BASIS FOR PRELIMINARY SELECTION OF WALSH/MILESTONE JV.

The Indiana Finance Authority ("IFA") has proceeded, under Indiana Code 8-15.5 (the "Act"), to seek proposals from private sector entities to design and construct the I-69 Section 6 Contract 5 Project (the "Project") pursuant to a public private agreement ("Public Private Agreement").

On August 13, 2020, each of two proposers, Lunda Construction Company, in a joint venture together with Tutor Perini Corporation (Lunda/TPC Joint Venture) and Walsh Construction Company II, LLC, in a joint venture together with Milestone Contractors, L.P. (Walsh/Milestone JV) (collectively, "Proposers"), submitted proposed offers ("Proposals") in response to the Instructions to Proposers ("ITP") included as part of the Request for Proposals for the Project, issued by IFA on March 12, 2020 (as amended, and collectively with the ITP, the "RFP").

Each Proposal was comprised of two separate components, a Technical Proposal and a Price Proposal. The process used to evaluate the Proposals is described under the caption Evaluation Process and Procedures below. The scoring and criteria used to evaluate the Proposals is described under the caption Scoring and Evaluation Criteria below. A best value evaluation process was utilized and the preliminary selection of the Selected Offeror (defined below) was made based on the Total Proposal Score as described below.

The Public Finance Director of the State of Indiana ("Public Finance Director") appointed a designee ("Director's Designee") who determined the Total Proposal Score for each Proposal by combining the Technical Proposal Score and the Price Proposal Score for each Proposal, which scores were determined as described under the caption Scoring and Evaluation Criteria below. The Proposal submitted by Walsh/Milestone JV ("Selected Offer") had the highest Total Proposal Score. The Selected Offer provides for the design and construction of the Project for $728,200,000 million as further described in the Selected Offer.

The Director's Designee advised IFA of the terms and conditions of the Selected Offer and recommended that IFA preliminarily select the Selected Offer submitted by Walsh/Milestone JV ("Selected Offeror") as the Design-Build Contractor under the Public Private Agreement for the Project. On September 17, 2020, the IFA preliminarily selected the Selected Offeror as the Design-Build Contractor under the Public Private Agreement for the Project. Such preliminary selection of the Selected Offeror by IFA under the Act also constitutes the selection of the Preferred Proposer under the RFP.

In accordance with the Act, IFA is conducting two public hearings for the purpose of inviting public comments on the preliminary selection by the IFA of the Selected Offeror and the terms of the Public Private Agreement on October 6 and October 7, 2020. The Act requires that a written explanation of the basis upon which the IFA made such preliminary selection shall also be made available for inspection and copying by the public at the offices of IFA at least seven days before such public hearing. This document is being provided by IFA in satisfaction of that requirement.
Scoring and Evaluation Criteria

The Total Proposal Score was based on the sum of the Technical Proposal Score and the Price Proposal Score as follows: Technical Proposal Score (35 points maximum) plus the Price Proposal Score (65 points maximum).

Technical Proposal Score

The Technical Proposal Score was calculated using the following formula:

\[
\text{Technical Proposal Score} = \left( \frac{TP}{TP_{High}} \right) \times 35, \text{ where:}
\]

\[
TP = \text{Proposer’s Technical Proposal evaluation score, as determined pursuant to ITP Section 5.5}
\]

\[
TP_{High} = \text{Highest Technical Proposal evaluation score achieved by any Proposer, as determined pursuant to ITP Section 5.5}
\]

The “Technical Proposal Score” is based on the evaluation score of the TPEC (defined below), comprised of three parts: Preliminary Project Management Plan (maximum 20 Technical Proposal Score points), Preliminary Design-Build Plan (maximum 45 Technical Proposal Score points), and Total Project Duration (maximum 35 Technical Proposal Score points).

Price Proposal Score

The Price Proposal Score was calculated using the following formula:

\[
\text{Proposer’s Price Proposal} = \left( \frac{PLow}{P} \right) \times 65, \text{ where:}
\]

\[
PLow = \text{Lowest Proposal price submitted by any Proposer, as determined pursuant to ITP Section 5.6}
\]

\[
P = \text{Proposer’s Proposal price, as determined pursuant to ITP Section 5.6}
\]

Evaluation Criteria

The RFP, which is posted on the IFA website at www.in.gov/ifa/3034.htm, contains additional information, detail and subcriteria consistent with the above with respect to the evaluation criteria. Section 5.4 of the ITP describes the pass/fail criteria for the Technical Proposal and the Price Proposal, respectively. Section 5.5 of the ITP describes the evaluation factors and subfactors for the Technical Proposal Score. Section 5.6 of the ITP describes the evaluation criteria for the Price Proposal Score.

Evaluation Process and Procedures

The evaluation was undertaken by several evaluation committees and subcommittees: (i) the Technical Proposal Evaluation Committee ("TPEC") and Price Proposal Evaluation Committee ("PPEC") (collectively, the "Evaluation Committees"), (ii) the Technical Advisory Group ("TAG"), the Technical Proposal pass/fail and responsiveness subcommittee, the Price
Proposal pass/fail and responsiveness subcommittee, and Administrative/Legal subcommittee (collectively the "Advisory Subcommittees"); (iii) a number of other facilitators; and (iv) observers, who were invited to observe aspects of the evaluation. The TPEC and PPEC, which were the only committees to officially score the Proposals, were solely comprised of personnel from IFA and the Indiana Department of Transportation ("INDOT").

Evaluation of the Technical Proposals and the Price Proposals were segregated and undertaken by different teams, all intended to ensure the integrity of the evaluation process. With the exception of certain controlled communications facilitated by outside counsel, who were also members of the Administrative/Legal subcommittee, pertaining to pass/fail and responsiveness issues, it was not until evaluation of the Technical Proposals and the Price Proposals by the TPEC and PPEC, respectively, were complete that there was any communication about the Proposals between the two distinct sets of evaluation teams.

Upon receipt of the Technical Proposals, the Technical Proposal pass/fail and responsiveness subcommittee reviewed the Technical Proposals to determine if they were responsive to the Technical Proposal submittal requirements set forth in the RFP and whether the Technical Proposals passed the Technical Proposal pass/fail criteria set forth in the RFP. On August 31, 2020, the Technical Proposal pass/fail and responsiveness subcommittee concluded its review of the Technical Proposals and recommended to the TPEC that (1) the Technical Proposals passed the Technical Proposal pass/fail criteria and were responsive to the RFP and (2) any omissions, errors or inconsistencies or misplacement of information were minor and immaterial in nature, were waivable and should be waived.

Upon receipt of the Price Proposals, the Price Proposal pass/fail and responsiveness subcommittee reviewed the Price Proposals to determine if they were responsive to the Price Proposal submittal requirements set forth in the RFP and whether the Price Proposals passed the Price Proposal pass/fail criteria set forth in the RFP. On August 31, 2020, the Price Proposal pass/fail and responsiveness subcommittee concluded its review of the Price Proposals and recommended to the PPEC that (1) all Price Proposals passed the Price Proposal pass/fail criteria and were responsive to the RFP and (2) any omissions, errors or inconsistencies or misplacement of information were minor and immaterial in nature, were waivable and should be waived.

The TAG conducted its evaluation of all the Technical Proposals. The Technical Proposals were reviewed individually by the TAG members until August 31, 2020. The TAG met on August 31-September 1, 2020, and developed findings and scoring recommendations of the Technical Proposals.

The Technical Proposals were reviewed individually by the TPEC members until September 1, 2020. On September 8, 2020, the TPEC met to (i) receive the findings, assessments and scoring recommendations for the Technical Proposals from the TAG, (ii) receive recommendations as to pass/fail and responsiveness regarding the Technical Proposal from the Technical Proposal pass/fail and responsiveness subcommittee, (iii) make final determinations as to whether the Technical Proposals met the pass/fail and responsiveness criteria, (iv) conduct and finalize the scoring of the Technical Proposals, and (v) conduct and finalize the Technical Proposal Scores for each Technical Proposal.
The Price Proposals were reviewed individually by the PPEC members until September 1, 2020. On September 8, 2020, the PPEC met to (i) receive recommendations as to pass/fail and responsiveness regarding the Price Proposals from the Price Proposal pass/fail and responsiveness subcommittee, (ii) make final determinations as to whether Price Proposal met the pass/fail and responsiveness criteria, (iii) confirm the Price Proposal Score calculation and (iv) determine each Price Proposal Score.

After the TPEC and PPEC completed scoring of all Technical Proposals and Price Proposals, respectively, the Director's Designee determined the Total Proposal Score for each Proposal by adding the Technical Proposal Score and the Price Proposal Score. The Proposer with the highest Total Proposal Score was identified as the Selected Offeror, which is also the Preferred Proposer under the RFP.