



The GEO Group, Inc. ®

Corporate Headquarters
4955 Technology Way
Boca Raton, Florida 33431

TEL: 561 893 0101
866 301 4436

www.geogroup.com
jhouston@geogroup.com

May 27, 2020

Kate Severin, NDCS Purchasing
Nebraska Department of Correctional Services
801 West Prospector Place
Lincoln, NE 68522

**Re: RFI 3016 - Design/Build/Finance Options for a Proposed
Adult Male Multi-Security Level Correctional Facility**

Dear Ms. Severin:

The GEO Group Inc. (GEO) is pleased to submit our response to **Request for Information for Design/Build/Finance Options for a Proposed Adult Male Multi-Security Level Correctional Facility, RFI 3016**, that was released on March 16, 2020. GEO acknowledges receipt of the RFI and Addendum 1.

Our response is based on a thorough review of the RFI requirements by a team of subject matter experts with extensive experience in the development of cost-effective, state-of-the-art, secure services solutions for Government clients. GEO looks forward to assisting the State of Nebraska with developing a solution for this critical project.

GEO's response includes six original copies and one electronic copy of the following sections:

- Cover Letter
- RFI Signature Page
- Form A
- RFI Response

Should you have any questions regarding our submission, please feel free to contact me at 866-301-4436, extension 7341, or via email at jhouston@geogroup.com, or David Venturella, Senior Vice President, Client Relations, at 866-301-4436, extension 7343, or via email at dventurella@geogroup.com.

Sincerely,
The GEO Group, Inc.

A handwritten signature in black ink that reads "Jennifer L. Houston". The signature is written in a cursive, flowing style.

Jennifer L. Houston

Executive Vice President, Proposal Development

Proprietary Information

The GEO Group, Inc. (GEO) Request for Information (RFI) contains a single page in Section II. Proposed Facility and Site Requirements that GEO claims as proprietary in compliance with Neb. Rev. Stat. § 84-712.05(3).

The “Conceptual Facility Site Plan” identified as an attachment to this section has been marked as “Proprietary” because it is a trade secret which if released would give advantage to business competitors and serve no public purpose.

The conceptual plan is marked as “Proprietary” and provided in a sealed package, also marked as “Proprietary.”

***See “Proprietary” Conceptual Facility Site Plan,
provided in “Proprietary” sealed package.***

**State of Nebraska NE Department of Correctional Services
REQUEST FOR INFORMATION**

RETURN TO: NE Department of
Correctional Services
Name: Kate Severin
Address: 801 West Prospector Place
City/State/Zip: Lincoln, NE 68522
Phone: 402-479-5717

RFI NUMBER	RELEASE DATE
RFI 3016 DESIGN/BUILD/FINANCE OPTIONS ADULT MALE CORRECTIONAL FACILITY	March 16, 2020
OPENING DATE AND TIME	DCS CONTACT
May 27, 2020 2:00 p.m. Central Time	Kate Severin

This form is part of the RFI package and must be signed in ink and returned, along with information documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska (State), Department of Correctional Services (NDCS) is issuing this Request for Information RFI 3016 for the purpose of gathering information regarding **Design/Build/Finance Options for a proposed Adult Male Multi-Security Level Correctional Facility**, to be operated by NDCS.

Written questions are due no later than April 6, 2020 and should be submitted via e-mail to **dcs.purchasing@nebraska.gov**

Bidder should submit six (6) original copies of the entire RFI response plus one electronic copy on a USB flash drive. RFI responses should be submitted by the RFI due date and time.

Sealed RFI responses should be received in the Nebraska Department of Correctional Services (NDCS) Central Office by the date and time of RFI opening indicated above.

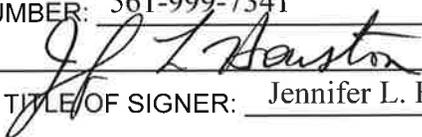
RESPONDENT MUST COMPLETE THE FOLLOWING

By signing this Request For Information form, the respondent guarantees compliance with the provisions stated in this Request for Information.

FIRM: The GEO Group, Inc.

COMPLETE ADDRESS: 4955 Technology Way, Boca Raton, FL 33431

TELEPHONE NUMBER: 561-999-7341 FAX NUMBER: 561-999-7643

SIGNATURE:  DATE: May 19, 2020

TYPED NAME & TITLE/OF SIGNER: Jennifer L. Houston, Executive Vice President, Proposal Development

Form A

Respondent Contact Sheet

Request for Information Number 3016

Form A should be completed and submitted with each response to this RFI document. This is intended to provide the State with information on the vendor's name and address, and the specific persons who are responsible for preparation of the response.

Preparation of Response Contact Information	
Name:	The GEO Group, Inc.
Organization Address:	4955 Technology Way Boca Raton, FL 33431
Contact Person & Title:	Jennifer L. Houston, Executive Vice President, Proposal Development
E-mail Address:	jhouston@geogroup.com
Telephone Number (Office):	561-999-7341
Telephone Number (Cellular):	561-301-5698
Fax Number:	561-999-7643

Each respondent shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the vendor's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Name:	The GEO Group, Inc.
Organization Address:	4955 Technology Way Boca Raton, FL 33431
Contact Person & Title:	Jennifer L. Houston, Executive Vice President, Proposal Development
E-mail Address:	jhouston@geogroup.com
Telephone Number (Office):	561-999-7341
Telephone Number (Cellular):	561-301-5698
Fax Number:	561-999-7643

I. GEO Capabilities and Experience

Delivering Innovative Public Private Partnership (P3) Solutions to Address Public Sector Challenges

Overview

The GEO Group, Inc. (GEO) is the first fully integrated equity real estate investment trust (REIT) specializing in the design, financing, development, and operation of secure facilities, processing centers, and community reentry centers in the United States, Australia, South Africa, and the United Kingdom.

GEO is also a leading provider of enhanced in-custody rehabilitation, post-release support, electronic monitoring, and community-based programs.

GEO's worldwide operations include the ownership and/or management of 126 facilities totaling approximately 94,000 beds, including projects under development, with a workforce of approximately 23,000 professionals.

GEO has over 35 years of proven experience developing public private partnership (P3) projects for multiple government entities, and obtaining project funding through banks, bonds, and municipal and equity markets. GEO will use this experience to best manage the development and financing of the project resulting from RFI 3016 - Nebraska Department of Correctional Services (NDCS) Design, Build, Finance Options for an Adult Male Multi-Security Level Correctional Facility (NDCS Project).

As evidence of GEO's development and fundraising ability over the past seven years, GEO has raised \$1.7 billion of bank debt, \$1.2 billion of bond debt, and \$344 million of equity. GEO's near investment-grade credit ratings from the two leading credit rating agencies, Standard & Poor's and Moody's, demonstrate the continued strengthening of our capital structure. Further detail regarding GEO's financial experience and capacity is provided in Section VI. Financing and Cost.

GEO Experience	
✓	More than 35 years of secure services experience.
✓	More than 120 secure services projects completed to date.
✓	More than 20 million sq. ft. constructed, expanded and renovated.
✓	Approximately \$7.2B in total developed project, facility expansion, and renovation value.

GEO’s Government Clients

GEO strives to build and maintain long-term relationships, having served many clients for 20–30 years. These mutually beneficial relationships have strengthened GEO’s capabilities to optimize cost, minimize risk and deliver ease of execution for our clients’ many projects.

- Federal Clients: Federal Bureau of Prisons, U.S. Immigration & Customs Enforcement, U.S. Marshals Service
- State Clients: Alabama, Alaska, Arizona, California, Florida, Georgia, Idaho, Indiana, Louisiana, Mississippi, New Mexico, New Jersey, Oklahoma, Texas, Virginia
- International Clients: Queensland Corrective Services; Corrections Victoria and New South Wales Corrective Services (Australia); Republic of South Africa Department of Correctional Services (South Africa); Ministry of Justice, Home Office, and Scottish Prison Service (United Kingdom)

Project Development and Management Experience

GEO has over three decades of experience delivering high-value project development, financing, management, operations, and lifecycle maintenance solutions in the secure services industry.

GEO has successfully executed and performed approximately 50 public-private partnerships (P3) with multiple Federal, State, Local, and International government entities.

Corporate Project Development Department

The GEO Project Development Department is led by Senior Vice President Richard “Kent” Long, with over 30 years of development and lifecycle management experience. He is supported by 17 subject matter experts in facility design, project management, maintenance and repair, and physical plant support. They are responsible for the expansion, renovation and lifecycle maintenance of all GEO owned and managed facilities, currently comprising 16.8 million sq. ft., and valued at over \$6.1 billion. GEO is uniquely qualified to oversee facility development and maintenance of the NDCS Project.

State Benefits	
✓	Experienced developer of P3 projects for corrections clients
✓	Deep portfolio of 126 facilities
✓	Expertise in all aspects of P3 projects: design, construction, finance, maintenance & operations
✓	In-house Project Development Department led by experienced Senior Vice President civil engineer and two AIA member registered architects
✓	Local Participation Plan – established program for utilizing local subcontractors

GEO has significant experience and expertise in the management, operations, and maintenance of property, plant and equipment (PP&E), including the planning and forecasting of long-term capital expenditure plans for maintaining, renovating and sustaining facilities to extend their useable lifespan and achieve full use of the facilities. GEO has developed and/or managed secure services facilities for 14 states and multiple county governments. We also have a three-decade relationship with U.S. Immigration and Customs Enforcement (ICE) and the U.S. Marshals Service, and a two-decade relationship with the Federal Bureau of Prisons (BOP).

Each one of these clients has unique requirements and delivery methods for their projects. GEO is a proven partner with direct experience in utilizing multiple and unique financing solutions for secure facility, processing center, and community reentry center related transactions. GEO has worked collaboratively for our clients to develop successful project solutions and sustain them throughout the project terms. Additionally, GEO continues to partner and negotiate modifications to contract terms and conditions that address client needs throughout the period of performance.

GEO Relevant Public Private Partnerships

GEO has a successful history of P3 projects with government customers that have resulted in long-term contract relationships. GEO’s financial capacity, operations capabilities, and dedication to customer satisfaction have fostered strong partnerships with customers and stakeholders in the communities where we work.

The following projects are provided as successful examples of our capability to execute complex design, build, finance, maintain, and/or operate P3 projects to the satisfaction of our client partners.

Project Profile	Scope & Complexity	Project Highlights	Status
Blackwater River Correctional & Rehabilitation Facility <u>Client:</u> Florida Department of Management Services <u>Location:</u> Milton, FL <u>Value:</u> \$131 million	Developer, Design & Construction Lead, Operator, Maintenance 2,000 beds Medium & close custody adult males	LEED Gold Certification for sustainability 18-month construction timeframe Constructed on state-owned land with state financing and ownership	Ongoing operations, renovation & lifecycle maintenance Contract includes unlimited 2-year renewals

Project Profile	Scope & Complexity	Project Highlights	Status
Montgomery Processing Center <u>Client:</u> U.S. Immigration and Customs Enforcement <u>Location:</u> Conroe, TX <u>Value:</u> \$120 million	Owner, Developer, Design & Construction Lead, Financier, Operator, Maintenance 1,000 beds (initial construction) Immigration Processing Center	LEED Silver Design Standards 18-month construction timeframe Built with expansion capability – now 1,314 beds 100% Auxiliary power	Ongoing operations, renovation & lifecycle maintenance Contract continues through 2029
Ravenhall Correctional Centre <u>Client:</u> Corrections Victoria <u>Location:</u> Melbourne, Australia <u>Value:</u> A\$892 million	Owner, Developer, Developer, Equity Provider, Operator 1,000 beds Medium security sentenced & remand adult males	Dedicated forensic mental health unit 36-month construction timeframe Built with expansion capability – now 1,300 beds	Ongoing operations & lifecycle maintenance Contract continues through 2042
Riverbend Correctional Facility <u>Client:</u> Georgia Department of Corrections <u>Location:</u> Milledgeville, GA <u>Value:</u> \$76 million	Owner, Developer, Design & Construction Lead, Financier, Operator, Maintenance 1,500 beds Minimum & medium security adult males	16-month construction timeframe Built with expansion capability – up to 2,500 beds Land for construction provided by the state on a 40-year ground lease	Ongoing operations, renovation & lifecycle maintenance Contract continues through 2051

Blackwater River Correctional & Rehabilitation Facility

The \$131 million 1,500-bed Blackwater River Correctional & Rehabilitation Facility was a different variation of a P3 project developed with the State of Florida. The State owned the land and wanted to finance and retain ownership of the facility. GEO worked closely with the Florida Department of Management Services to advise them of different ways the project could be financed and to structure the agreement to meet their requirements. Having prior experience working with municipalities to issue municipal debt to fund the construction of secure services facilities, GEO helped the State through the process of issuing Municipal Certificates of Participation. GEO was contracted to perform the design and construction services during the building phase, and subsequently awarded a contract to provide operational and maintenance services at the facility. The 400,096 sq. ft. facility is certified Leadership in Energy and Environmental Design (LEED) Gold.

See attached, GEO Blackwater River Correctional & Rehabilitation Facility Bio.

Montgomery Processing Center

In 2017, GEO was awarded a competitive contract for a secure residential facility in the Houston, Texas area. Under the contract, GEO went on to design, build, finance, maintain, and operate the \$120 million, 1,000-bed Montgomery Processing Center, a state-of-the-art facility housing male detainees for U.S. Immigration and Customs Enforcement (ICE). The project construction was financed using GEO's bank line of credit. The Center was designed with expansion capabilities and was recently renovated, increasing the capacity to 1,314 beds. GEO manages the Center's operations under an 11-year contract with ICE. At approximately 400,000 sq. ft., the Center features a precast parking garage providing 310 parking spaces, on-site administrative office and support spaces, programming spaces and classrooms, outdoor recreation including three new artificial turf soccer fields, day rooms with large TVs, law library with LexisNexis computer stations, and employee training room. The Center provides comprehensive medical, dental, and mental health care, including a daily sick call and 24-hour emergency care. The facility was designed to LEED Silver standards, a globally recognized symbol of sustainability achievement. The facility is a highly efficient and cost-saving green building that is designed to withstand a Category 5 hurricane and provide 100% auxiliary power in times of emergency.

See attached, GEO Montgomery Processing Center Bio.

Ravenhall Correctional Centre

The GEO developed state-of-the-art Ravenhall Correctional Centre, located in Victoria, Australia, is one of the world's largest secure services P3 projects. GEO raised the AUD\$892 million capital needed to develop the project, which also included a \$115 million GEO equity investment. The Ravenhall project is a full-service P3 that includes financing, design, construction, operation, and maintenance of a 1,000-bed, medium security prison. Ravenhall was designed with expansion capabilities and has been renovated to increase the capacity to 1,314 beds. GEO managed the design, construction and finance risk when sponsoring this project. Despite these complexities, GEO completed construction on time, on budget, and commenced operations on the contracted start date. The contract started in September 2014, construction was completed in November 2017, and the contract ends in March 2042. GEO will operate the facility throughout the 25-year contract term.

See attached, GEO Ravenhall Correctional Centre Bio.

Riverbend Correctional & Rehabilitation Facility

The Riverbend Correctional and Rehabilitation Facility was developed, financed, designed, and built by GEO for Georgia Department of Corrections (GDOC) using a P3 agreement to incorporate specific requirements tailored to the client's needs. The \$76 million, 1,500-bed facility was self-funded using GEO's bank line of credit that provided

borrowing and payment flexibility and allowed quick and efficiently execution of the project. The facility was built on land leased from the State of Georgia under a 40-year lease with the State having the right to purchase the facility at any time at the unamortized value. The facility's ownership transfers to the State upon the expiration of the 40-year initial agreement if the early purchase option is not exercised. The facility was designed with expansion capabilities and, at client request, the capacity can be increased up to 2,500 beds. GEO continues to operate, manage, and perform maintenance and lifecycle maintenance on the facility under the P3 agreement.

See attached, GEO Riverbend Correctional & Rehabilitation Facility Bio.

Meeting Performance Specifications

GEO's and our Project Development Department and staff are highly experienced with achieving client performance specifications, even after encountering problems or issues. GEO has resolved to our clients' satisfaction a wide variety of unexpected obstacles and situations during our 35-year history in the secure services industry. This deep experience gives GEO the expertise to identify potential or actual risks, or circumstances and events that occur, and to react quickly to mitigate or correct the issue.

In addition to on-site project resources, GEO has approximately 470 subject matter experts at the Corporate Office in Boca Raton, FL, and approximately two dozen experts at each of our three Regional Offices located in Charlotte, NC, San Antonio, TX, and Los Angeles, CA. Any event or situation that has the potential to impact cost, schedule, or performance of the NDCS Project will be dealt with expeditiously and with all the necessary resources to mitigate the issue and restore the project to its original cost, schedule, or performance baselines.

Stakeholder Relations

GEO strives for 100% customer satisfaction and by communicating with and working diligently to ensure project stakeholders are apprised of project progress and activities.

GEO recognizes that open and frequent communications with clients fosters partnering relationships and ensures transparency in all aspects of operations. GEO's Project Lead will be accessible to and work directly with NDCS leadership, other State representatives, and regulatory agency officials at all times. Our managers, supervisors, and staff are highly skilled and experienced at understanding and complying with client staff, regulatory agencies and their staff, and third parties and their staff, to efficiently accomplish all project and compliance requirements.

GEO understands the importance and sensitivity of government, community and media relations for the NDCS Project. GEO's Client Relations and Corporate Relations Departments have experienced legal, public policy, government relations, and

communications specialists who will support the NDCS Project during project development and throughout the term of the service agreement.

When GEO develops a project, we also invest in the local community where the project resides. GEO fully understands the importance of community relations and demonstrates our commitment daily in all our operations. Our reputation has been built on a foundation of our work in local communities in cooperation with our client agencies. GEO also understands that the support and cooperation of the local community will be fundamental to the successful completion and operation of the facility. Positive relations between the facility and the community in which it is located is essential.

Many of our facilities have active community projects, including scholarship funds for high school students, job interns with high school students working in the administrative areas, donations to boys' and girls' shelters/schools, and toy drives during the holiday season. With employees at GEO coming from the local area, the effect will be mutually beneficial. GEO benefits by having an esprit de corps and a sense of contribution, while the community benefits through the development of its citizenry and the diversification of the business economy.

Managing Project Risks

GEO is the largest private secure services provider in the world, with over three decades of P3 project development experience. We have a corporate Risk Management Department, comprised of 13 risk professionals with over 200 years of collective experience, that participates in every project to identify and mitigate potential risks. GEO takes a proactive approach to risk management and implements programs and training to assess risk across the organization.

GEO has a thorough risk analysis process for identifying and assessing risks and their impact on program objectives and performance. Our process is designed to address unforeseen circumstances through a proactive course of action that addresses all risks with the potential of impacting the NDCS Project contract performance.

GEO assumes all project risks for the NDCS Project, including development, construction, financing, environmental, ownership, lifecycle, and maintenance. GEO ensures that quality control and safety take equal role to budget and schedule for every project that we develop or operate. GEO has a comprehensive safety program with three Regional Safety Managers and two Safety Directors to provide support and oversight for facility safety.

Managing Subcontractors

GEO's Project Development Department has established project management and construction management processes and tools to ensure that proper contractor oversight is

executed throughout the project. GEO's processes incorporate meetings, reviews, reports, feedback, corrective actions, and other methods to deliver quality work products and services to maintain project schedule and budget. GEO will provide oversight of the design/build team and require reporting of subcontractor performance during scheduled progress meetings.

Local Participation

GEO plans to utilize local partners from the project site area and the surrounding communities throughout the development and lifecycle maintenance of this project.

GEO takes pride in our excellent track record of contracting with local vendors and suppliers on our projects. We do this by developing interest for the project in the local business community and developing bid packages that are in step with the qualifications of local subcontractors and suppliers. GEO will competitively bid all material and subcontractor trades as the project progresses. Bid packages will be open to qualified bidders with a focus on businesses near the project site and the surrounding areas.

Our policy is to utilize local subcontractors whenever possible. GEO has an established Local Participation Program with significant accomplishments for support of local subcontractors. We have developed strong, long-term relationships with local contractors and vendors, continuously searching for new contractors and vendors, and mentoring and assisting new start up contractors and vendors by providing opportunities for their growth and development.

Our past success in attracting and contracting with local companies is the result of a proven strategic system that continuously yields positive results. That system is based on notification, attraction, pre-qualification, and evaluation. Typically, GEO will solicit subcontractor opportunities in local newspapers and trade publications, pre-qualify vendors that respond, and evaluate each vendor based on the project requirements.

Facility Maintenance

GEO will perform the role of lifecycle maintenance provider for the NDCS Project. GEO will hire a maintenance manager and staff to work on-site to perform all required maintenance throughout the facility lifecycle. Our Project Development Department will schedule and coordinate major lifecycle maintenance. Subcontractors will be evaluated and selected for specialized maintenance.

BLACKWATER RIVER CORRECTIONAL & REHABILITATION FACILITY

MILTON, FLORIDA



CLIENT

Florida Department of
Management Services

COUNTY

Santa Rosa

CONTRACT

Award: 10/1/08

Term:

10/5/10–10/5/13, 3-year base;
successive 2-year renewal
periods upon mutual
agreement

Expiration: 10/03/21

Contracted Beds: 2,000

ACCREDITATION

ACA Accreditation

BACKGROUND

In July 2008, the Florida Department of Management Services (DMS) issued a competitive procurement for the design, construction, and operation of a new correctional facility to house medium and close-custody offenders. The Florida DMS announced its intent to award the contract to GEO in October 2008. Site development and construction began in November 2008 and was completed during the summer of 2010. Inmate intake began October 2010.

SCOPE OF WORK

GEO provides secure care, custody and control for medium and close custody male inmates. The Facility provides academic and vocational programs as well as medical care, substance abuse programs, counseling and life skills training opportunities.

FACILITY DESCRIPTION

This Facility consists of approximately 400,096 sq. ft., which provides sufficient space to service the population. The design includes cell and dormitory housing, segregation, administration, programming space, and support services. The Facility is designed in a campus layout. Each housing building incorporates therapeutic living communities with medical, multipurpose, group and individual counseling rooms and recreation areas. The Facility was designed and constructed to the U.S. Green Building Energy and Environmental Design (LEED) requirements. The Facility achieved Gold Certification from the Council in recognition of its Council's Leadership in sustainable design.

RAVENHALL CORRECTIONAL CENTRE

RAVENHALL, VICTORIA, AUSTRALIA



CLIENT

Corrections Victoria, Australia

LOCATION

Victoria, Australia

CONTRACT

Award: 09/14/14

Term:

09/14/14 – 03/31/42

Contracted Beds: 1,300
medium/ maximum adult male
remand/ sentenced

ACCREDITATION

Not applicable

BACKGROUND

In July 2014, GEO Group Australia was awarded a contract by the Victoria Ministry of Corrections (Corrections Victoria) for the development (including finance, design, and construction), and operation of a new 1,000 beds Prison, expandable to 1,300 beds, to be located near Melbourne, Australia. Originally designed to hold sentenced male inmates and deliver programs and services to address criminogenic need, the Centre's population profile was modified during its mobilization, to also include accommodation of a large remand population, who are detained for appearance at metropolitan courts.

SCOPE OF WORK

Opened in 2017, the Ravenhall Correctional Centre is one of Australia's newest correctional facilities and encompasses leading national and international best-practices. It is designed to address specific areas of focus: reducing reoffending, prisoners with mental illness, prisoners with challenging behaviours, Indigenous prisoners, younger prisoners, short-term prisoners, and pre- and post-release services.

Ravenhall provides unprecedented levels of in-custody rehabilitation and post-release programs aimed at reducing reoffending rates and helping offenders reintegrate into society through the 'GEO Continuum of Care'. This program concept includes intensive evidence-based rehabilitation and treatment programs in group and individualized settings, as well as extensive partnerships with community-based service providers, to enhance the delivery of rehabilitation and post-release programming. The Centre also operates the Bridge Centre, a Community Reintegration Centre, that supports released offenders transitioning into the community.

FACILITY DESCRIPTION

The 839,442 square foot Ravenhall Correctional Centre includes a mix of housing accommodations, administration, programs, health and mental health facilities, industries, and recreation buildings surrounded by a solid perimeter wall. The facility includes accommodation for mainstream and protection prisoners; 75 inpatient forensic mental health beds; a 25-bed Close Supervision Unit for prisoners with particularly challenging behaviours; and a 25-bed unit providing a residential drug treatment program for younger prisoners.

RIVERBEND CORRECTIONAL & REHABILITATION FACILITY

MILLEDGEVILLE, GEORGIA



CLIENT

Georgia Department of
Corrections

LOCATION

Baldwin

CONTRACT

Award: 05/27/11

Term: 07/15/10 – 07/14/51

Contracted Beds:

1,500 Minimum and Medium
Security Adult Male

ACCREDITATION

ACA Accredited

NCCHC Accredited

BACKGROUND

GEO was awarded a contract by the Georgia Department of Corrections (GDOC) for the finance, design, construction, and operation of a new Facility for the secure custody of minimum and medium-security offenders. The Facility was built on state-owned land pursuant to a 40-year ground lease. The Facility received inmates on December 12, 2011.

SCOPE OF WORK

The Facility is a Level 4, medium-security facility and is GEO's first GDOC contracting facility. The mission of the Facility is to provide quality programming to promote successful re-entry of offenders back into Georgia society. The Continuum of Care model at the Facility places an intense focus on therapeutic programming, education, and job training based on current job market trends. In addition, with the completion of therapeutic programming, offenders receive follow-up community support upon release.

FACILITY DESCRIPTION

The Facility is 277,635 sq. ft., located on approximately 70 acres of state-owned land. The campus-style design includes all the best of GEO facilities with cell and dormitory housing, programming space, and medical and dental clinics. The security design includes state-of-the-art computer, camera, and locking controls. The Facility was constructed with future expansion in mind for an additional 1,000 offenders.

II. Proposed Facility and Site Requirements

Facility and Site Overview

The GEO Group, Inc. (GEO) Request for Information (RFI) response addresses the requirements stated in the RFI, and as clarified in Addendum 1. If the State issues a subsequent Request for Proposals (RFP), GEO will develop a Facility on a suitable site in accordance with the RFP requirements.

At the time of this RFI submission, GEO has not identified any specific development sites.

Facility Requirements

After assessing the requirements provided in the RFI, GEO is recommending a facility design that consists of the following:

- An initial 1,200 general population bed facility expandable to 1,800 beds, in housing units arranged in a campus style.
- A master planned site expandable to 3,400 beds.
- Housing buildings with flexible housing classifications.
- A segregation housing unit sized for 5% of the general population.
- Dining hall style food service.
- All required medical facilities.
- All required administrative areas.
- All required program areas.
- All required indoor and outdoor recreation areas.

GEO Design Features

- GEO facilities are designed to Leadership in Energy and Environmental Design (LEED) Silver Standards. Energy conservation components and site environmental considerations are incorporated in the facility design.
- Innovative designs, building and insulation materials, and security technology that reduce operating costs, while promoting freedom of movement and the least restrictive detention environments appropriate to the population security levels.
- Non-traditional, multi-purpose building and housing concepts that easily adapt to changing detainee security requirements, demographics, and population levels.

- Secure housing units for housing detainees according to custody classification level, with the flexibility to provide for fluctuations and the needs of the population consistent with a unit-management concept.
- A combination of secure celled and dormitory housing areas that use construction techniques in a manner that allows for freedom of movement, while ensuring an appropriate level of privacy and security consistent with the characteristics of the population.
- Facility design that emphasizes community areas, dining hall meal service, significant recreation opportunities, and a high degree of staff-detainee support and interaction.
- Easy access facilities specifically designed for religious services, social and educational programs.
- Outdoor recreation areas that allow rigorous exercise in natural settings.
- Visitation areas that allow for single and group contact in a setting appropriate for families and children.
- All housing areas are within the same perimeter security line. Inner fences and divisions established to ensure staff and detainee safety, order, and reasonable segregation, according to innovative design principles.
- Multiple CCTV cameras placed throughout the facility and site as necessary, including in all housing units and areas where detainees are authorized movement; all entry and exit points; dining halls; recreation, visitation, and parking areas; and the SMU (Segregation), to ensure the safety of detainees and others.
- An onsite infirmary and health care facility with capability for providing comprehensive medical, dental, and mental health services, including facilities to accommodate in-take assessment, classification, and discharge evaluation; multiple exam rooms sufficient to support the needs of the population; negative pressure rooms (isolation rooms); other observation rooms, including suicide prevention, triage area (emergency care); and a full range of telemedicine services.

Site Requirements

The RFI states a suitable site would require approximately 320-acres, with additional expansion and buffer capability, and availability of other ancillary requirements (transportation, workforce availability, access to medical/emergency services, infrastructure, etc.). Based on these requirements, GEO assumes there are only two suitable metropolitan statistical areas (MSA) that can meet these criteria in Nebraska – Omaha and Lincoln.

Our initial assessment is that 320 acres for an 1,800-bed facility seems to be excessive. GEO has developed multiple projects with 1,000 to 3,000-bed facilities on approximately 100 to 150-acre sites respectively. Other site-specific factors that will affect the acreage requirements are environmental issues, storm drainage requirements, and on-site utility infrastructure requirements.

Depending on the actual site location, appropriate utility infrastructure will either be available from local service providers and will be brought to the site, or onsite infrastructure will have to be developed.

GEO is providing a “Conceptual Facility Site Plan” as an attachment. The conceptual plan demonstrates that a facility size up to 3,400 beds can be accommodated on a suitable site of approximately 110 to 150 acres.

***See “Proprietary” Conceptual Facility Site Plan,
provided in “Proprietary” sealed package.***

III. Technology Solutions

Improving Service Delivery, Security, and Operational Costs

With 35 years' experience in the secure services industry, The GEO Group, Inc. (GEO) has embraced innovative technologies and methods to provide timely, cost-effective facility design and operations solutions to our clients. GEO is committed to leveraging new technologies to improve efficiencies and provide operational innovation. GEO proactively incorporates technology integration in all our projects.

This section describes recommended best practices and innovations to be considered for incorporation in the Nebraska Department of Correctional Services Project (NDCS Project).

Information Technology

GEO has extensive experience designing, installing and maintaining information technology (IT) infrastructure that includes: data storage and transfer, communications, video systems, inmate records, security systems, environmental control systems, computerized maintenance management systems, programs and education learning management systems, and other IT systems designed to enhance operational safety, security and efficiency, and to reduce facility operations cost per detainee.

- **Assessing Client Requirements:** GEO analyzes client IT requirements to develop a Facility IT Infrastructure Plan that incorporates these requirements in the design/build process. Throughout the process, GEO collaborates with client stakeholders to ensure the plan is approved through multiple design reviews prior to starting installation, and that the approved plan fulfills all client requirements.
- **Information Security:** The goal of information security is to install and enforce security precautions and systems to ensure the safeguarding of data, and the prevention of theft or unauthorized use by any individual. Local network security and integrity is maintained using multiple protocols, data encryption, physical restrictions, controlled digital access, multi-layer support infrastructure, advanced integration between systems, multi-layer network firewalls, backup systems, and regular security assessments.
- **Security Systems:** GEO design-build projects include enhanced security features to ensure the safety and security of detainees, staff, client personnel, and visitors. Examples include the use of multiple intrusion detection systems such as perimeter fencing and 24-hour video camera monitoring in all-weather conditions.
- **Visitor Control:** GEO is participating in the rollout of IRIS recognition software and hardware at new GEO facilities. This technology is recommended as a safe and secure method for processing visitors for the NDCS Project.

- **Inmate Systems:** GEO constructs a local inmate network that is isolated from all other information technology infrastructure. The inmate network provides detainees easy access to essential services, the opportunity to attain vital computer skills, and facilitates an effective learning environment.
- **Facility Management Systems:** All GEO facilities and environments are climate-controlled to ensure protection from fluctuations in temperature, moisture, and other environmental hazards. Backup generators are installed to ensure power is always available to provide continuity of operations.
- **Medical Services:** GEO has increased the use of Telemedicine and Teleradiology for providing direct access to medical and psychological services to the detainee population, improving the quality of services while controlling medical, transportation and guard services costs. This modality for providing direct patient care can often decrease travel time and distances and increase timely access to sub-specialists in areas that are under served.

Physical Plant and Operational Enhancements

GEO's in-house Project Development Department works closely with the Secure Services Division operations staff to integrate proven correctional management practices into the design/build process. GEO stands apart from other secure services providers in its commitment to implementing facility and operational enhancements that provide additional value to our customers.

GEO installed state-of-the-art systems provide an added layer of security and safety for the inmates, and staff, and the community.

Recommended Physical Plant Features

- Fully equipped and operational facility with rapid activation capability.
- Compliance with ACA-ACI physical plant standards.
- ADA compliance.
- Upgraded security systems with state-of-the-art touch screen security electronic door controls, integrated CCTV and intercom.
- Operational and effective fence perimeter intrusion system.
- Compartmentalized facility layout that allows controlled and monitored movement of varying detainee populations without impacting special and overall facility operations.
- Climate-controlled physical plant layout that allows for uninterrupted movement and facility operations during inclement weather without impairing detainee

access to outdoor recreation during good weather, thereby increasing the quality of living for the detainee population.

Design/Build Enhancements

- **Perimeter Security:** Multi-layered system that includes dual intrusion/escape detection systems with automatic CCTV call-up to an alarm area, contraband prevention netting, a microwave detection system between the perimeter fence lines, and an additional fence shaker system on the inner perimeter fence line.

Operations Enhancements

- Installation and use of an electronic key control system ensures adherence to established policies and procedures by releasing assigned keys only to users with the proper authorization code and recording the access history of each key.
- Use of an automated asset management system ensures that repair and maintenance of facility equipment is conducted in a timely, accurate manner to ensure 24/7 facility operations.

Education and Training Technology

GEO is a leader in the use of instructional technology for programs, education, and training.

- Use of electronic whiteboards in all Academic and Vocational Classrooms for computer-assisted instructional enhancement is an innovative programmatic feature that improves teaching and learning outcomes.
- Attendance and Time Scanners allow facilities to efficiently track and document inmate and staff attendance. Participants and staff swipe ID cards to document the time of arrival and departure.

IV. Financing and Cost

GEO Financial Capacity

The GEO Group, Inc. and affiliates (collectively referred to as GEO) will source the financing solution for the NDCS Project through project revenue bonds or a fully financed private placement.

For FY2019, GEO reported revenues of \$2.5 billion and a net income of \$166 million. As of December 31, 2019, total assets were \$4.3 billion, inclusive of \$3.0 billion invested in PP&E through organic growth and business acquisitions in order to best meet the demands of our clients.

State Benefits	
✓	Private partner with financial capacity to perform long-term
✓	Developer with proven track record of experience
✓	Transfer of risk
✓	Multiple low-cost financing solutions available

Ability to Raise Financing

GEO is a seasoned and sophisticated financing organization with proven capital raising capabilities. GEO has a proven track record of accessing several different and competitive financing markets at low rates such as the U.S. private placement market and the municipal project revenue bond market. We believe both of these debt markets provide viable, cost-effective solutions for the prospective project that will allow the NDCS to benefit from favorable pricing over the term of the underlying contract.

GEO has worked with states, municipalities, and finance authorities across the globe to raise project revenue debt in order to fund the construction and expansion of correctional facilities. For example, GEO led the issuance of project revenue bonds for our Tacoma ICE Processing Facility expansion in 2011. Additionally, in 2019, GEO closed on a \$320 million private placement for the refinancing of the Ravenhall project in Australia, at the time, the largest corrections Public-Private Partnership (P3) ever developed.

GEO has a senior credit facility of \$1.7 billion with a syndicate of approximately 20 leading financial institutions. GEO's senior credit facility provides over \$350 million of low cost and immediate liquidity under our committed revolving line of credit and cash on hand. Through this financing vehicle, GEO can quickly access another \$450 million of additional bank debt without requiring lender consent.

In March 2017, GEO exhibited its ability to raise low-cost equity by raising \$288 million through a follow-up public equity offering. GEO also has the ability to raise additional equity capital through our \$150 million "At-The-Market" equity issuance program.

GEO has proven access to the corporate bond market at very attractive terms. As an example, over the past seven years GEO issued four corporate unsecured bonds for approximately \$1.2 billion. All four bond offerings were issued at very attractive interest rates and under issuer-friendly terms and conditions.

Key Project Considerations

As the State develops the Request for Proposal (RFP) and the financial requirements of the contract and/or term sheet, the following table provides a list of “Key Considerations” for discussion and their potential impact on the project.

<i>Key Considerations</i>	<i>Project Impact</i>
Private Partner Credentials	<ul style="list-style-type: none"> Proposed solution does fulfill State requirements and objectives. Developer fails to deliver on schedule and within budget.
Ownership Rights	<ul style="list-style-type: none"> Ownership stays with the private sector under a long-term lease arrangement Creative lease structures allow flexibility for State’s fiscal needs Ownership can revert to State after expiration of long-term lease and agreement among parties
Availability Payments	<ul style="list-style-type: none"> State only makes lease payment if facility is accessible for intended use Landlord responsible for ensuring that facility is maintained in proper condition Reduces State’s risk of having access to the prison beds
Value for Money	<ul style="list-style-type: none"> Lowest cost option may not be the best long-term solution In addition to price, several other criteria need to be evaluated such as, financiers, construction contractor, contractual terms and risks associated with the project
Purchase Option	<ul style="list-style-type: none"> State can opt to include a purchase option for the facility in the lease agreement Gives State long-term control over the facility Project costs increase with purchase option
Transfer of Risk	<ul style="list-style-type: none"> Transfer of risk to the private sector alleviates financial responsibility of State <ul style="list-style-type: none"> – Financing – Development – Construction – Maintenance – Lifecycle – Environmental

Financing Structure Options

GEO is proven public-private partner with direct experience in utilizing multiple and unique financing solutions for correctional-related transactions. The table below outlines several options we would consider for financing the project in order to achieve the lowest cost solution.

<i>Financing Option</i>	<i>Major Benefits</i>
Project Financing	<ul style="list-style-type: none"> • Low cost of ownership • Project specific • Flexibility in terms & conditions • Fast timeline
Finance Authority/Local Government Corporation Financing	<ul style="list-style-type: none"> • Long-term financing with fixed interest rates • Elimination of refinancing risk • Potential qualification for tax exemption
Self-Financing	<ul style="list-style-type: none"> • Fastest execution • Most flexible terms & conditions
Sale-Leaseback	<ul style="list-style-type: none"> • Can be combined with any financing alternative • State monetizes value of existing facility

The options to consider are as follows:

- ***Project Financing:*** Working with a syndicate of leading global financial institutions, GEO has the ability to arrange a financing solution that commits the future cash flows associated with the project to obtain financing to fund all respective upfront costs. This solution offers several project specific benefits, including a low cost of ownership, greater flexibility in the terms and conditions and a relatively fast timeline for execution. This structure was used to refinance the Ravenhall project debt via \$320 million private placement notes in 2019.
- ***Municipal Bond Financing:*** Working with a sanctioned finance authority or local government corporation, GEO has the capability to raise the funding necessary to build the project through the issuance of revenue bonds that are non-recourse to the State. Similar to Project Financing, this solution would commit the future cash flows associated with the project to raise the financing to fund the up-front costs of the project. This solution also offers several benefits, including long-term financing terms that lock-in interest rates over the life of the project and eliminate the refinancing risk associated with Project Financing, and could potentially qualify for tax-exempt status, which further lowers the overall cost to borrow. GEO has successfully used this

financing model for several projects, including the 1,575-bed Northwest ICE Processing Center in Tacoma, WA, and the 1,904-bed South Texas ICE Processing Center in Pearsall, TX.

- ***Self-Financing:*** GEO raises the funding necessary for the project using its own balance sheet. GEO has extensive relationships with global leading financial institutions and has a successful track record of raising debt and equity capital at highly attractive rates. Currently, GEO has over \$350 million of unencumbered borrowing capacity under our committed line of credit as well as the ability to raise another \$450 million of bank debt using the accordion feature of our syndicated bank agreement. GEO also has a strong presence in the corporate bond market with currently four outstanding bonds for approximately \$1.2 billion. This financing solution is the quickest to execute and provides the most flexible term and conditions for the proposed project. GEO often self-finances our correctional projects, including our 1,940-bed Adelanto ICE Processing Center in Adelanto, CA and our 1,740-bed North Lake Correctional Facility in Baldwin, MI; the combined value of these facilities is in excess of \$250 million.
- ***Lease Transaction:*** GEO can provide a lease solution in which we allow the State to monetize the value of the existing correctional facility in exchange for a long-term lease or provide a lease of newly acquired and developed land. If best for the State, this option can be combined with any of the other GEO financing alternatives in order to best maximize the value proposition of the GEO solution.

Lease Term and Purchase Options

GEO can provide multiple solutions to the State regarding the length of the lease term as well as the cost, if any, to purchase the facility at the end of the lease term. Lease terms of 20, 25, 30, and 40 years can be made available to the State.

GEO is also prepared to provide multiple options regarding the ability for the State to purchase the prison at the end of the lease term. By changing both the lease term as well as the one-time cost at the end of the lease, GEO can materially impact the annual lease cost to the State to help make the financial implications of the project more feasible.

In all, GEO's low cost of capital and innovative financing solutions can provide substantial cost savings and a best-value performance solution to achieve the State's NDCS Project goals.

Estimated Cost

A 1,200 bed facility, including the purchase of 200 acres of land, would range in price from \$100M to \$115M. This includes land, design, construction, FF&E, and some related financing and carrying costs. An estimated lease payment cannot be provided at this time.