

**Operating Agreement for Correctional Facility Between
the Sheriff of Marion County, Indiana,
and
Corrections Corporation of America**

This Operating Agreement (hereinafter referred to as "Agreement"), is entered into effective May 1, 2007 by and between the Marion County Sheriff's Department (the "**Department**") for and on behalf of Marion County, Indiana (the "**County**"), and Corrections Corporation of America (the "**Contractor**").

WHEREAS, the Department desires to continue to contract for the operation and maintenance of the Marion County Jail II Facility located at 730 East Washington Street, Indianapolis, Indiana (the "**Facility**"), and has the lawful authority to enter into this Agreement; and

WHEREAS, the Contractor responded to the RFP issued by the Department for the operation and maintenance of the Facility; and

WHEREAS, the Department and the Contractor desire to enter into this Agreement to set forth their respective rights, duties, privileges and responsibilities with respect to the Facility.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and good and valuable consideration, the parties hereby agree as follows:

SECTION I. INTERPRETATION AND INTENT

1.01. The "Agreement," as referred to herein, shall mean this Operating Agreement as executed by the Department and the Contractor, and shall include these terms and conditions and any written Amendment entered into between the Department and the Contractor, in writing, after the date of this Agreement.

1.02. This Agreement constitutes the entire agreement between the parties and replaces all prior agreements, written or verbal, between the Department and the Contractor. Verbal or written statements, promises or agreements that conflict with the terms of this Agreement will not in any way modify, vary, alter, enlarge or invalidate any of the provisions and obligations herein stated. No changes to this Agreement shall be made except upon written agreement between the parties.

1.03. In resolving conflicts, errors, discrepancies and disputes concerning the scope of work or services to be performed by the Contractor or other rights or obligations of, the Department or the Contractor the documents shall be considered in order of priority: (a) the Agreement between the parties, as amended, and Attachments thereto; and (b) any other document between the parties that references the scope of services to be provided.

1.04. Any interpretation applied to this Agreement, by the parties hereto, by an arbitrator, court of law, or by any other third party, shall not be made against the Department solely by virtue of the Department or Department's representatives having drafted all or any portion of this Agreement.

1.05. This Agreement shall include, and incorporate by reference, any provision, covenant or condition required or provided by law or by regulation of any state or federal regulatory or funding agency.

1.06. This Agreement shall be construed under and governed by the laws of the State of Indiana.

SECTION II. DEFINITIONS

Following are explanations of terms and abbreviations appearing throughout this Agreement. Other special terms may be used in the Agreement, but they are more localized and defined where they appear, rather than in the following list.

- 2.01. "ACA" - The American Correctional Association.
- 2.02. "ACA Standards" - The most current Adult Local Detention Facility Standards.
- 2.03. "Additional Services" - Those additional operation and management services required to be furnished by the Contractor and which are due to changes in the ACA Standards, Department policies, laws, government regulations, or court orders generally applicable to the Department and which changes may cause an increase in the cost of providing services.
- 2.04. "City-County" - Indianapolis and Marion County, Indiana.
- 2.05. "Contract Monitor" - The person or designee appointed by the Sheriff's Department, who shall work for and be paid by the Sheriff's Department to act as the official liaison between the Department and the Contractor on all matters pertaining to the services.
- 2.06. "Contractor Inmate" - Any inmate placed in the Facility by the Contractor pursuant to an Incarceration Contract.
- 2.07. "Court Orders" - Any orders or judgments issued by a court of competent jurisdiction or any stipulations, agreements, or plans entered into in connection with litigation that are applicable to the operation, management or maintenance of the Facility or relate to the care and custody of inmates at the Facility.
- 2.08. "Implementation" - The successful transition to the point of full service/operation as specified in this Agreement.
- 2.09. "Incarceration Contract" - A contract between Contractor and a local, state or federal agency for the placement of inmates in the Facility.
- 2.10. "Inmate" - Any person committed to the Facility.
- 2.11. "Inmate Day" - Each calendar day, including the day of admission, during which an inmate is assigned to a bed within the Facility for any portion of such day, but shall not include the day of release of an inmate unless such day is the same day as the day of admission.
- 2.12. "NCCCHC" - National Commission on Correctional Health Care.
- 2.13. "Old Works Building" - The five-story structure that is adjacent to the Facility.
- 2.14. "Per Diem" - The cost per inmate, per inmate day.
- 2.15. "RFP" - The Request for Proposal For Facilities Management and Operations for Marion County Jail II for the Marion County Sheriff's Department, RFP -06-0487 and amendments thereto; the Proposal of the Contractor dated October 23, 2006, as modified by the "Best and Final Offer" by the Contractor

dated December 20, 2006; and the "Terms of Agreement" email of December 21, 2006 from the Department to the Contractor.

2.16. "Standards" - Recognized promulgated acceptable levels of quality of care.

SECTION III. TERM

3.01. Initial and Renewal Terms: The Initial Term of this Agreement shall be for the period commencing May 1, 2007 and terminating on December 31, 2017, unless earlier terminated pursuant to the provisions of this Agreement. Upon written agreement of the parties ninety (90) days prior to the expiration of the Initial Term, the parties may extend this Agreement for a Renewal Term of up to an additional ten (10) years, terminating on December 31, 2027.

SECTION IV. COMPENSATION

4.01. Per Diem: The County shall maintain a guaranteed monthly minimum of 1,025 beds in the Facility. As compensation for Contractor's services, for each County Inmate housed by the Contractor, beginning upon execution of the Agreement by the parties, the Department shall pay to the Contractor for each Inmate Day the Per Diem. The Per Diem rate will be applied to all County Inmates during any monthly period in which the average population falls within the specified range:

Number of Occupied Beds in the Facility	All Inclusive Per Diem Rate
1,025 to 1,100	\$40.90
1,101 to 1,200	\$39.85
1,201 to 1,300	\$38.75
1,301 to 1,400	\$37.25
1,401 to 1,500	\$36.45
1,501 to 1,600	\$35.15

The average population for each month shall be defined as the arithmetic mean population, which shall be determined by adding the Facility populations for each day in the month and dividing by the number of days.

Beginning January 1, 2008, and continuing each January 1st thereafter until the Initial Term or any renewal term terminates, the then current rate for the Per Diem shall be increased by the lesser of either (i) three percent (3%) or (ii) a percentage adjusted in accordance with the National Consumer Price Index for Midwest Urban Consumers, All Items, for the preceding twelve month period.

4.02. Method of Payment: Within the first ten (10) days of calendar month after the contract commences, and then monthly thereafter, the Contractor shall submit an invoice to the Department for its services during the previous calendar month, together with the calculation of such amount as described above. Within thirty (30) days after its receipt of such invoice, the Department shall pay such sum to the Contractor. If the Department disputes the amount claimed to be due by the Contractor, then the Department, on or before the date the invoice is payable, shall advise the Contractor of the basis for the dispute and pay the amount of such invoice which is not in dispute. If the parties cannot resolve the dispute within thirty (30) days of such notice, then either party may initiate the dispute resolution procedure described below for the determination thereof.

4.03. Payments to County: The Contractor shall use its best efforts to maintain the number of inmates in the Facility at full capacity at all times by entering into Incarceration Contracts. Notwithstanding the foregoing, the Contractor agrees that it will not enter into any contract with the Indiana Department of Corrections, other Indiana counties, or the U.S. Marshal Service - Southern District of Indiana, nor house in the Facility any inmates from such entities without the prior written approval of the Sheriff. The Contractor shall be solely responsible for all costs and expenses associated with the detention and care of all "Contractor Inmates" including, without limitation, all costs and expenses related to dental and medical care of the Contractor Inmates. For each Contractor Inmate in the Facility, Contractor shall pay to the County a Contractor Inmate Payment in the amount of Three Dollars (\$3.00) for each Inmate Day. Contractor shall make Contractor Inmate beds available to the Department upon sixty (60) days notice for use in housing County Inmates.

SECTION V. DUTIES OF PARTIES

5.01. Administration: The Facility and its programs shall be managed by a single executive officer employed by the Contractor. The executive officer (Warden) shall be approved by the Sheriff of Marion County. For purposes of this requirement, the Warden in place at Marion County Jail II at the time of the execution of this Agreement is approved by the Sheriff. Future wardens of the Facility must be approved by the Sheriff prior to official placement at the Facility.

5.01.1. Policies and Procedures: The Contractor shall maintain a Policy and Procedures Manual that specifically describes the Facility's purpose, how the Facility will be operated and how it will interact with other Department corrections facilities in key areas (e.g. inmate discipline, incident reporting, grievance procedures, inmate transfers). The manual should also explain how operations requirements and standards will be met and monitored. The policy manual shall be reviewed annually by the governing body or agency administrator and updated when necessary. All revisions to the manual shall be submitted to the Contract Monitor for review and approval prior to implementation. The Contractor shall have seven (7) days to review proposed revisions to the Policy and Procedures Manual and his approval shall not be unreasonably withheld. A copy of the approved Policy and Procedures Manual and revisions shall be provided to the Department Central Office and the Contract Monitor. For purposes of this requirement, the Policies and Procedures Manual that is currently utilized at the Facility and that was submitted as Appendix 13, Volumes 1-3 to the Contractor's October 23, 2006 Proposal is approved.

5.01.2. The Contractor shall maintain its status as a public or private legal entity or part of a legal entity during the term of this Agreement and the Renewal Term.

5.01.3. The Contractor shall provide the Department with copies of all litigation and related documents, i.e. lawsuits, responses, settlements, etc., that relate to the Facility, within ten (10) days of being received by the Contractor.

5.01.4. The Warden shall accommodate the Department on-site Contract Monitor's requests to meet for the purpose of discussing problems or issues relevant to the operation of the Facility.

5.01.5. The Contractor shall maintain a current organizational chart that accurately reflects the structure of authority, responsibility and accountability within the Facility.

5.02. Fiscal Management

5.02.1. The Facility shall maintain written fiscal policies and procedures approved by the Department which shall explain, at a minimum, the system of internal controls including appropriate separation of

duties; the procedures for operation of an inmate trust fund; bonding requirements for appropriate staff; procedures for maintenance of inmate funds and the operation of any other cash accounts maintained for the Facility. For purposes of this requirement, the fiscal policies and procedures that are currently utilized at the Facility and that were submitted in Appendix 8, Volume 1 of the Contractor's October 23, 2006 Proposal are approved.

5.02.2. The Contractor shall maintain written policies for inventory control of all property and assets at the Facility. The Contractor shall maintain written policies for purchasing and requisitioning supplies and equipment. The Contractor shall use a method that documents and authorizes compensation payment to employees and consultants. For purposes of this requirement, the inventory control policy and the purchasing policy that are currently utilized at the Facility and that were submitted in Appendix 8, Volume 1 of the Contractor's October 23, 2006 Proposal are approved.

5.03. Program and Security Audits: The Contractor shall make available the necessary access to facilities, records, staff and inmates to enable the Department or its designee the opportunity to conduct periodic program and security audits of the Facility, including but not limited to the following functions and programs: medical, dietary, academic education, technical education, all security functions, recreation, casework, records, grievances, procedures, personnel, budget, fiscal control and inmate commissary. The Department's access to financial or budget records is limited to only those records that are necessary for the purpose of monitoring contract performance. As a result of any program or security audit, the Contractor shall agree to implement in a timely manner such recommendations for corrective action as prescribed in writing by the Department consistent with the terms of this Agreement. If the implementation of the recommendation results in a cost not anticipated by this Agreement, Contractor shall submit documentation of such cost. The Contractor shall be required to implement the recommendation after both parties agree to an adjustment to compensation, provided, however, the Contractor shall be given a reasonable amount of time to implement any recommendation after such adjustment is decided.

5.04. Personnel

5.04.1. The Contractor shall comply with all governmental regulatory requirements related to employment and personnel practices. The Contractor shall maintain its affirmative action program, changes to which shall be submitted to the Department for review and approval.

5.04.2. The Facility shall be staffed substantially similarly to the staffing pattern attached as Attachment A to this Agreement. When there is a substantial increase in the population at the Facility, the Contractor will adjust the staffing pattern. Prior to implementing the new staffing pattern, the Contractor will furnish a copy of it to the Department.

5.04.3. The Facility shall maintain written personnel policies that are approved by the Department. For purposes of this requirement, the personnel policies that are currently utilized at the Facility and that were submitted for approval as Appendix 8, Volumes 1-3 of the Contractor's October 23, 2006 Proposal are approved.

5.04.4. The Contractor shall maintain current written job descriptions and job qualifications for all positions at the Facility, including: job title, responsibilities of the positions, required minimum experience and education. Contractor staff shall substantially meet the minimum employment qualifications established at the time of the execution of this Agreement for staff employed in similar positions in adult correctional facilities operated by the Department.

5.04.5. The Contractor shall maintain a current, accurate and confidential personnel record on each employee. These records shall be made available for review by the Contract Monitor. The Contractor shall require an annual performance evaluation of all employees, which evaluations shall be reviewed and discussed with the employees.

5.04.6. The Contractor shall continue to provide all security personnel with uniforms that are approved by the Department. This shall include climatically suitable clothing for all outdoor assignments. For purposes of this requirement the uniforms that are currently used at the Facility are approved.

5.04.7. All employees of the Facility shall be subject to a thorough background investigation to include criminal and employment history. The method by which the Contractor investigates criminal and employment history shall be approved by the Department. The Contractor's current methods of investigation, which include obtaining an NCIC report for each applicant through the Department and verifying each applicant's employment history through the Facility Human Resources Department, are approved by the Department.

The Department may periodically require updated criminal history checks. All employees of the Facility shall be at least twenty-one (21) years of age. The Contractor shall advise all applicants during the initial pre-employment interview that if they have ever been convicted of a felony or of trafficking in narcotics, dangerous drugs or controlled substances, they shall not be considered for employment in any custody position or position having access to inmate records or any position which requires the need to carry a firearm or perform inmate transportation duties. The Contractor is required to abide by provisions of the amended Gun Control Act of 1968, which were adopted into law September 30, 1996. These provisions are outlined in Title 18, United States Code, Section 922(g) (9), making it illegal for anyone who has been convicted of a misdemeanor crime of domestic violence to possess any firearm or ammunition.

5.04.8. The Contractor shall maintain staffing levels at the Facility in sufficient numbers and rank to maintain the safety of the public, staff, and inmates, and to adequately carry out the provisions of this Agreement. The Contract Monitor shall have access to the Facility Human Resources Department's files which shall identify vacant positions and new hires. The Contractor shall fill all vacancies within a reasonable period of time and shall make all reasonable efforts not to exceed sixty (60) calendar days.

5.05. Training

5.05.1. The Contractor shall continue to provide new employee orientation, on-the-job, and in-service training programs for all employees, volunteers and subcontracted employees in accordance with ACA Standards. The Contractor's employees shall receive pre-employment training in accordance with ACA Standards and forty (40) hours of in-service training annually, in accordance with ACA and Department Standards.

5.05.2. The Contractor shall provide all training curriculums, lesson plans, and related materials to the Department for approval prior to use. For purposes of this requirement, the Contractor's training curriculums, lesson plans and related materials that are utilized at the Facility at the time of the execution of this Agreement are approved by the Department.

5.05.3. The Facility staff shall be required to participate in the Department's specialized training programs, including but not limited to the Jail Information Management System (JIMS).

5.05.4. The Department shall be permitted to audit training classes at any time.

5.06. Maintenance and Future Construction

5.06.1. The Contractor shall provide all maintenance necessary and appropriate, as part of a preventative maintenance program, to maintain, preserve and keep the Facility, and all property and equipment located therein in good repair, working order and condition, including, but not limited to, all fixtures, equipment, electrical, plumbing, and heating, ventilation and air conditioning ("HVAC") systems. In addition the Contractor shall provide all maintenance required for the parking lot, exterior lighting, fencing, sidewalks and landscaping (including without limitation the lawn, trees, shrubs and any flowering, plants or other vegetation and objects that comprise the landscaping). The Contractor shall be responsible for the replacement costs of equipment and systems if not covered by warranty. The Contractor shall seek the approval of the Indianapolis-Marion County Building Authority (the "Authority") and the Department prior to the replacement of any major systems or components thereof, including but not limited to, HVAC systems, boilers and the fence alarm system. If a disagreement occurs over whether a system or component requires replacement in part or in whole, the Indianapolis-Marion County Building Authority shall have final authority in the matter. If the Contractor is compelled to replace a system in part or whole and a later determination is made that such replacement was not necessary, then the Department shall reimburse the Contractor for the cost of same.

5.06.2. The Contractor shall not be responsible for maintaining those structural elements of the Facility consisting of the roof, sidewalls, structural support and foundation, which shall be the maintenance responsibility of the County and the Authority. However, no failure by the County or the Authority to fulfill their maintenance obligations will relieve the Contractor from its above-described duty and obligation to maintain, preserve and keep the Facility, in good repair, working order and condition. Upon a default by the County in providing such maintenance of the structural elements of the Facility comprising, but not limited to the roof, sidewalls, structural support and foundation, and following the applicable cure period pursuant to section 7.9.1 hereof and prior notice to the Authority, the Contractor shall have the right to supplement or take-over maintenance of the structural elements of the Facility. Notwithstanding any longer notice or cure period required pursuant to Section 7 hereof, in the event the Contractor deems that an emergency exists, the Contractor shall be required to give the Authority and the County twenty-four (24) hours prior notice and opportunity to cure such failure to maintain the exterior of the Facility. Any costs or expenses incurred by the Contractor for such maintenance shall be added to the next scheduled payment due Contractor under this Agreement; however, such costs and expenses will not include any of Contractor's maintenance obligations set forth herein regarding the interior of the Facility and of the landscaping.

5.06.3. At its sole cost and expense, the Contractor will maintain insurance to allow it to comply with its maintenance and repair obligations hereunder.

5.06.4. Upon a default by the Contractor in providing its above-described required maintenance of the Facility, following the applicable cure period pursuant to 7.09.1 hereof, the County or the Authority shall have the right to supplement or take-over such maintenance. Notwithstanding any longer notice or cure period required pursuant to Section 7 hereof, in the event the County or the Authority deems an emergency to exist because of such failure by the Contractor, the County or the Authority shall be required to give the Contractor twenty-four (24) hours' prior notice and opportunity to cure such failure, unless time is of the essence and a quicker response is required or immediate action is required under the City-County's bond documents, in which event the City-County or the Authority shall give such prior notice as is reasonably practical. Any costs or expenses incurred for such maintenance (whether incurred directly by the County, or charged by the Authority

to the County as additional rent under the County's lease with the Authority for work performed by the Authority) shall be deducted by the County from any payment due to the Contractor under the resulting agreement. Provided, however, no deductions for such maintenance expense shall be allowed to the extent a later determination is made that the maintenance performed was not necessary or to the extent the costs incurred exceed reasonable charges for the maintenance according to prevailing standards in the Indianapolis, Indiana area.

5.06.5. County-owned moveable equipment assigned to the Contractor, such as kitchen appliances and washer/dryers, shall be replaced at the Contractor's expense on an as-needed basis when repair of the item is no longer practical. (See Attachment B to this Agreement, Current Marion County Jail II Fixed Assets.) Moveable equipment purchased by the Contractor during the term of the resulting agreement may be purchased by the County upon termination or expiration of the resulting agreement at the Contractor's cost, less depreciation using the straight-line method.

5.06.6. The Contractor shall not construct additional structures, renovate existing structures or undertake any physical plant changes without express written consent from the County and the Authority. Any approved additional structures, renovations or physical plant changes shall become the property of the Authority upon termination or expiration of the agreement.

5.06.7. Renovation of the Old Works Building. The parties hereby acknowledge that at some point during the term of this Agreement and/or the potential extension, the parties, pursuant to IC5-23-4, may mutually agree to renovate the Old Works Building located adjacent to Marion County Jail II at 730 East Washington Street Indianapolis, Indiana 46202 in furtherance of the services provided hereunder. At such time, this Agreement shall be formally amended to include the modification of any terms and conditions of this Agreement to allow for the management of additional inmates pursuant to such a renovation as contemplated by the RFP.

5.06.8. Construction. The Contractor will be expected to coordinate with the Authority and the County during design and construction of the Old Works Building, and the parties shall not cause such coordination to interfere with or delay the Contractor's design and construction processes. The Contractor shall manage the construction to convert the second and fourth floors of the Old Works Building into dormitories with a total capacity of one hundred and ninety-two (192) beds and to convert the third floor into a thirty-eight (38) bed celled unit with a health services clinic. The construction costs and schedule reflected in the October 23, 2006 Construction Cost Proposal reflect price and time estimates that were valid at the time they were made. At such time that the parties agree to proceed with renovating the Old Works Building, the construction shall be completed as mutually agreed by the parties.

5.06.9. Contractor Construction Payment. Notwithstanding anything herein to the contrary, Contractor shall be liable for all costs and expenses associated with the renovation of the second, third, and fourth floors of the Old Works Building. The construction of this facility will be funded by the Contractor with a financing period of nine (9) years. In the event the County terminates this agreement without cause prior to the expiration of the financing period, the County shall refund the Contractor a portion of the Contractor's amortized construction costs in accordance with the following schedule:

Termination Year*	Refund Amount
Year 1	80%
Year 2	70%
Year 3	60%
Year 4	40%
Year 5	30%
Year 6 -10	0

*The termination year will begin on the 1st anniversary of the notice to proceed.

5.07. Utilities: The Contractor will be responsible for the payment of all utilities for the Facility including, but not limited to, water, sewer, gas, electricity, garbage collection, telephone, and data.

5.08. Sanitation and Hygiene

5.08.1. The Contractor will continue to provide each inmate with bed linen (pillow cases, sheets, blankets) and towels in accordance with ACA Standards. The type and quality of the bedding and linen shall be subject to Department approval. For purposes of this requirement, the current bedding and linen utilized at the Facility are approved.

5.08.2. Written policies and procedures shall ensure the issuance of clean, usable bed linen and towels to all inmates with provision for exchange or laundering.

5.08.3. Each inmate shall be provided the following articles for personal hygiene: soap, toothbrush, toothpaste, comb, toilet paper, deodorant and all other necessary sanitary supplies.

5.08.4. The Facility shall remain in compliance with all applicable laws and regulations, and ACA Standards addressing trash and garbage disposal, and vermin and pest control. Any deficiencies noted by the Department or other governmental agencies having jurisdiction shall be promptly corrected. The Facility shall be kept clean and in a good state of repair.

5.09. Laundry and Clothing

5.09.1. Department written policies and procedures shall ensure the issuance of clean, usable shoes and clothing to all inmates with provision for exchange or laundering. The Contractor shall furnish inmate and employee uniforms. The Department requires that a specific color uniform be issued to certain inmates:

- General inmates – orange;
- Administrative segregation inmates – yellow; and
- Life Principles Housing Unit – green.

Inmate workers will at all times wear the uniforms that are assigned according to their housing status (orange, yellow or green).

5.09.2. The Contractor shall continue to provide complete inmate laundry services. The Contractor shall comply with ACA Standards regarding the issue of special, and when appropriate, protective clothing and equipment to inmates assigned to the Facility's food service, outside details, community details and other special work details.

5.10. Health Services

5.10.1. The Contractor shall be responsible for all medical care costs and expenses provided within the Facility. The Contractor will provide the following professional health care services, on-site at the Facility, meeting NCCHC and ACA Standards:

Nursing Services/Medication Monitoring,
Pharmaceutical Services,
Nurse Screens/Health Assessments,
Triage Services,
LPN Sick Call, with RN or MD consultation, as appropriate
Provider Sick Call,
On-Site Emergency Response,
Infection Control,
Health Education,
Mental Health Services,
Dental Services, and
UR/Care Management Medical Supplies.

The Contractor shall also be responsible and provide for:

Clinical Laboratory Services,
Mobile Radiology Services,
Off-Site Specialty Care,
Hospital Emergency Room Services,
Inpatient Hospitalizations,
Outpatient Procedures (Same day surgery, diagnostic procedures requiring anesthesia), and
Ambulance Transport.

The Contractor shall provide medical supplies as necessary.

5.10.2. The Contractor shall assume financial responsibility for all dental, mental health and medical costs provided as outlined above, and the first forty-eight (48) hours of inpatient medical care. The Contractor will be responsible for medically related transportation and security costs during this forty-eight (48) hour period. The Department shall pay inpatient hospital and surgery charges after the initial forty-eight (48) hour period. The Contractor shall cause the medical provider's invoice(s) to detail the cost to be paid by the Department and the Contractor separately. In the event the medical provider is unwilling to detail these costs, the Department and Contractor shall negotiate an equitable cost allocation.

5.10.3. The Contractor shall be required to obtain prior Department approval of all scheduled inpatient hospitalization and surgery likely to exceed forty-eight (48) hours. Unapproved scheduled inpatient hospitalization and surgery costs shall be the responsibility of the Contractor. In the event of emergency hospitalization, the Contractor shall notify the Department as soon as possible.

5.10.4. In cases where inpatient care is expected to exceed forty-eight (48) hours, the Department may require the Contractor to transfer the inmate to the supervision of a Department Facility. If the inmate is not transferred to the supervision of a Department Facility within forty-eight (48) hours, the Department shall reimburse the Contractor in the amount of Thirteen Dollars and Fifty Cents (\$13.50) per hour and Twenty Dollars and Fifty Cents (\$20.50) per overtime hour per employee who is assigned to supervise the inmate after forty-eight (48) hours; or, the Department may provide staff to assume supervision of the inmate.

5.10.5. Any inmate medical costs resulting from the negligence or willful wrongdoing of the Contractor, its officers, agents or employees, shall be paid by the Contractor.

5.10.6. The Contractor shall not refuse medical services to any inmate assigned to the Facility by the Department. The Contractor shall not be assigned inmates who require infirmary care or inmates who the Department would ordinarily house at a designated medical correctional Facility, due to the level of medical care needed.

5.10.7. State licensing and certification requirements shall apply to health care personnel working in the Facility to the same extent as they apply to equivalent personnel in the community.

5.10.8. Any death of an inmate assigned to the Facility shall be reported immediately to the proper officials. A post-mortem examination shall be conducted on all decedents who die while in the custody of the Facility.

5.10.9. Medical Records: The Department will provide the inmate's medical record, if any, to the Facility's Medical Department including, but not limited to, a medical history, and physical, psychiatric evaluation and current medical orders. The Medical Department shall be responsible for the maintenance, retention and timely transfer of a complete medical record. Medical records shall be maintained in accordance with prevailing standards for confidentiality, retention and access. When inmates are released from the Facility, all medical records will be returned to the Department. The Contractor has the option to retain copies of all records pertaining to care rendered an inmate while residing at the Facility. Copies of all such records, if any, will be maintained according to state and federal requirements and statutes.

5.10.10. Medical Co-Pay: The Contractor shall charge County Inmates for medical visits and exams and for pharmaceuticals at the same rate the Department charges inmates at the Marion County Jail. All of the proceeds there from shall be utilized by the Contractor to help address medical costs. The Department shall provide the Contractor with a schedule of co-pay rates prior to the execution of this Agreement and shall notify the Contractor in writing of any changes to the Department's co-pay prior to any such change being implemented.

5.11. Food Services

5.11.1. The Contractor shall continue to provide food service in accordance with ACA Standards for Adult Institutions. The Contractor will provide three meals, including at least two hot meals, for each inmate at regular times during each twenty-four (24) hour period, with no more than fourteen (14) hours between the evening meal and breakfast. Provided basic nutritional goals are met, variations may be allowed based on weekend and holiday food demands. Special diets must be provided as required to meet the medical and religious needs of inmates. Meals will be available for staff and volunteers. The Contractor shall provide a certified nutritionist to ensure nutritional goals are met.

5.11.2. All menus served shall continue to meet or exceed the current National Recommended Daily Allowances (inclusive of all modifications and updates) for basic nutrition published by the National Academy of Sciences. These allowances should be adjusted for the specific population of the facility.

5.11.3. Each menu and corresponding nutritional analysis shall be forwarded to the Department for review and approval at least forty-five (45) days prior to implementation at the Facility. Approval shall not be unreasonably withheld.

5.11.4. The Contractor must specify the daily minimum calories to be provided each inmate and cite medical justification for that amount.

5.11.5. The Facility shall comply with all sanitation and health codes enacted by state and local authorities.

5.11.6. The Facility may offer special meals on selected holidays, including but not limited to, Christmas Day, Thanksgiving Day, Easter Sunday and Independence Day, consistent with the special meals offered at the other adult correctional facilities operated by the Department.

5.12. Security and Control: The Contractor shall provide inmate security and control at all times in accordance with ACA Standards and as approved by the Department.

5.12.1. The Facility shall establish emergency squads consistent with ACA Standards. These squads shall be comprised of one (1) Emergency Response Team per shift, each trained according to the Incident Management Team (IMT) protocols, and one (1) Special Operations Response Team (SORT).

5.12.2. The Department shall have the authority to deploy Departmental emergency squads to the Facility if deemed necessary or if requested by the Facility. The Contractor shall reimburse the Department for actual costs of deploying the Department's emergency squad(s).

5.12.3. The Facility shall have prior written approval by the Department for the inventory of all firearms, firearms ammunition, chemical agents, riot control weapons and equipment, electrical disablers and any other type of weapon. For purposes of this requirement, the Department has approved the Facility's inventory that is in use at the Facility at the time of the execution of this Agreement.

5.12.4. The Facility shall maintain a drug surveillance program pursuant to which a minimum of 25% of the population must be tested quarterly by a method approved by the Department. The Department has approved the testing method that is utilized by the Facility at the time of the execution of this Agreement. All costs of the program shall be borne by the Contractor. Results of drug testing shall be made available to the Contract Monitor upon his request.

5.12.5. The Facility shall maintain written procedures for the detection and reporting of escapes, which includes the notification of neighbors within the surrounding community.

5.12.6. The Facility shall immediately, or as soon as reasonably possible after the incident, notify the Department of all incidents involving an escape, attempted escape, use of deadly force, serious disturbance, inmate death or serious assault on staff, inmate or visitor. The Facility shall aggressively seek prosecution of inmate, staff and visitor criminal conduct through coordination and cooperation with local law enforcement agencies and prosecutors.

5.13. Transportation: The Department shall be responsible for transporting inmates to the Facility. As a matter of economy and convenience, and at the Contractor's sole discretion, the Contractor may transport inmates to the Facility for initial receipt. The Contractor will transport all inmates to and from the Facility for whatever reasons after the initial receipt of the inmate. The Facility's existing written policy that addresses the transportation of inmates as of the date of the execution of this Agreement is approved. Changes to the policy shall have Departmental approval prior to implementation. The Department shall administer transfer of inmates to and from the Facility.

5.14. Visitation: Visitation shall be located in a secure area and supervised at all times. The Facility shall maintain written policies that define the Facility's visitation rules and regulations. At a minimum, inmates shall be permitted the opportunity to visit at least one day per week.

5.15. Religious Services: The Facility shall continue to provide access to religious activities and materials in accordance with ACA Standards. A description of the religious programming in place at the Facility at the time of the execution of this Agreement was provided as part of the Contractor's October 23, 2006 Proposal under Section D.6, Program Overview and is approved by the Department.

5.16. Recreation: The Contractor shall provide facilities, equipment and supplies for a variety of recreational and leisure time programs such as movies, television, library materials and table games in accordance with ACA Standards to the full extent allowed by the current Facility design.

5.17. Libraries: A law library will be maintained by the Contractor for the inmates in accordance with ACA Standards. In addition, inmates are entitled to access to reading material, except pornography as defined by Indiana Law, or reading material which corrections officials have reasonable grounds to believe poses an immediate danger to the safety of an individual or a serious threat to the security of the Facility.

5.18. Access to Courts: The Contractor shall be responsible for providing inmates with timely access to the courts. The Department reserves the right to implement video court proceedings and/or on-site court proceedings, with all required equipment, furnishings and facility modifications provided by and paid for by the Department. The Contractor should be prepared to implement such a program.

5.19. Telephones: The Contractor shall provide for inmate access to public telephones in compliance with Department Rules and Regulations and ACA Standards. The Facility shall have the capability to monitor and record inmate telephone calls. All proceeds from the use of inmate telephones shall be transferred to the Department Commissary Fund. Any systems upgrades or monitoring systems requested by the Department shall be paid for by the Department.

5.20. Inmate Classification: Inmates will be assigned to the Facility in accordance with state laws and County rules and regulations. The Contractor will adhere to the ACA Standards. The Contractor will be required to maintain classified information which conforms to County rules and regulations.

5.21. Good Time: The Contractor will report disciplinary violations and good behavior to the Contract Monitor. The Department shall administer the system and have the sole authority to make all decisions for award and forfeiture of good time.

5.22. Academic Education: The Contractor shall continue to provide educational programming for the inmate population. The cost of materials, lab equipment, tests, test fees, supplies and any other costs associated with the education programs shall be the responsibility of the Contractor. Academic education shall include, at a minimum, basic education, adult literacy and opportunity to obtain a G.E.D.

5.23. Records and Information Technology: The Contractor will continue to maintain inmate records, including inmate banking records, using the system in operation at the time of execution of this Agreement. Contractor anticipates and reserves the right to implement a new Inmate Management System (IMS2) during the contract term to maintain inmate records and information. If the County requires the Contractor to use a different system to report and track inmate records, all costs for the system shall be paid by the County.

