

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, is entered into this 27th day of JULY, 2004, by and between the State of Illinois, acting through the Illinois Department of Transportation, and hereinafter called the "State" and the City of Markham, and hereinafter called the "City."

WITNESSETH

WHEREAS, the State and the City, have the duty to promote the interests of the safe and efficient movement of vehicular traffic and public safety; and

WHEREAS, the parties shall enter into a grant or award agreement, to be effective for fiscal year 2005 and subject to compliance with all applicable State law and necessary certifications, on the basis of the following terms, among others:

The State will agree:

1. To provide \$350,000 in funding for the installation of streetlights on Wood Street from 167th Street to 161st Street in Markham;
2. To provide \$20,000 in funding for the necessary repairs and maintenance of Wood Street from 167th Street to 161st Street as well as landscaping along that length of Wood Street in Markham;
3. To provide \$1,270,000 in funding for the relocating, reconnection of services, and restoration of the watermain that runs under Wood Street in Markham;
4. To provide \$155,000 in funding for the erection of a salt dome within the city limits of Markham;

The City will agree:

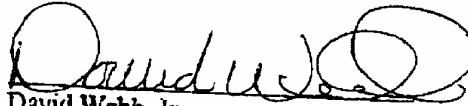
5. To prepare or cause to be prepared all required engineering documents, to let, award and supervise all necessary contracts for projects, to acquire any necessary right of way and to perform construction work with its own forces to the extent authorized; PROVIDED that all lettings and awards are made by the City;
6. To meet all duties and obligations imposed by state law respecting nonfederal-aid projects;
7. To promptly pay all contractors engaged on projects undertaken pursuant to this Memorandum of Understanding;
8. To assume maintenance responsibility for the newly reconstructed streets; and

The parties will mutually agree:

9. That, with respect to the State funding project initiation will be the responsibility of the City and is to be coordinated with the State.

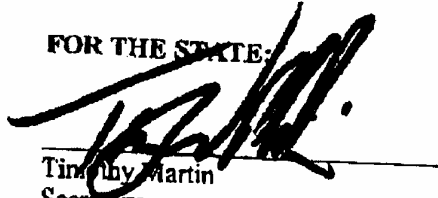
IN WITNESS WHEREOF, City and State have caused this Memorandum of Understanding to be executed by their authorized representatives on the 27th Day of July, 2004.

FOR THE CITY:



David Webb, Jr.
Mayor
City of Markham

FOR THE STATE:



Timothy Martin
Secretary
Illinois Department of Transportation