April 4, 2007
 - c. Required Performance and Payment Bonds and Certificate of Insurance
2. The Village agrees to pay, and the Contractor agrees to accept as full payment for the services which are the subject matter of this Contract the total sum not to exceed \$30,000.00 paid in accordance with the provisions of the Local Government Prompt Payment Act and the provisions of the Contract Documents.

3. Contractor shall not delegate the duties involved in the performance of the services which are the subject matter of this Contract without the written approval of the Village.
4. This Contract represents the entire agreement between the parties and may not be modified without the written approval of both parties.
5. Where the terms of this Contract conflict with the provisions of the Contract Documents, the Contract Documents shall be binding.

IN WITNESS WHEREOF, the Village of Lombard, Illinois by William J. Mueller, Village President, and the Contractor have hereunto set their hands this 19th day of April, 2007.

If an individual or partnership, all individual names of each partner shall be signed or if a corporation, an officer duly authorized shall sign here:

Accepted this 13 day of April, 2007.

Individual or Partnership _____ Corporation X

John N. Van Arsdale Vice President
 By _____ Position/Title

[Signature] President
 By _____ Position/Title

M. E. Simpson Co., Inc
 Print Company Name

THE VILLAGE OF LOMBARD, ILLINOIS

Accepted this 19th day of April, 2007.

[Signature]
 William J. Mueller
 Village President

Attest:

[Signature]
 Brigitte O'Brien
 Village Clerk

VILLAGE OF LOMBARD

CONTRACTOR'S CERTIFICATION

John H. VANARSDel, having been first duly sworn depose and states as follows:
(Officer or Owner of Company)

M. E. SIMPSON Co. INC., having submitted a proposal for:
(Name of Company)

Water Valve Exercising Project to the Village of Lombard, hereby certifies that said Contractor:

1. has a written sexual harassment policy in place in full compliance with 775 ILCS 5/2-105(A) (4).
2. is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, or if it is:
 - a. it is contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate revenue Act; or
 - b. it has entered into an agreement with the Department of Revenue for payment of all taxes due and is currently in compliance with that agreement.
3. is in full compliance with the Federal Highway Administration Rules on Controlled Substances and Alcohol Use and Testing, 49 CFR Parts 40 and 382 and that All Employee DRIVERS
(Name of employee/driver or "all employee drivers")
is/are currently participating in a drug and alcohol testing program pursuant to the aforementioned rules.

By: John H. Van Arsdel - Vice President
Authorized Agent of Contractor

Subscribed and sworn to
before me this 13
day of April, 2007.

Meg McKinley
Notary Public

INSURANCE

- (A) During the term of the contract, the contractor shall provide the following types of insurance in not less than the specified amounts:
1. Commercial General Liability - \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate;
 2. Auto Liability - Combined Single Limit Amount of \$1,000,000.00 on any contractor owned, and/or hired, and/or non-owned motor vehicles engaged in operations within the scope of this contract;
 3. Professional Liability - \$1,000,000.00 (Required only where contracts are for professional services);
 4. Workers Compensation - Statutory; Employers Liability \$1,000,000.00 (the policy shall include a 'waiver of subrogation'); and
 5. Umbrella Coverage - \$1,000,000.00
- (B) The aforementioned insurance requirements shall be fulfilled by the contractor by maintaining insurance policies which name the Village, its officers, agents, employees, representatives and assigns as additional insureds (except on policies for professional liability). Such insurance shall be primary with respect to any insurance or self-insurance programs covering the Village, its officers, agents, employees, representatives and assigns. The contractor shall furnish to the Village satisfactory proof of coverage by a reliable company or companies, before commencing any work. Such proof shall consist of certificates executed by the respective insurance companies and filed with the Village together with executed copies of an Additional Insured Endorsement (Insurance Form CG2010 - 1985 version). Said certificates shall contain a clause to the effect that, for the duration of the contract, the insurance policy shall be canceled, expired or changed so as to the amount of coverage only after written notification 30 days in advance has been given to the Village.
- (C) The contractor shall require subcontractors, if any, not protected under the contractor's policies, to take out and maintain insurance of the same nature in amounts, and under the same terms, as required of the contractor.