

**REQUEST FOR PROPOSAL**

**TO SERVE AS**

**STRATEGIC ADVISOR**

**FOR THE**

***LOUISVILLE—SOUTHERN INDIANA  
OHIO RIVER BRIDGES PROJECT***

**DUE TO THE  
INDIANA FINANCE AUTHORITY BY  
APRIL 16, 2010  
12:00 NOON EDT**

## REQUEST FOR PROPOSAL—INTRODUCTION

This is a Request for Proposal (“RFP”) issued by the Indiana Finance Authority (“IFA”), in consultation with the Louisville and Southern Indiana Bridges Authority (“LASIBA”) and the Kentucky Finance and Administration Cabinet (“FAC”), for the engagement of a strategic advisor for the Louisville-Southern Indiana Ohio River Bridges Project (the “Project”). The LASIBA was established under KRS<sup>1</sup> Section 175B.030 (the “Bi-State Authority Statute”) for the purpose of financing, constructing and operating the Project.<sup>2</sup> On March 25, 2010, Kentucky Governor Steve Beshear signed into law Senate Joint Resolution 169, pursuant to which the Kentucky General Assembly ratified the formation of the LASIBA pursuant to the requirements of the Bi-State Authority Statute.

In support of the LASIBA’s statutory mission, the IFA is working with the LASIBA, the FAC, the Indiana Department of Transportation (“INDOT”), and the Kentucky Transportation Cabinet (“KYTC”), as well as with the existing project management team for the Project. Because of the LASIBA’s status as a newly-formed entity, the IFA has agreed to conduct this RFP process, consistent with the manner in which each of Kentucky and Indiana has from time to time taken the lead on certain contracts related to the Project over the course of their bi-state endeavor, which dates to 1991. The IFA will be the engaging party to any contract resulting from this RFP.

As more particularly described below, this RFP allows prospective candidates who respond (the “Respondents”) to formally express their interest in serving as the strategic advisor for the Project and to share information about their qualifications, ideas and proposals for assisting the IFA in support of the LASIBA’s objectives under the Bi-State Authority Statute. At this time, the IFA is soliciting sole proposals for strategic advisor only and will not consider proposals made jointly by two or more Respondents acting in partnership.<sup>3</sup> However, the IFA may, in consultation with representatives of the LASIBA and the FAC, select more than one Respondent to provide the services solicited through this RFP. Additional parties, including technical, legal or other advisors, may be selected in the future through other processes to serve on the advisory team for the Project alongside the strategic advisor.

This RFP is intended to publicize the availability of a contracting opportunity for the services described herein. None of the IFA, the FAC or the LASIBA creates any obligation, express or implied, by the issuance of this RFP or by the receipt of any submissions pursuant hereto. The award of any contract(s) as a result of this RFP shall be at the sole discretion of the IFA, in consultation with representatives of the FAC and the LASIBA. Neither this RFP nor any proposal submitted in response hereto is to be construed as a legal offer.

The purpose of this RFP is to seek information from prospective candidates interested in serving as strategic advisor to provide the services described herein. No agreement will be entered into without further discussion and negotiation with one or more Respondents. All costs and expenses incurred by any entity in preparing and submitting information responding to this RFP will be the sole responsibility of the applicable Respondent. None of the IFA, the FAC or the LASIBA will be responsible or liable for any amounts to any Respondent in any manner, under any circumstances, including, without limitation, as a result of the termination of the RFP process.

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<sup>1</sup> Kentucky Revised Statutes.

<sup>2</sup> For information on the Project generally, please visit the website of the Ohio River Bridges Project of Kentucky and Indiana at [www.kyinbridges.com](http://www.kyinbridges.com).

<sup>3</sup> This approach would not preclude, however, a Respondent from subcontracting with a third party to provide any specialized services that the Respondent proposes to include as part of its strategic advisor proposal.

## SCOPE OF SERVICES

The LASIBA's immediate task is to develop, prepare and submit a financial plan relating to the Project that is driven by three distinct requirements. That is, the Project must have a financial plan that:

- is capable of supporting the metropolitan transportation plan and metropolitan transportation improvement program of the Kentuckiana Regional Planning and Development Agency ("KIPDA"),<sup>4</sup> by, among other things, demonstrating that there are funds reasonably expected to be available for the Project so that it is deemed "fiscally constrained" under applicable law and regulation;
- contains information sufficient to meet the requirements for a "Major Project" financial plan under 23 U.S.C. 106(h) (as amended by Section 1904 of SAFETEA-LU);
- specifies the construction and financing parameters of the Project and is approved by the Kentucky Public Transportation Infrastructure Authority, as contemplated by the Bi-State Authority Statute.

The three financial plan requirements described above may have overlapping parameters and are not necessarily mutually-exclusive.<sup>5</sup>

The strategic advisor engaged through this RFP process will be asked to provide advice, counsel and assistance to the IFA in support of the LASIBA's efforts to meet the foregoing financial plan requirements. The IFA expects that the strategic advisor will be a key member of the advisory team for the Project at least through the time(s) of delivery of a financial plan meeting each of the above financial plan requirements (referred to hereinafter collectively as the "Financial Plan").<sup>6</sup> The IFA understands that the LASIBA intends to deliver a Financial Plan meeting each of the applicable requirements as rapidly as possible in 2010 and, in any event, within various timeframes driven by those requirements.

This RFP invites Respondents to describe how they would propose to assist in developing and preparing the Financial Plan. Toward this end, the IFA anticipates that the following tasks and services will be included in the scope of the engagement:

1. Assist with stakeholder analysis to identify and manage multiple stakeholder interests and policy objectives;

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<sup>4</sup> KIPDA is the metropolitan planning organization for the greater Louisville area.

<sup>5</sup> An Initial Financial Plan for the Project was submitted to the Federal Highway Administration by KYTC and INDOT in January 2008. The LASIBA's financial plan will build upon, update and supersede the Initial Financial Plan to the extent necessary to meet each of the Financial Plan requirements.

<sup>6</sup> The strategic advisor's role is not intended to fall within that of an "Underwriter," as that term is defined in KRS 45A.840 *et seq.* As the term "strategic advisor" suggests, its role will be more strategic in nature and will be independent from the advice that the LASIBA may eventually seek from underwriters in connection with any such bond issuances. The IFA anticipates that the selection of such underwriters would be carried out with the assistance of the Kentucky Office of Financial Management pursuant to a process of the type outlined in KRS 45A.840 *et seq.*

2. Assist with development of a project plan to manage the timing and sequencing of complex issues and interdependencies involved in the formulation of the Financial Plan;
3. Identify and assess committed and potential funding sources, both public and private;
4. Identify and assess risks and limitations of potential funding sources and financing techniques and provide an analysis of such risks and limitations in the context of countervailing benefits and possible risk mitigation strategies;
5. Incorporate cost projections prepared by the Project team into an analysis of funding needs for the Project;
6. Help analyze the results of traffic and revenue studies and advise on strategies for the use of tolls and the development of a toll regime to finance the Project;
7. Perform comprehensive valuation of the Project and analyze its financial viability;
8. Conduct options analysis for optimal capital structure, including sensitivity analysis around various funding sources, financing techniques, alternative structures and key assumptions, and taking into account (i) the objectives of minimizing cost and expediting Project delivery, and (ii) existing and potential legal and regulatory frameworks at the federal and state levels;
9. Formulate roadmap for delivery of a Financial Plan that meets applicable content and timing requirements;
10. Advise on selection of other team members, including legal and technical advisors;
11. Assist in the development of coalition-building and communications strategies and stakeholder management plan;
12. Develop strategy for transaction execution, including timing and sequencing of transaction phases and components;
13. Help design and manage process for accessing sources of capital, including the identification, qualification, selection and engagement of potential strategic and financial partners;
14. Organize due diligence and informational meetings with potential strategic and financial partners and service providers involved in the Project;
15. Help build data room and advise on necessary information to include therein;
16. Assist with negotiation and preparation of contracts and other legal documents related to the Financial Plan;
17. Develop and advise on long-term governance and oversight practices; and
18. Work in conjunction with other members of advisory team through a process managed by the LASIBA's Executive Director.

## **DESCRIPTION OF PROCESS**

### **I. Overview of Process**

This RFP is open to all prospective candidates capable of meeting the objectives and requirements and qualified to provide the services described in this document. Upon receipt, all RFP submissions will be reviewed for responsiveness in accordance with the submission criteria highlighted in Section III below. At the end of the responsiveness review, the IFA will, in

consultation with representatives of the FAC and the LASIBA, assess each Respondent's proposal and qualifications in the areas listed herein.

If the final responses received at the conclusion of the solicitation process meet the objectives and requirements described in this document, the IFA expects to enter into an agreement with the successful Respondent(s) (in each case, a "Successful Respondent"). The IFA reserves the right to modify or terminate this solicitation at any stage if the IFA determines this action to be in the best interests of the Project. The IFA will make reasonable efforts to notify Respondents in a timely manner (via e-mail) of modifications to this RFP. (As noted above, additional parties, including technical, legal or other advisors, may be selected in the future through other processes to serve on the advisory team for the Project alongside the strategic advisor.)

The receipt of the responses or other documents at any stage of either the RFP, proposal, or bidding process will in no way obligate the IFA to enter into any contractual agreement of any kind with any party. As noted above, the award of any contract(s) as a result of this RFP shall be at the sole discretion of the IFA, in consultation with representatives of the FAC and the LASIBA. The IFA reserves the right, in the exercise of such discretion, to reject all proposals or to accept such proposal, if any, that in its judgment (after consultation with representatives of the LASIBA and the FAC) will best serve the interests of the Project. The IFA reserves the right to waive any proposal formalities.

It is anticipated that the term of the agreement with the Successful Respondent will have a term of one (1) year. The terms and conditions of the agreement shall be subject to negotiation with the IFA. Please note that the IFA has adopted many of the Indiana-required boilerplate contractual provisions. The IFA therefore hereby puts the Respondents on notice that a successful award at the end of the process will be contingent upon the agreement to comply with such standard contractual provisions as may be required under applicable Indiana law (including but not limited to drug-free workplace certifications, minority and women business enterprise compliance, nondiscrimination certifications, licensing standards, certifications relating to HIPAA, certifications regarding telephone solicitations, and certifications relating to state ethics policies.)

Respondent shall certify within the letter of transmittal that all information provided therein is accurate and complete to the best of its knowledge. Any false or misleading information may result in disqualification of the Respondent, at the discretion of the IFA (in consultation with representatives of the LASIBA and the FAC).

## **II. Responses**

**Prospective Respondents that anticipate responding to this RFP shall so indicate as soon as possible by providing contact information via e-mail to Rosie Norman at [rnorman@ifa.in.gov](mailto:rnorman@ifa.in.gov).**

Respondents should submit their responses as follows:

(a) if elected by the Respondent, an **electronic version** of the written response (in .pdf format) may be sent via e-mail to Rosie Norman of the IFA at [rnorman@ifa.in.gov](mailto:rnorman@ifa.in.gov); OR

(b) **an original and four (4) copies of the written response** may be delivered (please make sure permanent bindings are not used) to:

**Indiana Finance Authority  
1 N. Capitol Ave., Suite 900  
Indianapolis, IN 46204  
Attn: Rosie Norman**

Responses must be received no later than **12:00 NOON EDT on April 16, 2010**. Responses received after 12:00 NOON EDT on such date are at the discretion of the IFA as to whether or not they will be considered. The outside should be clearly marked:

**"RESPONSE TO REQUEST FOR PROPOSAL—  
LOUISVILLE—SOUTHERN INDIANA OHIO RIVER BRIDGES PROJECT  
STRATEGIC ADVISOR"**

Responses that are not timely received due to an Internet system failure or an error or omission on the part of a third party delivery service are not the responsibility of the IFA, the FAC or the LASIBA.

No more than one (1) response per Respondent should be submitted. Each response should designate one person as the principal contact for the Respondent. Please provide the contact information for that person including email address. Following a review of the responses, some of the Respondents may be requested to make oral presentations and/or provide additional written information.

Any questions regarding this RFP must be submitted **in e-mail to Rosie Norman of the IFA at [rnorman@ifa.in.gov](mailto:rnorman@ifa.in.gov)** no later than **12:00 Noon EDT on April 12, 2010**. Questions received after 12:00 Noon EDT on such date will not be considered. Depending upon the content and scope of the question, responses to questions will be promptly prepared and provided via e-mail to each entity that has expressed an interest in responding and provided e-mail contact information (as described above in this Section II).

**OTHER THAN AS PROVIDED ABOVE, INQUIRIES ARE NOT TO BE DIRECTED TO ANY STAFF MEMBER OR OTHER MEMBER OF THE IFA, THE LASIBA OR THE FAC, OR TO ANY OTHER EMPLOYEE OF THE STATE OF INDIANA OR THE COMMONWEALTH OF KENTUCKY. SUCH ACTION MAY DISQUALIFY THE RESPONDENT FROM FURTHER CONSIDERATION FOR A CONTRACT AS A RESULT OF THIS RFP. RESPONDENTS MAY NOT RELY UPON VERBAL RESPONSES TO ANY INQUIRY.**

### **III. Selection Process and Criteria**

The IFA, in consultation with representatives of the LASIBA and the FAC, will review all of the responses in the following manner:

1. Each response will be evaluated on the basis of the Specific Criteria listed below.
2. Based on the results of the evaluation, the response(s) determined to be most advantageous to the Project, taking into account the Specific Criteria, may be selected by the IFA for further action.

3. A single Respondent or a limited number of Respondents may be selected for interviews and/or contract negotiations. In the event that negotiations are not satisfactory, IFA reserves the right to interview and/or negotiate with additional Respondents, but is not obligated to do so.
4. IFA, in consultation with representatives of the LASIBA and the FAC, will determine which response(s) offers the best means of serving the interests of the Project.
5. As noted above, the IFA is soliciting sole proposals for strategic advisor only and will not consider proposals made jointly by two or more Respondents acting in partnership.<sup>7</sup> However, the IFA may, in consultation with representatives of the LASIBA and the FAC, select more than one Respondent to provide the services solicited through this RFP.

Responses will be evaluated based upon the documented ability of the Respondent to satisfy the requirements of this RFP in a cost-effective manner. Specific Criteria include:

1. Demonstrated ability to work with an entity similar to the LASIBA.
2. Demonstrated understanding of the LASIBA's needs, particularly as they relate to meeting the Financial Plan requirements.
3. Demonstrated experience, expertise and ability to provide advisory services similar to those described above under "Scope of Services."
4. Demonstrated experience, expertise and ability to provide advisory services in connection with public infrastructure projects and transactions generally.
5. Qualifications, experience and reputation of advisory team.
6. Demonstrated experience in developing and managing a timeline and an aggressive schedule.
7. Description of current workload and composition of team, as well as evidence of readiness of the team to begin substantive work upon receiving notice of being the Successful Respondent.

#### **IV. Required Respondent Information**

The IFA requires the following information be included in the response. Additional information may be and is encouraged to be submitted in order for the IFA to better evaluate the Specific Criteria listed above. A concise yet thorough collection of information is requested. With regard to items 4 and 6 below, Respondents are asked to limit responsive information to five (5) pages or less for each such item.

1. Company name and address of principal location and office(s).

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<sup>7</sup> However, as indicated in footnote 3 above, this approach would not preclude a Respondent from subcontracting with a third party to provide any specialized services that the Respondent proposes to include as part of its strategic advisor proposal.

2. Please describe:
  - (a) A brief history of your entity and how the selection of your entity would benefit the LASIBA and the Project.
  - (b) Your entity's experience, background, or expertise that qualifies your entity for this project.
  - (c) Number of full-time regular employees, and their licenses.
3. List names, titles, and experience of the team members who would be assigned to perform significant work under this engagement. The IFA would like to have one individual assigned to plan and coordinate all work under this engagement. Also provide the names and experience of supervisory personnel who will be assigned to the performance of this engagement. Briefly outline the roles of the team members and key personnel. **Note:** to the extent biographical information is provided on team members under this item 3, please limit such information to one (1) page per person (e.g., a short biographical sketch or resume).
4. Indicate how your entity will provide the services requested in this RFP and an outline of procedures to be used by the entity in providing a unified team approach. The response should include a statement of the philosophy of the team's approach to this project. Provide any project histories or other information available that would indicate past performance on similar types of projects (especially that which would address the selection criteria).
5. References:
  - (a) Provide a list of references from former customers or clients for whom the Respondent has provided services similar to those contemplated by this RFP and who can provide information about their experience with the Respondent.
  - (b) List any additional persons who can provide information about similar work your entity has completed (references may be contacted).
6. Submit a list of any of your entity's engagements within the last five (5) years that involved services for a project similar to that contemplated by this RFP. Please identify both (a) engagements that resulted in completed projects and (b) engagements for which the underlying project was not able to be successfully completed. The list should be of comparable projects in which the team members proposed for this engagement have participated. Respondents should specify how these comparable projects are similar to the proposed engagement.
7. Submit a description of any services that your entity has already provided, or is currently providing, under contract with regard to the Project.
8. Describe how your entity would propose to be compensated under the engagement contemplated by this RFP.

## V. Confidential Information

Respondents are advised that materials contained in their responses are subject to the Indiana Public Records Act, IC 5-14-3 *et seq.* and the Kentucky Open Records Law (KRS 61.870 *et seq.*), and after the execution of a related contract, may be viewed and/or copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory

exception to the foregoing statutes must indicate on their proposal that confidential materials are included and specify which statutory exception provision applies. The IFA reserves the right to make determinations of confidentiality. If the IFA does not agree with the information designated confidential under one of the disclosure exceptions to the foregoing statutes, it may either reject the proposal or discuss its interpretation of the allowable exceptions with the Respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, the IFA will remove the proposal from consideration for award and return the proposal to the Respondent. The IFA will not determine compensation proposals to be confidential information.

## **VI. Conflicts**

Respondents should be aware that they may be prohibited from participating in the Project in other roles or capacities in the future, including in the capacity of an “Underwriter” of a bond issuance as described in footnote 5 above, in the event they are selected and enter into an engagement as the Successful Respondent pursuant to this RFP. Actual and potential conflicts of interest will be carefully evaluated on a case-by-case basis as they arise in the context of any future opportunities for engagement by the IFA, the LASIBA, the FAC, INDOT or KYTC with regard to the Project.