

**1. PARTIES**

The Montana Department of Corrections (**DEPARTMENT**) and Montana Department of Public Health and Human Services (**DPHHS**) enter into this Memorandum of Understanding. The parties' names, addresses, and telephone numbers are as follows:

Montana Department of Corrections  
Adult Community Corrections Division  
5 S. Last Chance Gulch  
PO Box 201301  
Helena, MT 59620-1301  
(406) 444-3930

Department of Public Health and Human  
Services  
Montana State Hospital  
P.O. Box 300  
Warm Springs, MT 59756  
(406) 693-7000

**DEPARTMENT AND DPHHS, AS PARTIES TO THIS MEMORANDUM OF UNDERSTANDING AND FOR THE CONSIDERATION SET FORTH BELOW, AGREE AS FOLLOWS:**

**2. DUTIES/RESPONSIBILITIES OF DEPARTMENT AND DPHHS**

**A. Intent**

1. The purpose of this Agreement is to set forth the exclusive and mutual responsibilities of DPHHS and the Department 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.
2. Legislative action has transferred the administration of certain parcels of the Warm Springs Property along with the improvements, inclusion of buildings from DPHHS to the Department 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.
3. Since DPHHS and Department are both executive agencies of state government. This Agreement does not concern or affect the legal title to the Parcels.
4. DPHHS administers a program of inpatient mental health services for persons with serious mental health conditions at the Hospital. The residential correctional programs administered by the Department at the Xanthopoulos Building Site are the Warm Springs Addiction and Treatment Challenge (WATCH West) and Connections Corrections West (CCP West), herein after known as WATCH/CCP West, is located within the former extended campus of the Hospital and immediately adjacent to the current sites of residential and other therapeutic mental health services provided at the Hospital.
5. 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 the Department.

**B. Access and Signage**

1. The Department 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 WATCH/CCP West accept as otherwise expressly agreed to by the Chief Executive Officer for the Hospital.

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

**C. Maintenance and Repair**

1. The routine maintenance and minor repair of the buildings and other improvements located on the Warm Springs Property are to be completed by the Department or its management entity. If Department or management entity seeks assistance with maintenance they will identify their needs as "routine" or "emergent." "Routine" maintenance will be placed in the Hospital's Maintenance queue and will be addressed in the order received. "Emergent" maintenance will be moved to the top of the maintenance list and will be addresses as soon as possible. Routine maintenance will be charged at the respondent's hourly rate plus benefits. The rates below are consistent with base pay and overtime rates calculated at 1.5 times the base.

<b>Craft</b>	<b>Base Pay*</b>	<b>Benefits 28%</b>	<b>Total</b>
Carpenter	19.35	5.42	24.77
Electrician	19.35	5.42	24.77
Plumber	20.27	5.67	25.94
Station Engineer	18.30	5.12	23.42

In an emergency DPHHS will charge the Department one and half (1.5) times the respondent's hourly rate and benefit.

<b>Craft</b>	<b>Base Pay*</b>	<b>Benefits 28%</b>	<b>Total</b>
Carpenter	29.025	10.83	39.855
Electrician	29.025	10.83	39.855
Plumber	30.405	11.35	41.755
Station Engineer	27.45	10.24	37.69

\*Rates will be adjusted for any Legislative Pay Increases

Routine maintenance is defined as: Repairs not normally performed by a general maintenance position to repair, replace and/or install materials necessary to make the repairs (i.e., Boiler Maintenance, ReTherm Units, Snaking sewer lines, broken water lines, etc).

Emergent maintenance is defined as: Immediate repairs needed for the safety and security of the residents/staff such as sewer water backing up into toilets/showers, boiler malfunctions, electrical control panel failure, main water line breakage, etc which requires professionally licensed personnel to repair.

2. Joint Responsibilities

- a. DPHHS and the Department share responsibility for the payment of the costs incurred for maintenance and minor repair of the roads used to access the Warm Springs Property shown in Exhibit B. The respective amounts will be paid by a split of 75/25 percent by DPHHS and the Department. It is the joint responsibility of DPHHS and the Department to determine the need for and method of maintenance and repair for those roads shown in Exhibit B as determined by regular quarterly meetings with DPHHS and Department staff. Costs will not be approved without prior agreement between DPHHS and DOC.
- b. HVAC System: Computer based Building Management System: DEPARTMENT staff at MSP and/or DPHHS will have computer access to manage/maintain the heating/cooling system via computer. If necessary, DEPARTMENT staff may consult with management entity of the heating/cooling system to troubleshoot system via computer to correct errors in system. DOC/MSP staff would serve as the backup to the management entity staff should they be unavailable or unable to address and/or correct the HVAC system error(s). Should the management entity or DOC/MSP staff be unavailable or unable to address and/or correct the HVAC system error(s), DPHHS staff will serve as backup. .
- c. The Department will provide DPHHS with the IP address for the computer system.

D. Utilities – Fire Department – Old Boiler Plant

- 1. All electricity, natural gas and water utility charges shall be based on actual meter readings.
- 2. Department must reimburse DPHHS for sewer services repairs related costs based upon the proportion of campus occupancy. DPHHS shall notify the Department, by email or phone (406-439-1858), of any emergency repairs. DOC must agree to pay prior to service being completed. DPHHS will invoice the Department on the quarterly utility billing.

Occupancy of Montana State Hospital Campus	
Current DPHHS Staff and Patient on Campus	
Staff	425
Resident Staff and Families	25
Patients	201
Total	651
Current Department Program	
Staff	67
Clients	167
Total	234

At current occupancy level this would be 75/25 percent to DPHHS and the Department

- 3. Montana State Hospital contracts with a fire department to provide protection to life and property on the Warm Springs property. Department must reimburse DPHHS a percentage of the costs associated with the routine operation and maintenance of the fire department. Reimbursement will be in accordance to Section 3 of this contract. In the event that the fire

department contractor proposes replacement equipment or other needed improvement DPHHS and the Department will review and negotiate the proposals in advance to determine the proportion of costs for major improvements that would have been assessed upon the Department.

4. Operation of Boiler Plant. The Department is responsible for payment of all maintenance, repair and replacement costs associated with the operation of the Old Boiler Plant located on Parcel B. Demolition of this building will be between Department and the Architect and Engineering Division.
5. Water Rights. There are no water rights associated with the Warm Springs Property.

#### E. Security and Inmate Management

1. No inmate may be released by the Department from its custody on or near the Hospital campus or the Warm Springs Property. The Department shall provide for the release of inmates at appropriate locations away from the Warm Springs Property. The Department or its management entity shall be responsible for the transportation of inmates who are to be released.
2. The Department or its management entity must maintain appropriate security fencing around the Xanthopoulos Building. Department or its management entity shall keep inmates within the Xanthopoulos Building or attached exercise yards unless the Departments mutual agree to their presence for specific reasons elsewhere in the Warm Springs Property. The Department or its management entity must provide adequate security whenever inmates are in the exercise yard. 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 yard without direct supervision.
3. The Department and its management entity must develop plans for security, fire, disaster, and emergency and escape response plans. These will be coordinated and annually updated with DPHHS.
4. DPHHS must maintain security staff that is responsible for providing security for Hospital patients, staff visitors, and property.
5. The Department or its management entity 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 Department facility.

### 3. COMPENSATION/BILLING

The DEPARTMENT shall compensate DPHHS for successful delivery of services (or goods), provided pursuant to Section 2, in the following manner:

- A. The DEPARTMENT shall pay DPHHS hourly rates described in Section 2(C)(1) for routine maintenance calls and hourly rates described in Section 2(C)(1) for emergent maintenance calls per quarter for the services described in Section 2 (C)(1). DPHHS must invoice hours billed with management entities' sign off; for service calls provided and repairs completed during each quarter invoiced.
- B. The DEPARTMENT shall pay DPHHS \$ 5000 or 25 % of the fire costs as documented by DPHHS, which includes providing the Department with a copy of the contract executed with the entity or entities providing fire department protection. The new calculation for fire, with the

demolition of buildings is 59,567 sq ft ( X Building) of 289,692 Sq ft of overall campus is 25% , a total of \$5000 a year.

- C. The DEPARTMENT shall pay DPHHS 25% of the costs of sewer repair services as detailed on their quarterly invoice submitted to the DEPARTMENT within thirty (30) days of the end of each quarter.
- D. The DEPARTMENT agrees to pay DPHHS within thirty (30) days following receipt of a correct invoice.
- E. The DEPARTMENT may withhold payments to DPHHS if DPHHS has not performed in accordance with the terms of this Memorandum of Understanding.
- F. The Memorandum of Understanding number must be referenced on all invoices and correspondence pertaining to this Memorandum of Understanding.

#### **4. TIME OF PERFORMANCE**

This Memorandum of Understanding shall take effect on April 1, 2012 and shall terminate on June 30, 2017, unless terminated earlier in accordance with the terms of this Memorandum of Understanding. This Memorandum of Understanding may, upon mutual agreement and according to the terms of the existing Memorandum of Understanding, be renewed for a period not to exceed a total of five (5) additional years.

Upon expiration of this Memorandum of Understanding, and in the absence of a new written agreement, the terms listed herein shall continue to govern the agreement between the parties until such time as a new Memorandum of Understanding is signed.

#### **5. LIAISONS AND NOTICE**

- A. Rick Alan Deady, 5 South Last Chance Gulch, Helena, MT 59620, 444-4902 or successor serves as DEPARTMENT liaison.
- B. John Glueckert, Montana State Hospital, Warm Springs, MT 59756, 693-7010 or successor serves as DPHHS liaison.
- C. The DEPARTMENT shall instruct its management entity to specify a member its management staff to serve as a liaison to DPHHS.
- D. All notices and invoices required in this Memorandum of Understanding shall be in writing, properly addressed to the liaison in (A) and (B) above, and mailed first-class, postage prepaid. All notices sent via U.S. Postal Service are deemed effective on the date of postmark. Notices and invoices mailed through another carrier (e.g., UPS or FedEx) are effective upon receipt.

#### **6. ASSIGNMENT, TRANSFER AND SUBCONTRACTING**

##### **A. Assignment of Management**

The Department may contract with an entity for the management of the residential correctional programs along with the Warm Springs Property and improvements thereon related to that program.

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

**B. Transfer, Easements, and Dedications**

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

DPHHS may subject its approval to the entry of collateral agreements between itself, the Department and the recipient of a property interest in the Warm Springs Property. Collateral agreements include but are not necessarily limited to those addressing rights of way and easements, access route, maintenance costs, utility costs, fire department costs, security and visitors.

**6. AMENDMENTS**

All amendments to this Memorandum of Understanding shall be in writing and signed by the parties.

**7. TERMINATION AND DEFAULT**

A. The DEPARTMENT may, by written notice to DPHHS, terminate this Memorandum of Understanding in whole or in part at any time DPHHS fails to perform as required in this Memorandum of Understanding.

B. Either party may terminate this Memorandum of Understanding without cause by providing written notice to the other as described in this paragraph. The party desiring to terminate the Memorandum of Understanding shall provide written notice to the other, which notice will establish a termination date not less than thirty (30) days from the date of such notice.

**8. INTEGRATION**

This Memorandum of Understanding contains the entire agreement between the parties and no statement, promises, or inducements made by either party or agents thereof, which are not contained in the written Memorandum of Understanding, shall be binding or valid. This Memorandum of Understanding shall not be enlarged, modified, or altered except upon written agreement signed by all parties to the Memorandum of Understanding.

**9. SEVERABILITY**

A declaration by any court, or any other binding legal source, that any provision of this Memorandum of Understanding is illegal and void shall not affect the legality and enforceability of any other provision of this Memorandum of Understanding, unless the provisions are mutually dependent.

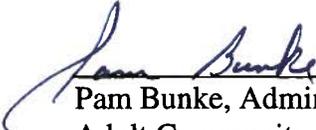
10. **COMPLETED MEMORANDUM OF UNDERSTANDING**

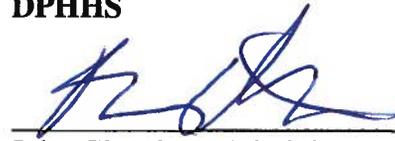
The DEPARTMENT cannot disburse any payments under this Memorandum of Understanding until a fully executed original Memorandum of Understanding is returned to the Department of Corrections, Contracts Management Bureau, PO Box 201301, Helena, MT 59620-1301.

**SIGNATURE**

**DEPARTMENT**

**DPHHS**

  
\_\_\_\_\_  
Pam Bunke, Administrator  
Adult Community Corrections Division

  
\_\_\_\_\_  
John Glueckert, Administrator  
Montana State Hospital, DPHHS

6-12-12  
Date

6/14/12  
Date

Approved for Legal Content by:

  
\_\_\_\_\_  
Legal Counsel  
Department of Corrections

6/2/12  
Date

