

Eloy Public Hearing
Arizona Department of Corrections
Solicitation No. ADOC15-00005186 / 15-183-36
Up to 2,000 New or Existing Medium Security Prison Beds
11/17/2015

Present:

Arizona Department of Corrections (ADC): Charles Ryan, *Director*; Jeff Hood, *Deputy Director*; Michael Kearns, *Division Director, Administrative Services*; Richard Pratt, *Assistant Director, Health Services*; Gail Rittenhouse, *Division Director, Support Services*

Corrections Corporation of America (CCA): Brian Ferrell, *Vice President, Proposal Development*; Brad Regens, *Vice President, State Partnership Relations*; John Malloy, *Senior Director, Partnership Relations*; James Schomig, *Managing Director*

Opening Remarks and CCA's Presentation:

- Charles L. Ryan, ADC: Director Ryan read prepared remarks providing information on the procurement process for the Up to 2,000 New or Existing Medium Security Prison Beds Request for proposal (RFP) and the format of the public hearing.
- Brian Ferrell, CCA: Mr. Ferrell spoke about the history and footprint CCA has in Arizona, and the economic benefit CCA has on the community. CCA proposes to renovate 544 existing beds, and add 450 beds. Currently the Red Rock facility is being accredited by the National Commission on Healthcare. Mr. Ferrell noted that CCA is a strong partner and employer of choice in Eloy.
- John Munch, CCA: Mr. Munch introduced the following community support speakers:
- Joel Belloc, Eloy Mayor: Welcomed ADC, and CCA to Eloy. Mr. Belloc on behalf of the City Council is in support of CCA expansion. Mr. Bella spoke of the efficiency of CCA has proven as a private prison; also CCA has been a good corporate citizen of Eloy. Mr. Bella states that CCA keeps Eloy well informed on any changes that may affect the community. Mr. Belloc noted CCA holds quarterly luncheons with city and government officials to keep the community informed, to promote meaningful dialog. CCA is the largest employer in Eloy, offering stable, good paying jobs, and CCA has a significant impact on Eloy's local economy. The expansion will generate 125 additional jobs and a \$40 million influx to the economy. Mr. Belloc noted the increase in sales tax collected from the CCA expansion would help pay for city equipment, city vehicles, and street improvements.
- Ruby James, Eloy School District Superintendent: Ms. James, spoke about how the corrections industry affects schools districts. Ms. James noted additional (CCA) jobs would bring more families and students. CCA has been supportive and helpful by donating much needed supplies to the teachers. This contract is a win/win for the community and the Department of Corrections. CCA has Ms. James full support.
- Harvey Krause, City Manager of Eloy: Mr. Krause whole heartedly endorses CCA and their proposal. Mr. Krause noted that CCA is an excellent corporate citizen of Eloy, keeps everyone well informed, and produces good jobs for the community.
- Bob Poindexter, Eloy Fire Marshal: Mr. Poindexter has been involved with CCA since the beginning when the Red Rock facility was built. Mr. Poindexter noted that CCA is a stickler for adhering to the City Fire standards and codes with the highest regard. There is a safety director at each of the four CCA

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facilities and in his view, CCA holds safety in high regard. Mr. Poindexter also stated that CCA is a good partner and they cooperate with the Fire Department and EMS. The Eloy Fire Department stands behind CCA with any expansion.

- Bill Pitman, Eloy Chief of Police: Chief Pitman spoke about the positive partnership between CCA and the Eloy Police Department, and how CCA is always accommodating. CCA and Eloy PD ran joint training together to ensure safety and cooperation.
- Belinda Akes, Secretary /Treasurer of Economic Development Group of Eloy, former Eloy City Council Member, Eloy Chamber of Commerce: Ms. Akes spoke about how CCA always supports the City of Eloy and CCA provides jobs. CCA even held fundraisers for the Santa Cruz food bank. According to Ms. Akes, CCA Wardens are accessible. Ms. Akes stated the City of Eloy will benefit from the CCA expansion.
- Mark Gunner, Director of Eloy Chamber of Commerce: Mr. Gunner states CCA keeps the community posted and they welcome CCA's proposed expansion.

Public Comments:

- Stephen Tetchier, Green Valley, Arizona Citizen: Mr. Touchier stated he is concerned with how much Eloy supports CCA. He rhetorically asked the people of Eloy have they tried alternatives to the Corrections industry, such as health, education, and the needs of young adults and women. He asked ADC Director Ryan, why the rush on an additional prison? Director Ryan responded that ADC's inmate population forecast indicated a need for additional prison beds; in addition, the Governor and the Legislature authorized the additional beds. Mr. Tetchier asked Director Ryan why education is not more of a priority. The Director responded that is a policy issue and this hearing was not the appropriate venue for such a discussion.
- Kathy French, Citizen of Tucson: Ms. French asked how many people on stage know a family member or a family with someone incarcerated. Ms. French stated the cost of the incarceration is higher than education and the whole family and community pays for that. Ms. French also stated, if we are paying \$23,000 per inmate it should buy more than just housing. Ms. French asked what is the recidivism at CCA prisons? CCA responded that they do not have numbers for that since inmates are often moved within the ADC prisons. Ms. French stated that GED programs and drug counseling programs vastly improve recidivism rates. These are all programs going on at all CCA prisons. Ms. French stated that 31 of 32 inmates who get their Associates Degree do not recidivate and asked CCA and the Department to look at their quality indicators.
- Caroline Isaacs, American Friends Service Committee: Ms. Isaacs asked CCA what the turnover and vacancy rates for staffing are. CCA stated that they do not have the numbers for turnover, but there is a vacancy of less than ten percent. CCA stated there are no challenges hiring for Eloy, Arizona, and there are plenty of local and neighboring cities that add to the recruiting pool. Ms. Isaacs asked if ADC has fined CCA for violations of previous contracts or if CCA has had any staff vacancy off-sets in the past

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five years. ADC's Mr. Kearns stated that there have been no fines but yes there have been off-sets. Mr. Kearns further stated he was not aware of the exact amount of CCA vacancy offsets but that information could be provided. Ms. Isaacs asked about the guaranteed occupancy. ADC's Mr. Kearns stated the RFP contained a 90 percent occupancy guarantee. Ms. Isaacs stated that there is talk of a bill to expand ADC's transition program which includes options for early release from incarceration. The bill would require release of an estimated 3,500 inmates the first year, and 5,000 each year thereafter. This bill is coming to legislature and will leave this prison obsolete. Ms. Isaacs asked if that bill has been factored into the inmate population projections. Director stated that the bill died last year, and no it has not been factored. Director Ryan stated ADC is willing to sit down and have a discussion with stakeholders about transition and re-entry options.

- Dr. Gomez, American Friends Service Committee: Dr. Gomez asked CCA what is the starting salary of correctional officers, and how much training is received prior to assuming their position. CCA stated that the salary is \$16.50 to \$20.00 per hour. Minimum training is six weeks for the officers to start and an ongoing 40 hours required annually. Dr. Gomez asked ADC what is the starting salary for correctional officers, and what is the required training. Director Ryan answered with the starting salary is \$31,818 and after training is \$33,916, then there is an automatic step increase after eight years to \$39,664. Director Ryan further stated there is a seven week initial training of 180 hours, then additional in service training of 40 hours annually. CCA clarified they are required to meet ADC's training hours. Dr. Gomez asked how inmates are prepared for re-entry, and who is eligible. CCA stated that they are started on a re-entry program from day one. They partner with the Department to identify the needs whether it is substance abuse, counseling, education, and the individuals are encouraged to participate. When inmates move around that plan moves with them. There is a need for 100% participation in some form. Director Ryan stated the Department is committed to working on preparing inmates for re-entry, particularly when ADC takes in 20,000 inmates each year and releases 19,200 inmates, with the average stay around 23 months, which speaks to why ADC is growing.
- Becka Fealk, American Friends Service Committee: Ms. Fealk asked CCA who is present from the company and being paid on the clock. CCA said no one is here on the clock. Ms. Fealk asked what campaign or lobbying contribution went to Eloy's community. CCA responded they have made contributions in Arizona in general, but do not lobby outside. In addition, CCA does not lobby for legislation that affects prison sentences. Further CCA has done two decades of community support which is evident here tonight.
- Pat Rumer, American Friends Service Committee: Ms. Rumer asked what the projected cost and funding mechanism is for this project. ADC's Mr. Kearns stated the RFP is in evaluation process and ADC cannot disclose a price. Mr. Rumer asked ADC's average cost to incarcerate inmates and Director Ryan responded that the average cost for the Department is about \$23,500 per inmate or \$65 per day and that for private prisons, the cost of construction is amortized over the term of the contract and is built into the per diem. Ms. Rumer asked if the Director has the figures for what it costs a student going to a state school. Director Ryan said he does not have that information. Ms. Rumer went on to speak about education costs.

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- Rev. Jarrett Maupin: Rev. Maupin spoke about the need for a civil rights ombudsman to assist the inmates with their issues. Rev. Maupin expressed concern for the guarantee occupancy, because there is a national trend to address recidivism, and reduce sentences. He spoke about the need to help inmates not recidivate. He asked, “Where are the representatives for the African American civil rights advisory committee?” He inquired about the goal of the Department to lower the number of inmates incarcerated and whether ADC could set up a civil rights committee. Director Ryan replied that ADC has a Department Citizens Advisory Committee, and would be willing to discuss the issue in a different venue, because this hearing is for the CCA proposal. CCA also stated there are a number of volunteers inside the prison to assist the inmates. CCA also stated this contract has no guarantee of perpetuity and is only available if there is a need.
- Art Mosley: Mr. Mosley states he is concerned for the communities that allow private prison to become an industry in their community. Mr. Mosley felt the State was abdicating its role by allowing private prisons. He stated the people of Eloy are being tricked and that the private prison is not the answer for job growth. Mr. Mosley felt the citizens of Eloy should expand in other areas like Silicon Valley and not into “babysitting” prisoners. Mr. Mosley stated the people of Eloy were too lazy to look for other jobs rather than just prison jobs. Mr. Mosley stated the prisons are simply the warehousing of black and brown people, and they make money off the backs of minorities.
- JoAnne Gulindo, Eloy City Council: Ms. Gulindo states that the underlining message is being distorted; CCA and ADC are established businesses. There is a cost to the families when there is a family member in prison, but there is a need for beds. She states that the people of Eloy look for the opportunity for jobs. She further states that CCA has run a good company, but prisons are not a good business. Ms. Gulindo states that CCA has been a good neighbor.
- Jane Kroesen, Citizen of Tucson: Ms. Kroesen states she is concerned about her safety and the safety of her children, and grandchildren. She states she has visited inmates and the staff is trained well. Ms. Kroesen discussed Kingman and the disregard to codes and policies, and what is to be done with regard to oversight at CCA. Director Ryan explained that due to the riots at Kingman, assessments of all the private prison facilities were completed. Director Ryan stated the assessments are now concluded and they will be published by the end of the week. As a result of the assessments, modifications will be made to the private prison contracts and ADC’s contract monitoring.

Closing Comments:

- Director Ryan of ADC read a prepared statement: If you have any further comments, you may send them to the Department in writing. Please send your information to “ADC Procurement Services” at the Arizona Department of Corrections. The address is 1645 West Jefferson, Phoenix, AZ 85007. Please specify in the letter that you are writing about the Up to 2,000 New or Existing Prison Bed RFP.