ORIGINAL

INTER-DEPARTMENTAL
AGREEMENT FOR CO-LOCATION OF DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES AND DEPARTMENT OF CORRECTIONS FACILITIES

RECITAL

The Parties to this Agreement are the Department of Public Health & Human Services, herein referenced as DPHHS, and the Department of Corrections, herein referenced as Corrections.

The purpose of this Agreement is to set forth the exclusive and mutual responsibilities of DPHHS and Corrections at the state property at Warm Springs with respect to their respective programs of services and associated properties. The state property at Warm Springs encompasses a complex of historic and currently used facilities along with adjoining undeveloped lands. It is hereinafter referred to as the Warm Springs property.

Legislative action has transferred the administration of certain parcels of the Warm Springs property along with the improvements, inclusive of buildings from DPHHS to Corrections for the purpose of providing a site for the conduct of a residential correctional program. DPHHS continues to conduct a residential mental health program at the Warm Springs property known as the Montana State Hospital, herein referenced as the Hospital.

Since DPHHS and Corrections are both executive agencies of state government this Agreement does not concern or affect the legal title to the Parcels.

DPHHS administers a program of inpatient mental health services for persons with serious mental health conditions at the Montana State Hospital. The residential correctional program administered by Corrections at the Xanthopoulos Building Site is located within the former extended campus of the Montana State Hospital and immediately adjacent to the current sites of residential and other therapeutic

mental health services provided at the Montana State Hospital.

The provisions of this Agreement are to ensure the integrity, inclusive of financial, operational, safety and privacy considerations, of the programs or services administered respectively on the adjacent properties by DPHHS and Corrections.

The parcels of State property transferred to Corrections are known as the Xanthopoulos Building Site, referenced for purposes of this Agreement as Parcel A, and the Old Boiler Plant Site, referenced for purposes of this Agreement as Parcel B.
Parcels A and B are legally described as follows (see Exhibit A, Affidavit Map):

LEGAL DESCRIPTION OF PARCEL A (Xanthopoulos Building Site)

A TRACT OF LAND LOCATED IN THE SE 1/ 4, SECTION 13 AND NE 1 / 4 SECTION 24, T.5N., R. 10W., P.M., M., DEER LODGE COUNTY, MONTANA, WARM SPRINGS, MONTANA; DESCRIBED AS FOLLOWS;

COMMENCING AT THE S 1/4 CORNER OF SAID SECTION 13; THENCE S.85°45'28"E., 243.69 FT., TO THE TRUE POINT OF BEGINNING OF PARCEL A; THENCE N.16°24'28"W., 443.15 FT.; THENCE N.69°36'30"E., 225.52 FT.; THENCE N.14°24'16"E., 149.25 FT.; THENCE N.80°50'20"E., 233.76 FT.; THENCE S.20°44'50" E., 515.56 FT.; THENCE S.69°15'10"W., 573.98 FT.; TO THE POINT OF BEGINNING, CONTAINING 6.277 ACRES (273,433 SF) OF LAND. ALL ACCORDING TO THIS AFFIDAVITT/CERTIFICATE OF SURVEYOR.

SUBJECT TO ANY EASEMENTS OF RECORD

LEGAL DESCRIPTION OF PARCEL B (Old Boiler Plant Site)

A TRACT OF LAND LOCATED IN THE SE 1/4, SECTION 13, T.5N., R.10W., P.M., M., DEER LODGE COUNTY, MONTANA, WARM SPRINGS, MONTANA; DESCRIBED AS FOLLOWS;

COMMENCING AT THE E1/4 CORNER OF SAID SECTION 13; THENCE S.40°17'27"W., 2625.25 FT., TO THE TRUE POINT OF BEGINNING OF PARCEL B; THENCE S.21°38'29"E., 110.18 FT.; THENCE

S.68°10'56"W., 140.89 FT.; THENCE N.21°38'29"W., 125.07 FT.; THENCE N.69°43'18"E., 48.98 FT.; THENCE N. 76°34'59"E., 92.88 FT.; TO THE POINT OF BEGINNING, CONTAINING 0.387 ACRES (16,843 SF) OF LAND.

SUBJECT TO ANY EASEMENTS OF RECORD

Parcels A and B are collectively referred to as the "Property".

TERMS OF AGREEMENT

The DPHHS and Corrections agree as follows:

I. ASSIGNMENT OF MANAGEMENT

Corrections may contract with an entity for the management of the residential correctional program along with the property and improvements thereon related to that program.

Any contract and related agreements entered into by Corrections for the management of the residential correctional program, inclusive of the operation of the facilities located upon the property that is for the purposes provided for by this Agreement, are not subject to the prior approval of DPHHS.

II. TRANSFER, EASEMENTS, AND DEDICATIONS

Corrections, prior to the transfer, sale or lease of any or all portions of the Property, must inform DPHHS of the proposed property transaction along with any proposed easements or dedications. DPHHS must expressly approve by written agreement with Corrections any proposed property transaction, inclusive of any proposed easements and dedications, before Corrections may effectuate the transaction.

DPHHS may subject its approval to the entry of collateral agreements between itself, Corrections and the recipient of a property interest in the Property. Collateral agreements include but are not necessarily limited to those addressing rights of way and easements, access route, maintenance

costs, utility costs, operation of the Old Boiler Plant, fire department costs, security, and visitors.

III. ACCESS AND SIGNAGE

Corrections staff, inclusive of its agents, and invitees, whether business related or visitors, are to use the route shown in Exhibit B for access for all purposes to the Property except as otherwise expressly agreed to by the Chief Executive Officer for the Hospital.

Corrections or its management entity must provide and maintain signage for the route to its Property. DPHHS and Corrections are to jointly design signage so as to maintain consistent sign appearance.
Corrections or its management entity must manage visitation with the inmates housed on the Property by providing information to visitors concerning the location of and access route to the facilities located upon the Property, the campus speed limits, etc. DPHHS will not provide any services for visitors to inmates. Corrections must assure that its management entity assigns staff to manage any use of or access to the Property by the members of the public, inclusive of those persons who are visiting inmates, and to actively intervene with any those persons who may be disrupting the Hospital operation or threatening Hospital residents, staff, agents or visitors.

IV. MAINTENANCE AND REPAIR

The routine maintenance and minor repair of the buildings and other improvements located on the Property are to be undertaken by maintenance staff employed by DPHHS unless occurring at times or in circumstances where that is not feasible. The DPHHS maintenance staff unit is to be used flexibly as need requires. The overtime costs incurred by DPHHS for routine maintenance and minor repair activities relating to the buildings and other improvements located on the Property are to be funded by Corrections. Corrections shall be notified and approve any work which would require overtime prior to the work being performed.

Corrections and its management entity are responsible for major repairs to the Property and for repairs and routine

maintenance requiring attention to which the DPHHS maintenance staff are not assigned or are not available.

DPHHS and Corrections share responsibility for the payment of the costs incurred for maintenance and minor repair of the roads used to access the Property as shown in Exhibit B. The respective amounts to be paid by each is to be 50% of the amount remaining to be paid after the receipt of any payments for those costs assessed to and paid by other entities leasing or otherwise using any portion of the Warm Springs Property.

It is the joint responsibility of DPHHS and Corrections to determine the need for and method of maintenance and repair for those roads shown in Exhibit B.

V. UTILITIES

Corrections is responsible for the cost of electricity, natural gas, and water provided to be used in relation to the Property and the improvements located upon the Property. Corrections, based upon utility meter records, must reimburse DPHHS for each of these utility services at a rate proportional to the percentage of total campus utility usage over the most recent 12-month period. During the first year of co-location the costs will be prorated according to proportional usage since July 1, 2001. Corrections must reimburse DPHHS for sewer service related costs based upon the proportion of actively used building square footage on the Warm Springs property possessed by Corrections.

Corrections shall pay the costs related to the installation, operation, maintenance, and repair of utility service, inclusive of electricity, gas, water, the sewer lines and sewage treatment facilities, serving the Warm Springs property based upon the proportion of actively used building square footage on the Warm Springs property possessed by Corrections.

Corrections is responsible for the provision of heat to the Detention Facility administered by Butte-Silver Bow and located at the Warm Springs property. This includes costs for natural gas and costs associated with operation of the

Old Boiler Plant located on Parcel B. Corrections and DPHHS shall review the contract with Butte-Silver Bow County (BSBC) to insure that BSBC pays for its proportional share of the heat plant. DPHHS is responsible for assuring the provision of electricity, water, and sewage service to the detention facility. DPHHS and Corrections are not responsible for the payment of the utility charges and other utility costs such as maintenance and repair costs incurred by Butte-Silver Bow.

If Corrections chooses to obtain electricity for emergency purposes from the emergency generator at the State Hospital, it is responsible for making the arrangements for the necessary assessment of the potential for connection and for the necessary electrical work and must pay the costs of those.

VI. OPERATION OF BOILER PLANT

Corrections is responsible for payment of all maintenance, repair and replacement costs associated with the operation of the Old Boiler Plant located on Parcel B.

VII. FIRE DEPARTMENT

Montana State Hospital maintains a fire department to provide protection to life and property on the Warm Springs property. Corrections must reimburse DPHHS 20% of the costs associated with the routine operation and maintenance of the fire department. Costs will be documented by DPHHS.

DPHHS and Corrections will negotiate to determine the proportion of costs for major improvements to the capabilities of the fire department that would have to be assessed upon Corrections.

VIII. FUNDING FOR STAFF

Corrections is to provide funding to DPHHS for 4.0 full time equivalents (FTE) staff to be employed by DPHHS for maintenance and boiler purposes. Those staff are to be part of a maintenance staff unit dedicated to the facilities of both departments located at the Warm Springs development.

The funding for staffing purposes is to be accomplished by budget amendment placing the funding into the budget for the State Hospital.

IX. BILLINGS FOR COSTS

DPHHS is to bill Corrections on a monthly basis for those costs of utilities, supplies/materials, et al., that are incurred by the operational activities of Corrections. DPHHS is to provide Corrections with an accounting of the specific costs incurred at the time of billing.

X. WATER RIGHTS

There are no water rights associated with the Property.

XI. SECURITY AND INMATE MANAGEMENT

No inmate may be released by Corrections from its custody on or near the Hospital campus or Warm Springs. Corrections shall provide for the release of inmates at appropriate locations away from the Warm Springs development. Corrections or its assignee shall be responsible for the transportation of inmates who are to be released.

Corrections or its assignee must maintain appropriate security fencing around the Xanthopoulos Building. Corrections or its assignee shall keep inmates within the Xanthopoulos Building or attached exercise yards unless the Departments mutually agree to their presence for specific reasons elsewhere in the Warm Springs development. Corrections or its assignee must provide adequate security whenever inmates use the exercise yards. This includes ensuring the integrity of the fences prior to letting inmates outside, checking for contraband and providing adequate supervision and perimeter security. No inmate is to be in the exercise yards without direct supervision.

Corrections and its assignee must develop plans for security, fire, disaster, emergency and escape response plans. These will be coordinated and annually updated with DPHHS.

DPHHS must maintain security staff who are responsible for providing security for Hospital patients, staff, visitors, and property.

Corrections or its assignee shall be responsible for providing its own security measures and must reimburse DPHHS for any security costs incurred by DPHHS that are directly attributable to the operation of the Corrections facilities.

XII. DEPARTMENTAL COOPERATION

Due to the special character of the programs that DPHHS and Corrections administer in proximity at the Warm Springs site, it is agreed that there must be full cooperation between the departments in relation to the operation of the facilities including consideration of the interests of patients, inmates and staff of the facilities.

XIII. LIAISON

Corrections must direct the managing entity for the residential correctional program to specify a member of its management personnel who is to be a liaison with DPHHS.

The following persons are the respective liaisons for the Departments in all matters pertaining to the responsibilities set forth in this Agreement.

Ed Amberg, the Chief Executive Officer at the Montana State Hospital, is the liaison for DPHHS. He may be contacted at 406.693.7010. Norma Jean Boles, is the liaison for Corrections. She may be contacted at 406.444.4931.

11/30/01
Date

Director, Department of Public Health & Human Services

, Acting
Director, Department of Corrections