

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

CONTRACT FOR HOUSING AND CONFINEMENT OF INMATES
C-15-100-02-17

This Agreement for Services (the "Agreement") is made and entered into by and between **Hidalgo County, Texas** (the "County"), a Texas political subdivision, and **GEO Group, Inc.** (the "Contractor"), a *Florida corporation*, effective as of the **17th** day of **February, 2015**.

WHEREAS, the County advertised a request for proposals for the housing, management, supervision and care of inmates as it deems necessary on "an as needed basis" incarcerated or to be incarcerated by the County and awarded a contract to LCS Correction Services, Inc. ("LCS");

WHEREAS, Contractor acquired the assets of LCS on or about February 17, 2015;

WHEREAS, the LCS contract contained a no assignment clause;

WHEREAS, the LCS facility at the time of the asset purchase of LCS by Contractor contained County inmates;

WHEREAS, County has found no other facility to house the County inmates currently housed in the LCS facilities;

WHEREAS, the Commissioner's Court of the County has declared an emergency with respect to the housing of County inmates in the LCS facilities;

WHEREAS, the LCS contract was terminated by County and LCS on the date of such asset sale by LCS to **GEO**;

WHEREAS, the County is issuing this Contract on the same terms and conditions as the previous LCS Contract to **GEO** for a one **hundred twenty (120) day term** in order to issue a request for proposals for the housing and confinement of inmates.

WHEREAS, the County and the Contractor desire to enter into the Agreement for the Contractor to provide housing and care for certain inmates incarcerated or to be incarcerated by the County;

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants hereinafter contained, and subject to the conditions herein set forth, the parties hereto contract, covenant and agree as follows:

**ARTICLE ONE
TERM AND TERMINATION OF AGREEMENT**

Section 1.01. Term of Agreement. This Agreement shall be and become effective upon the execution by the County and the Contractor, and subject to all the terms and provisions hereof, the initial term of this Agreement is **one hundred twenty (120) days**, commencing, **February 17, 2015**, expiring on **June 16, 2015**, unless earlier terminated as provided herein (the "Term"). Thereafter, the County shall have the option to extend this Agreement annually as provided in Section 1.02.

Section 1.02. Termination. Notwithstanding anything to the contrary herein, County may terminate this Agreement without cause on thirty (30) days written notice.

**ARTICLE TWO
SPECIFICATION OF FACILITY AND LOCATION**

The housing, confinement and detention services described in this Agreement will be provided at the **GEO Group, Inc.**, facilities located in **Brooks County, Texas** and **La Villa, Texas**.

**ARTICLE THREE
OPERATION OF THE FACILITY**

Section 3.01. Minimum Conditions of Confinement. The Contractor shall operate, manage, supervise and maintain the Facility, and provide for the secure custody, care and safekeeping of inmates of the County at the Facility, in accordance with state and local law, but not limited to the minimum regulations and standards promulgated by the *Texas Commission on Jail Standards* (the "TCJS") In addition to such regulations and standards, the minimum conditions of confinement during the entire period of this Agreement are:

- (a) Staffing shall be provided twenty-four (24) hours a day to supervise inmates.
- (b) Three (3) meals (including two hot meals) shall be provided per day for County inmates. The meals must meet the nationally recommended dietary allowances published by the *National Academy of Sciences*.
- (c) Emergency medical care will be provided for the inmates twenty-four (24) hours per day.
- (d) The Contractor will maintain an automatic smoke and fire detection and alarm systems, and shall maintain written policies, procedures and practices regarding fire and other safety emergency standards.
- (e) The Contractor will maintain a water supply that is certified to be in compliance with applicable laws and regulations, and the Contractor will maintain a waste disposal program.

Section 3.02. Applicable Standards. The Contractor shall operate and maintain the Facility in accordance with all applicable regulations and standards of the TCJS and this Agreement, and/or variances granted by the TCJS. The physical facility, and the combined services and programs, will meet or exceed the requirements of the TCJS.

Section 3.03. Physical Plant. The Facility will meet or exceed the requirements of the TCJS and the Contractor shall maintain the Facility in compliance with all applicable codes, including, but not limited to, the *National Electric Code*, *Uniform Plumbing Code*, *Uniform Mechanical Code*, *National Fire Protection Association Life Safety Code 101*, and local zoning ordinances applicable to the Facility. The Contractor shall provide written documentation of compliance with these codes upon request of County.

Section 3.04. Food Services. The Contractor will provide food and beverage services in compliance with all the applicable regulations and standards, sanitation and health codes, with menus (planned and reviewed in advance by a registered dietitian or physician) that meet the nationally recommended dietary allowances published by the *National Academy of Sciences*. The Contractor will provide two (2) hot meals daily, and one (1) other meal that need not be hot, with no more than 14 hours elapsed between meals. Special diets shall be available to inmates as prescribed by appropriate medical or dental personnel, and where inmates' religious beliefs require the adherence to universally recognized religious dietary laws.

Section 3.05. Laundry Services. The Contractor shall provide laundry facilities and services to inmates, and be responsible for the issuance of clean clothing, linen, bath and had towels, when each inmate arrives at the Facility. Laundering of linens and clothing shall be in accordance with the Contractor's policies and procedures. Pillows and mattresses shall be sanitized with chemicals approved by *the Texas Department of Health (the "TDH")*, for sanitizing bedding, before being reissued to a newly received inmate.

Section 3.06. Transportation. The Contractor agrees to provide transportation of inmates of County to and from County's Jail and courthouse and the Contractor's facility and if required from the Contractor's facility to *Texas Department of Criminal Justice-ID (the "TDCJ-ID")*, at no additional cost to the County. The Contractor also agrees to provide transportation of County inmates from other sites in the State (where County inmates are currently located) to the Contractors facility at no additional cost to County. In the event the County requires the Contractor to provide transportation to sites other than specified above, the County will reimburse the Contractor for transportation costs at a mutually agreeable rate per mile or per trip. Such services shall be performed and provided in compliance with the following:

(a) Transportation and escort guard services will be performed, pursuant to policies, procedures and practices established by the Contractor, by armed qualified officers employed by the Contractor, and the Contractor will implement such practices as may be requested by the Sheriff (as used in this Agreement the term Sheriff shall include his authorized deputies, representatives and agents) to enhance specific requirements for security, monitoring, and contraband control;

(b) Upon arrival at the Courthouse, jail facility or TDCJ-ID, transportation and escort guards will turn inmates over to a Deputy Sheriff or authorized agent, only upon presentation by such Deputy or authorized agent of proper law enforcement credentials;

(c) The Contractor will transport inmates to any Courthouse or designated jail facility upon a specific request from the Sheriff who will designate the inmate, the Courthouse or jail facility, and the date the inmate is to be transported;

(d) Each inmate will be restrained in hand cuffs, waist chains and leg irons during transportation.

(e) The Contractor will continue to be liable for the actions of its employees while they are transporting inmates on behalf of the Sheriff. Workers' compensation shall be provided for the Contractor's employees while on duty, including while they are providing transport services.

(f) The Contractor agrees to and shall hold harmless and indemnify the County its elected officials and employees, in their official and individual capacities, from any liability, including third party liability or workers' compensation, arising from the conduct of the Contractor's employees during the course of the transportation of inmates on behalf of the County pursuant to the terms of this Agreement.

(g) The Contractor will provide other transportation for inmates as determined necessary and as agreed upon with the Sheriff.

Section 3.07. Medical Guidelines and Reporting. The Contractor will comply with *Tex. Health and Safety Code*, Sections 85.112, 85.113 and 85.114 including but limited to:

(a) The Contractor will, prior to accepting any of the County's Inmates, develop workplace guidelines that address HIV policies, confidentiality, and employee/inmates education programs. The guidelines shall, at a minimum, incorporate the *model workplace guidelines* published by the TDH consistent with state and federal laws and regulations. The Contractor shall maintain the written policies and guidelines at the Facility; and

(b) The Contractor will, prior to accepting any of County's inmates, develop confidentiality guidelines regarding AIDS and HIV medical information for employees and inmates. These policies shall be consistent with state and federal laws and regulations.

Section 3.08. Health Services. The Contractor shall provide access to basic health care needs by the inmates, who will not be charged and shall not be required by the Contractor to pay their own medical expenses. Medical and basic health care services shall comply with the following provisions:

(a) The per diem rate as set forth in section 4.03 below, covers only routine medical services such as: on-site sick call (when provided by on-site staff), nonprescription program (over the counter/non-legend) and routine drugs and medical supplies. The per diem rate does not cover medical/health care services provided outside of the Facility or by other than Facility staff, prescription or treatments, or surgical, optical, dental care, and does not include the costs associated with any hospitalization of an inmate. The County shall pay the Contractor an amount equal to the amount the Contractor is required to expend for medical services other than those routine medical services provided for under the per diem rate. When it becomes necessary for an inmate to be hospitalized, the Contractor shall contact the County, through its Sheriff or designated representative, as soon as possible (and prior to admission unless the inmate is suffering from a life-threatening condition) to inform the County 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. The Contractor shall provide and certify all direct care employees in standard first aid procedures and cardiopulmonary resuscitation (CPR).

(c) The Contractor shall have sufficient first aid supplies and equipment adequately maintained at all times to support the overall medical treatment requirements of the assigned inmate population. Medical first aid supplies shall be maintained in accordance with prescribed standards recognized or approved by a licensed, recognized health authority which possess the expertise to evaluate, assess, and determine the potential need or conditions of the required first aid supplies and equipment. The Contractor 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 County, or promptly reimbursed to the Contractor. In the event that a contract with a medical facility/physician exists which allows the Contractor to receive discounted rates, the County shall be charged at that rate for such inmates.

(e) The Contractor shall notify the Sheriff as soon as possible of all emergency medical cases requiring removal of an inmate from the Facility and to obtain prior authorization for removal for all other medical services required.

(f) When an inmate is being transferred to another facility, the inmate will (as applicable) be provided with all of the inmate's remaining prescription medications (if any) that is being held at the facility.

(g) Medical records will be transferred with the inmate so transferred to another facility. It shall be The Contractor's responsibility to obtain and maintain such records for each inmate.

(h) Subject to the following paragraph 3.08 (i), the Contractor 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.

(i) If the hospitalization of an inmate is to be for a duration of more than twenty-four (24) hours, or the cost of any medical care or hospitalization is to exceed \$2,000.00, the Contractor has the right to arrange for the hospital or health care provider to bill the County directly for the costs of the hospitalization and/or medical care, rather than the Contractor paying the costs and billing the same to the County. If the hospital or health care provider refuses to bill the County directly, the County shall reimburse the Contractor for such costs within thirty (30) business days of receipt of an invoice from the Contractor which invoice may be delivered personally, by facsimile, by mail or by other reliable courier.

(j) The County will provide the Contractor with medical information for all inmates sought to be transferred to the Contractor's Facility under this Agreement, including information regarding any special medication, diet or exercise regimen applicable to each inmate.

(k) The Contractor is not required to accept or to retain any inmate who is suffering from a chronic or terminal disease or condition, and the County agrees to accept the return of any such inmate upon delivery to its jail or other agreed upon detention or health care facility by the Contractor.

Section 3.09. Recreation and Exercise. The Contractor shall provide adequate physical facilities, equipment, and supplies for a recreation program that meets all applicable regulations and standards of the TCJS.

Section 3.10. Visitation. The Contractor shall provide adequate space for family visitation which area shall include furniture, equipment, and supervision necessary to implement a visitation program that meets all applicable regulations and standards of the TCJS.

Section 3.11. Safety Requirements. The Contractor shall operate and maintain the Facility in compliance with all applicable codes. Such operation and maintenance shall comply with the terms and provisions of this Agreement and the applicable regulations and standards of the TCJS. The Contractor 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, the *National Fire Protection Life Safety Code 101*, the *National Electric Code*, *Uniform Plumbing Code*, *Uniform Mechanical Code*, local ordinances, and the Texas Commission on Jail Standards, relative to safety;

(b) The Contractor will establish an emergency fire plan and written procedures for the safe evacuation of 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; and

(c) The Contractor shall complete an injury report as provided in the event that any injury to an inmate results in one (1) 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. The Contractor shall complete an injury report and shall forward it to the Sheriff's designated representative within twenty-four (24) hours following said injury.

Section 3.12. Inmate Correspondence. The Contractor shall handle inmate correspondence in accordance with all applicable regulations and standards of the TCJS.

Section 3.13. Inmate Funds. The Contractor shall have written policies and procedures governing the operations of any fund established for the inmates. These funds shall be held by the Contractor and shall be controlled consistent with generally accepted accounting principles.

Section 3.14. Religious Services. The Contractor shall cause religious services to be conducted for inmates in accordance with the standards set by the TCJS. Participation in religious services shall be voluntary for all inmates.

Section 3.15. Security. The Contractor shall provide adequate security with respect to the inmates in accordance with all requirements of this Agreement and the applicable regulations

and standards by TCJS. As part of such security program, the Contractor will comply with the following census and reporting requirements:

(a) The Contractor will develop, implement and document a daily system for physically counting all inmates assigned to the Facility, assuring strict accountability for inmates and that at least one (1) inmate count occurs per shift; and

(b) The Contractor will notify the Sheriff immediately whenever an inmate is involved in an escape, attempted escape, or conspiracy to escape from the facility.

Section 3.16. Programs. The Contractor shall provide programming to meet the needs of the inmate population as requested by the Sheriff. Programs may include but not be limited to educational, counseling, substance abuse education, and case management. The per diem rate set forth in Section 4.03 below, 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 to by the parties. The Contractor may, at no cost to the County and not inconsistent with the applicable regulations and standards of the TCJS and the purposes of this Agreement, provide special programs for the inmates, and permit or require selected inmates to participate in selected programs provided in other segments of the Facility.

Section 3.17. Receiving and Discharging. The Contractor agrees to accept and release inmates only to authorized persons, in compliance with the following:

(a) The Contractor shall accept inmates presented by the Sheriff, only upon presentation by the officer of proper law enforcement credentials;

(b) The Contractor agrees to release inmates only to law enforcement officers of agencies authorized by the Sheriff or to a Deputy Sheriff. Those inmates who are remanded to custody by the Sheriff may only be released to Sheriff, or an agent specified by the Sheriff; and

(c) Inmates may not be released from the facility or placed in the custody of any federal, state or local official other than the Sheriff for any reason except for medical emergency situations, a court order, or authorization by the Sheriff.

Section 3.18. Disciplinary Procedures. The Contractor shall establish written "Disciplinary Procedures", to include the processing of violations and graduated sanctions that may be imposed. Each inmate shall be informed of the disciplinary procedures and provided with a copy of the same upon admission. The Contractor shall maintain a master file of all discipline reports and actions taken, and shall provide the Sheriff with a copy of each report in the event an inmate commits a violation.

Section 3.19. Grievance Procedures. The Contractor shall establish written grievance procedures, which procedure shall be provided to all inmates upon admission. At a minimum, the procedure shall utilize a two-step process and shall conform to the applicable regulations and standards of the TCJS. The Contractor shall maintain a master file of all grievances filed and the actions taken.

Section 3.20. Use of Force. The Contractor shall establish written procedures governing the use of force against inmates. This procedure shall conform to all applicable regulations and standards of the TCJS. The Contractor shall maintain a master file of all incidents that occur.

Section 3.21. Inspection and Technical Assistance. The Contractor agrees that periodic inspections of the Facility by the Sheriff. Findings of the inspection will be shared with the Contractor in order to promote improvements to facility operations, conditions of confinement and services levels.

Section 3.22. Access to Books and Records. The Contractor agrees to maintain and make available for inspection, audit or reproduction by County, the TCJS and/or their employees, attorneys, agents and/or independent auditors, all books, documents and other records pertaining to the services provided hereunder, and/or to the sums billed by the Contractor. Such records shall be maintained by the Contractor for at least three (3) years following termination of this Agreement, and thereafter until any pending audit or litigation and all questions arising there from and involving this Agreement or such records has been finally resolved.

ARTICLE IV CONTRACTOR'S RESERVATION OF BEDS AND PAYMENT

Section 4.01. Contractor's Right to House Inmates. The Contractor hereby reserves up to ***four hundred fifty-six (456) inmate*** beds in the Facility for County to utilize at any time during the Term of this Agreement on a space available basis, and County agrees to pay the per diem rate specified in Section 4.03 below for the housing and care of such inmates, and the detention services to be provided by the Contractor pursuant to this Agreement. The foregoing notwithstanding, the County shall only be required to pay for inmates actually housed at the Facility. The term "County Inmates" as used herein include only inmates being held by the County, or sentenced by courts of the County, or being held in the County by reason of their residence in the County; it does not, however, include inmates coming from other counties, states or federal jurisdictions or agencies.

Section 4.02. Scheduling of Usage. The Contractor and the Sheriff shall develop a mutually agreeable schedule for the assignment of inmates to the Facility during the Term of this Agreement, and any renewals or extensions thereof. The Sheriff may, at his discretion and subject to section 4.01 above, assign as many inmates to the Facility "on an as needed basis", as he shall determine without special arrangement or notice, and the Contractor shall accept, house and provide services to such inmates pursuant to this Agreement.

Section 4.03. Per Diem Rate. The per diem rate for the actual housing and care of County inmates on "**an as needed basis**" and related detention and transportation services specified in this Agreement is **forty-nine dollars (\$49.00) per inmate, per day**. This rate covers one inmate/bed per day. A portion of any day shall count as an inmate day under this Agreement, except that the County shall not be billed for two days when an inmate is admitted one evening and removed the following morning. In that situation, the Contractor will bill for the day of arrival, but not for the day of departure.

Section 4.04. Billing Procedure. The Contractor shall submit an itemized invoice for the services provided hereunder (together with an invoice for any reimbursable medical expenses as set forth in Section 3.08(h) above) each month to the County, in arrears. Invoices will be submitted to the Sheriff of the County designated to receive the same on behalf of the County. The County shall make payments to the Contractor within thirty (30) days after receipt of the invoice. Payment shall be made payable to: **GEO GROUP, I NC.**, and shall be delivered as the address set forth in section 6.04 below.

Section 4.05. Regulation of Maximum Occupancy. Nothing herein shall create any obligation upon the Contractor to house the County's inmates where the housing of said inmates will raise the population of the Facility above the permissible number of inmates allowed by law, or will create a condition of overcrowding or create conditions which endanger the life and/or welfare of personnel and inmates at the Contractor's Facility, or result in possible violation of the constitutional rights of the inmates housed at the Facility. At any time that the Contractor determines that a condition exists at the Contractor's Facility necessitating the removal of any of the inmates, or any specified number thereof, the Contractor shall following at least eight (8) hours prior notice to the Sheriff (unless a different deadline is agreed to by the parties) return said inmate to the County.

Section 4.06. Inmate Eligibility. The only inmates eligible for incarceration in the Facility pursuant to this Agreement are male inmates that are classified in accordance with the custody level of the assigned Facility in accordance with the custody level of the Facility in accordance with the applicable regulations and standards of the TCJS and meeting the classification requirements for the facility beds as described in the TCJS Manual, Chapter 271, "Objective Jail Classification Manual".

All inmates proposed by the County to be transferred to the Contractor's Facility under this Agreement must meet the eligibility requirements set forth above. Inmates shall not (1) have a history of escape or attempted escape from custody; (2) be in need of psychiatric care or have a history of mental illness; and (3) shall not require chronic health care needs (to include but not limited to those inmates known by the County to have an unstable cardiac condition, those requiring renal dialysis, those known to have an infectious disease, those known to be HIV positive or diagnosed as having Acquired Immune Deficiency Syndrome (AIDS), or those known to have unresolved orthopedic problems and those known to be unstable diabetics).

Prior to the Contractor receiving inmates for transportation by the Facility, the County shall furnish the following: (1) complete information and documentation relating to the inmate's case history; (2) all the inmate's records concerning classification, including conduct records; (3) medical and clinical records, including certification of tuberculosis screening or treatment; and (4) any information necessary to advise the Contractor in regard to any special medication, diet or special exercise regimen requirements applicable to each prospective inmate.

Section 4.07. Continuing Reservation Regarding Inmates. The Contractor reserves the right for its designated representative to review the background of all inmates sought to be transferred to the Facility, and the County shall cooperate with and provide information requested regarding any inmate by the Contractor. The Contractor reserves the right to refuse, for good cause, acceptance of any inmate. Likewise, if any inmate's behavior, medical or psychological condition, or other circumstance of reasonable concern to the Contractor makes

the inmate unacceptable for continued incarceration in the Facility in the opinion of the Contractor, the Contractor shall provide at least eight (8) hours prior notice to the Sheriff (unless a different deadline is agreed to by the parties) return said inmate, to the County. Inmates may also be removed from the Facility when their classification changes for any purpose, including long-term medical segregation.

Section 4.08. Inmate Sentences. The Contractor shall not be in charge of, or responsible for, the computation or processing of inmates' time of confinement, including, but not limited to, computation of good time awards/credits and discharge dates. All such computations and record keeping shall continue to be the responsibility of the County. It shall be the responsibility of the County to notify the Contractor of any discharge date for an inmate at least ten (10) days before such date. The Contractor will release inmates of the County only when such release is specifically requested in writing by the Sheriff. However, it is agreed that the preferred and usual course of dealing between the parties shall be for the Contractor to transport and return inmates to the County shortly before their discharge date, and for the County to discharge the inmate from its own facility. The County accepts the responsibility for the calculations and determinations set forth above and for giving the Contractor notice of the same. The County is responsible for all paperwork and arrangements for inmates to be transferred to the TDCJ-ID.

ARTICLE V. INSURANCE AND INDEMNIFICATION

Section 5.01. Indemnification. The Contractor hereby agrees to indemnify and hold the County and its agents, elected officials officers and employees harmless from all costs, claims, expenses, and liabilities (including attorney's fees) whatsoever that may be incurred by the County, its agents, elected officials officers or employees, arising from any and all acts done or omitted to be done by the Contractor, or Contractor's employees, agents, subcontractors or assigns in connection with the operation of the Facility or the provision of service by the Contractor 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, claim, of waiver or estoppels 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 the Contractor or County.

Section 5.02. Contractor to Provide Defense. In case any action or proceeding is brought against County regarding any claim or matter referenced in the foregoing section, County shall provide immediate notice to the Contractor and the Contractor shall defend against such action by counsel reasonably satisfactory to the County, 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 negligence of County or its respective agents, employees, or licensees contributed in part to the loss or damage indemnified against. The County shall have the right to utilize separate counsel, to participate in the investigation and defense of any such claims, the fees and expenses of such counsel shall be paid by the County unless the employment of such counsel has been previously authorized in writing by the Contractor.

Section 5.03. Waiver and Releases. Neither the Contractor nor the County shall waive, release, or otherwise forfeit any possible defense that the Contractor or the County may have regarding any claim arising from or made in connection with the operation of the Facility by Contractor, without the written consent of the other party to this Agreement; provided that the Contractor shall have authority to compromise and settle any claim for monetary consideration only, for which the Contractor is indemnifying the County. The County and the Contractor 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 County 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. The Contractor shall secure and maintain in effect, or shall cause to be secured and maintained, an insurance policy or policies providing (i) coverage against all claims arising from the services performed under the Agreement; and (ii) coverage to protect the County from actions by third parties against the Contractor as a result of this Agreement. 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 the Contractor hereunder. The County shall be named as an additional insured on each such insurance policy.

Section 5.05. Additional Insurance. The Contractor shall continuously maintain such accident, general liability, worker's compensation, and automobile insurance, as required by law, to include protecting the Contractor, 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 Facility and the furnishing of services pursuant to this Agreement, including the payment of damages and attorney's fees. The Contractor shall provide proof of insurance coverage to County upon request.

Section 5.06. Coverage Amounts. The general liability and automotive insurance and coverage shall be maintained in an amount that is not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. The Contractor shall further maintain statutory worker's compensation insurance in the statutory amounts.

ARTICLE VI. GENERAL PROVISIONS

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

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

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 addresses:

To The Contractor: **The GEO Group, Inc.**
Attn: Amber D. Martin,
EVP, Contract Administration
One Park Place, Suite 700
621 Northwest 53rd Street
Boca Raton, Florida 33487

with Copy to:
Hidalgo County Sheriff's Office
711 El Cibolo Road
P. O. Box 1228
Edinburg, Texas 78540

To County: **Hidalgo County, Texas**
Attention: Judge Ramon Garcia
Hidalgo County Judge's Office
302 W. University Drive
Edinburg, Texas 78539

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. Amendment. This Agreement shall not be modified or amended except by a written instrument executed by the duly authorized representatives of both parties and approved by Commissioners Court of the County.

Section 6.06. 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. The preceding sentence to the contrary notwithstanding, the provisions of County's Request for Proposals issued January 21, 2014, (Proposal No. 2014-028-02-12) (the "Proposal"), consisting of 52 consecutively numbered pages and Contractor's response dated January 29, 2014 (the "Response") are incorporated herein by reference. Unless expressly indicated to the contrary in this Agreement, and in the event of a conflict between or among this Agreement and the Proposal and Response, the terms and conditions of the Proposal shall govern. The representations and warranties of the Contractor

as contained in the Response are hereby reaffirmed by the Contractor as of the date of this Agreement.

Section 6.07. Funding Sources. The County represents that it has current funds available sufficient to meet its obligations pursuant to this Agreement through the remainder of this fiscal year.

Section 6.08. Non-Appropriation of Funds In the event that during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. ' 271.903.

Section 6.09. Assignment. The Contractor may assign the revenues and payments payable by the County pursuant to this Agreement. The Contractor may not assign its rights, title and interest in and to this Agreement and any documents executed with respect to this Agreement and/or grant or assign a security interest in this Agreement. Any such assignees shall have all of the rights of the Contractor under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the, successors and assigns of the parties hereto. Upon assignment of the Contractor's interests herein, the Contractor will cause written notice of such assignment to be sent to the County which will be sufficient if it discloses the name of the assignee, the interest assigned and the address to which further payments hereunder should be made.

Section 6.10. 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 Lease.

Section 6.11. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF TEXAS. VENUE SHALL LIE EXCLUSIVELY IN HIDALGO COUNTY, TEXAS. THE PARTIES CONSENT TO PERSONAL JURISDICTION IN HIDALGO COUNTY, TEXAS.

Section 6.12. 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 6.13. Counterparts. This Agreement may be executed in duplicate original counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall together constitute but one in the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their respective duly authorized representatives on this the **17th** day of **February, 2015**.

THE GEO GROUP, INC.

AMBER D. MARTIN

By: *[Signature]*
Print Name: Executive VP Contract Administration
The Geo Group, Inc.
Authorized GEO Group, Inc. Signatory.

HIDALGO COUNTY, TEXAS

By: *[Signature]*
Ramon Garcia,
Hidalgo County Judge

Approved by Commissioners' Court
on 2-17-15 RD

ATTEST:

By: *[Signature]*
Arturo Guajardo, Jr.
Hidalgo County Clerk

APPROVED:

Approved As to Form:
[Signature]
Stephen L. Crain, Attorney
Atlas, Hall and Rodriguez, LLP

EXHIBIT "A"

**SCOPE OF SERVICES/REQUIREMENTS
REQUEST FOR PROPOSALS**

Hidalgo County Sheriff's Department

**"PLACEMENT, HOUSING, DETENTION AND SUPERVISION
OF HIDALGO COUNTY INMATES"**

RFP: 2014-028-02-12CGA

(NIGP-Code: 952-94)





LCS Corrections Services, Inc.

100-D William O. Stutes Street

Lafayette, Louisiana 70506

Louisiana

Caldwell Detention Center § Pine Prairie Correctional Center § South Louisiana Correctional Center § J. B. Evans Correctional Center

Texas

Coastal Bend Detention Center § Brooks County Detention Center § East Hidalgo Detention Center

Alabama

Perry County Correctional Center

January 29, 2014

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2802 South Business Highway 281
Edinburg, Texas 78539

Dear Ms. Salazar,

On behalf of LCS Corrections Services, Inc. we are pleased to submit our response the Request for Proposals RFP No 2012-034-06-13CGA. This project requires a corrections and detention services company with comprehensive experience in providing detention services to county governments. LCS has a long history of detention operations and management of local facilities that provide detention housing to the United States Marshals Service (USMS), Immigration and Customs Enforcement (ICE), Federal Bureau of Prisons (FBOP), state, and county/parish agencies for their inmates/detainees. LCS currently houses Hidalgo County inmates. We believe our team's operational and management experience with complex detention Intergovernmental Service Agreements combined with our understanding of the decision making process and culture of the private/public sector makes us uniquely qualified to house Hidalgo County inmates.

The LCS Corrections Services management Team has the proven ability to:

- Maintain all standards, licenses and certifications required by the Texas Commission on Jail Standards;
- Comply with the standards required by the USMS, ICE and FBOP; and
- Recruit and train detention center staff from the local communities.

Respectfully,

David Myers
President

REQUEST FOR PROPOSAL
Hidalgo County Sheriff's Department

"Placement, Housing, Detention and Supervision of Hidalgo County Inmates"
RFP NO: 2014-028-02-12-CGA

To: Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Physical Address: 2802 S. Business Hwy. 281
Mailing/US Postal Address: 2812 S. Business Hwy. 281
Edinburg, Texas 78539

In accordance with the Requirements, and subject to all laws and regulations of the United States and state and local laws, the undersigned proposer proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned proposer further agrees, upon acceptance of its proposal, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Requirements within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Proposer acknowledges receipt of all of the pages of the documents referenced in the Request for Proposal Checklist presented in connection with this procurement. Proposer understands that Hidalgo County reserves the right to reject any or all proposals and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best proposal.

Proposer agrees that this proposal shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving proposals, as contained in the Requirements.

Respectfully submitted,

Proposer: LCS CORRECTIONS SERVICES INC.

Address: 100-D WILLIAM O. STUTES ST

LAFAYETTE, LA 70506

By: R. Michael Magee

Printed Name: R. MICHAEL MAGEE

RICK HARBISON r.harbison@lscorrections.com
(337) 234-1533
(956) 357-8951

Understanding the Project

LCS Corrections has a long history of housing inmates for counties in south Texas. LCS currently houses 160 Hidalgo County inmates at the LCS owned and operated Brooks County Detention Center. LCS has also housed Hidalgo County inmates at the East Hidalgo Detention Center. It is our understanding that this project requires housing and care of county inmates in a secure environment that operates within the standards set by Hidalgo County and the Texas Commission on Jail Standards. This project also requires the company, LCS, to provide secure transportation of these inmates.

Firm Qualifications

LCS Corrections Services, Inc. is a privately held corporation with private corrections as its sole focus. Incorporated on January 11, 1990, in the State of Louisiana, our primary business activity is the management and operation of detention and correctional facilities. We currently operate eight facilities totaling over 6,500 beds in Alabama, Louisiana and Texas. Facility sizes range from 1,300 beds to our smallest with 240 beds.

Our operational experience covers a wide range of services including adult detention and corrections. Present and past clients include the U.S. Marshals Service, the U.S. Border Patrol, Immigration & Customs Enforcement, the Bureau of Prisons, the Louisiana Department of Public Safety & Corrections, the Alabama Department of Corrections, the Texas Department of Criminal Justice, the Vermont Department of Corrections, the Harris County, Texas jail system and numerous local agencies throughout Louisiana, Texas and Alabama. Our offender populations include both males and females in classifications ranging from minimum to maximum security.

LCS Corrections Services, Inc. has twin corporate offices, with most of the board of directors and the legal and finance functions residing in Clearwater, Florida, while the operations and business functions are housed in Lafayette, Louisiana.

We feel strongly that LCS possesses a substantial advantage in its ability to manage and operation correctional facilities with a closely-knit and experienced group of

professionals handling every step of the process, and each member of the team able to draw on the knowledge and experience of the others.

Personnel and Staffing

The organizational charts for the Brooks County Detention Center and the East Hidalgo Detention Center are attached as an appendix to this document.

Mr. David L. Myers, President, LCS Corrections Services, Inc. He has almost forty years experience in public and private corrections where he earned a solid reputation in the corrections industry. Mr. Myers began his career in the Texas Department of Corrections in the late 1960's as a correctional officer. He quickly moved up through the ranks and at 29 years of age, he was promoted to Warden, achieving the distinction as being one of the youngest in the country.

During his tenure as a correctional professional, Mr. Myers gained an expertise in every facet of the prison industry including recreation, education, security, inmate classification, pre-release and design and construction. From 1973 - 1985 he served as Warden, where he managed prisons ranging from minimum to maximum security in both female and male facilities. In his last assignment in the Texas prison system, Mr. Myers served as warden of the Eastham Unit, a 3,200 bed maximum security prison designated for inmates who had been disciplinary problems in other maximum security Texas prisons. Eastham was the last stop for aggressive, violent inmates.

In 1985 Mr. Myers was recruited by Corrections Corporation of America (CCA) to be the Facility Administrator (Warden) of the Bay County, Florida Jail. In 1986, CCA promoted him to Vice President of Operations, where he was responsible for overseeing the operations of all of the company's facilities. In 1994, he was promoted to President of CCA. During Mr. Myers tenure as President the company experienced unprecedented growth in revenues and shareholder value. Throughout his career Mr. Myers worked extensively with political leaders in federal, state and local governments to provide comprehensive corrections advice.

Mr. Myers graduated from Sam Houston State University in Huntsville, Texas, with a Bachelor of Science degree in Criminology and Corrections in 1970 and has completed his course work for a Masters Degree in Criminology.

Mr. Michael Striedel, Executive Vice President Operations: Mr. Striedel joined LCS in June 2002 as a Correctional Lieutenant in Basile, Louisiana. He climbed the ladder to Executive Vice President Operations in 2012.

Mr. Striedel's career started in Oakdale, Louisiana as a City Police Officer in 1983. He then went to the Federal Bureau of Prisons, where he worked as a Correctional Officer and Correctional Counselor in Oakdale, Louisiana and USP Leavenworth, Kansas in the max cellblock. Mr. Striedel served as Warden at Perry County Correctional Center in Alabama and as Warden at Coastal Bend Detention Center in Robstown, Texas for LCS Corrections. He has worked with Louisiana Department of Corrections, Allen, St. Landry and Evangeline Parishes housing their inmates. He has worked with Alabama Department of Corrections and Texas Jail Commission and numerous counties housing their inmates. He has successfully passed numerous Office Federal Detention Standards (US Marshals) and Homeland Security (ICE) audits at each facility he has overseen.

Richard Harbison, Executive Vice President: Mr. Harbison joined LCS in 1999 and today oversees the management team, with responsibility for all branches of the operation including facility operations, personnel, quality management, purchasing, contract compliance and client liaison.

Mr. Harbison's career began in the Chicago area with the Winnebago County Sheriff's Department where he spent his first seven years at the county correctional center. He later moved into patrol and then to Vice & Narcotics. Prior to his tenure at LCS, Mr. Harbison served as General Manager and Vice President for a large conglomerate of television stations. Mr. Harbison has over 25 years of combined corrections and business management experience.

Rudy Sanchez, Warden, East Hidalgo Detention Center: Mr. Sanchez has worked in corrections for over 34 years. He began his career in 1974 as a Correctional Officer with

the Texas Department of Criminal Justice Division. He retired in 1999 as a Deputy Warden with 26 years of service. Since then, he has continued to work in the private sector of corrections serving 4 years as a Deputy Warden for Corrections Corporation of America, 4 years as Warden for Emerald Corrections Corporation, and is currently the Warden of the East Hidalgo Detention Center for LCS Corrections Services.

Javier Aleman, Warden, Brooks County Detention Center: Javier became a member of the LCS team when he was hired as a Correctional Officer in February 2002. Javier Aleman promoted through the ranks at Brooks County Detention Center and was promoted to Chief of Security March 15th 2004 then to the Assistant Warden on July 12th 2005. On April 24th 2009 Javier Aleman was promoted to the Position of Warden where he still serves in that capacity. During his tenure with LCS Warden Aleman obtained his License with the Texas Commission of Law Enforcement Officer Standards and Education. He Also Received Several Certificates of Training with Texas Jail Association, Texas Commission on Jail Standards, Bureau of Prisons, The Office Of the Attorney General and Sam Houston State University.

Michael Magee, Vice President, Government Relations and Standards: Mr. Magee joined LCS in 2009 as a Deputy Warden before he moved into his current position. He oversees the detention standards compliance programs at LCS facilities to ensure all facilities meet the highest federal and state detention standards. His knowledge of the complex federal government intergovernmental (IGA) services agreements and federal management and contracting procedures is an asset to LCS and its partners.

Prior to coming to LCS Mr. Magee had a 28 year career in local and federal law enforcement and corrections. He served as the Officer in Charge of several federal detention centers and managed the American Correctional Association (ACA) accreditation of these facilities. As the Deputy Field Office Director for ICE he managed subordinate wardens and over 1500 federal and contract employees involved in detention services, transportation, and law enforcement. He has managed IGA's with county governments. In 2008 he retired from ICE Headquarters where he was the Chief of the National Criminal Alien Program. There he oversaw a 138 million dollar budget; he and

his staff interacted with state departments of correction, county corrections/detention departments, BOP, USMS, USDOJ, the Office of the Federal Detention Trustee, and Congressional Offices and Committees.

He has a Master of Public Administration degree. He is a graduate of the San Diego Sheriffs Academy, the U.S. Border Patrol Academy, and the Federal Executive Institute. He has served as an expert witness in state and federal court regarding detention management procedures and employee relations; and has testified before Congressional Subcommittees. He has presented workshops at ACA Conferences and served as an Adjunct University Professor of Criminal Justice Administration.

Required Certifications and Submittals

LCS Corrections maintains all the required licenses and certification required to operate a detention center as a business in Hidalgo County and in the State of Texas. Copies of the Professional Liability Insurance are an appendix to this document.

Project Overview

LCS Corrections intends to provide for the secure custody, transportation, routine health care, meals and clothing of Hidalgo County inmates on a per diem basis per an inmate at the LCS East Hidalgo Detention Center (ECDC) and the LCS Brooks County Detention Center (BCDC). Both these detention centers are in compliance with the Texas Jail Commission Standards and other Federal detention standards. ECDC is located within Hidalgo County and BCDC is located about 30 miles from Hidalgo County. Inmates at both detention centers are classified in accordance with Texas Jail Commission Standards.

Housing and Care of Inmates

Both LCS detention centers, EHDC and BCDC, that will be used to house and care for Hidalgo County inmates are in compliance with Texas Jail Commission Standards.

Medical Services

The per diem rate will cover only routine medical services such as: on-site sick call, non-prescription and routine drugs, and routine medical supplies. The per diem rate does not cover medical/health care services provided outside of the Contractor's facility or by other than facility staff, prescription drugs or treatments, or surgical, optical, dental care and does not include the costs associated with any hospitalization of an inmate. The County shall pay the contractor an amount equal to the amount the

Contractor 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, the

Contractor shall contact the County, through its Sheriff or designated representative, as soon as possible to inform the County 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. Contractor will use its best efforts to obtain the lowest available price for reimbursable expenses; provided, however, that contractor's obligation to obtain the lowest available price shall not in any way diminish or excuse Contractor from seeking and/or providing medical care or supplies necessary to protect the health, safety and wellbeing of any inmate under Contractor's custody and control.

The Contractor shall 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.

It is understood and agreed that if the hospitalization of inmate is to be for the duration of more than 24 hours, or the cost of any medical care or hospitalization is to exceed \$2,000.00, the Contractor has the right to arrange for the hospital or health care provider. If the hospital or health care provider refuses to bill the County directly, the County shall reimburse the Contractor.

Medical Information

The County shall provide the Contractor with medical information for all inmates sought to be transferred to the Contractor's facility, including information regarding any special medication, diet or exercise regimen applicable to each inmate.

Transportation and Off-Site Security

Contractor agrees to provide transportation of inmates of County to and from the Hidalgo County Jail and/or courthouse and Contractor's facility and if required from Contractors facility to Texas Department of Criminal Justice-ID at no additional cost to the County.

The Contractor agrees to provide transportation of County inmates from other sites in the State where County inmates are currently located to the Contractors facility at no additional cost to County.

In the event the County requests the Contractor to provide transportation to sites other than specified above, the County agrees to reimburse the Contractor for transportation costs at a mutually agreeable rate per mile/trip, as specifies in the contract.

Per Diem Rate

The per diem rate per inmate shall be \$ 55.00. LCS cannot reserve a specific number of beds for Hidalgo County.

Billing Procedure

Contractor shall submit an itemized invoice for the services provided each month to the County, in arrears. Invoices will be submitted to the officer of the County designated to receive the same on behalf of the County. The County shall make payments to the Contractor within thirty (30) days after receipt of the invoice. Payment shall be in the name of Contractor and shall be remitted to:

If to County:
County of Hidalgo
Hidalgo County Sheriff's Office
Attention: Commander Daniel Garcia

701 East El Cibolo Road
Edinburg, Texas 78542

If to Vendor:
LCS Corrections Services, Inc.
100-D William O. Stutes Street
Lafayette, LA 70506

Amounts which are not timely paid in accordance with the above procedure shall bear interest at the lesser of the annual percentage rate of 10%, or the maximum legal rate applicable thereto, which shall be a contractual obligation of the County under this agreement. County further agrees that the Contractor shall be entitled to recover its reasonable necessary attorney's fees and costs incurred in collection of amounts due under this agreement.

Liability of the County

County shall be fully responsible for all suits, claims, damages, losses, or expenses, including reasonable attorney's fees, arising out of County performance or nonperformance of the services and duties herein stated, but only in regard to duties herein assigned to County, and specifically excluding the actual transportation or incarceration of inmates by Contractor. County retains full liability for each inmate until that inmate has been received by Contractor at County's facility for transportation, holding and incarceration of inmates by Contractor.

Liability of the Contractor

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

**LCS CORRECTIONS SERVICES FACILITIES WITH
CUSTOMER (SHERIFF) CONTACT NUMBERS**

South Louisiana Correctional Center

Warden David Viator
3843 Stagg Avenue
Basile, LA 70515
337-432-5493

EDDIE SOILEAU 337-363-2161
Sheriff – Evangeline Parish, Louisiana

Pine Prairie Correctional Center

Warden Terry Hines
1133 Hampton Dupre Road
Pine Prairie, LA 70576
337-599-2198

EDDIE SOILEAU 337-363-2161
Sheriff – Evangeline Parish, Louisiana

Brooks County Detention Center

Warden Javier Aleman
901 County Rd. 20
Falfurrias, TX 78355

361-325-3340

ROY RODRIGUEZ 361-325-3996
Sheriff – Brooks County, Texas

East Hidalgo Detention Center

1300 East Hwy 107
La Villa, TX 78562
956-262-4511

JIM KAELIN 361-887-2225
Sheriff – Nueces County, Texas

Caldwell Detention Center

Warden Richard Deville
701 Hwy. 845
Grayson, LA 71435
318-649-2100

STEVE MAY 318-649-2345
Sheriff – Caldwell Parish, Louisiana

J. B. Evans Correctional

Warden Richard Deville
500 Routh Street
Newellton, LA 71357
318-467-3355

RICKEY JONES 318-766-3499
Sheriff – Caldwell Parish, Louisiana

Perry County Correctional

Warden Jim Mullins
Rt 2, Box 176 / Hwy 80
Uniontown, AL 36786

334-628-8885

Coastal Bend Detention Center

4909 FM 2826
Robstown, TX 78380
361-767-3400

JIM KAELIN 361-887-2225
Sheriff – Nueces County, Texas



Hidalgo County Purchasing Department
2812 S. Business Highway 281
New Administration Building
Edinburg, Texas 78539
(956) 318-2626/ Fax: (956) 318-2629

To: Mr. Michael Magee, Vice President
LCS Corrections Services Inc..

Via email: michael.magee@lcs corrections.com

From: Martha L. Salazar, Purchasing Agent
Hidalgo County Purchasing Department
C/O Cris, Ayala, Buyer III

Date: March 17, 2014

Re: Final Negotiations Meeting - RFP- 2014-028-02-14CGA-"Placement, Housing, Detention and Supervision of Hidalgo County Inmates", project.

Pursuant to action taken at a meeting held this morning, be advised that your firm/company agreed to enter into negotiations in effort to successfully draft a final contract for presentation to Hidalgo County Commissioner's Court members for review and action for the above reference project.

Based on the discussions and negotiations held today at the Hidalgo County Purchasing Department Conference Room between Hidalgo County Sheriff's Department and representatives for LCS Corrections Services, Inc., (Mr. Michael Magee, Mr. Rudy Sanchez, Warden for La Villa and Mr. Javier Aleman, Warden for Brooks Co.) we request that you submit a best and final offer for the scope of work as stated in the RFP submitted, no later than 3:00 p.m. on Wednesday, March 19, 2014.

Your Best and Final Offer (BAFO) of \$49.00 per diem rate will be presented at the next scheduled Commissioner Court meeting. Thereafter, we will notify you of their action.

➤ We, LCS, agree to the Best and Final Offer in the amount of \$ 49.00 (per diem rate, per inmate) ON A SPACE AVAILABLE BASIS

We ask that you approve by signing below acknowledgment of receipt with commitment to submit by deadline and return via email to: cris.ayala@co.hidalgo.tx.us, or via fax to (956) 292-7612.

Signed: *Michael Magee*

Printed Name: R Michael Magee

Title: VICE PRESIDENT



CERTIFICATE OF LIABILITY INSURANCE

Page 1 of 2

DATE (MM/DD/YYYY)
02/26/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	Willis Insurance Services of Georgia, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME:	
		PHONE (A/C, NO, EXT): 877-945-7378	FAX (A/C, NO): 888-467-2378
		E-MAIL ADDRESS: certificates@willis.com	
		INSURER(S) AFFORDING COVERAGE	NAIC#
INSURED	The GEO Group Inc and All Subsidiaries including Cornell Companies, Inc. 621 Northwest 53rd Street Suite 700 Boca Raton, FL 33487	INSURER A: National Union Fire Insurance Co. of Pitt	19445-002
		INSURER B: New Hampshire Insurance Company	23841-001
		INSURER C: Steadfast Insurance Co.	26387-001
		INSURER D: Illinois National Insurance Company	23817-001
		INSURER E:	
		INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 22809364

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ITR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Medical Professional <input checked="" type="checkbox"/> Civil Rights GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		2047539 (AOS)	10/1/2014	10/1/2015	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 5,000,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 25,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
A	AUTOMOBILE LIABILITY			3814809 (AOS)	10/1/2014	10/1/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 3,000,000
B	<input checked="" type="checkbox"/> ANY AUTO			3814810 (MA)	10/1/2014	10/1/2015	BODILY INJURY (Per person) \$
A	<input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			3814811 (VA)	10/1/2014	10/1/2015	BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION S			IPR379227402	10/1/2014	10/1/2017	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	028234570 (AOS)	10/1/2014	10/1/2015	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
A				028234571 (CA)	10/1/2014	10/1/2015	E.L. EACH ACCIDENT \$ 2,000,000
D				028234572 (FL)	10/1/2014	10/1/2015	E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
B				028234575 (MA)	10/1/2014	10/1/2015	E.L. DISEASE - POLICY LIMIT \$ 2,000,000
C	Professional Liability			IPR379230302	10/1/2014	10/1/2015	\$3,000,000. Per Loss \$3,000,000. Annual Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
SEE ATTACHED:

CERTIFICATE HOLDER**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Hidalgo County
2812 South Business Highway 281
Edinburg, TX 78539

Coll: 4633577 Tpl: 1871942 Cert: 22809364 © 1988-2014 ACORD CORPORATION. All rights reserved.



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis Insurance Services of Georgia, Inc.		NAMED INSURED The GEO Group Inc and All Subsidiaries including Cornell Companies, Inc. 621 Northwest 53rd Street Suite 700 Boca Raton, FL 33487	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER See First Page	NAIC CODE		
ADDITIONAL REMARKS			

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Additional Workers Compensation
Policy #028234577 (NJ/PA), #028234573 (AK/AZ/VA)
Policy Period: 10-1-14 to 10-1-15
Carrier: New Hampshire Insurance Company
Limits: \$2,000,000 E.L. Each Accident
 \$2,000,000 E.L. Disease-Each Employee
 \$2,000,000 E.L. Disease-Policy Limit

Additional Workers Compensation
Policy #028234574 (IL/KY/NC/UT)
Policy Period: 10-1-14 to 10-1-15
Carrier: National Union Fire Insurance Co. of Pittsburgh
Limits: \$2,000,000 E.L. Each Accident
 \$2,000,000 E.L. Disease-Each Employee
 \$2,000,000 E.L. Disease-Policy Limit

Additional Workers Compensation
Policy #028234576 (MN)
Policy Period: 10-1-14 to 10-1-15
Carrier: New Hampshire Insurance Company
Limits: \$2,000,000 E.L. Each Accident
 \$2,000,000 E.L. Disease-Each Employee
 \$2,000,000 E.L. Disease-Policy Limit

Pollution Liability
Policy #PLC2032977
Policy Period: 10-1-12 - 10-1-15
Carrier: Chartis Specialty Insurance Company
Limit: \$10,000,000 Each Incident
 \$10,000,000 Policy Aggregate

General Liability:
Contractual Liability is provided per form CG0001 - Commercial General Liability.
Coverage includes Severability of interest and Cross Suits. Sexual Molestation - Physical Abuse is not excluded.

General Liability and Auto Liability:
Blanket Additional Insured is included to Certificate Holder if required by written contract.
Insurance is Primary and Non Contributory.

General Liability, Auto Liability, Workers' Compensation:
Blanket Waiver of Subrogation is provided as required by written contract.
The County of Hidalgo is included as Additional Insured as respects to General Liability.

6. **AI -48414** Requesting authority for Valde Guerra, County Executive Officer, to sign and submit Federal Excise Tax Exemption Certificate for 2014 as requested by vendor for file purposes.

On motion by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., seconded by COMMISSIONER, PCT. 2, EDUARDO 'EDDIE' CANTU, the Court made a UNANIMOUS vote of approval.

Vote: 4 - 0 - Unanimously

B. County Judge's Office

1. **AI -48337** A. Pursuant to Article 6.09, of the current agreement between Hidalgo County and LCS Corrections Services, Inc. and Affiliates ("LCS") requesting action in connection with the acquisition of assets of ("LCS") and thus assigning revenues and payments to GEO Group, Inc.;

NO ACTION taken on this Item.

B. Requesting authority to advertise an RFP for the Placement, Housing, Detention and Supervision of Hidalgo County Inmates with approval to use the original procurement packet;

On motion by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, seconded by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., the Court made a UNANIMOUS vote of approval.

Vote: 4 - 0 -Unanimously

C. Requesting exemption from competitive bidding requirements under Texas Local Government Code, 262.024 (a)1, 2 & 3 and for compliance with Texas Commission of Jail Standards;

On motion by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., seconded by COMMISSIONER PCT. 3, JOE M. FLORES, the Court made a UNANIMOUS vote of approval.

Vote: 4 - 0 - Unanimously

APPROVED

D. Approval to enter into a short-term ninety (90) day contract with GEO Group, Inc. under the same rates, terms and conditions as with LCS for: Placement, Housing, Detention and Supervision of Hidalgo County Inmates so as to have no lapse in services, protect the public and comply with Tx Comm of Jail Standards while a formal procurement process is complete and awarded;



Mrs. Salazar requested the amount of days be changed from "90 days" to "90 to 120 days".

On motion by COMMISSIONER PCT. 3, JOE M. FLORES, seconded by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., the Court made a UNANIMOUS vote of approval to include change of term to "90 - 120 days".

Vote: 4 - 0 - Unanimously

SPECIAL MEETING - February 17, 2015

BE IT REMEMBERED, that on this 17th day of February A.D., 2015, there was begun and held a SPECIAL MEETING of the Honorable Commissioners' Court of Hidalgo County, Texas, wherein the following members thereof were present, to-wit:

HONORABLE RAMON GARCIA

HIDALGO COUNTY JUDGE

HONORABLE A.C. CUELLAR, JR.

COMMISSIONER, PRECINCT NO. 1

HONORABLE EDUARDO "EDDIE" CANTU

COMMISSIONER, PRECINCT NO. 2

HONORABLE JOE M. FLORES

COMMISSIONER, PRECINCT NO. 3

and ARTURO GUAJARDO, JR., COUNTY CLERK & EX-OFFICIO CLERK OF THE COMMISSIONERS' COURT of Hidalgo County, Texas, wherein the following proceedings were had, to-wit:



**AGENDA
CC REGULAR
HIDALGO COUNTY
COMMISSIONERS COURT MEETING
February 17, 2015
9:30 A.M.**

NOTICE is hereby given in accordance with Chapter 551, Texas Government Code, that a SPECIAL MEETING of the Commissioners' Court will be held at the Edinburg Council Chambers 415 W. University Drive, Edinburg, Hidalgo County, Texas. Discussion and possible action relating to the following business will be transacted:

1. Roll Call

All members of the Court were counted present for the exception of Commissioner Pct. 4, Joseph Palacios.

2. Pledge of Allegiance

Judge Garcia led the Court and Audience in reciting the Pledge of Allegiance.

3. Prayer

Jaime Longoria led the Court and Audience in Prayer.

At this time, the Court proceeded to Open Forum.

4. Approval of Consent Agenda

The Court moved to approve the Consent Agenda for the exception of Item 13.I to be pulled for discussion.

The Court proceeded to Items 21.I.1, 7.D, and 7.C.

5. Open Forum

Opal Billman spoke of the improper action by the court regarding her divorce, her private property, and the continuance of false imprisonment.

Fern McClaughtery questioned the funding toward the museum and the insurance company that will be deputized to sell license tags.

Rosie Garcia wanted to express her gratitude to Commissioner Cantu for the cleanup recently held in the Colonia Lopezville. She is also expressed her appreciation for the lighting, garbage pick-up, and for the attention her area.

21.

Purchasing Department - Marty Salazar:

Notes:

A. FOR ANY CONTRACT(S) AWARDED AND APPROVED UNDER THIS AGENDA, EXECUTED COPIES OF THE CONTRACT(S) WILL BE AVAILABLE ON THE COUNTY INTRA-NET WEBSITE AND WILL BE FOWARDED VIA E-MAIL, FAX OR HAND DELIVERED TO HIDALGO COUNTY AUDITOR'S OFFICE.

B. ANY AND ALL REQUESTS FOR PAYMENT(S) APPROVED WILL BE SUBJECT TO COUNTY AUDITORS PROCESSING PROCEDURES INCLUDING AUTHORITY FOR COUNTY TREASURER TO ISSUE PAYMENT(S)/CHECK(S).

A. Hidalgo County

1. **AI -48523** Ratification of fully executed Change Order No. 6 (increase of \$5,119.00) in connection with "Repairs and Renovations-1st and 2nd Floors to the Former Administration Building," to awarded contractor D.Wilson Construction Company.

At this time, Commissioner Joe Flores stepped away from the meeting.

Mrs. Salazar explained that the full document was not attached because it was being routed to all signatories.

On motion by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., seconded by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, the Court made a UNANIMOUS vote of approval.

Vote: 3 - 0 - Unanimously

2. **AI -48412** Presentation of bids received for the purpose of award and approval of contract document to the responsible vendor submitting the lowest and best bid and meeting all specifications and/or requirements as attached hereto for: Hidalgo County - "Drug & Alcohol Testing for Hidalgo County Employees" RFB No. 2015-022-02-11.

Commissioner Joe Flores joined the meeting.

On motion by COMMISSIONER PCT. 1, A.C. CUELLAR, JR., seconded by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, the Court made a UNANIMOUS vote of approval to award contract to NTC Drug Testing.

Vote: 4 - 0 - Unanimously

3. **AI -48476** Acceptance and approval to process a partial payment (as required by & to Citi Bank Credit Card Services) in the amount of \$4K against (as yet unreconciled) 99 days past due amount of \$7,469.57 in order to "release suspension" status on Hidalgo County's Credit Card account with authority for Hon. Norma G. Garcia, Hidalgo County Treasurer to issue check including the overnight mailing of said check to Citi Bank.