

**COOPERATIVE ENDEAVOR AGREEMENT
REGARDING OPERATIONS AND MAINTENANCE
OF LINCOLN PARISH DETENTION CENTER
AND THE
CUSTODY, CARE, AND SAFEKEEPING
OF LINCOLN PARISH DETENTION CENTER INMATES**

BE IT KNOWN that on the dates hereinafter mentioned, before the undersigned authorities and in the presence of the undersigned legal and competent witnesses, personally came and appeared:

LINCOLN PARISH DETENTION CENTER COMMISSION, a political subdivision of the State of Louisiana, domiciled in Lincoln Parish, Louisiana, appearing herein by and through its duly authorized Chairman, Mike Stone, as per resolution of authority adopted on April 9, 2008 (hereinafter sometimes referred to as "the COMMISSION").

and

LaSALLE MANAGEMENT COMPANY, L.L.C., a Louisiana limited liability company domiciled in Richland Parish, Louisiana, appearing herein by and through its duly authorized Managing Member, William K. McConnell, (hereinafter sometimes referred to as "LaSALLE").

who after being duly sworn did depose and state the following:

WHEREAS, the COMMISSION is the keeper of the Lincoln Parish Detention Center, responsible for the physical maintenance thereof, and charged with the duty of providing for the maintenance and upkeep of all persons lawfully incarcerated in Lincoln Parish;

WHEREAS, LaSALLE is an experienced owner, operator and manager of various detention and/or prison facilities within the State of Louisiana and currently housing approximately twelve percent (12%) of those prisoners currently assigned to the Louisiana Department of Corrections;

WHEREAS, LaSALLE has a large staff of well-trained, highly qualified persons who previously held key positions within the Louisiana Department of Corrections;

WHEREAS, because LaSALLE owns, operates and manages multiple detention and/or prison facilities both within and outside of the State of Louisiana, it has been able to develop and take advantage of economics of scale in the operations of such detention and/or prison facilities which are not available to smaller operators of single detention and/or prison facilities such as the COMMISSION;

WHEREAS, because LaSALLE owns, operates and manages multiple detention and/or prison facilities both within and outside of the State of Louisiana, it has been able to employ or retain as consultants well trained, highly qualified and highly experienced correctional personnel;

WHEREAS, the COMMISSION believes that LaSALLE can operate, manage, and maintain the Lincoln Parish Detention Center and provide for the custody, care and safekeeping of COMMISSION inmates in the safest, most efficient and cost effective manner for the citizens of Lincoln Parish.

THEREFORE, in accordance with the provisions of Article VI, Section 20 and Article VII, Section 14 of the Louisiana Constitution and LSA-R.S. 33:1321, et seq., the COMMISSION and LaSALLE desire to enter into this Cooperative Endeavor Agreement Regarding Operations and Maintenance of Lincoln Parish Detention Center and the Custody, Care, and Safekeeping of Lincoln Parish Detention Center Inmates, the terms and conditions of which are more fully set forth hereinafter.

ARTICLE ONE SPECIFICATION OF FACILITY AND LOCATION

Section 1.01. Lincoln Parish Detention Center. The detention facility to be managed and operated by LaSALLE is commonly known as the Lincoln Parish Detention Center (hereinafter sometimes referred to as the "LPDC") and is located at 170 Road Camp Rd., Ruston, Louisiana.

Section 1.02. Location of Detainees and Inmates. The housing, confinement, work release and other detention services described in this Agreement to be performed by LaSALLE will be conducted at the Lincoln Parish Detention Center, the Jackson Parish Correctional Center, and any other facilities located in the State of Louisiana which might be owned or operated by LaSALLE.

ARTICLE TWO OPERATION OF THE LINCOLN PARISH DETENTION CENTER

Section 2.01. General Operational Philosophy. It is the intention of the parties to this Agreement that in exchange for the payments to LaSALLE by COMMISSION, LaSALLE will undertake the operation of the LPDC as it has under the existing management agreement and will continue to provide all of the services that it now and has been providing to the COMMISSION, including, but not limited to, the intake, booking, housing and transfer of inmates for appointment of counsel, hearings, interviews by attorneys, investigators and law enforcement personnel, the making of required phone calls and all other legally required procedures.

LaSALLE also recognizes and agrees to take all necessary and appropriate steps to insure timely and efficient compliance with all court related needs to the same or greater extent than it has been providing under the existing management agreement.

COMMISSION specifically acknowledges that LaSALLE is authorized to house, confine, and maintain COMMISSION inmates of every nature and kind at the LPDC, Jackson Parish Correctional Center, or any other facility located in the State of Louisiana which might be owned or operated by LaSALLE as LaSALLE deems necessary and appropriate for its overall operational needs.

Section 2.02. Applicable Standards. LaSALLE shall operate and maintain the LPDC in accordance with all applicable provisions of the Louisiana Basic Jail Guidelines and all applicable federal, state and local laws, rules, and regulations. However, it is specifically understood that the level and quality of services provided by LaSALLE shall exceed the minimum standards set forth in the Louisiana Basic Jail Guidelines.

Section 2.03. Physical Plant. The LPDC physical plant shall meet the requirements of the Louisiana Basic Jail Guidelines LaSALLE agrees to maintain the LPDC plant in accordance with all applicable federal, state, and local laws, rules and regulations, including, but not limited to, those of the Louisiana State Fire Marshal and the Louisiana State Health Department.

Section 2.04. Automatic Smoke, Fire Detection and Alarm System. LaSALLE shall maintain an automatic smoke, fire detection and alarm system at the LPDC and compile and maintain written policies, procedures and practices regarding fire and other safety emergency standards which shall be compiled and maintained in accordance with all applicable federal, state and local laws, rules and regulations.

Section 2.05. AFIS System. LaSALLE shall maintain and operate the AFIS system currently located at the LPDC in accordance with all applicable guidelines, rules and regulations adopted by the State of Louisiana.

Section 2.06. Interview/PEI Room. LaSALLE agrees to provide the COMMISSION with the use of an interview/PEI room.

Section 2.07. Food Services. LaSALLE shall provide food and beverage services in accordance with all applicable federal, state and local laws, rules and regulations, including, but not limited to, the State of Louisiana Health and Sanitation Codes.

Section 2.08. Laundry Services. LaSALLE shall provide laundry services to COMMISSION inmates and be responsible for the issuance of clean clothing, linens, and bath and hand towels for each COMMISSION inmate. Linens and clothing shall be laundered in accordance with LaSALLE policies and procedures considering the health and welfare of the COMMISSION inmates.

Section 2.09. Inspection and Technical Assistance. LaSALLE agrees to allow periodic inspections of the facility by the COMMISSION during normal business hours. Findings of the inspection will be shared with LaSALLE in order to promote improvements to facility operations, conditions of confinement, and service levels.

Section 2.10. Access to Records. LaSALLE agrees to maintain and make available for inspection, audit or reproduction by the COMMISSION the Louisiana Department of Corrections, and/or their employees, attorneys, agents and/or independent auditors, documents pertaining to the services provided hereunder, and/or to the sums billed by LaSALLE pursuant to this Agreement. Such records shall be maintained by LaSALLE for at least three (3) years following completion of this Agreement and thereafter until any pending audit or litigation and all questions arising there from and involving this Agreement or such records have been finally resolved.

Section 2.11. Appointment of Council. LaSALLE shall house inmates at LPDC for up to 72 hours or until assigned Appointment of Council and a visit from the indigent attorney.

ARTICLE THREE COMMISSION RESERVATION OF BEDS AND PAYMENT

Section 3.01. COMMISSION Use of Beds. The COMMISSION shall have the right to use and occupy two hundred (200) beds in the facilities described in Section 1.02 during the Term of this Agreement and agrees to pay the per diem rate specified in Section 3.02 for the use and/or occupancy of such beds and the detention services to be provided by LaSALLE pursuant to this Agreement. The COMMISSION shall not be required to pay for any bed not used by the COMMISSION from and after the Commencement Date of this Agreement, but shall pay the per diem rate for each such bed used and occupied by an inmate assigned to LaSALLE by the COMMISSION.

Section 3.02. Work Release Inmates. COMMISSION agrees that LaSALLE may use a portion of the LPDC as a work release facility to the extent that such use does not interfere with the services which LaSALLE has agreed to provide the COMMISSION pursuant to this Agreement. LaSALLE further agrees that in connection with its use of a portion of the LPDC as a work release facility, public safety and protection is of paramount concern and that LaSALLE will use its best efforts to utilize best screening practices to insure that the persons housed at the LPDC participating in any such work release program will be categorized as the most trustworthy potential participants in such work release program, pose the least security risk, and comprise the least serious offenders so as to maximize the continued safety and well-being of the citizens of Lincoln Parish.

Section 3.03. Per Diem Rate. The rates and fees charged by LaSALLE and paid by the COMMISSION pursuant to this Agreement shall be as follows:

- (a) The per diem rate for the actual use and/or occupancy of beds and related detention and transportation services specified in this Agreement shall be \$29.54 per inmate per bed per day at LPDC and \$27.54 per inmate per bed per day at other

LaSALLE managed facilities. This rate covers one inmate per bed per day. A twelve-hour period of any day shall count as an inmate day under this Agreement, except that the COMMISSION shall not be billed for two days when an inmate is admitted one evening and removed the following morning. In that situation, LaSALLE will bill for the day of arrival, but not for the day of departure. In the event that an inmate is booked into the LaSALLE facilities and stays less than twelve hours, then a booking fee of one-half of the standard LaSALLE facilities per diem (currently $\$27.54 \div 2 = \13.77) will be charged.

- (b) Up to Fifty (50) beds shall be utilized at LPDC for Parish Inmates at a per diem of \$29.54. LPDC will be utilized for Booking, Assignment of Council, and Indigent Referrals.
- (c) COMMISSION work release inmate(s) shall be charged the difference, between the COMMISSION per diem rate and the DOC Work Release per diem rate plus the Reimbursable DOC Work Release Rate (Currently \$18.39 DOC Work Release per diem rate + \$5.00 Incidental + \$22.00 Work Release Privilege = \$45.39).
- (d) Beginning in the fourth year of this Agreement and each year thereafter, LaSALLE and the COMMISSION shall negotiate increases in the per diem rate, which shall be applicable during the following fiscal year of the COMMISSION. Any such increases in the per diem rates shall be based upon increases in the costs and expenses of operating, insuring and maintaining the facility and providing the detention services. If the parties are unable to agree on the amount of increase in the per diem rate on or before March 1st of such year, LaSALLE may increase the per diem rates provided that such rates shall not be increased to an amount greater than an amount determined by multiplying the applicable per diem rate set forth in (a) above by a percentage amount equal to 100% plus the cumulative percentage increase in the appropriate Consumer Price Index, from the third anniversary of the Commencement Date to the date of the increase.
- (e) LaSALLE shall pay a five thousand dollar (\$5000) per month sponsor fee beginning forty-five (45) days after the roof repair and the LPDC becoming compliant with the Fire Marshall.

Section 3.04. Billing Procedure. LaSALLE shall submit an itemized invoice for the services provided each month to the COMMISSION. Invoices will be submitted to the officer of the COMMISSION designated to receive the same. The COMMISSION shall make payments to LaSALLE within fifteen (15) days after receipt of the invoice. Payment shall be in the name of LaSALLE and shall be remitted to LaSALLE, P. O. Box 809, Rayville, Louisiana 71269.

Amounts which are not paid timely in accordance with the above procedures shall bear interest at the lesser of the annual percentage rate of 12% or the maximum legal rate

applicable to COMMISSION. COMMISSION further agrees that LaSALLE shall be entitled to recover its reasonable necessary attorneys' fees and costs incurred in collection of amounts due under this Agreement.

Section 3.05. Inmate Eligibility. All inmates of the COMMISSION are eligible for incarceration in the facilities described in Section 1.02 in accordance with this Agreement. Such inmates shall include, but not be limited to, male/female detainees, sentenced inmates of the COMMISSION, probation and parole violators, or city-ordinance violators.

Prior to LaSALLE receiving the initial group of inmates for transportation by LaSALLE to its facility, the COMMISSION shall furnish LaSALLE with the following information: (1) complete information and documentation relating to the inmate's case history; (2) all the inmate's records concerning classification, including conduct records; and (3) medical and clinical records, including certification of tuberculosis screening or treatment.

LaSALLE will not accept inmates who are brought to the facility for booking who are severely injured, severely bleeding and/or bruised and in need of immediate medical attention or who are unconscious.

Section 3.06. Inmate Sentences. The computation or processing of inmates' time of confinement, including, but not limited to, computation of good time awards/credits and discharge dates shall be performed by LaSALLE under the direction of the COMMISSION. LaSALLE shall be responsible for bonds, bonding procedures, or collection of bonds/fines. The COMMISSION shall confirm with LaSALLE of any discharge date for an inmate or bonding of an inmate. LaSALLE will release inmates of the COMMISSION only when such release is specifically requested in writing by the COMMISSION.

ARTICLE FOUR OPERATION OF LINCOLN PARISH DETENTION CENTER

Section 4.01. Minimum Conditions of Confinement of COMMISSION Inmates. In addition to the provisions of the Louisiana Basic Jail Guidelines and all applicable federal, state and local laws, rules and regulations relating to the confinement of inmates and/or prisoners, LaSALLE shall provide the services more fully set forth hereinafter.

Section 4.02. Staffing. Sufficient staffing shall be provided 24 hours per day to adequately supervise COMMISSION inmates.

Section 4.03. Meals. LaSALLE shall provide COMMISSION inmates with two hot meals daily along with one additional daily meal which need not be hot, which menus shall be planned and reviewed in advance by a registered dietician. In no event shall more than fourteen hours elapse between meals. Special diets shall be made available to

COMMISSION inmates when prescribed by appropriate medical or dental personnel.

Section 4.04. Emergency Medical Care. LaSALLE shall provide COMMISSION inmates with twenty-four hour per day access to emergency medical care.

Section 4.05. Medical Guidelines and Reporting. LaSALLE shall maintain written medical policies, procedures and guidelines for COMMISSION inmates, which policies, procedures and guidelines shall be in accordance with federal, state and local rules, regulations and laws and the Louisiana Basic Jail Guidelines.

Section 4.06. Health Services. LaSALLE shall provide access to the basic health care needs of the COMMISSION inmates. Medical and basic health care services shall comply with the following provisions:

- (a) The per diem rate under this Agreement covers only routine medical services, such as on-site sick call and nonprescription, over-the-counter/non-legend drugs and medical supplies. This contract does not include third party medical services, including, but not limited to, surgical, optical or dental care, and does not include the costs associated with any hospitalization of an inmate. The COMMISSION shall pay LaSALLE an amount equal to the amount that LaSALLE is required to expend for medical services other than those routine medical services provided for by the per diem rate. When it becomes necessary for an inmate to be hospitalized, LaSALLE shall contact the COMMISSION through its chairman or designated representative as soon as possible to inform the COMMISSION of the fact that the inmate has been, or is to be, hospitalized and of the nature of the illness or injury that has required the hospitalization.
- (b) State certification and licensing requirements shall apply to all health care personnel responsible for dispensing medical services to inmates. LaSALLE shall provide and certify at least one direct care employee in standard first aid procedures and cardiopulmonary resuscitation (CPR) per shift minimum.
- (c) LaSALLE shall have sufficient first aid supplies and equipment adequately maintained at all times to support the overall medical treatment requirements of the COMMISSION inmates. Medical first aid supplies shall be maintained in accordance with prescribed standards recognized or approved by a licensed, recognized health authority which possesses the expertise to evaluate, assess, and determine the potential need or conditions of the required first aid supplies and equipment. LaSALLE shall implement a system of inventory management to ensure that first aid equipment and

supplies are adequately replaced and replenished.

- (d) All costs associated with hospital or health care services provided outside the facility will be paid directly by the COMMISSION or promptly reimbursed to LaSALLE. LaSALLE shall provide guards at the regular hourly rate of \$18 plus expenses of those guards. In the event that a contract with a medical facility/physician exists which allows LaSALLE to receive discounted rates, the COMMISSION shall be charged at that rate.
- (e) The warden of the facility shall notify the chairman or designee as soon as possible of all emergency medical cases requiring removal of a COMMISSION inmate from the facility.
- (f) Medical records will always be kept on COMMISSION inmates.
- (g) Except as provided hereinafter, LaSALLE will submit invoices for such medical services along with its regular monthly billings for detention services, and such invoices shall be paid on the same terms as the regular monthly billings.
- (h) If the hospitalization of a COMMISSION inmate is to be for a duration of more than 24 hours, or the cost of any medical care or hospitalization is to exceed \$1,000.00, LaSALLE has the right to arrange for the hospital or health care provider to bill the COMMISSION directly for the costs of the hospitalization and/or medical care, rather than LaSALLE paying the costs and billing the same to the COMMISSION. If the hospital or health care provider refuses to bill the COMMISSION directly, the COMMISSION shall reimburse LaSALLE for such costs within five (5) business days of receipt of such an invoice from LaSALLE, which invoice may be delivered personally, by facsimile, by mail, or by other reliable courier.
- (i) The COMMISSION will provide LaSALLE with medical information for all inmates sought to be initially transferred to LaSALLE pursuant to this Agreement, including information regarding any special medication, diet or exercise regimen applicable to each inmate.

Section 4.07. Recreation and Exercise. LaSALLE shall provide COMMISSION inmates with adequate physical facilities, equipment, and supplies for a recreation program that meets all applicable requirements of the Louisiana Basic Jail Guidelines.

Section 4.08. Visitation. LaSALLE shall provide adequate space for visitation and supervision necessary to implement a visitation program for COMMISSION inmates that meets all applicable requirements of the Louisiana Basic Jail Guidelines.

Section 4.09. Safety Requirements. LaSALLE shall operate and maintain LPDC and other managed facilities in compliance with all applicable federal, state and local rules, regulations and laws. Such operation and maintenance shall comply with the terms and provisions of this Agreement and the applicable provisions of the Louisiana Basic Jail Guidelines. LaSALLE shall further maintain the facility, adopt and establish safety plans and provide safety reports as follows:

- (a) The facility shall be maintained in compliance with all applicable codes, including, but not limited to, those of the Louisiana State Fire Marshal, the Louisiana State Health Department, and the Louisiana Basic Jail Guidelines.
- (b) LaSALLE shall establish an emergency fire plan and written procedures for the safe evacuation of COMMISSION inmates and staff. Each new inmate shall be briefed on evacuation procedures during admission. Written emergency fire exit plans shall be posted in all major meeting rooms, dining rooms, hallways, and living areas.
- (c) LaSALLE shall complete an injury report as provided in the event that an injury to an inmate or employee results in one full day's loss of work or programmatic activity and/or that results in medical treatment, provided that first aid treatment shall not be deemed medical treatment. LaSALLE shall complete an injury report and shall forward same to the COMMISSION assigned representative within 24 hours following said injury.

Section 4.09. Resident Correspondence. LaSALLE shall handle resident correspondence in accordance with the applicable provisions of the Louisiana Basic Jail Guidelines.

Section 4.10. Resident Funds. LaSALLE shall have written policies and procedures governing the operations of any fund established for COMMISSION inmates. These funds shall be held by LaSALLE and shall be controlled consistent with generally accepted accounting principles.

Section 4.11. Religious Services. LaSALLE shall cause religious services to be conducted for COMMISSION inmates in accordance with the applicable provisions of the Louisiana Basic Jail Guidelines. Participation in religious services shall be voluntary for all COMMISSION inmates.

Section 4.12. Security. LaSALLE shall provide adequate security for COMMISSION inmates in accordance with the requirements of this Agreement and the applicable provisions of the Louisiana Basic Jail Guidelines. As part of such security program, LaSALLE shall comply with the following census and reporting requirements:

- (a) LaSALLE shall develop, implement and document a daily system for physically counting all COMMISSION inmates, assuring strict accountability for such inmates and that at least one inmate count occurs per shift.
- (b) LaSALLE shall notify the COMMISSION representative as soon as possible when a COMMISSION inmate is involved in an escape, attempted escape, or conspiracy to escape.

Section 4.13. Programs. LaSALLE shall provide programming to meet the needs of the COMMISSION inmate. Programs may include, but not be limited to, educational, counseling, substance abuse education, and case management. The per diem rate set out in this Agreement only covers basic custodial care and supervision and does not include any special educational, vocational, or other programs. The parties may agree by a written amendment to this Agreement, or by separate agreement for the provision of special programs on terms mutually agreed upon by the parties. LaSALLE may, at no cost to the COMMISSION and not inconsistent with the applicable provisions of the Louisiana Basic Jail Guidelines and the purpose of this Agreement, provide special programs for COMMISSION inmates and permit or require selected inmates to participate in such special programs.

Section 4.14. Receiving and Discharging. LaSALLE agrees to accept and release COMMISSION inmates only to authorized persons in compliance with this section.

- (a) LaSALLE shall accept inmates presented by the COMMISSION upon presentation by an authorized officer possessing proper law enforcement credentials.
- (b) LaSALLE agrees to release COMMISSION inmates only to law enforcement officers of agencies authorized by the COMMISSION. Those inmates who are remanded to custody of the COMMISSION may only be released to the COMMISSION or an agent specified by the COMMISSION.
- (c) COMMISSION inmates may not be released or placed in the custody of any federal, state or local official other than the COMMISSION for any reason except for medical emergency situations, a court order, or authorization by the COMMISSION.

Section 4.15. Disciplinary Procedures. LaSALLE shall establish written disciplinary procedures to include the processing of violations by COMMISSION inmates and graduated sanctions that may be imposed. Each COMMISSION inmate shall be informed of such disciplinary procedures and provided with a copy of the same upon admission. LaSALLE shall maintain a master file of all disciplinary reports and actions taken and shall provide the COMMISSION with a copy of each report in the event that a COMMISSION inmate commits a disciplinary violation.

Section 4.16. Grievance Procedures. LaSALLE shall establish written grievance procedures, which procedure shall be provided to all COMMISSION inmates upon admission. At a minimum, the procedure shall utilize a two-step process and shall conform to the applicable standards set forth in the Louisiana Basic Jail Guidelines. LaSALLE shall maintain a master file of all grievances filed by COMMISSION inmates and the actions taken.

Section 4.17. Use of Force. LaSALLE shall establish written procedures governing the use of force against COMMISSION inmates. This procedure shall conform to the applicable standards set forth in the Louisiana Basic Jail Guidelines. LaSALLE shall maintain a master file of all such incidents that occur.

Section 4.18. Transportation. LaSALLE agrees to provide transportation of COMMISSION inmates to and from the LPDC and/or Lincoln and/or COMMISSION courthouses in accordance with the following:

- (a) Transportation and escort guard services will be performed by armed, qualified officers employed by LaSALLE pursuant to policies, procedures and practices established by LaSALLE.
- (b) Upon 12 hours notice to LaSalle from COMMISSION, LaSALLE shall transport an inmate back to LPDC for interviews, questioning, or other justice matters.
- (c) Upon arrival at the courthouse or jail facility, transportation and escort guards will turn COMMISSION inmates over to an authorized COMMISSION agent only upon presentation by such deputy or authorized agent of proper law enforcement credentials.
- (d) Each COMMISSION inmate will be restrained in handcuffs and leg irons during transportation.
- (e) LaSALLE will continue to be liable for the actions of its employees while they are transporting COMMISSION inmates. Worker's compensation in accordance with all state law requirements shall be provided for LaSALLE's employees while on duty, including while they are providing transport

services.

- (f) LaSALLE agrees to hold harmless and indemnify the COMMISSION and the chairman and their officials, in their official and individual capacities, from any liability, including third party liability or worker's compensation, arising from the conduct of LaSALLE employees during the course of the transportation of COMMISSION inmates.
- (g) LaSALLE will provide such other transportation for COMMISSION inmates as might be determined necessary at a negotiated rate as agreed upon with the COMMISSION.

Section 4.19. Trustees/Road Crews/Trash Detail. LaSALLE agrees to provide up to twelve (12) Department of Correction Trustees for use by the COMMISSION for road crews and trash detail.

ARTICLE FIVE INSURANCE AND INDEMNIFICATION

Section 5.01. Indemnification. LaSALLE agrees to indemnify and hold the COMMISSION and its agents, officers and employees harmless from all costs, claims, expenses, and liabilities (including attorneys' fees) whatsoever that may be incurred by the COMMISSION, its agents, officers or employees, arising from any and all acts done or omitted to be done by LaSALLE, or the employees, agents, subcontractors or assigns of LaSALLE in connection with the operation of the LPDC or the provision of service by LaSALLE pursuant to this Agreement and from any and all claims or causes of action that may be brought by any third party by reason of or pursuant to this Agreement, provided that this section shall not be construed as creating any right, cause of action, or claim of waiver or estoppel for or on behalf of any third party nor shall it be construed as a waiver or modification of the availability of the defense of governmental immunity or any other legal defense available to either LaSALLE, the COMMISSION, the Lincoln Parish Police Jury, or the City of Ruston.

Section 5.02. Contractor to Provide Defense. In case any action or proceeding is brought against the COMMISSION regarding any claim or matter referenced in the foregoing section, COMMISSION shall provide immediate notice to LaSALLE and LaSALLE shall defend against such action by counsel satisfactory to COMMISSION, unless such action or proceeding is defended against by counsel for any carrier of liability insurance provided for herein. The aforementioned indemnification shall not be affected by a claim that the negligence of COMMISSION or its respective agents, employees, or licensees contributed in part to the loss or damage indemnified against. COMMISSION shall have the right to utilize separate counsel, to participate in the investigation and defense of any such claims, and the fees and expenses of such counsel shall be paid by COMMISSION unless the employment of such counsel has been previously authorized in writing by LaSALLE.

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Section 5.03. Waiver and Releases. Neither LaSALLE nor COMMISSION shall waive, release, or otherwise forfeit any possible defense that LaSALLE or the COMMISSION may have regarding any claim arising from or made in connection with the operation of the facility by LaSALLE without the written consent of the other party to this Agreement, provided that LaSALLE shall have authority to compromise and settle any claim for monetary consideration only, for which LaSALLE is indemnifying the COMMISSION. COMMISSION and LaSALLE shall preserve all such available defenses and cooperate with each other to make such defenses available for each other's benefit to the maximum extent allowed by law, including any defenses COMMISSION may have regarding litigation, losses, and costs resulting from claims or litigation pending at the time this Agreement becomes effective or arising thereafter from occurrences prior to the effective date of this Agreement.

Section 5.04. Insurance. LaSALLE shall secure and maintain in effect, or shall cause to be secured and maintained, an insurance policy or policies providing coverage against all claims based on violations of the Civil Rights Act arising from the services performed under this Agreement: (i) coverage to protect against all claims arising from services performed under this Agreement; (ii) coverage to protect COMMISSION from actions by third parties against LaSALLE as a result of this Agreement; (iii) coverage for the property, including the building and grounds located at 170 Road Camp Rd., Ruston, Louisiana. The insurance policy or policies required by this section shall be for not less than any limits of liability specified herein or required by law, whichever is greater, and shall include coverage for liabilities assumed by this Agreement as applicable to the obligations of LaSALLE hereunder. The COMMISSION shall be named as an additional insured on each such insurance policy.

Section 5.05. Additional Insurance. LaSALLE shall continuously maintain such accident, general liability, worker's compensation, and automobile insurance as required by law to include protecting LaSALLE, its officers, employees, and agents from and against any and all liability caused by or arising out of any aspect of the operation of the LPDC and the furnishing of services pursuant to this Agreement, including the payment of damages and attorneys' fees. LaSALLE shall provide proof of insurance coverage to COMMISSION upon request.

Section 5.06. Coverage Amounts. The liability insurance and coverage insuring against claims made pursuant to the Civil Rights Act shall be maintained in an amount that is not less than \$1,000,000. The general liability and automotive insurance and coverage shall be maintained in an amount that is not less than \$1,000,000 per person per occurrence and \$1,000,000 per occurrence and an aggregate coverage of \$2,000,000. LaSALLE shall further maintain statutory worker's compensation insurance in the statutory amounts.

**ARTICLE SIX
GENERAL PROVISIONS**

Section 6.01. Commission Liability. To the extent permitted by applicable law, COMMISSION shall be fully responsible and liable for all suits, claims, damages, losses, or expenses, including reasonable attorneys' fees, arising out of COMMISSION performance or nonperformance of the services and duties herein stated in regard to duties herein assigned to COMMISSION, and specifically excluding the actual transportation or incarceration of inmates by LaSALLE. COMMISSION retains full liability for each COMMISSION inmate until that inmate has been received by LaSALLE at the LPDC for transportation, holding and incarceration by LaSALLE and after LaSALLE has returned and delivered the inmate back to the COMMISSION.

Section 6.02. LaSALLE Liability. LaSALLE shall be fully responsible and liable for all suits, claims, damages, losses, and expenses, including reasonable attorneys' fees, arising out of LaSALLE's performance or nonperformance by LaSALLE of the services and duties herein stated in regard to the actual transportation, holding, and incarceration of inmates by LaSALLE.

Section 6.03. Binding Agreement. This Agreement is contractual and is binding upon the parties hereto and their successors, assigns and representatives in accordance with and subject to all the terms and conditions hereof.

Section 6.04. Notices. All notices, demands, and other writings may be delivered by either party hereto to the other by United States Mail or other reliable courier at the following address:

To LaSALLE: LaSalle Management Company, L.L.C.
Attention: William K. McConnell
P. O. Box 809
105 Ray Street, Suite A
Rayville, LA 71269

To COMMISSION: Lincoln Parish Jail Commission
Attention: Sheriff Mike Stone
P.O. Box 27
Ruston, LA 71270

The address to which any notice, demand or other writing may be delivered to any party as above provided may be changed by written notice given by such party as above provided.

Section 6.05. Funding Sources. The COMMISSION represents that it has current funds available sufficient to meet its obligations pursuant to this Agreement through the remainder of this fiscal year and the signature of the chairman of the COMMISSION below certifies that there are sufficient funds from current revenues available to the COMMISSION to meet its obligations under this Agreement.

Section 6.06. Non-Appropriation of Funds. Notwithstanding anything contained in this Agreement to the contrary, all the financial obligations of the COMMISSION pursuant to this Agreement are subject to appropriations and, in the event no funds or insufficient funds are appropriated or budgeted therefore, or that current funds are otherwise unavailable in any fiscal period for the payment of the per diem fees, expenses, defenses and amounts due to be paid by the COMMISSION to LaSALLE pursuant to this Agreement, the COMMISSION will immediately notify LaSALLE or its assignee of such occurrence and this Agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to the COMMISSION of any kind whatsoever, except as to the portions of the payments and funds herein agreed upon for which funds shall have been so appropriated or budgeted or are otherwise lawfully available. The COMMISSION further agrees that, after giving notice of such termination, the COMMISSION shall withdraw all inmates from the LaSALLE facility on the last day for which sufficient funds are available to the COMMISSION to pay the per diem amounts and fees due LaSALLE pursuant to this Agreement. Notwithstanding the foregoing, and to the extent permitted by law, COMMISSION agrees that it will not cancel this Agreement under the provisions of this Section for any fiscal year in which funds are appropriated to it, or by it, for the intended purpose of paying the per diem fees and amounts due to be paid by the COMMISSION pursuant to this Agreement. To the fullest extent permitted by law, this Section will not be construed so as to permit the COMMISSION to terminate this Agreement in order to acquire the same or similar services, or to acquire the use of similar property, or to allocate funds directly or indirectly to perform essentially the same application and obtain the same services or use of property for which this Agreement is intended.

Section 6.07. Commission Insurance and Liability. The COMMISSION shall indemnify and shall defend against, and to the extent if any that LaSALLE may be named a defendant in any claim or suit arising from any cause when a COMMISSION inmate was not in the custody of LaSALLE, shall cooperate with LaSALLE to defend against all claims, actions, proceedings, expenses, damages or liabilities, including attorneys' fees and court costs arising in connection with the arrest, confinement, housing, transportation or treatment of any COMMISSION inmate or inmates prior to the time that any such inmate shall be delivered to the LPDC or accepted by LaSALLE and after the inmate has been delivered or returned back to the COMMISSION. This provision shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination hereof.

Section 6.08. Assignment. LaSALLE may assign the revenues and payments payable by the COMMISSION pursuant to this Agreement and/or grant or assign a security interest in this Agreement. Any assignment of this Agreement, except for a

security interest, must have the prior written consent of the COMMISSION. Such consent shall not be unreasonably withheld. Any such assignees shall have all of the rights of LaSALLE under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Upon assignment of any interest of LaSALLE herein, LaSALLE will cause written notice of such assignment to be sent to COMMISSION, which will be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made.

Section 6.09. Amendment. This Agreement shall not be modified or amended except by a written instrument executed by the duly authorized representatives of both parties.

Section 6.10. Prior Agreements. Except as expressly provided in this Section, this Agreement contains all of the agreements and undertakings, either oral or written, of the parties with respect to any matter mentioned herein, and no prior agreement or understanding pertaining to any such matter shall be effective.

Section 6.11. Assignment of Contract. All of the terms, covenants, conditions, representations, and agreements in this contract shall be binding upon all parties herein and their successors and/or assignees.

Section 6.12. Section Headings. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

Section 6.13. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana. Venue shall lie exclusively in Lincoln Parish, Louisiana.

Section 6.14. Severability. In the event any one or more of the sections, provisions or clauses contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

Section 6.15. Approvals and Consents. Whenever this Agreement requires or permits approvals or consents to be given or mutual agreements to be reached, the parties agree that such approval or consent shall not be unreasonably withheld and each party will exert reasonable effort to reach mutual agreement. Such approval, consent or mutual agreement shall be evidenced in writing and be approved by the authorized officer of LaSALLE and the chairman of the COMMISSION.

Section 6.16. Audit. It is hereby agreed that the COMMISSION auditors shall have the option of auditing all accounts of LaSALLE which relate to this contract. A

copy of such audit shall be provided to LaSALLE within fifteen (15) days of completion.

Section 6.17. Term of Agreement. This Agreement shall be and become effective upon the execution thereof by the COMMISSION and LaSALLE, and shall be subject to all the terms and provisions hereof. The initial term of this Agreement shall begin on the date executed by both parties and shall last for a period of ten (10) years.

Section 6.18. Renewal and Extension. During a period of one hundred eighty (180) days prior to the expiration of the Initial Term of this agreement, the COMMISSION may extend this Agreement for an additional five-year term, if permitted by then-applicable state law. In the event COMMISSION elects to extend this Agreement beyond the Initial Term thereof, COMMISSION shall notify LaSALLE in writing of its desire to extend this Agreement, no later than sixty (60) days following the end of the fiscal year of COMMISSION occurring during the Initial Term.

Section 6.19. Termination for Cause. The COMMISSION may terminate this Agreement for cause based upon the failure of LaSALLE to comply with the terms and/or conditions of the Agreement, provided that the COMMISSION shall give LaSALLE written notice specifying any failure on the part of LaSALLE. If within forty-five (45) days after receipt of such notice, LaSALLE shall not have either corrected such failure or, in the case of failure which cannot be corrected in forty-five (45) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the COMMISSION may, at its option, place LaSALLE in default and the Agreement shall terminate on the date specified in such notice. LaSALLE may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the COMMISSION to comply with the terms and conditions of this Agreement, provided that LaSALLE shall give the COMMISSION written notice specifying the failure of COMMISSION and a reasonable opportunity for the COMMISSION to cure the defect.

Section 6.20. Facility Repairs. The COMMISSION will at its own expense provide a complete roof repair to be coordinated and executed by Mike Walpole. In addition the existing sprinkler/alarm system and the fencing needed for fire Marshall approval will be upgraded at the expense of the COMMISSION with any and all coordination, design, bid and execution to be handled by COMMISSION. The work pertaining to the sprinkler/alarm system will be done in an expedited fashion and the expected completion of this work is a maximum of three (3) months. If the timing of the sprinkler/alarm system repairs extends beyond August 1, 2008, and the lack of repairs prevents approval of additional beds by the Fire Marshal, then a \$25,000 monthly fee will be charged to the COMMISSION.

Section 6.21. Capital Expenditure. LaSALLE shall have the right to purchase additional beds for use at LPDC at its own expense. Any beds purchased by LaSALLE and located at LPDC shall remain the property of LaSALLE after termination of this contract and LaSALLE reserves the right to remove the beds at the end of the contract.

The following page is provided for signatures:

LINCOLN PARISH DETENTION
CENTER COMMISSION

By: [Signature]
Name: Mike Stone
Title: Sheriff

LaSALLE MANAGEMENT
COMPANY, L.L.C.

By: [Signature]
Name: William K. McConnell
Title: Managing Member

STATE OF LOUISIANA
PARISH OF Lincoln

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and
for the jurisdiction aforesaid, the within named Sheriff Stone who
did execute the above and foregoing Agreement.

SWORN TO AND SUBSCRIBED BEFORE ME, this 30th day
of May, 2008.

[Signature]
NOTARY PUBLIC

My commission expires: in for life
Printed Name of Notary: Jerry L. Smith
Notary ID Number: 03294

STATE OF LOUISIANA
PARISH OF Richland

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and
for the jurisdiction aforesaid, the within named WILLIAM K. McCONNELL, who did
execute the above and foregoing Agreement.

SWORN TO AND SUBSCRIBED BEFORE ME, this 30th day
of MAY, 2008.

[Signature]
NOTARY PUBLIC

My commission expires: at death
Printed Name of Notary: GLEEDA P. WATKINS
Notary ID Number: 057236