

INTERGOVERNMENTAL AGREEMENT FOR THE
OPERATION OF THE JAIL FACILITY
LOCATED IN PULASKI COUNTY, ILLINOIS

1. PARTIES

THE COUNTY OF PULASKI (hereinafter "Pulaski County")
ATTENTION:
Rex Wilburn
Mound City, Illinois 62963

THE COUNTY OF ALEXANDER hereinafter "Alexander County")
Alexander County Court House
ATTENTION: Office of Chairman, County Board
Cairo, IL 62941

THE COUNTY OF UNION (hereinafter "Union County")
Union County Court House
ATTENTION: Office of Chairman, County Board
Jonesboro, Illinois 62952

THIS AGREEMENT entered into this 25th day of August, 2008 among The COUNTIES OF PULASKI, ALEXANDER AND UNION (hereinafter referred to collectively as "the Counties" and where appropriate individually as "County") each pursuant to the laws of the State of Illinois, including expressly the Counties Code of the State of Illinois, as amended.

2. RECITALS:

WHEREAS, by the authority granted to the Counties pursuant to the State of Illinois Constitution of 1970, article 7, Section 10, the Illinois Intergovernmental Cooperation Act, as amended and the County Jail Act, as amended, the counties enter into this **Intergovernmental Cooperation Agreement**; and

WHEREAS, the Counties utilize the jail facility ("Jail facility") located in Ullin, Illinois and on the site with a legal description which is attached hereto as Exhibit A and made a part hereof and

WHEREAS, the Jail Facility is presently owned by Pulaski County.

WHEREAS, Pulaski County on _____, 2008 entered into a management contract (the "Management Contract") with Paladine Eastside Services ("the Manager") for an initial term of four (4) years.

WHEREAS, PULASKI COUNTY, ALEXANDER COUNTY AND UNION COUNTY recognizes that economic advantages of housing all of their prisoners on the Jail Facility; and

WHEREAS, PULASKI COUNTY agrees that the housing of prisoners from ALEXANDER COUNTY AND UNION COUNTY will provide needed revenue for the Jail facility; and

WHEREAS, the Counties each have worked together in the past, and pledge to work together in the future, to maintain the viability of the Jail Facility; and

WHEREAS, it is known to ALEXANDER COUNTY AND UNION COUNTY that PULASKI COUNTY will use this agreement as the basis for obtaining a \$7,300,00 loan from the United States Department of Agriculture, Rural Development ("RD") to be any, and interested on such obligations (the "RD Loan") and

WHEREAS, it is known to Alexander County and Union County that Pulaski County will utilize the proceeds of the RD Loan to make the required debt service on the jail facility.

WHEREAS, it is known to Alexander County and Union County that Pulaski County will own, operate and control the Jail Facility and make it available to Alexander County and Union county for housing their inmates; and

WHEREAS, Alexander County, Union County and Pulaski County desire to establish a procedure for the sharing of any revenue in excess of that required for the operation of the Jail Facility, including but not limited to all operational costs, administrative costs, maintenance, debt reserve, maintenance reserve, interest on indebtedness and principal payment.

Now, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, it is agreed between the Counties as follows:

3. TERMS AND COVENANTS:

3.01 This Agreement shall take effect on the _____ day of _____ 2008, for a term concurrent with that of the RD Loan and each renewal, if any, thereof, but in no instance shall the term exceed twenty (20) years.

3.02 The Jail Facility shall be staffed as mandated by the law and required by the demands of the population. The Jail Facility shall be operated by independent contract operators. With regard to employment in the Jail Facility, there shall not be any discrimination against anyone based on race, color, creed, sex, or national origin.

3.03 PULASKI COUNTY and the Manager shall be responsible for paying one hundred (100%) percent of the operation and maintenance expenses of the Jail facility. For a term of four (4) years, Alexander County and Union county agree to pay a daily cost of \$48.60 per prisoner bed, per day, with the individual County paying for the expense of all prisoner transportation. In the alternative, each County may choose to pay \$51.50 per prisoner bed and the Manager of the

Jail Facility shall provide all prisoner transportation. Payment of such daily cost per prisoner shall relieve ALEXANDER COUNTY AND UNION COUNTY from responsibility for any operation and maintenance expenses of the Jail Facility. For purpose of this Intergovernmental Agreement, "operation and maintenance expenses" will include, but not be limited to unreimbursed personnel costs, fringe benefits, food, clothing, required routine medical and insurance, utilities, maintenance expense and insurance (as provided for in the Management Contract described in 4.03 below).

3.04. During the initial four (4) year term of this Intergovernmental Agreement, all medication, medical, dental, and vision provided for prisoners at the Jail Facility shall be provided at no cost to the Counties by the Manager of the Jail Facility. All costs for medication, medical, dental, vision and mental health provided at any location other than the Jail Facility shall be paid by the County responsible for such prisoner to include, but not limited to, surgical, medical, mental procedures obtained at any health facility, hospital, or mental facility.

3.05. ALEXANDER COUNTY AND UNION COUNTY may in case of an emergency contract for temporary jail space in a facility other than the Jail Facility from any other unit of local government or any entity. For purpose of this Agreement prevents Alexander or Union County inmates from being safely transported to or incarcerated at the Jail Facility.

4. DUTIES OF PULASKI, ALEXANDER AND UNION COUNTIES:

4.01 PULASKI COUNTY shall operate the Jail Facility in accordance with all applicable Federal and State laws, including but not limited to the Illinois County Shelter and Detention Homes Act, Civil Rights Act, Civil Rights Act of 1964, the Illinois Human Rights Act, Rules and Regulations of the AOIC, and Department of Corrections and Title 20, Chapter Ones, Subchapter Ones, Part 701 of the Illinois Administrative Code of County Jails, effective April 1, 1997.

4.02 The responsibility of PULASKI COUNTY for the care and housing of any prisoner for ALEXANDER COUNTY AND UNION COUNTY shall commence upon the acceptance of such prisoner at the Jail Facility.

4.03. PULASKI COUNTY has entered into a contract with the Manager for operation and management of the Jail Facility, pursuant to the Management Contract. The terms of such Management Contract requires that Manager to market the remaining beds (in excess of the Counties' requirement) to surrounding jurisdictions and agencies. PULASKI COUNTY retains the authority to terminate the Manager in accordance with the terms of the Management Contract and replace it in PULASKI COUNTY'S sole discretion.

4.04. PULASKI COUNTY and /or the Manager shall maintain Comprehensive Liability and Property Damage Insurance covering the facility, operations and activities in connection with the Jail Facility in an amount of not less than \$2,000,000 per occurrence for bodily injury of death and not less than \$2,000,000 per occurrence for property damage and \$5,000,000 in the aggregate during any annual policy period. All moneys received for loss under the insurance policies shall be used in making good the loss or damage in respect of which they were paid except to the extent no longer deemed useful to or profitable in the operation of the Jail Facility, whether by repairing the property damaged or replacing the property destroyed shall be made within a reasonable time from date of loss. The proceeds derived from any and all policies shall be used in

paying or reimbursing any accounts from which payments for settlements, judgments or expenses were advances.

4.05 PULASKI COUNTY and/or the Manager shall maintain Workman's Compensation Insurance which shall provide for payment of compensation in accordance with the laws of the State of Illinois for all workers employed at or in connection with the Jail Facility, independent contractors, subcontractors and agents.

4.06. From time to time, PULASKI COUNTY in cooperation with the Manager will take steps reasonably necessary so that the Jail Facility may at all times be operated properly and advantageously.

4.07. Unless a County selects the \$48.60 per prisoner bed per day referenced in paragraph 3.03 above, the Manager shall be responsible for transportation to and from the Jail Facility of prisoners under the jurisdiction of the Counties.

4.08. All rental payments made by Alexander County and Union County shall be paid to Pulaski County and such payments shall be set aside as collected and be deposited into the Pulaski County Jail Facility Fund (Jail Fund) heretofore created and currently maintained. In addition to the payments made by Alexander County and Union County, Pulaski County shall make monthly payments to the Jail Fund for its inmates incarcerated at the Jail Facility in accordance with the provisions of 3.03 above. The funds in the Jail Fund shall be used to pay debt service, including any required reserve fund payments to RD, fund a maintenance reserve fund any pay Pulaski County a monthly administrative fee (all of the above collectively referred to as the ("Required Payments")).

- A) RD Loan principal and interest payments amortized on a monthly basis
- B.) RD requires fund payment amortized on a monthly basis
- C.) Maintenance reserve fund payment of \$2500 per month
- D.) the difference between the total amounts paid in a, b and c above and ? To the Pulaski County for an administrative fee.

The maintenance reserve fund will be maintained in Pulaski County; utilized in its sole discretion to comply with Pulaski County's maintenance requirements as specified in the Management Contract. PULASKI COUNTY covenants that it will make and keep proper books and accounts in which complete entries shall be made of all transactions relating to the Jail Facility, and within 210 days following the close of its fiscal year, will annually cause the books to accounts to be audited (as part of PULASKI COUNTY' annual audit) by independent certified public accountants, showing the receipt and disbursements on accounts of the Jail Facility.

Pulaski County agrees that in the event the Management Contract is terminated, it will use its best effort to negotiate a new management agreement that contains a provision to generate sufficient funds to pay all operating expenses, debt service, reserve payments, maintenance reserve and administrative fees . Pulaski County further agrees that for the term of this Agreement, any Additional Amounts will be divided.

4.09. Each of the Counties will adopt a budget and appropriations ordinance for each fiscal year of such County, or otherwise on accordance with applicable state laws, will provide lawful authority for payment of all sums anticipated to be due PULASKI COUNTY during such fiscal year.

5. FINANCIAL RECONSILIATION:

5.01. Each month, Pulaski County or the Manager shall prepare and submit to the Counties a prisoner accounting report regarding the number and duration of stay of prisoners incarcerated in the Jail Facility.

5.02. Based upon the prisoner accounting report referred to in paragraph 5.1, the Manager shall bill the Counties each for payment of their respective daily cost per prisoner bill for the previous month.

5.03. ALEXANDER COUNTY shall pay PULASKI COUNTY's Jail Facility Fund for all property billed amounts within twenty (20) days of receipt of billing

5.04. UNION COUNTY shall pay PULASKI COUNTY's Jail Facility Fund for all property billed amounts within twenty (20) days of receipt of billing.

5.05. ALEXANDER COUNTY AND UNION COUNTY shall have the right annually to independently audit the operating Expense and Revenue of the Jail Facility Fund, at their own expense.

5.06. All Counties shall meet the terms and conditions of their financial responsibilities as outlined in this agreement. If the required financial responsibilities of any County have not been met within sixty (60) days, Pulaski County reserves the right to decline admission of detainees of that County until such responsibilities have been met.

6. RENTAL OF ADDITIONAL BEDS:

6.01. When all beds in the Jail Facility are not in use, beds shall be offered for rent pursuant to a written contract for use by non-party Counties to incarcerate adult prisoners. The rate of such rent shall be computed by Pulaski County or the Manager based upon costs to be not less than those paid on a daily basis for ALEXANDER COUNTY OR UNION COUNTY prisoners, unless such lower or more favorable rents are approved by PULASKI COUNTY. It is understood among the Counties, however, that they shall have priority on bed availability throughout the term of this Agreement.

6.02. After all expenses are paid, income derived from beds provided to other than the prisoners of the Counties shall be distributed to PULASKI COUNTY. PULASKI COUNTY will then divide any remaining profit distributed to PULASKI COUNTY to ALEXANDER and UNION COUNTY in equal thirds providing that there is never a breach of provisions contained in 5.03 and 5.04. Any Breach in 5.03 by Alexander County and in 5.04 by Union County will constitute a breach of contract and will be barred from any profit share throughout the duration of this Contract.

7. MISCELLANEOUS CONDITIONS:

7.01. *Jurisdiction:* This Agreement shall be governed by the laws of the State of Illinois.

7.02. *Force Majeure:* In case by reason of force majeure any County shall be rendered unable wholly or in part to carry out its obligation under this Agreement, then if such County shall give notice and full particulars of such force majeure in writing to the other Counties within a reasonable time after occurrence of the event or cause relied on, the obligation of the County giving such notice, so far as it is affected by such force majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such County shall endeavor to remove or overcome such inability with all reasonable efforts. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of public enemy, order of any kind of the Government of the United States, of the States of Illinois, or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests restraints of government and people, civil disturbance, explosions, breakage or accidents to machinery, pipelines, canals, or tunnels, partial or entire failure to water supply, and inability on the part of PULASKI COUNTY to accept prisoners to the Jail facility, on account of any other causes not reasonably within the control of the County claiming such inability. The settlement of strikes and lockouts shall be entirely within the discretion of the County having the difficulty and that the above requirements that any "Force Majeure" shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable to it in the judgment of the County having the difficulty.

7.03. *Obligations Unconditional :* Neither ALEXANDER COUNTY OR UNION COUNTY shall have the right to terminate, cancel or rescind this Agreement, the right to withhold from PULASKI COUNTY rental payments due, or to become due under this Agreement; the right to recover from PULASKI COUNTY amounts previously paid under this Agreement or law; nor the right to a reduction or set-off against the amounts due or to become due under this Agreement.

7.04. *Assignment of Rights:* Neither this Agreement nor the rights or obligations hereunder may be transferred or assigned by any party. Notwithstanding the foregoing, the right to receive all payments which are required to be made by ALEXANDER COUNTY AND UNION COUNTY to PULASKI COUNTY in accordance with the provisions of this Agreement may be assigned by PULASKI COUNTY or its assigns to any mortgagee to secure the payment of which are used to finance the Jail Facility as those amounts come due, subjects to the applications of those payments as may be provided in the resolution authorizing such obligations. The rights of PULASKI COUNTY to enforce the provisions of this Agreement may be assigned to such mortgagee and, in such event, the mortgagee will have the right to enforce this Agreement at law or in equity; with or without the further consent or participation of PULASKI COUNTY. PULASKI COUNTY also retains the right to enforce this Agreement.

7.05. *Severability:* If any portion of this Agreement is held to be invalid, such provision shall be considered severable, and the remainder of this Agreement or any provision hereof shall not be affected.

7.06. *Modification*: This Agreement constitutes the final expression of the agreement of the Counties and supersedes all previous agreements and understandings. This Agreement may not be altered, amended, or modified, except by written instrument signed by the Chairman of each of the respective County Boards of the Counties.

7.07 *Not Indebtedness*: Other than the payment of internment costs, this Agreement shall not constitute an indebtedness of any of the Counties within the meaning of any statutory or constitutional limitation.

7.08 *Notice*: Notice to any party as required by this Agreement shall be made by registered or certified mail to the Counties at the addresses heretofore stated, addresses to the Chairman of the respective County Board, or at such other address as may be furnished from time to time.

7.09. *Mutual Cooperation in Issuance of Obligation*: Both ALEXANDER COUNTY AND UNION COUNTY shall cooperate with PULASKI COUNTY in issuance of any obligation the proceeds of which are used to finance the Jail Facility. In such connection, which are used to finance the Jail Facility. In such connection, each of the Counties will comply with all reasonable request of each other and will, upon request, so as follows:

(I) Make available general and financial information about itself;

(ii) Consent to publication and distribution of its financial information;

(iii) Certify that general and financial information about it is accurate, does not contain any untrue statements of a material fact and does not omit to state a material fact necessary in order to make the statements in that information, in light of the circumstances under which they were made, not misleading;

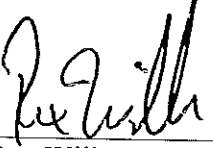
(iv) Make available certified copies of official proceedings;

(v) Provide reasonable certifications to be used in a transcript of closing documents;

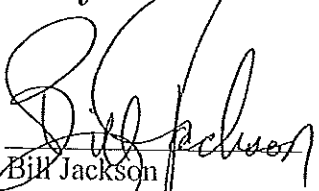
7.10. *Waiver of Trial by Jury*. Each of the counties hereto waive the right to a trial by jury in connection with any suit, action or proceeding seeking enforcement of such counties rights under this Agreement.

7.11 *Execution in Counterparts*: This Agreements may be executed in several counterparts, each or which shall be deemed to be an original, and all of which shall constitute but one and the same instrument. Any such counterpart may be signed one or more of the parties hereto so long as each of the parties hereto has signed one or more of such counterparts.


County of Pulaski

By: 
Rex Wilburn, Chairman
County Board of Commissioners

County of Union

By: 
Bill Jackson
County Board of Commissioners

County of Alexander

By: 
Mike Caldwell
County Board of Commissioners