

LEASE AGREEMENT

THIS LEASE AGREEMENT is made as of the 28th day of December 2005, by and between **LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT**, a public body corporate, ("MSD"), 700 West Liberty Street, Louisville, Kentucky, 40203-1913, and **LOUISVILLE METRO GOVERNMENT**, a public body, 550 West Jefferson Street, Louisville, Kentucky, 40202, ("TENANT").

WITNESSETH:

MSD owns certain real property at 151 Cabel Street, Louisville, Kentucky, which it wishes to make available for the use of the Tenant, and Tenant wishes to use the real property, and

NOW THEREFORE, in consideration of the mutual agreements, covenants, and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, MSD and Tenant agree as follows:

1. Premises. MSD does hereby demise and lease unto Tenant, and Tenant hereby agrees to lease from MSD (hereinafter "Lease"), the property located at 151 Cabel Street, Louisville, Kentucky, **consisting of a parking lot** as more particularly described on Exhibit "A" attached hereto and incorporated herein (hereinafter "Premises"). Specifically not demised are the buildings which are located at the same address. Also specifically not demised is that portion of the parking lot within the boundary of the fence which is owned by Louisville Gas and Electric. Reserved by MSD from this Lease is access through the Premises to access the building on the property.

2. Term. This Lease shall commence on December 14, 2005, and shall automatically terminate at midnight on January 13, 2006. Thereafter, this Lease shall automatically renew for an additional one month term unless either party gives notice in writing to the other party at least thirty (30) days prior to the expiration of the Lease of its intent not to renew. All renewals of this lease shall be included in the Term and shall be subject to the provisions of this Lease.

3. Permitted Use. The Premises shall be used as surface parking by the Tenant.

4. Rent. Tenant shall pay to MSD one dollar (\$1.00) per year payable in advance or a pro rata share thereof for a shorter period of the Term. Provided that, the parties acknowledge that both MSD and Tenant are tax-exempt entities and, therefore, property taxes are not due on the Premises; however, should property taxes become due and payable on the Premises, Tenant agrees that it will be responsible for the payment of such taxes which shall be considered as an additional part of the Rent.

5. Delivery of Possession and Changes and Additions. The parties agree that the Premises are deemed ready for Tenant's possession on December 14, 2005. The parties agree that by occupying the Premises as a tenant, Tenant formally accepts the same, in "as is" condition, and acknowledges that the Premises are in the condition called for hereunder. Failure of MSD to deliver possession of the Premises within the time and in the condition provided for in this Lease shall not give rise to any claim for damages by Tenant against MSD.

6. Conduct of Business by Tenant.

(a) Use of Premises: Tenant shall use and occupy the Premises during the continuance of this Lease solely for the Permitted Use set forth herein, and for no other purpose or purposes without the prior written consent of MSD. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business, or other activity carried on or to be carried on in the Premises, or if a failure to procure such a license or permit might or would, in any way, affect MSD or the Premises, then Tenant, at Tenant's expense, shall procure and maintain such license or permit. Tenant shall promptly comply with all laws and ordinances and lawful orders and regulations affecting the Premises and the cleanliness, safety, occupancy, and use of same. Tenant shall not permit noise or odors on the Premises and, upon notice from MSD, Tenant shall immediately cease and desist from causing such noise or odor, and in the event Tenant's refuses or fails to comply with such notice, MSD may deem the same a material breach of the Lease. Tenant shall not cause or permit the use, generation, storage, or disposal in, on, or about the Premises, of any substances, materials, or wastes subject to regulation under any Federal, state, or local laws from time to time in effect concerning hazardous, toxic, or radioactive materials, unless Tenant shall have received MSD's prior written consent.

(b) Tenant shall keep the Premises orderly, neat, safe, and clean and free from rubbish and dirt at all times. Tenant shall be responsible for all garbage removal from the Premises, at its own expense.

7. Alterations; Tenant Alterations. Tenant shall not make, or cause to be made, any changes, alterations, additions, or improvements to the Premises, and shall comply with all applicable contracts, laws, and regulations pertaining to same.

8. Maintenance of Premises. Tenant shall keep and maintain the Premises in a clean, sanitary, and safe condition, in accordance with the laws of the Commonwealth of Kentucky and in accordance with all directions, rules, and regulations of the health officer, fire marshal, building inspector, or other proper officials of the governmental agencies having jurisdiction. All maintenance shall be at the sole cost and expense of Tenant, and Tenant shall comply with all requirements of law, ordinance, and otherwise, affecting the Premises. At the time of the expiration of the tenancy created herein, Tenant shall surrender the Premises in good condition with reasonable wear and tear or other unavoidable casualty excepted. Tenant further agrees to comply with any and all requirements of the insurance underwriters insuring the Premises.

9. Insurance. Tenant shall, from the date Tenant takes possession of the Premises until the end of the Term hereof, obtain and maintain policies of commercial general liability insurance, or self-insurance through the Louisville Area Governmental Self-Insurance Trust (LAGIT), including coverage for the Premises, with policy limits of not less than \$5,000,000 DOLLARS per occurrence and \$5,000,000 DOLLARS aggregate, exclusive of defense costs, unless MSD agrees to a lesser amount. LAGIT's coverage to Tenant must include Contractual Liability protection, covering this Agreement's provision wherein Tenant agrees to hold harmless and indemnify MSD for any claims caused by negligence of Tenant, or its employees acting within the scope of their duties (Section 10 below). If any policy or policies of insurance which Tenant is required to maintain pursuant to this Section shall be written on a "claims made" insurance form, each such policy shall have a "retroactive date" that is not later than the Commencement Date of this Lease. Furthermore, if any such policy is written on a "claims made" basis, Tenant's obligation to provide insurance pursuant hereto shall be extended for an additional period equal to the statute of limitations for bringing such claims in Kentucky, on the

last day of the Term of this Lease plus one year, at the Premises. All policies obtained by Tenant shall be endorsed to provide that they shall neither be canceled for any reason, nor changed in any material way adverse to MSD, except on thirty (30) days prior written notice to MSD.

10. Covenant To Hold Harmless. Tenant shall indemnify and defend MSD, and save it harmless from and against any and all claims, actions, damages, liabilities, and expenses caused by the negligence of Tenants, or Tenant's employees while acting within the scope of their duties resulting in loss of life; personal, bodily, or advertising injury; and/or damage to property arising from or out of any occurrence in, upon, or at the Premises, regardless of who asserts such claim. In case MSD shall be made a party to any litigation commenced by or against Tenant, then Tenant shall protect and hold MSD harmless and shall pay all costs, expenses, and reasonable attorneys' fees incurred or paid by MSD in connection with such litigation.

11. Utility Charges. Tenant shall be solely responsible for and promptly pay all charges for water, electricity, and any other utility which it uses on the Premises.

12. Assignment and Subletting. Tenant agrees not to assign or in any manner transfer this Lease or any estate or interest therein, without the prior written consent of MSD, and not to sublet the Premises or any part or parts thereof or allow anyone to come in with, through, or under it without like consent. It is understood and agreed that MSD's consent hereunder (and wherever else in this Lease required, unless specifically provided to the contrary) may be arbitrarily withheld, notwithstanding any statutory or other provisions of law to the contrary. It is additionally understood and agreed that MSD gives its consent to the subletting of this property to the Swift Company for the purpose of allowing its employees to park their vehicles on the parking lot, provided that Swift and its employees are bound by all of the terms and conditions set forth herein.

13. Waste and Nuisance. Tenant shall not commit or suffer to be committed any waste upon the Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the building, or in the Premises. Tenant shall not use or permit to be used any medium that might constitute a nuisance, such as loudspeakers, sound amplifiers, phonographs, radios, or any other sound-producing device which will carry sound outside the Premises.

14. Sale or Condemnation of Leased Premises. If the Premises are sold by MSD or are acquired by another governmental entity for public purposes, then the Lease shall be terminated upon ninety (90) days written notice to Tenant. The proceeds of such acquisition shall be the sole property of MSD and Tenant shall promptly vacate the Premises. If the Premises are the subject of a condemnation suit, then the proceeds from such condemnation shall be the sole property of MSD.

15. Default of the Tenant.

(a) Definition of Event of Default: Each of the following shall be deemed an event of default:

(i) Tenant's failure to make payment of rent or other charges as provided in this Lease;

(ii) Tenant's failure to perform any of the covenants, terms, conditions, or provisions of this Lease;

(iii) Tenant vacates or abandons the Premises.

(b) Upon the occurrence of an event of default, MSD shall have the right to terminate the Lease and shall be entitled to possession of the Premises. MSD may make its election to terminate known to Tenant by delivery of a notice of termination. Such termination shall be immediately effective and MSD shall be entitled to forthwith commence an action in summary proceedings to recover possession of the Premises, but such termination shall not terminate Tenant's liabilities hereunder.

16. Estoppel. The parties agree that they shall rely solely upon the terms of this Lease to govern their relationship. They further agree that reliance upon any representation, act, or omission outside the terms of this Lease shall be deemed unreasonable, and shall not establish any rights or obligations on the part of either party.

17. Access By MSD. MSD or MSD's agent shall have the right to enter the Premises at all reasonable times to examine same, and to make such repairs, alterations, improvements, or additions as MSD may deem necessary or desirable. In addition, MSD shall have the right to

access its buildings located at 151 Cabel Street and the use by Tenant of the Premises shall not interfere with MSD's use and occupancy of the buildings.

18. Quiet Enjoyment. Upon payment by Tenant of the Rent herein provided, and upon the observance and performance of all the covenants, terms, and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term of this Lease.

19. Representations and Warranties. MSD and Tenant represent and warranty each to the other that each is lawfully constituted, has all legal authorization usual and necessary and appropriate to enter into this Lease Agreement, and that the individuals executing this Lease Agreement on behalf of its party has the authority to do so and to implement the agreements contained herein without further authorization or directive.

20 Entire Agreement. This Lease, including the Exhibit attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions, and understandings between MSD and Tenant concerning the Premises and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than are herein set forth. No alteration, amendment, change, or addition to this Lease shall be binding upon MSD or Tenant unless reduced to writing and signed by the party to be charged.

21. Notice. Any notice, demand, request, consent, approval, or other instrument which may be or is required to be given under this Lease shall be sent by overnight courier, or United States certified mail return receipt requested, postage prepaid, or via facsimile, and shall be addressed as follows:

If to MSD:

Mr. James Hunt
Louisville and Jefferson County
Metropolitan Sewer District
700 West Liberty Street
Louisville, Kentucky 40203-1913

Copy to:

Carolyn Shain, General Counsel
Louisville and Jefferson County
Metropolitan Sewer District
700 West Liberty Street
Louisville, Kentucky 40203-1913

If to Tenant:

ATTN: _____

22. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, MSD and Tenant have signed this Lease as of the day and year first above written.

MSD:

**LOUISVILLE AND JEFFERSON COUNTY
METROPOLITAN SEWER DISTRICT**

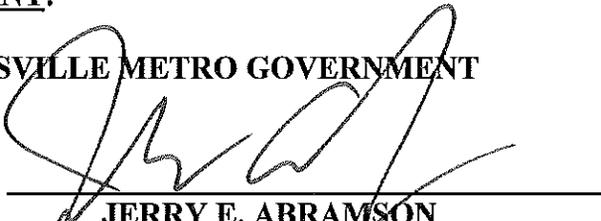
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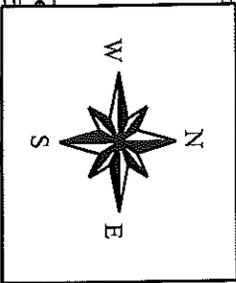

**HERBERT J. SCHARDEIN, JR.
EXECUTIVE DIRECTOR**

TENANT:

LOUISVILLE METRO GOVERNMENT

By: _____


**JERRY E. ABRAMSON
MAYOR**

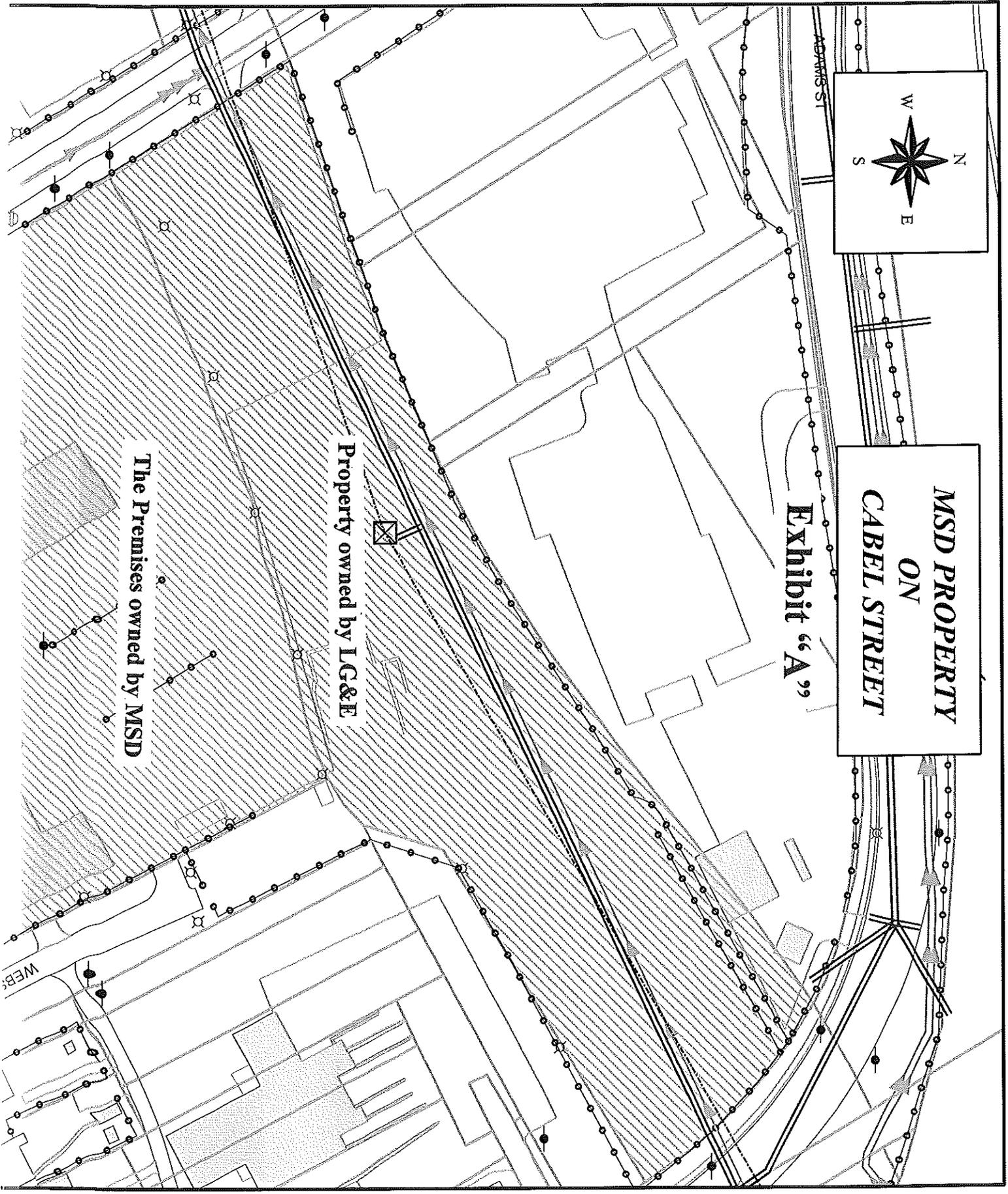


**MSD PROPERTY
ON
CABEL STREET**

Exhibit "A"

Property owned by LG&E

The Premises owned by MSD



LEASE AMENDMENT

THIS LEASE AMENDMENT is made as of the 27th day of June 2006, by and between **LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT**, a public body corporate, ("MSD"), 700 West Liberty Street, Louisville, Kentucky, 40203-1913, and **LOUISVILLE METRO GOVERNMENT**, a public body, 550 West Jefferson Street, Louisville, Kentucky, 40202, ("TENANT").

WITNESSETH:

MSD owns and has entered into a Lease Agreement for certain real property at 151 Cabel Street, Louisville, Kentucky, on December 29, 2005 wherein it leased such real property to Tenant (hereinafter "the Lease Agreement") and,

MSD and Tenant now wish to amend such Lease Agreement.

NOW THEREFORE, in consideration of the mutual agreements, covenants, and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, MSD and Tenant agree as to amend the Lease Agreement as follows:

1. Premises. MSD does hereby demise and lease unto Tenant, and Tenant hereby agrees to lease from MSD three buildings which are located on the property located at 151 Cabel Street, Louisville, Kentucky, and are identified as Building 1, Building 5 and Building 6 on the attached plat which is attached hereto and made a part hereof as Exhibit "A" (hereinafter "Premises").

2. Term. This Lease Amendment's terms shall commence on June 13, 2006, and shall automatically terminate at midnight on July 13, 2006. Thereafter, this Lease Amendment shall automatically renew for an additional one month terms which coterminous with the term of the Lease Agreement unless either party gives notice in writing to the other party at least thirty (30) days prior to the expiration of the Lease of its intent not to renew. All renewals of this lease shall be included in the Term and shall be subject to the provisions of this Lease.

3. Permitted Use. The Premises shall be used as office and storage space by the Tenant.

4. Rent. Tenant shall pay to MSD one dollar (\$1.00) per year payable in advance or a pro rata share thereof for a shorter period of the Term. Provided that, the parties acknowledge that both MSD and Tenant are tax-exempt entities and, therefore, property taxes are not due on the Premises; however, should property taxes become due and payable on the Premises, Tenant agrees that it will be responsible for the payment of such taxes which shall be considered as an additional part of the Rent.

5. Delivery of Possession and Changes and Additions. The parties agree that the Premises are deemed ready for Tenant's possession on June 13, 2006. The parties agree that by occupying the Premises as a tenant, Tenant formally accepts the same, in "as is" condition, and acknowledges that the Premises are in the condition called for hereunder. Failure of MSD to deliver possession of the Premises within the time and in the condition provided for in this Lease shall not give rise to any claim for damages by Tenant against MSD.

6. Assignment and Subletting. Tenant agrees not to assign or in any manner transfer this Lease or any estate or interest therein, without the prior written consent of MSD, and not to sublet the Premises or any part or parts thereof or allow anyone to come in with, through, or under it without like consent. It is understood and agreed that MSD's consent hereunder (and wherever else in this Lease required, unless specifically provided to the contrary) may be arbitrarily withheld, notwithstanding any statutory or other provisions of law to the contrary. It is additionally understood and agreed that MSD gives its consent to the subletting of this property to the Swift Company for the purpose of using it for office and storage space, provided that Swift and its employees are bound by all of the terms and conditions set forth herein.

7. Access by MSD. MSD or MSD's agent shall have the right to enter the Premises at all reasonable times to examine same, and to make such repairs, alterations, improvements, or additions as MSD may deem necessary or desirable. In addition, MSD shall have the right to access those remaining buildings located at 151 Cabel Street which have not been leased to Tenant under the terms and conditions of this Lease Amendment and the use by Tenant of the Premises shall not interfere with MSD's use and occupancy of those remaining buildings.

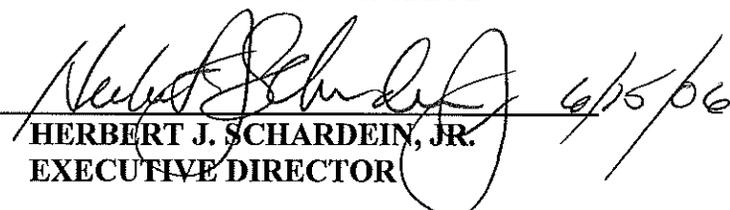
8. Entire Agreement. This Lease Amendment and the Lease Agreement, including the Exhibit attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions, and understandings between MSD and Tenant concerning the Premises and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than are herein set forth. All terms and conditions of the Lease Agreement not specifically altered or amended by this Lease Amendment shall remain in full force and effect as if specifically set forth herein.

IN WITNESS WHEREOF, MSD and Tenant have signed this Lease as of the day and year first above written.

MSD:

**LOUISVILLE AND JEFFERSON COUNTY
METROPOLITAN SEWER DISTRICT**

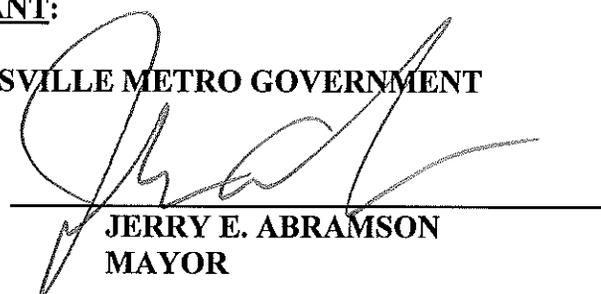
By: _____


**HERBERT J. SCHARDEIN, JR.
EXECUTIVE DIRECTOR**

TENANT:

LOUISVILLE METRO GOVERNMENT

By: _____


**JERRY E. ABRAMSON
MAYOR**

ORIGINAL

LEASE

THIS LEASE is entered into at Louisville, Kentucky, on this 15th day of November 2005 effective November 15, 2005 by and between the LOUISVILLE GAS AND ELECTRIC COMPANY (LG&E), whose notice address is ATTN: Real Estate Department, 820 West Broadway, Louisville, Kentucky (hereinafter "Lessor"), and LOUISVILLE - JEFFERSON COUNTY METRO GOVERNMENT, acting by and through Metro Development Authority, whose notice address is 444 South Fifth Street, Suite 600, Louisville, Kentucky 40202 (hereinafter "Lessee").

I. DESCRIPTION

Lessor hereby agrees to lease to Lessee, for the purpose of parking and storage of equipment, 145,312 square feet of real estate located at 201 Cabel Street and running between Cabel Street and Adams Street, situated in the City of Louisville, County of Jefferson, State of Kentucky. A more particular description of the property containing the leased portion may be found in Deed Book 1369, Page 365, in the office of the Clerk of Jefferson County, Kentucky.

II. WARRANTIES

Lessor covenants that Lessor is seized of the demised premises in fee simple and has full right to make this Lease and that Lessee shall, subject to Article VII below, have quiet and peaceable possession of the demised premises during the term hereof. Lessor makes no other warranty or representation regarding the property or its conditions. It is understood that all rights accruing hereunder to Lessee are inferior and subject to the rights of BNY Midwest Trust Company, successor to the Harris Trust & Savings Bank, who holds as Trustee an interest in said property by virtue of a Trust Indenture dated November 1, 1949, as amended by supplemental Indentures.

III. ENCUMBRANCES

On the demised premises described above, there is a recorded easement on the Lessor's property granted to the Commissioners of Sewerage of record in Deed Book 695, Page 607, in the aforesaid Clerk's office.

IV. TERM

The term of this Lease is for five (5) years beginning December 1, 2005 and shall continue thereafter on a year to year basis. This Lease may be cancelled by either party on sixty (60) days written notice.

V. ANNUAL RENT

The annual rental under this Lease is Four Thousand Dollars (\$4000.00) which is payable on the first day of August of each year in advance, throughout the term of this Lease.

VI. RESTRICTIONS OF USE

Lessee shall not use or permit the demised premises, or any part thereof, to be used, for any purpose or purposes other than the purpose or purposes for which the demised premises are hereby leased; and on the additional restrictions as follows:

A. Lessee shall exercise particular caution with respect to Louisville Gas and Electric Company's utility tower, transmission lines and utility lines. Lessee further agrees not to make use of the area within a twenty-five (25) foot radius of the utility tower.

B. There shall be no buildings or structures placed in the leased area without Lessor's express consent.

C. Lessee shall keep an appropriate area open for access to and from the utility tower at all times.

D. Lessee shall not use the premises in any manner that will create a hazard or a nuisance and shall not allow any waste, or use the premises for any unlawful purpose. Lessee agrees to keep the premises in as good repair as it finds them, ordinary wear and tear excepted. Lessee further agrees to keep the premises properly cleaned, mowed and maintained.

E. Lessee shall comply with the requirements of all county, municipal, state, federal and other applicable governmental authorities pertaining to the demised premises.

F. Partial destruction of the leased premises shall render this Lease voidable and all rents shall be prorated and the appropriate portion refunded to Lessee.

VII. USE BY LESSOR AS STORM RESTORATION STAGING AREA

Lessor shall be permitted to use the demised premises for staging of vehicles, material and personnel engaged in restoration of utility services as reasonably necessary following storm damage. Lessor shall have the right to limit Lessee's use of the demised premises as necessary to safely accommodate Lessor's use of the demised premises as a staging area for storm restoration.

VIII. INDEMNIFICATION OF LESSOR

Lessor shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whosoever may at any time be using or occupying or visiting the demised premises or be in, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee, and

Lessee shall indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. The aforesaid sentence shall not apply to the extent such loss, injury, death, or damage arose by reason of the negligence or misconduct of Lessor, its agents, or employees.

XI. MAINTENANCE AND REPAIR

Lessee shall maintain and repair the fence and pavement as needed throughout the term of this Lease. Upon expiration of this Lease (and/or extensions thereof), any repairs to the fence and/or pavement shall become the property of Lessor.

X. INSURANCE

Lessee shall submit an acceptable Certificate of Self-Insurance to Lessor, which will protect against claims arising out of the use or occupancy of the demised premises. There shall be a fifteen (15) day notice of cancellation in the coverage to Lessor. Anything herein to the contrary notwithstanding, Lessor may immediately cancel this Lease and remove Lessee from the premises, should the self-insurance coverage required by this Section not be in force. However, Lessee shall not be deemed to be in default hereunder unless Lessor shall first give the Lessee thirty (30) days written notice of such default and Lessee fails to cure such default within such thirty (30) days.

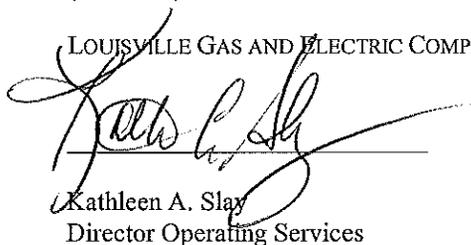
XII. GOVERNING LAW

This Lease shall be governed by the laws of the Commonwealth of Kentucky.

IN TESTIMONY WHEREOF, the Parties have executed this Lease on the day and year first above written.

(LESSOR)

LOUISVILLE GAS AND ELECTRIC COMPANY

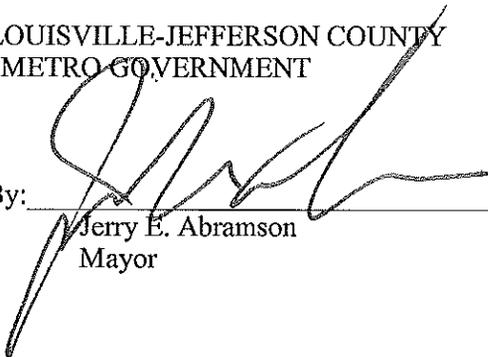

Kathleen A. Slay
Director Operating Services

(LESSEE)

LOUISVILLE - JEFFERSON COUNTY METRO GOVERNMENT


J. David Morris
Director Metro Development Authority

LOUISVILLE-JEFFERSON COUNTY
METRO GOVERNMENT

By: 
Jerry E. Abramson
Mayor

COMMONWEALTH OF KENTUCKY)
(SS:
COUNTY OF JEFFERSON)

The foregoing Deed and Consideration Certificate were acknowledged, subscribed, and sworn to before me this 11th day of November, 2005, by Jerry E. Abramson, Mayor Louisville-Jefferson County Metro Government, a Kentucky consolidated local government, to be his free act and voluntary deed on behalf of said government.

My Commission expires: March 25, 2008.

(SEAL)


Marska F. Martin
Notary Public