



GEORGE W. HILL CORRECTIONAL FACILITY DE-PRIVATIZATION FINANCIAL FEASIBILITY ASSESSMENT

March 31, 2021

AGENDA

1. CGL Introduction
2. Project Understanding
3. Cost Analysis
4. Schedule

CGL EXPERIENCE

46

Years of
Criminal Justice
Experience

500+

Justice Clients

800+

Detention Needs Assessments

50

States

1,600+

Criminal Justice
Projects

300+

Justice
Staff

Practitioner Experience

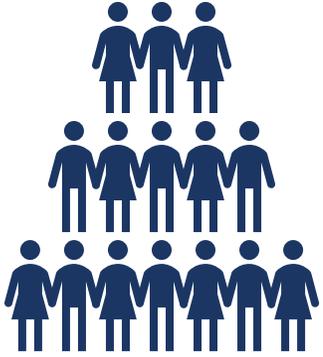
Recent Prison Cost & Operations Studies

- Tarrant County (Fort Worth) Texas
- Los Angeles County
- Philadelphia Department of Prisons
- Jackson County (Kansas City) Missouri
- Virginia Department of Corrections.
- Florida Department of Corrections
- Alaska Department of Corrections
- Montgomery County (Dayton) Ohio
- Wayne County (Detroit) Michigan

PURPOSE OF ANALYSIS

- Comparison of the cost of the current operation of the GWHCF under the contract with GEO, with the potential cost of government management of the facility
- High-level examination of the key cost factors that should be considered by the County in determining the feasibility of de-privatization of the GWHCF
- Cost is not the only, or even the primary factor the County should consider in its evaluation of this issue. Operational performance, **correctional officer and inmate safety and welfare, and** accountability to the public are **among the** factors that require careful evaluation.

KEY FACTORS



Population



Staffing



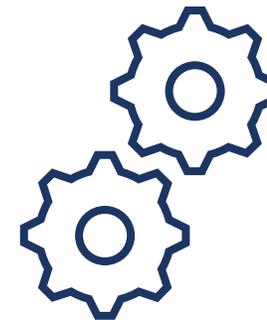
Facilities



Litigation



Policies



Operations

CHALLENGES

- Dedicated Human Resource staff to do the hiring of staff.
- Negotiating a new Collective Bargaining Agreement with correctional union.
- County resources needed to manage the health services, food services and commissary.
- Substantial capital investment to support lower staffing levels.
- Litigation costs are a concern but can be mitigated through liability insurance and enhanced security systems.

CURRENT COSTS – GEO CONTRACT

2020 GEO Contract Billings

Operating Service Fee	Population Deduction	Staffing Penalty	Maintenance	Other	Net Payment
\$50,837,316	(\$3,293,121)	(\$1,015,086)	\$171,933.48	(\$33,985)	\$46,667,056

CURRENT COSTS – GEO CONTRACT

Total 2020 County Expenditures – GWHCF

	2020 Spending
GEO	\$46,667,057
Utilities	\$1,600,520
Facility Services	\$132,479
Waste Hauling	\$98,565
Other	\$59,718
TOTAL	\$48,558,339

GWHCF HISTORICAL SPENDING

	2018	2019	2020
GEO contract	\$48,558,561	\$48,515,326	\$46,667,057
Other County Spending	\$2,459,993	\$1,898,890	\$1,891,282
Total GWHCF Spending	\$51,018,554	\$50,414,216	\$48,558,339
Average Daily Population	1,762	1,775	1,193
Per Diem Cost	\$79.33	\$77.81	\$111.21

COUNTY SPENDING - GEO CONTRACT AT FULL CAPACITY

	Facility ADP	FTEs	Total Costs	Per Diem
Population @ Capacity	1,883	499.9	\$52,869,046	\$76.71
Population @ 2018-2019 Average	1,769	499.9	\$52,382,002	\$80.82

SCENARIO #1 COUNTY MANAGEMENT – STATUS QUO

- Same staffing levels and operational approach as currently in place
- 6% across-the-board salary increases/county benefits
- Average daily population of 1,883 (facility capacity)
- Current programs
- Health care and food services outsourced
- 5% contingency

PROJECTED COST: \$49.9 MILLION

SCENARIO #2 REVISED STAFFING PLAN/PROGRAMS

- Eliminates 48.5 FTEs from current staffing plan, consistent with best practices in well-run jails and prisons throughout the United States.
- 6% across-the-board salary increases/county benefits
- Average daily population of 1,883 (facility capacity)
- \$1.6 million investment in new programs
- Health care and food services outsourced
- 5% contingency

PROJECTED COST: \$47.7 MILLION

SCENARIO #3 REDUCED ADP

- Assumes staffing efficiencies included in Scenario #2.
- 6% across-the-board salary increases/county benefits
- Average daily population of 1,450
- Closed housing unit allows additional reduction of additional 20 FTEs
- \$1.6 million in enhanced substance abuse treatment and behavioral program services
- Health care and food services outsourced
- 5% contingency

PROJECTED COST: \$43.1 MILLION

SCENARIO COMPARISON

	Facility ADP	FTEs	Cost	Per Diem
GEO Base Contract- 1,883 ADP	1,883	499.9	\$52.9 million	\$76.71
County Management Scenarios				
#1 – Status Quo/Salary Increase	1,883	445.9	\$49.9 million	\$72.56
#2 – County Revised Staffing Plan/Enhanced Programs	1,883	397.4	\$47.7 million	\$69.44
#3 – Lower ADP	1,450	397.4	\$43.1 million	\$81.49

CAPITAL AND TRANSITION COSTS

- Equipment replacement – potentially up to \$8 million
- Supplies and commodities – TBD w/GEO
- Transition support costs for HR, Procurement, IT, and Technical Support – estimated at \$1.09 million
- Facility capital repairs and security enhancements – Facility Condition Assessment underway

SCHEDULE

January - March 2021	April - July 2021	August 2021	August 2021 - March 2022	March 2022
Complete Cost & Schedule Analysis				
	Develop RFP's - Medical, Food, Commissary			
		Decision on Notice of Termination for GEO		
			Transition & Startup	
				Takeover of GWH Operations

