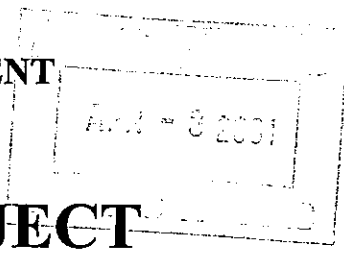


INTERGOVERNMENTAL AGREEMENT
CONSTRUCTION PHASE
ADDISON STREET PROJECT
(JACKSON STREET TO MAPLE STREET)



THIS AGREEMENT is entered into this 15th day of March, 2001,
by and between the VILLAGE OF VILLA PARK (hereinafter referred to as "Villa Park")
and the VILLAGE OF LOMBARD (hereinafter referred to as "Lombard"), each acting
through its respective Village President and Board of Trustees.

WITNESSETH:

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 and 5
ILCS 220/1 et seq. authorize units of local government to contract or otherwise associate
among themselves to obtain or share services, to exercise, combine or transfer any power
or function, in any manner not prohibited by law, to use their credit, revenues and other
reserves to pay costs and to service debt related to intergovernmental activities; and

WHEREAS, Lombard and Villa Park each have jurisdiction over a portion of
Addison Street, between Jackson Street and Maple Street; and

WHEREAS, Addison Street is in disrepair and Lombard and Villa Park are
desirous of making improvements to Addison Street, which include the full
reconstruction of Addison Street from Jackson Street to Maple (School) Street, including
storm sewer improvements, water main replacement, street lighting, sidewalk
replacement, bituminous concrete pavement, curb and gutter, as more fully described on

Exhibit "A" attached hereto and made part hereof(hereinafter referred to as the "Project");
and

WHEREAS, Lombard and Villa Park have entered into a separate prior agreement dated _____, 2000 for the design and preparation of construction documents for the Project; and

WHEREAS, Lombard has prepared engineering plans, specifications, and estimates for the Project under the supervision of a registered engineer in the State of Illinois; and

WHEREAS, Lombard and Villa Park agree to share the costs for the improvements on a proportionate basis; and

WHEREAS, it is in the best interests of the citizens of the respective Villages to enter into an agreement to make improvements to Addison Street; and

WHEREAS, the parties to this Intergovernmental Agreement desire to set forth their respective rights and duties concerning the costs and expenses for the construction of the Project;

NOW, THEREFORE, in consideration of the foregoing, pursuant to the powers of intergovernmental cooperation and in consideration of the mutual promises hereinafter set forth, it is agreed by and between Lombard and Villa Park as follows:

1. Lombard will act as the lead agency in causing the selection of resident engineering consultants, materials quality control specialists and the construction contractor, and shall be responsible for construction phasing, for said Project, subject to Villa Park's approval of the selections for the above services prior to the awarding of any contracts therefor.

2. Lombard, as lead agency, will prepare sufficient documentation to easily determine the extent of services, improvements, labor and material quantities placed in each Village and all amounts shown in Exhibit "A" will be adjusted according to the actual final quantities.

3. Lombard will invoice Villa Park monthly for its respective share of the costs of the Project on an actual cost progress payment basis. Villa Park will remit payment to Lombard according to the Local Government Prompt Payment Act; however, it is agreed that payment extensions will be granted due to disputed invoices or other legitimate reasons.

4. Lombard will take over maintenance duties of Addison Street during the construction phase of the project; that is, Lombard will be responsible for maintenance, signage, accessibility to properties and emergency services access. Upon completion of the project and written acceptance of the Project by Villa Park, Lombard shall transfer maintenance duties for Villa Park's portion of Addison Street back to Villa Park.

5. Lombard will require all contractors to name Villa Park, and its officers, agents and employees as additional insureds on insurance policies, with certificates of insurance to evidence same, plus indemnification from said contractors relative to claims against Villa Park as a result of the construction of the Project. Lombard will require the contractor to meet or exceed minimum levels of insurance, based on either Lombard or Villa Park's requirements, whichever is more stringent.

6. Written acceptance of the plans, specifications and cost estimates by Villa Park shall be obtained prior to bidding the Project.

7. Villa Park and Lombard will share the cost of those actions authorized by this Intergovernmental Agreement on a shared cost basis for certain items and actual costs for other items all as further described below. Construction materials testing and roadway related costs (earthwork, pavement, storm sewers and appurtenances, traffic control, field office, pavement markings, curb and gutter, and related items) will be shared in proportion to the length of the Project in each Village. Of the 4542 foot total length of Project, 571 feet are entirely within Villa Park, with the 3971 foot balance being half in Lombard and half in Villa Park. Based on the foregoing, Lombard's proportionate share is 43.7% and Villa Park's proportionate share is 56.3%.

8. The following categories of costs will be paid for by each Village based on actual quantities in each Village: Sidewalk, driveways and restoration; street lighting and appurtenances; water system (including trench backfill and services) and appurtenances; and sanitary sewer (including trench backfill and services) and appurtenances. Villa Park will inspect, at their sole cost, the work that is paid for at 100% Villa Park cost and will furnish Lombard with quantities for the same for inclusion in pay estimates for the Project. Lombard will inspect, at their sole cost, the work that is paid for at 100% Lombard cost. Villa Park will provide a resident engineering assistant, at their sole cost, during periods of peak construction activity to assist the resident engineer provided by Lombard for the purpose of inspecting and documenting the shared cost work items.

9. Villa Park will provide sufficient assistance throughout the Project to successfully coordinate utility shut downs, relocations, detours, haul routes, newsletters, and customer relations in Villa Park.

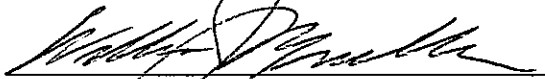
10. Lombard shall complete or cause the completion of the construction of the

Project under this Agreement on or before December 31, 2002, absent *force majeure*.


11. Lombard will supply one set of reproducible record drawings to Villa Park within six months of completion of construction of the Project.

IN WITNESS WHEREOF, the parties set their hands and seals as of the date first written above.

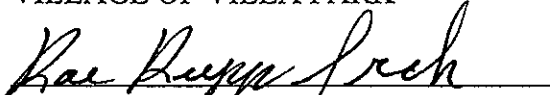
VILLAGE OF LOMBARD


Village President

ATTEST:


Village Clerk

VILLAGE OF VILLA PARK


Village President

ATTEST:

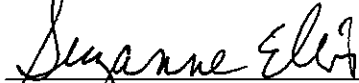

Village Clerk



EXHIBIT A
ESTIMATE OF PROBABLE COSTS

Description: Full reconstruction of Addison Street from Jackson Street to Maple Street, including storm sewers, water main replacement, street lighting, sidewalk replacement, bituminous concrete pavement, curb and gutter.

Division of Cost:

Roadway: 43.7% Village of Lombard
56.3% Village of Villa Park

Sidewalk, Driveways
and Restoration: Actual Cost based on work in each Village
Street Lighting: Actual Cost based on work in each Village
Water: Actual Cost based on work in each Village
Sanitary: Actual Cost based on work in each Village

ESTIMATED CONSTRUCTION COST:	Lombard	Villa Park	Total
Roadway	\$536,011	\$686,221	\$1,222,232
Sidewalk, Driveways and Restoration	\$96,413	\$115,887	\$212,300
Street Lighting	\$60,068	\$0	\$60,068
Water	\$205,518	\$171,652	\$377,170
Sanitary	\$58,988	\$167,407	\$226,395
Total Estimated Construction Cost	\$956,998	\$1,141,167	\$2,098,165
Construction Materials Testing	\$19,000	\$23,000	\$42,000
Resident Engineering	\$143,000	(SEE NOTE 1)	\$143,000
Total Estimated Project Cost:	\$1,118,998	\$1,164,167	\$2,283,165
Note 1: Villa Park will provide a resident engineering assistant to assist Lombard's resident engineer during periods of peak construction activity.			