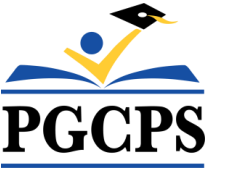


Prince George's County Public Schools

Blueprint Schools Overview

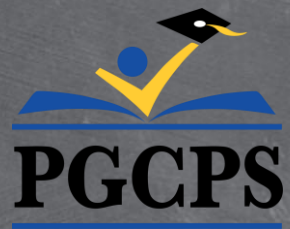


Program Pillars



At the outset of the engagement, PGCPS made it clear that the Blueprint Schools Program would have the following three overarching Program Pillars:

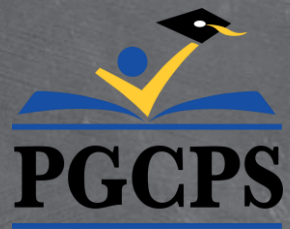
1. Ensuring Program Affordability
2. Maximizing Local Hiring and Community Investment
3. Robust Minority Business Enterprises & County-Based Business Participation



PHASE I RESULTS

Phase 1

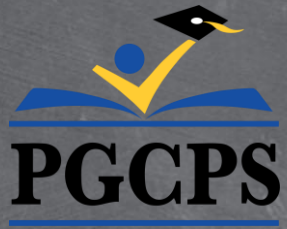
- **Prevailing Wage:** In accordance with PGCPs policy, all wages paid on the Phase 1 Project were subject to the prevailing wage rates issued by the State of Maryland, Department of Labor, Licensing and Regulation.
- **MBE and CBB Participation:** PGCECP was required to meet a 30% MBE/CBB participation in both the Design-Build Period and Services Period. These goals were exceeded in Phase 1. Specifically, during the Design-Build Period:
 - 101 MBE firms participated
 - 38 CBB firms participated
 - \$140,891,688 awarded to MBE firms, equaling 34% participation
 - \$68,607,905.67 awarded to CBB firms, equaling 16.9% participation
- **Union Participation:** From entering into a side letter with LiUNA to awarding two of the largest contracts during Phase 1 to union companies, PGCPs through our partner, PGCECP engaged and incorporated union labor throughout the Design-Build Phase of the Program.



BUILD TO LEARN ACT

BUILD TO LEARN ACT

- **Specific Provisions Included in the Build To Learn Act**
 - Mandating the minimum number of 8 schools
 - Granting the Interagency Commission on School Construction approval rights on the Phase 2 Project Agreement
 - Providing State Matching funds - \$25 million one-time payment; \$27 million per year for 30 years; totaling \$810 million
 - Instituting a statutory drop-dead date of June 30, 2024 for PGCPs to complete a deal or forfeit State matching funds
 - Requiring a four-party Memorandum of Understanding between Maryland Stadium Authority, Interagency Commission on School Construction, the County and PGCPs
 - Establishing a State P3 Fund



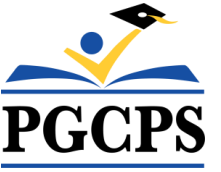
PHASE II FUNDING SOURCES

FUNDING SOURCES

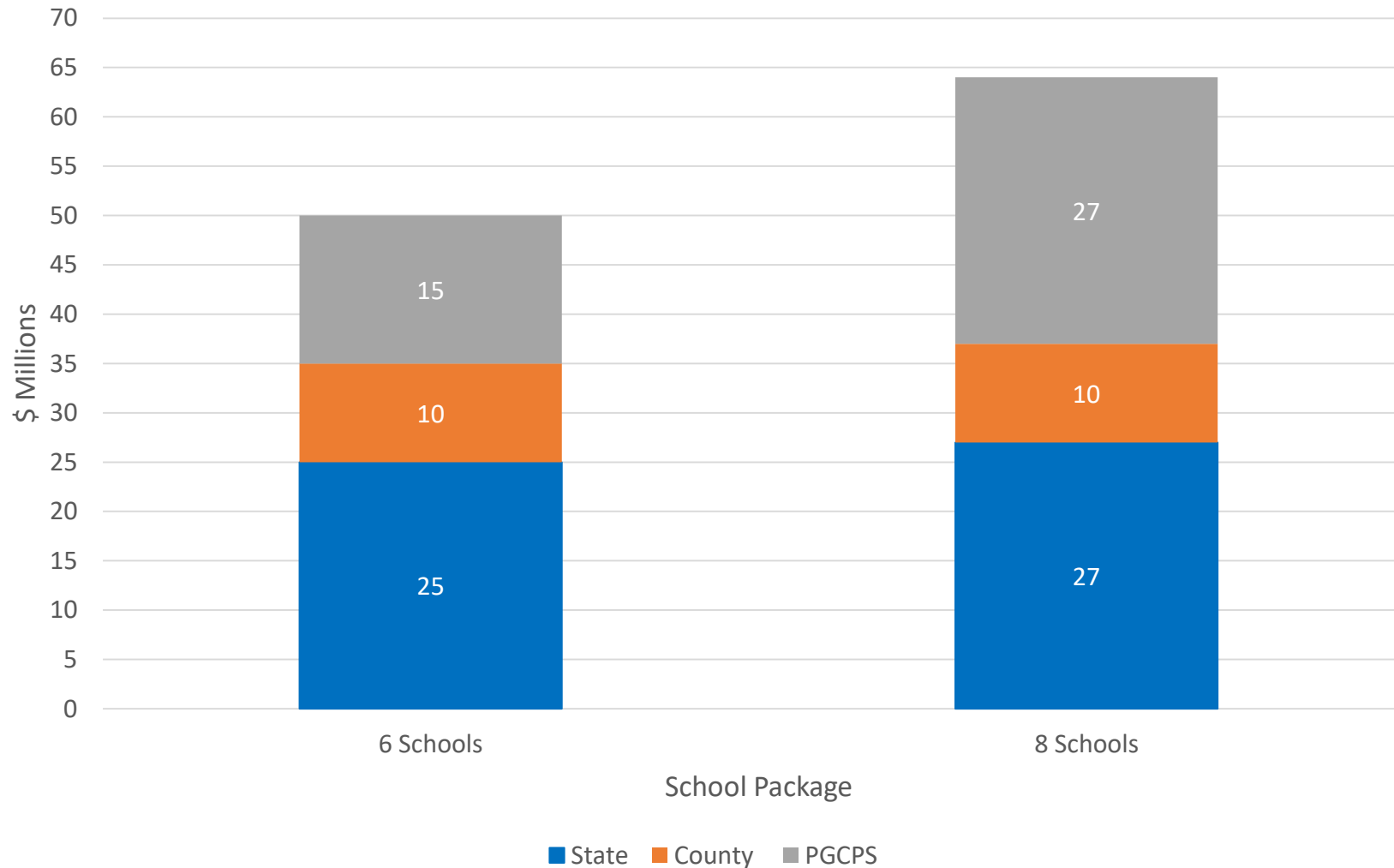
Funding Sources

- In Phase 1: The affordability limit was set at \$32 million. The final first-year Availability Payment is \$28.6 million. Both PGCPs and the County share in the funding of the Availability Payment
 - PGCPs' contribution of the Availability Payment is funded solely from the **Capital Program**
 - The County's contribution of the Availability Payment is distributed to PGCPs as part of the County's annual contribution to PGCPs' Operating Budget and then deposited into the Escrow Account.
 - No State Contribution
- In Phase 2: The affordability limit is set at **\$64 million**. The final first-year Availability Payment will not be known until the end of the Exclusive Negotiation Period (tentatively in June). The State, PGCPs and the County will share in the funding of the Availability Payment.
 - PGCPs' contribution of the Availability Payment is required to be funded from the **Operating Budget**
 - PGCPs and County contributions are required to be deposited into the State P3 Fund.

Funding Evolution

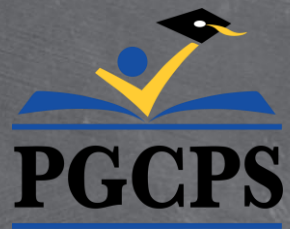


Phase 2 Funding for Availability Payments – 6 Schools vs 8 Schools



Notes:

- Funding also includes prepaid Availability Payments for 6 schools and 8 schools of \$50M and \$90M, respectively
- The State contributes \$27M toward prepaid Availability Payment for the 8 school package
- After Year 1, PGCPS is responsible for Availability Payment escalation
- 30% of the Availability Payment will escalate with CPI each year
- PGCPS funding comes from the Operating Budget



Phase 2 Overview

High-Level Phase 2 Tentative Timeline

- *October: Enter ENA period*
- *November – December: ratification of the four-party Memorandum of Understanding*
- *January – February: submission of site plans to DPIE; submission of design package to the IAC for review.*
- *April: Submission of Guaranteed Maximum Price*
- *June: Transaction Close*

Key Provisions in Phase 2:

- **Minimum Priority Subcontracting Requirements:** *Developer shall be required to cause at least thirty-five percent (35%) of the Total Contract Value in connection with the Project to be incurred pursuant to contracts with MBEs and CBBs. (To be confirmed in the Memorandum of Understanding)*
- **Community Equity Investment Program:** *Developer shall implement a Community Equity Investment Program which will make at least 10% of Project Equity available for public investment.*
- **Local Hiring Goals:** *Developer shall create a local hiring program with the goal of a minimum of forty percent (40%) of total job opportunities created by the Project fulfilled by County residents during both the Design-Build Period and Services Period.*
- **Prevailing Wage:** *In accordance with PGCPs policy, wages paid on this Project will be subject to the prevailing wage rates issued by the State of Maryland, Department of Labor, Licensing and Regulation pursuant to the authority of the Commissioner of Labor and Industry given under State Finance and Procurement Article, Section 17-209, Annotated Code of Maryland.*
- **Project Labor Agreement:** *Will be negotiated between the Phase 2 Developer and D.C. Metro Building Trades.*

QUESTIONS