

Valdosta-Lowndes County, GA / CCA Partnership

Prepared Remarks

FRANK BETANCOURT

CCA is America's leader in partnership corrections and strives to be the best full-service adult corrections system in the United States. As such, we recognize it is imperative that we position ourselves for the ever-changing needs of our federal, state, and local government partners. In order to meet these demands that are often difficult to project, we must partner with communities in strategic locations, and in the process, secure options in locations suitable to meeting the staffing and geographic demands of a correctional facility while bringing the opportunity for significant job creation that is not susceptible to outsourcing and economic diversity in an industry recognized as "recession resistant."

That is why we are here this morning.

Again, I am Frank Betancourt, Vice President of CCA's Real Estate Development Department, and an officer of the company. I'd like to take a few minutes to tell you about CCA followed by Jay Hollis, Manager of Site Acquisition who will explain the selection process that has brought us to this point.

In 1983, CCA was founded to be part of the solution to an ever-growing inmate population which strains the existing jail and prison capacity. With government budgets focused wisely on schools, hospitals, and necessary infrastructure, spare dollars for prison construction is not high on the list for law makers.

Fast-forward more than 25 years, CCA has become America's leader in partnership correction. CCA designs, builds, and operates prison, jail, and detention facilities in partnership with government, ensuring public safety and providing effective rehabilitation programs for inmates - all while saving the taxpayers millions of dollars. Partnership corrections is an innovative, common-sense approach with business and government working together to ensure taxpayers get the most out of their tax dollar, while providing fair, humane treatment for America's prison population.

Nationwide, CCA operates 65 facilities totaling more than 80,000 beds making us the 5th largest correctional system in the U.S. We conduct business with all of the federal corrections agencies (Federal Bureau of Prisons, U.S. Marshals Service, and Immigrations and Customs Enforcement), nearly half of all states and numerous county governments, and we operate facilities in 20 states and Washington D.C. - a national footprint spanning from California to Florida, Montana to Texas.

Nothing is more important than the safety and security of America's families and communities - that's why security is the core of CCA's mission and the primary

focus of our 17,000+ employees nationwide. CCA believes in crisis prevention, not just crisis reaction, which is why we invest heavily in hiring and retaining quality staff, equip facilities with state-of-the-art technology, manage with the staff-intensive, "direct supervision" approach, and design and build facilities using high quality building materials.

CCA follows stringent rules established by the government to assure the rights of inmates are protected at all times. Additionally, CCA adds our own rules and oversight provisions to add another layer of protection because we recognize that we are held to a higher standard to ensure public safety. This is why we welcome accountability, responsibility and oversight by our government partners and organizations like the American Correctional Association (ACA) which is the oldest and largest correctional association in the world. As an example of CCA's commitment to quality, CCA's facilities average higher than a 99% accreditation score.

Clearly the Valdosta and Lowndes County area is an attractive location for local, regional, and national businesses, and has been highly successful attracting quality companies. I'd like to point to three national distinctions that highlight CCA's quality. (1) Forbes Magazine has ranked us among "America's Best Big Companies" and we placed 1st in the category of "Business Services and Supplies." (2) Corporate Responsibility Officer Magazine has ranked CCA among the nation's "100 Best Corporate Citizens." Finally, (3) G.I. Jobs Magazine ranks CCA 23rd on their list of the "Top 50 Military Friendly Employers" - a distinction with which we are particularly proud.

At this time, I'd like for Jay Hollis to walk through our site selection process which has brought us to this point.

JAY HOLLIS

Thank you, Frank, and it is very good to be here this morning. I have had the good fortune of spending a good deal of time in Valdosta and Lowndes County, experiencing the hospitality of the people, witnessing the growth of a great South Georgia city, and expanding my waistband significantly!

CCA continually evaluates trends in inmate population at the national, regional, and state level. More than a year ago, CCA initiated a site search focused on the U.S. Southeast. Georgia was among the multiple focus states and quickly became a stand-out due to its business-friendly atmosphere, exceptional workforce, and quality of life. In narrowing the focus, it became apparent that the South Georgia region stands apart from the rest in meeting our federal and state requirements for a correctional facility.

Working closely with our friends in the Georgia Department of Economic Development and their network of partners, CCA evaluated over 30 sites in 10

counties. After a dozen site visits in seven counties, CCA invested in an Engineering and Feasibility Report on three sites in three different counties.

Our Valdosta/Lowndes County site quickly became our primary due to its local and regional workforce, collaboration of local leadership, site characteristics, proximity to necessary services and infrastructure, and accessibility to name a few.

Over the past several months (and culminating in an agreement signed yesterday evening), CCA and the Valdosta/Lowndes County Industrial Authority have formalized our partnership to pursue development projects arising out state and/or federal demand. This site gives us the ability to react quickly to our government partners' ever-changing correctional needs.

This site also provides the potential for the creation of hundreds of jobs, significant tax revenues that go toward local schools and infrastructure, and the purchasing of local goods and services in the community.

Let me focus briefly on the types of jobs created by a CCA facility. As you can imagine, a correctional facility is like a small, self-contained city requiring many of the same services. As Frank mentioned, the safety and security aspect of our facilities are paramount which is reflected in the number of correctional officer, correctional counselor, and higher level operational management positions. Beyond security, the facility operates its own health care division that requires the staffing of doctors, dentists, psychologists, nurse practitioners or physicians assistants, RNs, LPNs, medical technicians, and medical clerical workers. Our rehabilitative programs division is staffed by teachers, vocational instructors, chaplains and other faith-based program organizers. Among others would be facility maintenance technicians, food service professionals, business administration, etc.

The wide array of opportunities reflects the diversity of the workforce. Approximately 25% of the positions at a CCA correctional facility require advanced degrees or certifications. All of these factors make a CCA operation an excellent addition to the diversity of a local economy. Adding to this, the fact that a facility is a clean operation with negligible effluent, a job base that cannot be outsourced to other states or overseas, and a historically "recession resistant" operation as Frank mentioned, we believe Valdosta/Lowndes has entered into a very positive partnership.

We look forward to working closely with Valdosta/Lowndes leadership as we move forward in the months to come.

Finally, I'd like to take a moment to recognize a few folks that have been essential to the project:

- State Level

- o Andrew Neumann, Georgia Economic Development
 - o Bradley Harris, Statewide EMC
- Industrial Authority
 - o Brad Lofton, Executive Director
 - o Allan Ricketts, Project Manager
 - o The Industrial Authority Board
- County
 - o Ashley Paulk, Chairman, Lowndes County Board
 - o Lowndes County Board of Commissioners
 - o Joe Pritchard, County Manager
- City
 - o John Fretti, Mayor
 - o City Council
 - o Larry Hanson, City Manager