Delco anticipates saving millions in prison transition

Delaware County officials say the county is on track to save millions of dollars from taking over the operations of the George W. Hill Correctional Facility, with more details to be revealed Tuesday. "The budget for this year, for 2022, is $50 million," county Executive Director Howard Lazarus told county council Wednesday. "If we had proceeded with the full GEO contract, that amount plus county costs would have been north of $55 million so we've already seen, at least on paper, a savings this year due to the county taking over." The facility has been operated by Florida-based GEO Group Inc. since 1998 and is on track to return under county operations April 6. A statement released by GEO read, "As government service providers, we continuously maintain the highest standards and have been working cooperatively with the county and its consultants to realize a smooth, seamless, and safe transition. As such, we expect the county can achieve its stated objectives after April 5 when it assumes the direct management of operations for the George W. Hill Correctional Facility." Lazarus explained that the transition costs are reviewed to see if they can be covered by American Rescue Plan Act funds before going to the capital budget. "From a transition standpoint, we had over $9 million of potential transition costs," Lazarus said. "We're about $2.5 million all in and we will come nowhere near the $9 million that was put forth by CGL." In 2020, the county Jail Oversight Board hired CGL Companies to oversee the transition of the 1,883-inmate facility and that included a financial assessment of the transition, which was unveiled last April. It presented three different scenarios - status quo; a revised staffing and programming model; and a reduced average daily inmate population approach. It said the county could potentially save up to $7 million annually by transitioning. It also noted that the costs of the GEO contract in 2018 and in 2019 were $48.5 million and in 2020 were $46.6 million. The county was responsible for other costs associated with the prison in those years with the total costs to the county being $51 million in 2018; $50 million in 2019 and $48.5 million in 2020. Delaware County Councilman Kevin Madden, who is also chair of the county's Jail Oversight Board, commented. "Obviously, we are making this transition for reasons beyond the economics of it but the most frequently cited concern on the part of those who opposed making this move was economics," he said. "They were concerned this was going to be a budget-breaking endeavor. The original estimate of a $9 million upfront cost is looking more at something like $2.5 million. So putting aside the human reasons for why we made this transition, this is also turning out to be a pretty good investment by the taxpayer in terms of a savings for the county." He added, "This is both a good decision from a rehabilitation of the community perspective and also a good decision from a budgetary perspective." Lazarus added that progress is being made on the design of a Central Booking Processing Facility. County council approved $500,000 in the 2022 budget for the design of such a location. The executive director said stakeholders had provided their input that led to conceptual drawings that are moving to schematic models. He said the intent is to finish design and start working on a facility by the end of the month or beginning of March. "The central processing facility should significantly reduce the population at the prison and that also will result in further lowering our operating costs," he said. Lazarus said a review of the operating budget will be brought to the Jail Oversight Board at its meeting on Tuesday. In addition, he said presentations will be given at county council meetings going forward to update how the transition is going. In addition, he said the budget will be reviewed after the transition for needed adjustments.