



10 Burton Hills Boulevard
Nashville TN 37215
615.263.3000

September 21, 2009

Dear Pahrump Town Board Member:

In light of recent discussions pertaining to the Nevada Southern Detention Center project, I am pleased to provide status updates to you.

CCA and our general contractor, DCK Worldwide have spent a significant amount of time evaluating local contractors and vendors for the current construction project. CCA has utilized the Pahrump Chamber of Commerce Directory as our primary source for referrals. In doing so, we have reached out to local businesses for services including electrical, wiring, fencing, and land excavation, and we have found success in doing so.

It is important to note that these businesses are generally not lower priced than other bidders outside of Nye County or even outside of Nevada. In fact, their services are generally more costly. That being said, CCA is committed to hiring locally if the Pahrump business is within a moderate range – even up to 10% higher – on cost.

Some required services are specific to the corrections industry and only a few vendors nationwide are able to bid such technical work. These areas include stun fencing, security electronics, inmate housing cell manufacturing and security hardware. So, while we would prefer to hire locally, safety is our number one priority and we have hired the nation's leading service providers in these specialty areas. Anything less would be unacceptable for CCA standards.

Also, there are other contract services that are simply too large in the breadth and scope of the project to be handled by any small company, in Pahrump or elsewhere. These consist of projects such as precast concrete, electrical and mechanical. The sheer size and aggressive schedule eliminated all contractors that we were able to find through the Pahrump Chamber of commerce.

All materials including aggregates, concrete and asphalt have been, and will continue to be, acquired within the Town of Pahrump. Millions of dollars worth of products will be purchased directly in Pahrump. Our initial estimates show that the value of these purchases will exceed \$10-12 million.

It is also important to note that our project is generating additional economic impact in Nye County through employee and contractor spending on items including home purchases and rentals, gas, food and general merchandise, meals, and lodging at RV parks and hotels. The impact of this spending cannot be underestimated. The labor that will be hired throughout the job from the local labor force will be tracked and reported as soon as it is available to CCA.

Since the construction phase is just beginning, we have another year of work and opportunity for area businesses. Opportunities including painting, masonry, plumbing are forthcoming, and we anticipate being able to find some local contractors to perform such services.

CCA is proud of its commitment to Nye County, and we will continue to work diligently with our contractor and with the Pahrump community to provide the greatest possible economic impact.

If we can answer any additional questions for you or your constituents, please contact me at 615-263-6715. Additionally, we are happy to provide tours of the work-site at any time.

Sincerely,

A handwritten signature in black ink that reads "Buddy Johns". The signature is written in a cursive, slightly slanted style.

Buddy Johns
Senior Director, Project Management