

AGREEMENT


This agreement between the City of Muldraugh (“City”) and the Hardin County Water District No. 1 (“District”) sets forth the terms by which the District agrees to inspect the sanitary sewer system of the City, and provide the City any data, video, digital information, photographs and measurements which are obtained as a result of this inspection. This memorandum **has** been mutually agreed to effective JANUARY 31, 2007,

NOW THEREFORE; the above parties **further** agree to the following terms and conditions;

The City herein agrees **and** understands the following;

1. Assist **the** District in this inspection by providing an employee of **the** City, to guide the employees **and** agents of the District, to various parts **of** the sewer system, obtain legal access and ingress where parts of the sewer system may be on private property, and generally provide technical knowledge and expertise about the system.
2. **To** also provide any water needed for flushing of the sewer system, to aid in the CCTV (Closed Circuit Television) inspection of the system, **and** provide any traffic control or **road** blocking by the City’s Police Department.
3. Agree to pay the District **an** amount of \$153.00 per month, for **36** (thirty-six) months, beginning at a future date when the District has been approved by the Public Service Commission (PSC) of Kentucky to bill the City rates and charges as needed for the **District** to treat the sanitary waste flows from the City’s system. Said payment shall not begin until PSC approval is obtained, **and** monthly billing has commenced for services provided. In no case shall the total of the payments exceed \$5,500.
4. Understands that the District will attempt to provide the services set forth below, but no quality, quantity or set volume of video is guaranteed, and that due to circumstances not now foreseen nor under the control of the District, may not be able to complete an inspection of the City’s complete system.
5. Agrees that the District is not a licensed engineer and therefore does not carry any errors **and** omissions insurance, and that the District shall not be responsible for errors of accuracy or **missing** data **and** that the **City** accepts all responsibility and expense of using the data and information, and will ultimately decide how best to use the data **and** information in any future construction, maintenance or repair contracts issued.
6. The City shall defend, indemnify and hold the District harmless **from** and **against** any and all claims, demands, liabilities, damages, and expenses including reasonable attorneys’ fees for injuries to persons or damages to property resulting from or arising out of the intentional acts, negligence or alleged negligence of the responsible party, its employees, servants, or agents, related to carrying out the activities anticipated in this memorandum.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
9/1/2007
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

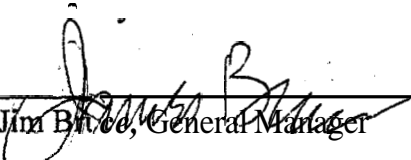
By 
Executive Director

The District herein agrees **and** understands the following;

7. To provide all personnel, equipment, media supplies and vehicles as needed to complete an inspection of a substantial portion of the City's sanitary sewer system. Said inspection shall include various methods which **may** include; A) CCTV television video of the inside of the sewer pipes, B) Visual inspection of manholes, including use of a "downhole" camera which will photograph the upstream and downstream sewer pipes; C) Cleaning some sewer mains where the camera cannot pass obstructions; D) **Provide** to the City all digital video, photographs, mapping, flow monitoring results **and** a written *summary* report of the inspection.
8. To provide geographic coordinates of a **majority** of the manhole locations using GPS equipment.
9. To provide a graphic exhibit of a majority of the pipes and manholes of the City's system, which may assist the **City** in the future for planning its repair and maintenance needed on the sewer system.

WITNESSETH:

Hardin County Water District No, 1

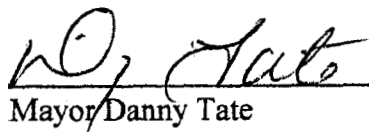


Mr. Jim Bruce, General Manager

1-31-07

Date

City of Muldraugh



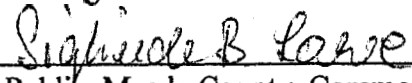
Mayor Danny Tate

1-30-07

Date

NOTARY


The above signature by the Mayor of Muldraugh was witnessed **and** sworn to before **me**, this 30 day of Jan, 2007.



Notary Public, Meade County, Commonwealth of Kentucky

My Commission Expires: Feb. 25 2009

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
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SECTION 9 (1)**

By 

Executive Director