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**From:** Billy, Kyle <KBilly@coj.net>  
**Sent:** Friday, June 12, 2020 2:25 PM  
**To:** Kevin P. Blodgett  
**Subject:** EXT: FW: request for rfp information  
**Attachments:** EY.pdf; JP Morgan.pdf; Morgan Stanley.pdf; KPMG.pdf; GS.pdf; RBCCM.pdf; 1\_IMG Rebel BMO Jacksonville Proposal vFinal.pdf; Jacksonville, FL - Summary Matrix.pdf

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

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**From:** Rodda, Jeffrey  
**Sent:** Wednesday, June 3, 2020 5:36 PM  
**To:** Billy, Kyle ; Peterson, Phillip  
**Subject:** FW: request for rfp information

I am forwarding this in case you are looking for it.

Regards,

Jeff Rodda

Public Accounts Auditor  
Office of the Council Auditor  
117 West Duval Street  
Suite 200  
Jacksonville, Florida 32202  
Office: 904-255-5477  
Direct: 904-255-5487  
Fax: 904-255-5478  
E-Mail: [jrodda@coj.net](mailto:jrodda@coj.net)

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**From:** Billy, Kyle <[KBilly@coj.net](mailto:KBilly@coj.net)>  
**Sent:** Wednesday, February 21, 2018 6:36 PM  
**To:** CM <[CM@coj.net](mailto:CM@coj.net)>  
**Cc:** Taylor, Kim <[KTAYLOR@coj.net](mailto:KTAYLOR@coj.net)>; Peterson, Phillip <[PhillipP@coj.net](mailto:PhillipP@coj.net)>; Parks, Brian <[BParks@coj.net](mailto:BParks@coj.net)>; Greive, Patrick <[PGreive@coj.net](mailto:PGreive@coj.net)>; Pease, Gregory <[GPease@coj.net](mailto:GPease@coj.net)>; Mousa, Sam <[SMousa@coj.net](mailto:SMousa@coj.net)>; Weinstein, Michael <[MWeinstein@coj.net](mailto:MWeinstein@coj.net)>  
**Subject:** FW: request for rfp information

Here are the RFP responses that I received from PFM that I referenced in the previous email.

Kyle Billy, C.P.A.  
Council Auditor

City of Jacksonville  
(904) 630-1625

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**From:** Jeremy Niedfeldt [<mailto:niedfeldtj@pfm.com>]  
**Sent:** Wednesday, February 21, 2018 5:00 PM  
**To:** Billy, Kyle  
**Subject:** RE: request for rfp information

Hello Kyle, attached are the RFP responses along with the summary grid.

Have a good evening,

**Jeremy Niedfeldt**

Ph: (407) 406-5759

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**From:** Billy, Kyle [<mailto:KBilly@coj.net>]  
**Sent:** Wednesday, February 21, 2018 4:44 PM  
**To:** Jeremy Niedfeldt <[niedfeldtj@pfm.com](mailto:niedfeldtj@pfm.com)>  
**Subject:** request for rfp information

Kyle Billy, C.P.A.  
Council Auditor  
City of Jacksonville  
(904) 630-1625



# **Response to RFP from the City of Jacksonville, Florida - Strategic Initiatives Financial Advisory Services**

Ernst & Young Infrastructure Advisors, LLC

January 16, 2018



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Appendix A: Resumes

Appendix B: Additional project experience and descriptions

Information in these materials relating to our approach, methodologies or pricing is confidential and proprietary to Ernst & Young Infrastructure Advisors, LLC, Ernst & Young LLP and/or Ernst & Young Global Limited and may not be disclosed to third parties without our prior written consent. Ernst & Young Infrastructure Advisors, LLC (EYIA) is submitting this proposal to provide financial advisory services to the City of Jacksonville, Florida. EYIA is part of the global organization of member firms (collectively, EY) of Ernst & Young Global Limited, separate legal entities that perform professional services under the EY name worldwide.

This proposal is based on our current level of understanding of the City of Jacksonville's needs. Consequently, it is not intended to be an offer, and a binding agreement between EYIA and the City of Jacksonville shall exist only upon execution of a mutually acceptable contract.



Jeremy Niedfeldt  
Director, PFM Financial Advisors, LLC  
300 South Orange Avenue, Suite 1170  
Orlando, FL 32801

16 January 2018

## 1. Cover letter

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Dear Mr. Niedfeldt:

Ernst & Young Infrastructure Advisors, LLC (“EYIA” or “we”) is pleased to provide this proposal in response to the Request for Proposals (“RFP”) to provide Strategic Initiative Financial Advisory Services to the City of Jacksonville, Florida (“the City”). We are excited by the opportunity to support the City in undertaking market analysis, opportunity review, planning, solicitation and negotiation support for the potential alternative delivery of existing or new projects and services.

EY<sup>1</sup> is a market-leading professional services organization with more than 240,000 professionals worldwide, including hundreds of seasoned professionals who advise state and local governments on strategy, policy and the financing, development and procurement of infrastructure projects, leases and divestitures of public assets, and public-private partnerships (“P3s”). The insights and quality services we deliver help our government clients to deliver on their obligations to provide critical services to all citizens.

EY has an international reputation as a leading financial advisor to both public and private sector clients. In the US, our experience includes acting as strategic and financial advisor for state and municipal governments on tens of billions of dollars of publicly and privately delivered assets and services, from planning through development, procurement/transaction, financing and implementation.

To support the City in this initiative, we have assembled a team of strategy, P3, capital markets and infrastructure finance specialists with a deep understanding of complex government transactions.

- ▶ **Market leading experience in P3s, leases and complex governmental transactions:** EY is consistently ranked as a top infrastructure financial advisor both globally and in the US, with much of the success stemming from our ability to leverage global know-how to achieve local goals. EY has advised on more than 750 P3 transactions worldwide, more than 350 of which are now in construction or are operational and including numerous municipal transactions. Our experience includes advising public owners on tens of billions of dollars of infrastructure and real estate transactions in the US, among them several of the largest and most complex undertakings in the country, such as market defining P3 projects for Florida DOT including the I-595 Express Lanes Project (the first availability payment P3 project in the US), and the Port of Miami Tunnel P3 Project, as well as SunRail and the Miami Intermodal Center.
- ▶ **Comprehensive advisory capability, able to support from strategy through to implementation:** Recognizing the potential range of opportunities which may be evaluated, we have proposed a senior advisory team with a broad range of sector specialists with ability to support the City in identifying and evaluating strategic opportunities, assessing alternatives, and executing transactions to deliver on the City’s goals.

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<sup>1</sup> EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited (including EYIA and Ernst & Young LLP). EYIA is a wholly owned subsidiary of Ernst & Young US LLP (EY US LLP), and is an affiliate of Ernst & Young LLP (EY LLP). EY US LLP and EY LLP are member firms of Ernst & Young Global Limited, a network of separately owned legal entities providing professional services under the EY brand around the world. Additional information regarding the global EY organization can be furnished upon request and is also available on our website: [www.ey.com](http://www.ey.com).

- ▶ **Track record of developing innovative strategies for governmental programs and projects:** Members of our team have led the development of new strategic initiatives as public agency officials and advisors to public agencies, as well as pursuing innovative government programs as contractors and private equity investors. EY is proud to have advised on a number of “firsts” in the US P3 market, demonstrating our ability to help clients innovate new strategies. In addition to advising on the first US availability payment projects, Florida DOT’s I-595 Corridor Project and Port of Miami Tunnel, we are helping to pioneer the use of the Design-Build-Finance (“DBF”) model within the US, with Georgia DOT’s DBFs (I-285/SR 400 Project and Northwest Corridor) and the first “gap financed” DBF in Texas (SH-183). We also advised on the first municipal social infrastructure P3 for Long Beach Courthouse, and the first university campus P3 for University of California Merced. We continue to work on a number of cutting edge governmental transactions, including broadband and wireless transactions for the State of Georgia and Pennsylvania Turnpike Commission; a flood diversion P3 project for City of Fargo and the Los Angeles Civic Center.
- ▶ Similarly, as governments consider how to do more with less, we are undertaking efficiency reviews and identifying opportunities to better leverage public assets – for example for Washington Metropolitan Area Transit Authority (“WMATA”), we undertook an efficiency study which identified the potential to sell a strategic asset (building), as well as enter a long term lease for parking assets to free up capital and improve operational performance. Similarly, for Duquesne University, we are advising on a potential lease transaction for various energy generation assets.
- ▶ **Registered Municipal Advisor:** EYIA is a registered municipal advisor with the Securities and Exchange Commission (“SEC”) and Municipal Securities Rulemaking Board (“MSRB”). Our MSRB registration and our capability in P3s enable us to offer completely objective advice - we are not invested in a particular delivery or financing structure, we just focus on how you can best deliver the project within your specific funding, legislative and schedule requirements. We are also comfortable working alongside PFM as the City’s municipal advisor.

We are confident that our diverse skill set, which is supported by our depth of resources and breadth of experience, uniquely positions us to serve as an advisor to the City.

With over 400 professionals based in our Jacksonville office, and over 1,500 in Florida, EY is also a stakeholder in the success of this initiative and the City itself, and as such, we look forward to the opportunity to support.

Sincerely,



Tom Rousakis

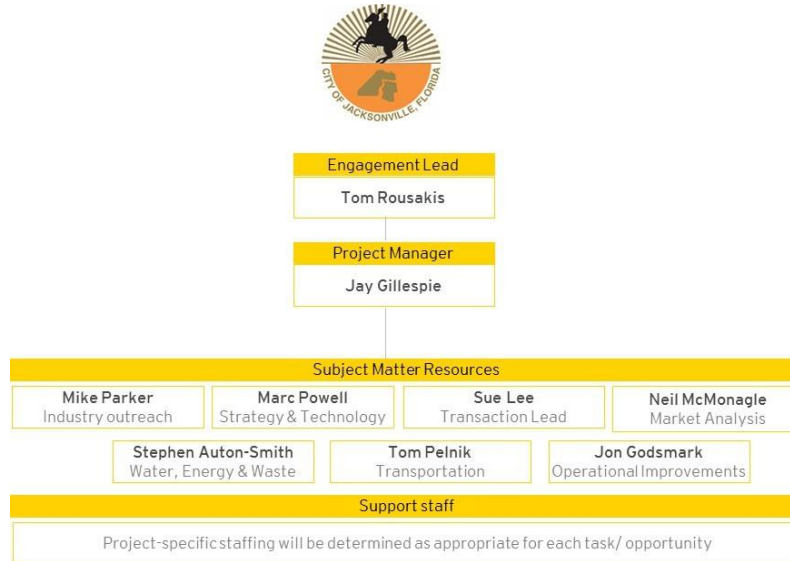
Senior Managing Director, Ernst & Young Infrastructure Advisors, LLC

5 Times Square, New York, NY 10036

Office: +1 212 773 2228 | Mobile: +1 917 442 2701 | tom.rousakis@ey.com

## 2. Strategic initiative financial advisory team

Our key personnel will work collaboratively with the City to provide specialized advice and general project support. Our team will be led by Tom Rousakis as engagement lead, supported day-to-day by Jay Gillespie as our project manager. Given that the RFP anticipates a panel to support the City on a broad range of asset types and sectors which will be identified as part of this engagement, we have proposed a team of senior sector and subject matter resources who will support as appropriate for the specific needs of each task or project.



The tables below provides a short summary of the background and experience of staff for this engagement. Each individual's bio, including educational qualifications and professional licenses, is provided in Appendix A.

**Table 1: Key personnel**

	Role on the EY Team and experience and capabilities
<b>Tom Rousakis</b> Senior Managing Director New York, NY  Engagement Lead	<ul style="list-style-type: none"> <li>▶ Tom will serve as Engagement Lead, with overall responsibility to manage the EY team and provide leading-class service to the City of Jacksonville.</li> <li>▶ Based in New York, Tom is recognized as an authority on US municipal finance and the growing US P3 market. He leads project teams for a variety of sectors including highway, transit, multi-modal, flood control, university infrastructure and real estate development projects.</li> <li>▶ Tom brings over 20 years of experience of complex government transactions and infrastructure advisory services. Previously, he served as co-head of Goldman Sachs' national transportation practice. He currently advises on projects and transactions for clients including the State of New York, City of Denver, City of Charlotte, amongst others.</li> </ul>
<b>Jay Gillespie</b> Senior Vice President Atlanta, GA  Project Manager	<ul style="list-style-type: none"> <li>▶ Jay will serve as Project Manager and will act as the day-to-day point of contact for the City.</li> <li>▶ Based in Atlanta, Jay has over 15 years of experience of creating and delivering infrastructure development strategies and supports clients in procuring private sector partners for major public infrastructure projects. Jay provides significant expertise in project management, financial and project feasibility analysis, development opportunity analysis, and in the funding, implementation and delivery of large-scale projects, including projects delivered through P3s.</li> <li>▶ Jay's current clients include Georgia DOT, City of Los Angeles, Rhode Island DOT and Santa Clara VTA. Prior to joining EY, Jay worked as associate at global design and engineering firm AECOM, where he advised both public and private clients on real estate opportunities and redevelopment strategies.</li> </ul>

**Table 2: Subject matter resources**

	Role on the EY Team and experience and capabilities
<b>Mike Parker</b> Senior Managing Director Philadelphia, PA  Quality review and industry outreach	<ul style="list-style-type: none"> <li>▶ Mike is EY's US Infrastructure Advisory Leader with a long history of advising on innovative transactions in Florida. He will provide quality review, strategic input on opportunities across a range of sectors and lead industry outreach.</li> <li>▶ He advises clients on finance, procurement, business strategy, policy and P3s for large-scale infrastructure projects and programs. His clients include Florida DOT, who he has on numerous transactions including the I-595 Express Lanes P3, Port of Miami Tunnel P3, Miami Intermodal Center, Tampa Bay Express Lanes and Sun Rail.</li> <li>▶ Mike has more than 17 years of experience and is a recognized authority on the US P3 market. He has worked with public-sector clients on tens of billions of dollars of new and potential infrastructure. He has taught workshops, written articles and served as a speaker at numerous P3, infrastructure and financial forums.</li> </ul>
<b>Marc Powell</b> Senior Managing Director New York, NY  Strategy and Technology Lead	<ul style="list-style-type: none"> <li>▶ Marc will serve as the lead for opportunities related to strategy and technology.</li> <li>▶ He leads the US Infrastructure Strategy Practice of EY, working with clients on project selection, risk assessment, financing, and execution. In particular, Marc leads EYs infrastructure strategy practice focused on technology and telecommunications clients. His work includes helping infrastructure operators select the best technology for their systems, and helping technology companies develop the best strategy for commercial success with operators.</li> <li>▶ Marc has deep experience in all sectors of the infrastructure landscape. He has worked on toll roads, bridges, tunnels, ports, airports, rail, subway, parking, energy, power, waste, wind, water, housing, social infrastructure, utility services and telecommunications. He has led efforts in the US, Latin America, Europe and Asia and was previously global head of infrastructure for Boston Consulting Group. Additionally, Marc has led substantive efforts in assessing the market for and deploying smart infrastructure technology in the US and worldwide.</li> </ul>
<b>Stephen Auton-Smith</b> Managing Director New York, NY  Water, Energy and Waste Lead	<ul style="list-style-type: none"> <li>▶ Stephen will serve as the lead for opportunities related to water, energy and waste.</li> <li>▶ He provides the City with over 15 years of experience of advising government agencies and contractors on energy IPP and environmental infrastructure P3 projects. Stephen has experience and track record in government procurement, financial and commercial structuring, negotiation and risk allocation, and financial modelling and finance raising in a range of jurisdictions. In particular, he is an experienced financial and lead adviser to large scale, nationally significant infrastructure projects in the water, energy and solid waste management sectors.</li> </ul>
<b>Sue Lee</b> Senior Managing Director Philadelphia, PA  Transaction Lead	<ul style="list-style-type: none"> <li>▶ Sue will serve as the transaction lead for the City.</li> <li>▶ With over 15 years of experience, she provides financial and strategic advisory services related to infrastructure projects. Sue focuses on advising public agencies on policies to enable alternative project delivery methods (such as P3s and leases); financial feasibility and options analysis; developing project business plans; procurement strategy; and project management. Her current clients include the Los Angeles World Airports, State of Missouri, Illinois DOT and Virginia DOT.</li> <li>▶ Prior to joining EY, Sue worked in the Banking and Project Finance practices of Milbank, Tweed, Hadley &amp; McCloy LLP and Allen &amp; Overy LLP, where she advised US, international and multilateral agencies, lenders and other financing parties and equity sponsors in connection with a broad range of infrastructure, energy, mining, financing, restructuring, and corporate transactions.</li> </ul>
<b>Neil McMonagle</b> Senior Managing Director Chicago, IL  Market Analysis Lead	<ul style="list-style-type: none"> <li>▶ Neil will keep the City updated on national and international market developments and emerging innovations for City assets and programs.</li> <li>▶ Neil has 17 years of experience advising governments and private developers on strategy, financing and procurement of major infrastructure projects and programs in Europe, Canada and the United States. He has worked across a wide range of sectors, including transportation, technology, social infrastructure and energy.</li> <li>▶ His current and past clients include the Port Authority of New York and New Jersey, Texas DOT and FirstNet (an independent agency of the Department of Commerce, responsible for developing the National Public Safety Broadband Network), as well as international agencies including Transport for London, Transport Scotland and Metrolinx (Canada).</li> </ul>

Role on the EY Team and experience and capabilities	
<b>Tom Pelnik</b> Senior Managing Director Washington, DC  Transportation Lead	<ul style="list-style-type: none"> <li>▶ Tom will serve as lead for opportunities related to transportation.</li> <li>▶ Tom has 30-years of progressively responsible experience in the development of civil and industrial infrastructure, culminating in executive leadership of the development of public-private partnerships and design-build delivery of major infrastructure projects. He has a proven record of addressing financial, regulatory, legislative, policy, technical and procedural matters as they relate to infrastructure as both a public sector official and a private sector executive.</li> <li>▶ Tom started and built a division that successfully procured more than \$4 billion of P3 and design-build contracts as a public official with the Virginia Department of Transportation (VDOT), and was responsible for the evaluation, planning and development of a \$10billion program. He subsequently worked for a Grupo ACS, a leading global infrastructure developer and investor, where he led pursuits of major P3 projects across the US.</li> </ul>
<b>Jon Godsmark</b> Senior Vice President Washington, DC  Operational Improvements Lead	<ul style="list-style-type: none"> <li>▶ Jon will lead on operational improvement opportunities.</li> <li>▶ Jon has provided strategic and financial advice to state and local governments on infrastructure projects in the US, UK, UAE and Bermuda, across a range of sectors including utilities, energy, healthcare, justice, light rail, high speed rail and highway transportation.</li> <li>▶ His advice has included helping governments analyze different financial and commercial structures for building new infrastructure or improving the operational and financial performance of existing infrastructure to benefit their communities. He has advised on business improvement opportunities for Washington Metropolitan Area Transit Authority, Massachusetts Bay Transportation Authority and the Philadelphia Regional Port Authority.</li> </ul>

### 3. Investigations

Neither EYIA nor its principals have been listed in any claim, lawsuit or litigation within the past three years. Ernst & Young LLP, an affiliate of EYIA, as is true of all major accounting firms, is involved in litigation in the normal course of its professional activities. We are not aware of any litigation which is relevant to, or would have a material impact on, the ability of Ernst & Young LLP or EYIA to continue to serve its clients or on the ability of EYIA to perform the services required by this RFP.

### 4. Fee Approach

Recognizing that the RFP scope anticipates general advisory activities to be delivered on an ongoing basis and does not identify specific tasks or opportunities at this stage, we have proposed a rate card below. We would be pleased to provide specific fixed fee or "not to exceed" fee estimates for defined task order scopes, as appropriate.

The following rate card represents fully burdened hourly rates for EY professionals, excluding travel expenses. Rates will be subject to annual escalation at the higher of CPI or 3.5%.

Classification	Fully loaded hourly rate
Sr. Managing Director/ Partner/ Principal	\$550
Managing Director/ Executive Director	\$500
Senior Vice President/ Senior Manager	\$475
Vice President/ Manager	\$400
Senior Associate	\$350
Staff	\$270
Global delivery service staff	\$150

## 5. Firm experience

EY is proud to be recognized as a leading financial advisor to governments around the world. As displayed in the table below, EY was ranked as the top financial advisor for infrastructure finance projects in North America by deal volume and deal value between July 2015 and June 2017, and was named Financial Adviser of the Year at the 2017 Partnership Awards.



Financial Adviser of the  
Year (2017)

EY has advised on more than 750 innovative government transactions, including P3s, leases and asset divestitures. The firm maintains longstanding relationships with clients and has established a reputation for innovation, responsiveness, balance and integrity. The value and significance of this work has been recognized by both our clients and the wider infrastructure industry, as shown in the adjacent tables.

### Top 5 North American infrastructure finance advisors — last two years (July 2015 to June 2017)

Rank	Firm	Transaction value (\$m)	Transaction volume	Market share (%)
1	EY	\$ 5,259	9	7.8%
2	Societe Generale	\$ 4,862	2	7.2%
3	Scotiabank	\$ 4,033	5	5.9%
4	Morgan Stanley	\$ 3,913	1	5.8%
4	Frasca & Associates	\$ 3,913	1	5.8%

Source: *Infrastructure Journal*

We have noted selected experience of advising government clients on P3s, lease, sale and disposition of assets in the tables below, as well as projects where we have helped identify and deliver opportunities for innovative delivery of assets or services. Additional qualifications demonstrating our depth of P3 and lease experience are included in Appendix B.

We have also included selected transactions in the State of Florida within the tables below. For specific experience of individuals on our team, please refer to the detailed resumes in Appendix A.

### Market recognition and rankings

#### Select Rankings and Awards (2009 – 2017)

##### *P3 Bulletin:*

- Best Financial Advisor
- Projects Grand Prix
- Best Social Infrastructure Project

##### *Infrastructure Journal awards (various years):*

- P3 Financial Advisor of the Year
- Transport Financial Advisor of the Year
- Renewables Financial Advisor of the Year
- Social Infrastructure Financial Advisor of the Year
- Transport Deal of the Year

##### *Thomson Reuters/PFI:*

- North American P3 Deal of the Year
- Americas P3 Deal of the Year

##### *Project Finance Magazine:*

- North American Deal of the Year for P3
- North American Deal of the Year for Transport

##### *The Bond Buyer*

- Non-Traditional Financing of the Year (USA)

##### *Infrastructure Investor:*

- Deal of the Year

##### *Partnerships Awards:*

- Best Financial Advisor
- Best Waste/Energy/Water Project

##### *M&A Advisor Turnaround Awards:*

- Restructuring of the Year – City of Detroit

### Social Infrastructure

Client	Project	Description
City of Denver	City of Denver Municipal P3 Program	EY is the financial and commercial advisor to the City of Denver on developing a P3 program and screening procedures for social infrastructure, and screening potential projects for suitability for P3 delivery.
Dormitory Authority of the State of New York (DASNY)	Strategic Planning and Performance	DASNY, which operates in rapidly transforming sectors of the economy, faced stiff competition from alternative providers of its services (including private sector actors), and challenges in change management and internal culture. EY was engaged by the client to develop a 3-5 year strategic plan for the authority and develop improvement plans for its two primary services:



## Social Infrastructure

	Optimization Services	<ul style="list-style-type: none"> <li>▶ For one of the client's two primary services: Develop an understanding of current processes and timeline, review prior process improvement analyses and recommendations, and develop understanding of improvements resulting from previous studies; analyze &amp; understand key trends in the sectors in which its clients' work; Develop improvement plan, including prioritized and sequenced improvements for various initiatives and suggested activity owners.</li> <li>▶ For the client's other primary service: Evaluate organizational structure, policies, processes, systems and controls related to management of a distinct and rapidly growing portion of its work, and compare to leading practices as exhibited by peer organizations; Develop future state process workflows, roles, responsibilities and approvals for select processes as agreed to with the client, based on the findings of the current state assessment; Develop a detailed implementation roadmap including prioritized and sequenced improvements for various initiatives and suggested activity owners.</li> </ul>
City of Los Angeles	LA Civic Center Master Plan	EY is currently advising the City of Los Angeles on financial planning and P3 analysis for a Master Plan for city-owned facilities in the center of civic government in downtown Los Angeles, the largest concentration of government offices outside of Washington, DC.
Empire State Development Corporation (ESD)	Moynihan Station/ Penn Station Redevelopment	EY was hired by the ESD to develop a strategy for delivering a train hall while capturing the substantial private real estate value and ensuring the project would not sit dormant. EY advised on the development of an innovative hybrid real estate-infrastructure approach which combined the train hall and the real estate into a single contract and incorporated completion deadlines and financial incentives to ensure the project would be built on schedule while still providing the developer with the design and tenant flexibility characteristic of the real estate sector.
Regents of the University of California (UC)	UC Merced 2020 Project	EY advised the Regents of the University of California on the financial plan development, analysis of potential private delivery options, procurement advice and negotiations with Proposers for the UC Merced 2020 campus expansion project, a \$1.0b+ project to expand facilities to support a 50% increase in the current student population by 2020.

## Water and Wastewater

Client	Project	Description
Great Lakes Water Authority (GLWA)	GLWA Restructuring	EY advised on the financial restructuring of the Detroit water and sewerage system to form GLWA, which, under a lease contract, services 4m people in Detroit and South East Michigan. Under a 40-year lease between the GLWA and the City of Detroit, the latter retains full responsibility for maintaining the system, billing and collections, while lease payments from GLWA will facilitate the \$500m+ renewal of the city's aging water and sewer system.
City of Lake Havasu	Water System Restructuring	EY advised on the restructuring of the city's existing ~\$300m water/wastewater system debt and leasing structure. We provided feasibility and credit analysis support to the city to assist in identifying and evaluating the various options available.
Fargo-Moorhead Flood Diversion Authority	Fargo-Moorhead Flood Diversion Project	EY is currently serving as financial advisor to the Fargo-Moorhead Flood Diversion Authority (comprising six state and local entities) on a \$2+b flood control project in North Dakota, anticipated to be delivered as the US Army Corps of Engineers' first P3 demonstration project. Having assisted the Board with analysis of alternative delivery options and the financial feasibility of a potential P3 delivery model, we are now advising on the financial and commercial aspects of the transaction.
Severn Trent Water Services	Middletown Water Concession	EY advised publically traded utility Severn Trent Water Services on its bid for a concession for the Middletown, PA water and wastewater project, a 50 year private O&M concession agreement that included more than more than US\$80m of water system renewal works.
Pacific Forest Trust	Healthy Watersheds California Project	EY is advising the Pacific Forest Trust on financial and commercial structuring options for a multi-billion dollar watershed management project in California, involving the acquisition, restoration and maintenance of key tracts of land.

Water and Wastewater		
Garrison Diversion Conservancy District	Red River Valley Water Supply Project	EY is advising on the structuring and financing of a 160 mile bulk water pipeline to transport water from the Missouri River to various communities in North Dakota.

Energy		
Client	Project	Description
Duquesne University	Campus Utility Outsourcing	EY is currently working as financial and commercial advisor to Duquesne University on the sole-source outsourcing and monetization of the University's central plant and utility system to a third-party operator. EY has assisted the client in discussions with the bidder, including clarification and negotiation meetings to move the transaction forward, as well as in discussions with senior leadership at the University.
City of Detroit	City of Detroit's Public Lighting Department	The City of Detroit engaged EY to evaluate the feasibility of maintaining an 85MW distribution system under various scenarios, including restoring the system, sale to a third party, transfer to the local utility, or abandonment. Following this options appraisal, we assisted the City in evaluating the transfer agreements with the local utility and with collecting outstanding receivables from its customers before transfer.
Dormitory Authority for the State of New York (DASNY)	DASNY Cogeneration Plant	EY is currently assisting the Dormitory Authority for the State of New York (DASNY) to support an Office for Mental Health campus in determining the most technically and financially efficient solution for the delivery of onsite steam and power supplies. The project involves evaluating a range of IPP cogeneration solutions, as well as considering broader energy system implications and opportunities, and the most efficient and viable procurement strategy to deliver the project.

Technology		
Client	Project	Description
Georgia Department of Transportation	Broadband P3 Project	GDOT is currently analyzing the feasibility of a Broadband P3 project. Options include a private team delivering, through a Design-Build-Finance-Operate-Maintain (DBFOM) agreement, additional broadband capacity for GDOT on interstates around the state in return for the ability to lease unused conduit to generate revenue.
Georgia Department of Transportation	Wireless Antenna P3 Project	EY is advising GDOT on a Wireless Antenna P3 Project. Options being analyzed include managing right-of-way access requests from wireless providers to having a private consortium (through a DBFOM) build additional network capacity along state routes to support future connected vehicles or improved access in rural areas of the state.
Pennsylvania Turnpike Commission (PTC)	Pennsylvania Turnpike Broadband Network P3	The Pennsylvania Turnpike Commission is exploring the possibility of entering into a P3 transaction in which the Development Entity will design, build, finance, operate and maintain a fiber optic broadband network within the Turnpike's over 450 miles of right-of-way, for the benefit of the Commission and its users, as well as for the Development Entity and its customers. EY is providing advice relating to the procurement, structuring, evaluation, negotiation, and financing of the project. EY has assisted the Commission with market sounding, refinement of project scope based on industry feedback, analysis of deal structure and key commercial arrangements, as well as advising on the financial and commercial aspects of the transaction.
Canadian Ministry of Government Services	Government Data Center	EY provided commercial and financial advice to the Canadian Ministry of Government Services on the procurement of a government data center under a P3 structure
Puerto Rico Public-Private Partnerships Authority (PPPA)	Real ID Project	EY prepared an initial Desirability and Convenience Study for the PPPA in respect of a proposal to centralize and automate Drivers' License and ID Cards for Puerto Rico.

Parking		
Client	Project	Description
Washington Metro Area Transit Authority (WMATA)	Parking Facilities Assessment	The Washington Metropolitan Transit Authority (WMATA) owns and operates over 60,000 parking spaces – among the largest parking systems in the country. EY was engaged by WMATA to conduct a performance assessment of its operations, including capital projects and real estate and to identify opportunities, among which EY identified significant parking-related concession and other transaction opportunities, which WMATA has now announced publically as under consideration. EY's work included an analysis and valuation of its parking facilities, evaluation of potential transaction structures and the development of a road-map to implement.
Ohio State University	OSU Parking System	EY assisted with the financial strategy and valuation of the university's parking assets (including education and medical center facilities) in support of CampusParc's successful \$483m bid to operate, maintain, rehabilitate and expand the university's parking system under a P3 concession.
Waterfront Toronto and George Brown College	Parking Monetization	EY is currently engaged as lead financial advisor to market and execute a downtown underground parking concession. The client sought a transaction structure that maximized the risk transfer and upfront value received while minimizing transaction or tax costs.
Confidential Client	Crown Corporation in New Brunswick	EY was engaged to conduct a real estate development planning project for the Client to plan and develop a parking facility as part of a medical building in New Brunswick. EY supported the Client to establish the business strategy, conduct planning, and develop real estate options for the site. The new 50,000 square foot facility was proposed to be strategically located between two existing buildings where existing parking was located. EY was asked to provide advisory services pertaining to the parking at the overall site, approximately 2,400 stalls, in order to maximize the efficiency of the space used and the revenue generated. Subsequently, EY was asked to analyze three other parking facilities, approximately 3,000 stalls, owned by the same health care provider in the province to assess opportunities for bundling strategies and operating model efficiencies.
Confidential Bidder	Harrisburg Parking	The City of Harrisburg launched a transaction for the lease of the City's parking spaces under a 75 year lease. The transaction included almost 10,000 parking spaces, with a combination of garages and metered spaces.

Transportation		
Client	Project	Description
Various	Statewide P3 advisory mandates	EY has statewide engagements to advise on P3 programs and strategies for Florida, Texas, Virginia, Ohio, Colorado, Illinois, and Missouri amongst others. Selected descriptions are included in Appendix B.
Florida Department of Transportation (FDOT)	I-595 Express Lanes	EY was financial advisor on the first availability payment P3 project to be procured in the US, a \$1.2b of construction and 35-year O&M (free and tolled lanes) project in Florida, including use of federal financing. The project opened on-time and on budget, and FDOT retains responsibility for setting toll rates.
Florida Department of Transportation	Port of Miami Tunnel	The second availability payment P3 in the US, EY advised FDOT on this \$900m DBFOM P3 project to construct dedicated truck tunnels to and from the Port of Miami, closing 40% below cost estimates.
Florida Department of Transportation (FDOT)	Miami Intermodal Center	The \$2b development at Miami International Airport is the largest intermodal complex in the US. EY assisted on the finance plan for the entire program and advised on the structuring and negotiation of a \$170m TIFIA loan for the car rental facility.
Florida Department of Transportation (FDOT)	I-75/Palmetto Expressway Managed Lanes	EY provided project delivery strategy advice on this approximately \$700+ million project to add managed lanes within the I-75/Palmetto Expressway corridor, where ultimately it was concluded that public funding was more appropriate than a PPP.
Florida Department of Transportation (FDOT)	First Coast Outer Beltway	EY assisted FDOT to reassess options for implementing what had been envisioned as an over \$2 billion, self-financing toll road comprising a 46-mile outer beltway around Jacksonville, Florida. Identified significant funding challenges and assisted FDOT in identifying a scope which could be advanced by Florida's Turnpike Enterprise

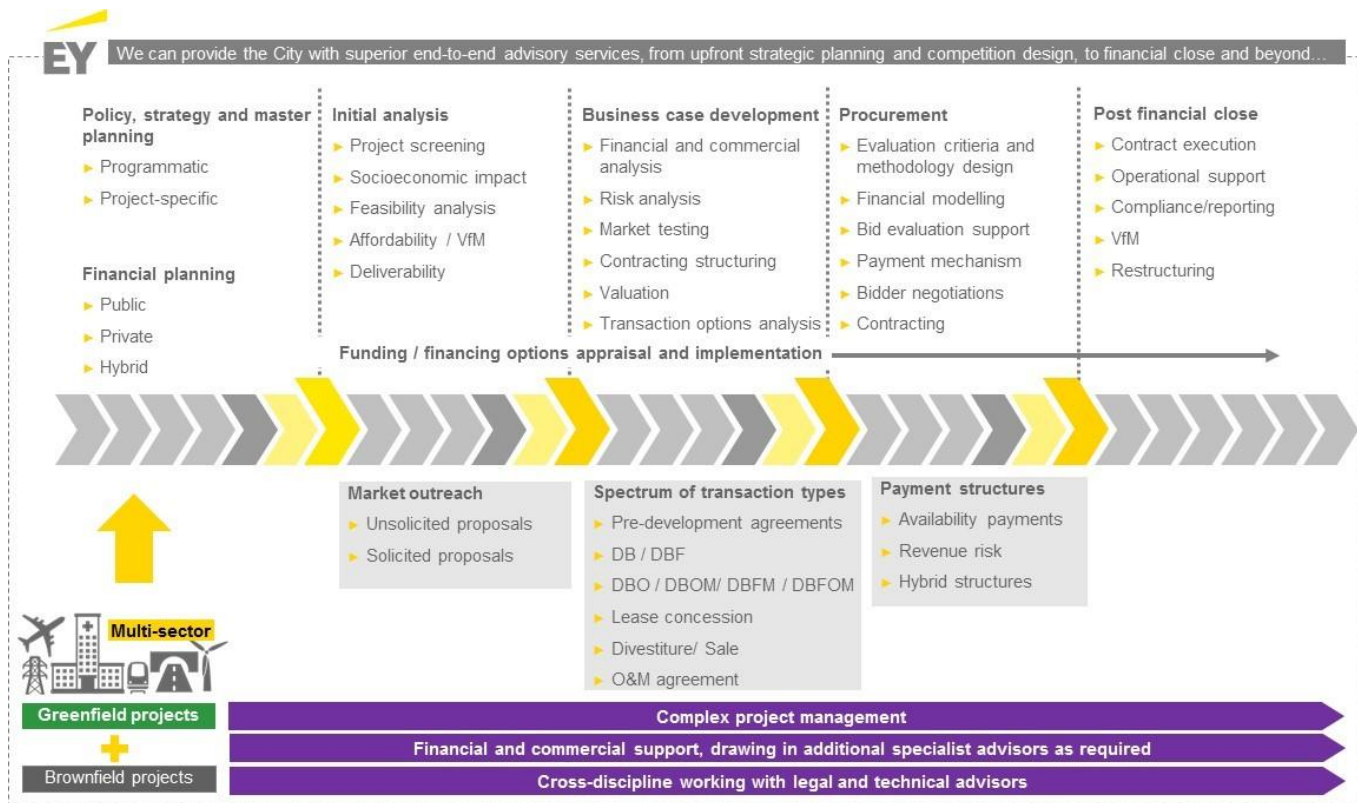
Transportation		
Sound Transit	ST3 Project Analysis	EY advises Sound Transit in Seattle, Washington on screening analyses to assess the viability of P3 approaches to projects in Sound Transit's capital expansion program, including BRT projects and long-range light rail projects.
Los Angeles World Airports (LAWA)	Rental Car Facility & Automated People Mover	As commercial and financial advisor, EY is advising on the P3 procurement of a new ~\$2.7b Automated People Mover at LAX, which will also connect to a new metro station linking the airport to LA's transit system, and the procurement of a new ~\$1.0b Consolidated Rental Car facility.
LA Metro	Unsolicited P3 & Capital Program	EY is currently providing financial advisory services to LA Metro's Office for Extraordinary Innovation to support the evaluation of unsolicited proposals that seek to accelerate project delivery, improve design and implementation, and reduce costs associated with the delivery of LA Metro's capital infrastructure program. The program recently received a boost from the passage of a \$120 billion expenditure plan via a public ballot in November 2016.
Illinois Department of Transportation	South Suburban Airport	EY advises IDOT on the opportunities for the development of a new South Suburban Airport in the Chicago region, which is conceived as a lease concession project.
Illinois Department of Transportation (IDOT)	I-55 Managed Lanes Project	EY is provided analysis of potential project structures and procurement strategies for the I-55 Managed Lane project, which involves the conversion of a 6-lane, untolled 25-mile corridor near Chicago into tolled managed lanes and 6 untolled general purpose lanes.
Texas Department of Transportation (TxDOT)	Occupancy Cost Reduction and Portfolio Rationalization	<p>EY was engaged by the Texas Department of Transportation to perform an initial review of the real estate portfolio and facilities organization. This assessment consisted of two components:</p> <ul style="list-style-type: none"> <li>▶ Portfolio Rationalization: A review of the real estate footprint with the goal of developing opportunities to release capital and reduce cost.</li> <li>▶ Occupancy Cost Reduction: An analysis of the real estate organization with the goal of optimizing efficiencies and further reducing future operating costs.</li> </ul> <p>By bringing TxDOT more in line with modern thinking TxDOT could release up to \$139 million of recurring and one time savings over the next ten years (NPV) plus obtain approximately \$34 million in productivity gains over that same time period.</p>

Other		
Client	Project	Description
City of Detroit	Restructuring	EY was the financial advisor on the bankruptcy and restructuring of the City of Detroit. In this role, we were involved in extensive analysis of strategic options for assets and programs. For example, for the Public Lighting Department, we evaluated the feasibility of maintaining an 85MW distribution system under various scenarios, including restoring the system, sale to a third party, transfer to the local utility, or abandonment. Following this options appraisal, we assisted the City in evaluating the transfer agreements with the local utility and with collecting outstanding receivables from its customers before transfer

## 6. Discussion of strategic financial advisory approach and current market environment

### Approach to review of strategic opportunities

Our approach to supporting the City in respect of its strategic opportunities extends from planning, through execution and beyond in a comprehensive manner, as summarized in the chart below.



While we draw on past practices and research, our analysis always starts from the distinct characteristics of each opportunity or project, and does not advocate one delivery method or transaction type over another. Our evaluation of specific projects and opportunities will begin by working with the City to identify its key objectives – for example, maximize revenue, generate a capital receipt, manage costs/ liability, improve service levels, dispose of non-core/ non-governmental assets, manage within specific budgetary or schedule constraints.

We will undertake a rapid initial screening of the City's assets, projects and functions against these high level policy objectives, reviewing existing financial and operational information and undertaking interviews with leadership and staff to identify a long list of potential opportunities. Early screening will likely be based primarily on qualitative assessments of the nature, current operation and performance (if appropriate) and general feasibility of each opportunity. For example, is the project a high priority, is it core to delivery of public services, is it operating to maximum efficiency and effectiveness, are there regulatory, environmental or permit constraints, are there obvious funding streams that support or prevent advancement under lease, sale or P3 scenarios?

After identifying the most promising opportunities and/or the most viable transaction/delivery models for any given project or opportunity, we will perform more detailed comparative analysis, including financial modeling and valuation, sensitivity analysis and market testing of revenue forecasts (as applicable), considering economic assumptions and technical risks. Concurrently, we will work with the City to determine the impact of different transaction types (lease, sale, P3, or other) on other City operations, budget (affordability) and debt capacity. This work would ultimately support executive level briefings on the most promising projects or opportunities to facilitate decision-making.

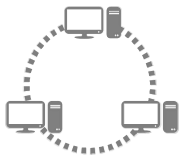
In terms of our quantitative analysis of opportunities, we emphasize flexibility and efficiency in financial analysis at the screening stage – "Right-Sized Analysis". When screening a project for feasibility and transaction type, cost, revenue and funding assumptions are inherently preliminary in nature. We believe it is not appropriate and does not enhance accuracy to use extremely detailed financial models or other forms of over-analysis at this stage. In addition, given uncertainty of

inputs, there is never one “right” answer. We use faster, sketch-level screening models and sensitivity analyses to help clients rapidly understand key drivers, find fatal flaws and identify what assumptions would have to be true for a given approach to make sense. We will help the City to narrow options to a couple of the most favorable and then carry both forward for a short time to ensure flexibility and transparency in making a final determination. In addition, this can help avoid “analysis paralysis” and ensure the screening does not consume an inordinate portion of the project budget or schedule.

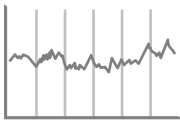
EY is currently developing screening and analysis frameworks for potential social infrastructure P3 programs for the City of Denver, and is also commencing a similar exercise for the Missouri Office of Administration. We have also applied both bespoke and traditional frameworks to analyze the suitability of P3s for specific projects, including the LA Civic Center and Multnomah Courthouse.

### Current market environment for strategic opportunities

The City, like most governments nationwide, is facing the challenge of prioritizing finite resources to be most impactful in delivering public services and “doing more with less”. We are also at an inflection point, whereby disruptive factors are creating an environment in which governments cannot simply operate as they have in decades past, as a result of:



**Technological and legislative changes:** As state and local governments react to the effects of online retail on sales tax revenues, increased fuel efficiency resulting in the reduced effectiveness of gas taxes, and policy and legislative impacts of federal tax reform on state and local revenues (including property tax), the need for cities to develop new and enduring revenue sources increases. Also, advances in technology, including widespread data access, automated vehicles and “smart” or connected infrastructure are likely to further change demand for, and delivery of, public services.



**Economic changes driven by urbanization and demographic shifts:** Statewide and regional economics are changing as larger proportions of the population become concentrated in urban areas. Those population shifts place challenges on cities to plan, prioritize and deliver services.



**Changing consumer expectations:** The rise of the sharing economy (especially amongst millennials) and increased focus on on-demand services seem likely to further drive changes in how municipalities are organized, interact with the public, and ultimately deliver services.

The strategic opportunities which may be analyzed and pursued by the City under this initiative are likely to encompass a range of different sectors, asset classes and transaction types, and the market environment for each will differ accordingly. However, we would make the following general observations:

- ▶ Equity funds have raised record amounts of capital for investment in assets and infrastructure with monopolistic characteristics or high barriers to entry (such as parking concessions, utilities, airports, toll roads, etc.). However, the number of strategic assets available for sale, lease or other P3 concession by public owners remains relatively limited - resulting in highly competitive processes when transactions do occur, provided they are structured in a commercially reasonable and realistic way. The forthcoming lease for St. Louis International Airport is example of this interest, with multiple consortia formed well in advance of launch of a transaction, before clear details of the transaction are known.
- ▶ With more private capital available and limited assets/ transactions, there has also been a broadening of interest by investors into new and diverse public infrastructure and assets - including broadband (e.g. Kentucky Wired, Pennsylvania Turnpike), transit fare collection systems (MBTA) and street lighting (Washington DC).
- ▶ This surplus of private capital, combined with continued revenue pressures at the state and local level suggest that market conditions should be ripe for public agencies to receive strong market interest in, and valuations of, strategic lease, sales and P3 opportunities in future months and years. While this anticipated acceleration of public-private



transactions has been long anticipated and slow to emerge, recent momentum may be further amplified by the forthcoming federal infrastructure bill, which has been mooted to include incentives for “asset recycling” by state and local governments.

## 7. Marketing approach

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### Marketing of Opportunities to Potential Counterparties

We are firm believers in the power of competition to drive value for public owners, and as such, work closely with clients to attract the strongest possible field of potential counterparties for their transactions. Through our national and international experience, EY has relationships with almost all of the potential counterparties who might be interested in public asset, project or service opportunities across a range of sectors, either as an equity investor, contractor or operator. The optimal approach to marketing a project or asset will vary depending on the specific nature of each opportunity, but we typically support clients using one or more of the approaches noted below:

- ▶ *Request for Information/Market outreach:* Through informal dialogue or a formal Request for Information (“RFI”), it is important to engage with the private sector P3 market (e.g., equity sponsors, contractors, operators and lenders) prior to launching a transaction to understand their insights regarding the key technical, financial and legal elements of the project. Such a step will enable the City to refine the project scope, risk allocation, or business case to address any issues that may deter highly-qualified firms from bidding on the project or present difficulties in their ability to obtain private financing from lenders. EY has relationships with almost all of the leading industry participants and will assist the City by supporting the outreach process, identifying contacts/potential counterparties, developing questions to ask industry participants, preparing RFI documents, summarizing results and suggesting refinements to the project that may arise from the outreach process.
- ▶ *Industry day:* In addition to, or in place of, an RFI process, holding a formal industry day prior to launch of a procurement can also allow marketing of opportunities to industry. Industry day events can also include the opportunity for one-on-one meetings between the City and interested parties as an alternative way to solicit feedback or test concepts with the market, as well as an opportunity for potential counterparties to ask questions of the City prior to the commencement of the formal procurement process. In our experience, industry feedback is generally more candid and direct in a meeting than in written RFI format. An industry day would also allow the City to gauge the level of interest in a specific project, and facilitate teaming between potentially interested counterparties.
- ▶ *Project information memorandum:* A further marketing approach is for the City to prepare and publish a formal information memorandum detailing the project characteristics and anticipated deal structure in advance of procurement. We have extensive experience of supporting clients in preparing PIMs for clients and could support the City in this.
- ▶ *Conferences and industry media:* We have also helped our clients market forthcoming projects by including staff members on panels at industry conferences sponsored or facilitated by EY. Similarly, we can also assist the client in having articles on forthcoming projects featured in industry publications – for example, InfraAmericas, Infrastructure Journal, Public Works Finance.

### Approach to ensuring the City receives the best execution of any potential transaction

As noted in the staffing section above, Tom Rousakis will be EY’s engagement lead, supported by Jay Gillespie as EY’s day to day project manager. As Tom’s clients will confirm, he is deeply committed to being available as and when needed

by his clients to meet project schedule demands. Our approach to ensuring the City receives the best execution from our team is based on the following:

- ▶ **Understanding the project:** In order to manage project delivery, it is important to have a comprehensive understanding of how complex government projects and P3s are structured, procured and implemented, according to market precedents. Underpinning our team's ability to successfully manage execution is the broad direct experience of advising on complicated projects to achieve successful outcomes. We would encourage you to review the resumes provided and contact our references as confirmation.
- ▶ **Communication and collaboration:** We have found that it is easiest to exceed clients' expectations when we can establish a clear, common understanding of project goals and challenges. At the engagement level, Tom will be in direct, regular contact with the City's leadership to ensure that he understands their needs, forthcoming assignments and what resources from EY are required to meet and exceed their expectations. At a project level, Jay will communicate directly with the City to ensure responsive and accurate responses to requests.
- ▶ **Providing appropriate resources:** Tom and Jay will ensure that the City has access to the most appropriate resources for the tasks being requested:
  - ▶ *Multi-disciplinary leaders in the government advisory market:* EY brings personnel with significant experience in sales, leases, P3s and other innovative project delivery methods and each of the services required in the RFP.
  - ▶ *Deep bench of subject matter resources and support personnel:* The range of experiences of EY's subject matter resources ensures that there are sufficient specialized skills and personnel available to deliver the City's scope within required deadlines and avoid any gap in service should any key personnel need to take any other unexpected leave. Further, the breadth and scale of EY, allows us to bring additional value to clients when advising on multi-disciplinary projects, drawing on specialists from multiple competencies, including government and public sector procurement capability, valuation, insurance, construction management, real estate advisory, economic analysis, capital markets, restructuring, and environmental finance, as and when needed.
  - ▶ *Flexible and efficient staffing:* Our access to senior, experienced staff and deep sector specialists allows us to staff tasks in manner that is cost effective for the City, minimizing aimless analysis and "over study", and quickly identifying key procurement drivers and decision points.

## Transaction Execution

As noted above, in our experience best value is typically driven for public owners by running a transparent, competitive process which focusses proposers on achieving the City's key objectives for any given project (e.g. highest receipt, lowest cost, or highest service quality). We work with public clients to design a tailored transaction structure that meets their specific objectives and constraints, but some consistent themes which we have found to help public owners to achieve strong outcomes include:

- ▶ *Initial policy review* – the City may leave significant potential value on the table and/or risk protests if adjustments to any transaction scope or project requirements are made following-award that are different to scenarios that are communicated during the procurement or transaction process. Competition will also be stronger if the market perceives that there is a low risk of failing to reach commercial and financial close after award. As part of the pre-launch process, we typically support a facilitated dialog with appropriate stakeholders to determine what decisions can realistically be made and what the reasonable implications of them may be. This is helpful in ensuring that the transaction reaches a successful conclusion and that all proposers bring the best prices possible given the same constraints. This process can also be used to confirm key priorities that should drive the structure of the RFP and any sale, P3 or lease agreement and to discuss potential ways to optimize in order to better achieve them.

- ▶ *Two-step procurement* – qualifying bidders to move forward to a more detailed due diligence and bidding phase can lead to a more streamlined and efficient transaction process. A two-phased RFP process can be advantageous as it would allow the City to better ensure that it only spends time responding to RFP feedback submitted by qualified proposers. This can speed evaluation (qualifications do not need to be reassessed), reduce the risk of protest and may result in a more focused and efficient process, particularly if competitive interest is high, which could be reasonably expected. Likewise proposers are more willing to invest in pursuits if they are confident of the integrity of the procurement process and are assured that they are competing against peers. Qualification could be assessed through either a separate RFQ or within the RFP.
- ▶ *Inclusion of P3 or lease agreement in RFP* – in a P3 concession transaction process, the RFP documents typically include a form of lease agreement (or similar contract for other transaction types) and a structured process for proposers' review, so that the RFP and lease may be refined based on feedback from all proposers during the solicitation period. The lease agreement can then be substantially final prior to the submission of proposals, allowing for the public owner to receive binding proposals (already diligenced by lenders), with all proposers bidding on equal terms. However, even if the City elects not to include the lease agreement with the RFP for a given transaction, it is still important to clearly outline key terms of the transaction. The inclusion of the lease agreement or form of contract can lead to a faster post-award closing, and also help mitigate risks of post-award renegotiation (when there is no longer competitive tension) that could lead to changes in price, protest or other delays.

## 8. References

Client	Project	Contact Information
Florida Department of Transportation (FDOT)	I-595 Express Lanes P3 Port of Miami Tunnel P3	Leon Corbett, Project Finance Manager, FDOT Leon.Corbett@dot.state.fl.us; (850) 414 4421
LA Metro	Unsolicited P3 & Capital Program	Colin Peppard, Manager, Office of Extraordinary Innovation, LA Metro peppardc@metro.net; (213) 922 5412
Sound Transit	ST3 Project Analysis	Brian McCartan, CFO, Sound Transit mccartanb@soundtransit.org; (206) 398 5100

## 9. City experience

EY is currently retained by the City of Jacksonville (the "City") to assist the Emergency Operations Center ("EOC") and the Jacksonville Fire and Rescue Department ("JFRD") with the administration of federal grant funds and insurance recovery related to Federal Disaster Declaration ("DR-4283"), commonly referred to as Hurricane Matthew.

EY was also previously engaged to undertake an assessment of the City's financial condition for the incoming Mayor. Historically, EY was also the auditor of the City.

## Appendix A: Resumes



**Tom Rousakis**  
*Senior Managing Director*  
New York, NY

+1 212 773 2228  
tom.rousakis@ey.com



### Financial and technical education and training

- ▶ MPP – Harvard University, John F. Kennedy School of Government
- ▶ BA – Harvard University

### Certifications, licenses and associations

- ▶ FINRA Series 7, 63
- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Trustee of the Citizen's Budget Commission of New York

### Professional experience summary:

Tom Rousakis is a senior managing director of EYIA, and will serve as Engagement Leader. Tom has over 20 years of experience in US infrastructure finance and investment banking advisory, and is a recognized authority on the growing US public-private partnership market. Tom joined EYIA in 2013 from Goldman Sachs (GS) Public Sector & Infrastructure Banking group, where he was co-head of the national transportation and project finance practice. At GS, Tom led transaction teams from inception through execution of debt and advisory assignments, developing rating agency, deal structure and investor marketing strategies for over \$20 billion in infrastructure projects.

### Select engagement experience:

- ▶ **City of Denver – Municipal P3 Program:** Leading EY's role as financial and commercial advisor to City of Denver on its P3 program.
- ▶ **Sound Transit – ST3 Project Acceleration Analysis & Transit P3 Screening:** Serves as Engagement Leader on screening analyses to assess the viability of P3 approaches to projects in Sound Transit's ST3 capital expansion program, including BRT projects and long-range light rail projects.
- ▶ **Washington Metropolitan Area Transit Authority (WMATA) – Business Transformation Assessment:** As part of a multi-functional team engaged to assess opportunities to transform the WMATA organization, led the financial advisory effort focused on real estate and P3 opportunities to raise revenue and shift operational risk to third parties.
- ▶ **Colorado Department of Transportation (CDOT) and High Performance Transportation Enterprise (HPTE) - Statewide P3 Financial Advisor:** Serves as Engagement Leader, providing program and project-level strategic financial planning and Value for Money (VfM) analysis support for several major toll highway and transit projects, including the I-70 West Mountain Corridor, the C-470 managed lanes, the North I-25 managed lanes and the Advanced Guideway System Study. Also helped develop a statewide VfM framework for the analysis and development of Colorado managed lanes P3s.
- ▶ **Los Angeles County Metropolitan Transportation Authority - LA Metro Unsolicited P3 Proposal Program:** Serves as co-lead for EYIA's role as financial advisor to LA Metro's Office for Extraordinary Innovation to support the evaluation of unsolicited proposals that seek to accelerate project delivery, improve design and implementation, and reduce costs associated with the delivery Measure M, LA Metro's recent capital infrastructure program that received a boost from the passage of a US\$120 billion expenditure plan via a public ballot in November 2016.
- ▶ **Massachusetts Bay Transportation Authority (MBTA) - AFC 2.0 P3 and Commuter Rail Assessment:** Serves as Engagement Leader on two engagements that are part of the MBTA's recent business transformation efforts. First, EYIA is advising on the procurement of a new automated

fare collection system (AFC 2.0), which select a team to install, operate and finance an open fare collection system under a long-term P3 arrangement. Second, EYIA is advising on alternative contracting structures for the MBTA's commuter rail system, which could include long-term P3 structures for operations and infrastructure improvement of the system.

- ▶ **Santa Clara Valley Transportation Authority (VTA) – BART to San Jose Phase II Project:** Serves as Engagement Leader, advising VTA on the strategy and implementation of a multi-faceted funding plan to close a \$2.5B funding gap for a project that will link the entire Bay Area to rail. Components of the strategy will combine sales taxes, cap & trade funding, federal grants and station value capture financing approaches.
- ▶ **Charlotte Area Transit System (CATS):** Serves as Engagement Leader for various project initiatives within the 2030 Transit Corridor System Plan. Currently advises on the financial planning for the Blue Line Extension, recipient of a \$580 million Federal Transit Administration (FTA) Full Funding Grant Agreement in 2012 and for the \$150 million Phase 2 of the CityLYNX Gold Line streetcar project, now in the Project Development step of the FTA Small Starts process. Also advised CATS on its TIFIA loan application, which closed in the fall of 2015, and on a value capture analysis for future rail lines.
- ▶ **Empire State Development (ESD) / Moynihan Station Development Corporation (MSDC) – Empire Station Complex:** Serves as Engagement Leader assisting ESD/MSDC in the redevelopment of the James A. Farley Post Office Building into Moynihan Train Hall, which will serve as a new station for Amtrak and LIRR in New York City and for the redevelopment of Penn Station. The project's two main components are the conversion to a world class rail station for Amtrak and LIRR and the development of associated on and off-site real estate in order to help fund the train hall and associated public infrastructure improvements. EYIA assisted in financial plan development, analysis of potential public and private delivery options and financing and value capture strategies, and negotiations with potential partners and stakeholders, resulting in 2017 in a successful commercial close with a Related-Vornado-Skanska Joint Venture and financial close of a \$526 million TIFIA loan.
- ▶ **Rhode Island Department of Transportation (RIDOT) - Passenger Intermodal Transportation Center:** Serves as Engagement Leader, advising RIDOT on the procurement of a private developer to build a new bus terminal in downtown Providence adjacent to its rail station, and to develop associated retail and real estate opportunities in conjunction with the facility.
- ▶ **Fargo-Moorhead Flood Diversion Authority — Flood Diversion Project:** Tom serves as Engagement Leader for the alternative delivery and financial feasibility analysis relating to the \$2.2 billion project, anticipated to be delivered as a P3 and a US Army Corps of Engineers demonstration project.
- ▶ **Regents of the University of California, Merced – Merced 2020 Project:** Served as co-Engagement Leader on the Merced 2020 Project, advising the University of California administration on their ambitious and complex \$1.5+ billion project which will support a 50% increase in the student population by 2020. Led EYIA's financing work stream, including developing the financial structure and credit rating strategy for the transaction, as well as advising on the business case and the analysis underlying the decision to advance the project as a P3.

▶



## Jay Gillespie

Senior Vice President  
Atlanta, GA

+1 404 817 4245  
jay.gillespie@ey.com



### Financial and technical education and training

- ▶ MSRED – Real Estate Development, Columbia University
- ▶ MLAUD – Urban Planning and Design, Harvard University
- ▶ BLA – Landscape Architecture, University of Georgia

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Central Atlanta Progress, Infrastructure Council
- ▶ Urban Land Institute (ULI)

### Professional experience summary:

Jay Gillespie is a Senior Vice President with Ernst & Young Infrastructure Advisors, LLC (EYIA), an affiliate of Ernst & Young LLP and part of its US infrastructure advisory group.

Jay brings over 15 years of experience creating and delivering real estate-related infrastructure development strategies and supports clients in procuring private sector partners for major public infrastructure projects. Jay provides significant expertise in project management, financial and physical project feasibility analysis, development opportunity analysis, and in the funding, implementation and delivery of large-scale projects, including projects delivered through public-private partnerships (PPPs).

### Select engagement experience:

- ▶ **City of Los Angeles, Chief Administrative Officer (CAO) – Los Angeles Civic Center Master Plan:** EYIA is assisting the CAO with analysis of owned real estate assets within and surrounding the Civic Center area of Downtown L.A., an area that currently supports the largest concentration of public sector employees outside of Washington, DC. EYIA is analyzing financing and delivery options to build-out the long-term master plan, including the analysis of potential PPP delivery for some of the master plan phases. Future work may include more detailed analysis of procurement and delivery options for the first phase, including the former LAPD headquarters, the Parker Center.
- ▶ **Georgia Department of Transportation (GDOT) —Broadband and Wireless Antennae P3 Projects:** Advising on options for a private developer to increase additional broadband capacity around the state in return for the ability to lease unused conduit to generate revenue. Also advising on a project to build additional wireless network capacity along state routes to support future connected vehicles or improved access in rural areas of the state.
- ▶ **Washington 2024 – Summer Olympic Games Bid:** Served as Budget Lead to the Washington 2024 Bid Committee in pursuit of being awarded the 2024 Summer Olympic Games. Assisted the Committee in developing multi-billion dollar budgets to both host the Games events and to fund infrastructure, venues, and facilities necessary to stage the Games in the DC region. EY provided strategic advice regarding venue financing and delivery as well as real estate advice related to the proposed Athlete's Village in southeast DC.
- ▶ **Empire State Development (ESD) – Moynihan Station:** Advised on the redevelopment of the James A. Farley Building as Moynihan Station and the subsequent redevelopment of Penn Station in New York City. Assisted in financial plan development and analyses of potential ownership and P3 structures, various delivery approaches and identification of strategies to close a potential funding gap.
- ▶ **Santa Clara Valley Transportation Authority (VTA) – BART Silicon Valley Extension Phase II:** EYIA is currently assisting VTA with the financial strategy and planning for the 6 mile, \$4.7 billion extension of the BART rapid rail system from the Phase I Barryessa Station through downtown San Jose and into the City of Santa Clara. Support provided has included identifying potential funding and financing sources, developing a project financial model to test funding and financing scenarios, and



analyzing several value capture strategies, including the use of Enhanced Infrastructure Financing Districts surrounding proposed stations.

- ▶ **Rhode Island Department of Transportation (RIDOT) – Providence Intermodal Transportation Center (PITC):** EYIA is currently serving as financial and procurement advisor to RIDOT for the PITC project. This project anticipates selection of a private partner to construct a new regional / local bus transit facility adjacent to the existing Amtrak / MBTA train station in downtown Providence. Private development on publicly-owned land is part of the selected bidder scope and will provide additional economic development for the area and assist in offsetting the public expenditures for the PITC project. EYIA acts as advisor to RIDOT and, along with legal and technical advisors, is currently assisting with a RFQ process and real estate market analysis. Future tasks will include RFP development and issuance, evaluation support and negotiation assistance.
- ▶ **Georgia Department of Transportation (GDOT) — Major Mobility Investment Program (MMIP):** EYIA is currently advising GDOT on eleven major surface transportation projects, an investment of over \$11 billion to provide managed lanes, safety improvements, and congestion relief for the State. The projects will be delivered over a multi-year period and reflect the increased funding provided by H.B. 170 legislation, passed in 2015 in Georgia. EYIA is currently acting as financial and procurement advisor on the program.
- ▶ **Georgia Department of Transportation (GDOT) — I-285 / SR 400 Reconstruction Project:** EYIA served as financial and procurement advisor to GDOT for the \$800 million I-285 / SR 400 Reconstruction Project. The project, the second largest surface transportation project in state history, was procured as a Design-Build-Finance (DBF) PPP and achieved a bid price approximately \$375 million less than the publicly available funding amount. EYIA assisted with industry / market outreach, strategic / financial planning, financial modeling, RFQ / RFP development, proposer one-on-one meetings, Q&A response support, and evaluation assistance.
- ▶ **Georgia Department of Transportation (GDOT) — Georgia Multimodal Passenger Terminal:** Served as EYIA's Project Manager assisting GDOT with financial, strategic advisory, procurement and project management services for this \$1.6 billion transit center and redevelopment project. EYIA assisted with procurement of a Master Developer (MD) through GDOT's PPP program to oversee the design, planning, and implementation of the MMPT project. The MD created a plan to leverage revenues from future retail, commercial, and residential projects to help defray the capital and operating costs of the project. A Master Development Agreement was signed in October 2011 with a team of Forest City Enterprises, The Integral Group, and Cousins Properties. The MD has delivered to GDOT all contracted work and the environmental review process continues. EYIA continues to assist GDOT with strategic advice and support for implementation.
- ▶ **Ohio Department of Transportation (ODOT) — Rest Area PPP Analysis:** Developed a benchmarking study and analyzed state rest areas to determine if a PPP opportunity exists to engage private developers and/or service providers to undertake redevelopment, rehabilitation, operations and maintenance or other services for ODOT.
- ▶ **District of Columbia Department of Transportation (DDOT) — DC Streetcar:** Analyzed real estate value capture strategies in support of EYIA's financial planning efforts for DDOT's proposed 37-mile streetcar network. Assists the EYIA team in identifying policy considerations and evaluating project risks under various procurement scenarios.
- ▶ **City of Austin — Urban Rail Initiative:** Analyzed real estate tax increment financing reports to support an EYIA strategy for funding and financing scenarios for a potential \$750 million streetcar system in downtown Austin.



## Mike Parker

Senior Managing Director  
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### Financial and technical education and training

- ▶ MBA – University of Pennsylvania, Wharton School
- ▶ BA – University of Pennsylvania

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)

### Professional experience summary:

Mike Parker is a Senior Managing Director of Ernst & Young Infrastructure Advisors, LLC ("EYIA") and EY's US Infrastructure Advisory Leader. He advises clients on finance, procurement, business strategy, policy and public-private partnerships (PPP) for large-scale infrastructure projects and programs.

Mike has more than 17 years of experience and is a recognized authority on the growing US PPP market. He has worked with public-sector clients on tens of billions of dollars of new and potential infrastructure. He has taught workshops, written articles and served as a speaker at numerous P3, infrastructure and financial forums. Mike previously served as Managing Director of Jeffrey A. Parker & Associates Inc. (JPA), a leading financial advisory firm in the US focused on infrastructure.

### Select engagement experience:

- ▶ **Florida Department of Transportation (FDOT):** Serves as a financial advisor on the structuring, financing, procurement, and implementation of various FDOT projects, including financial analysis of the potential **Tampa Bay Express Lanes** project. Completed advisory tasks include the following projects among others:
  - ▶ **I-595 Express Lanes and Corridor Improvements Project** — \$1.7 billion availability payment-based PPP project to utilize a design-build-finance-operate-maintain (DBFOM) project delivery method to implement numerous improvements and three reversible Express Lanes on a 10.5-mile segment of I-595 in the Ft. Lauderdale area. Led the analysis of concession structuring options and subsequent design of the availability payment mechanism, assisted in developing the contract documents and Request for Proposals, and supported FDOT's interactions with bidding teams. The Project opened for revenue service in 2014.
  - ▶ **Port of Miami Tunnel** — \$900 million availability payment-based DBFOM project to create a tunnel under Biscayne Bay that will connect the Port of Miami facilities on Dodge Island with the MacArthur Causeway and Interstate 395 (I-395). Assisted in industry outreach and advised on the drafting of the initial Project Information Memorandum and the Term Sheet. Led the project's interdisciplinary O&M Task Force developing and documenting the concession agreement's payment mechanism. The Project opened for service in the summer of 2014.
  - ▶ **Miami Intermodal Center** — \$2.1 billion development of the largest intermodal complex in the US. Assisted FDOT on the finance plan for the consolidated rental car facility and advised on the negotiation and documentation of the first application of an Ultimate Recovery credit structure for public infrastructure in the US.
  - ▶ **I-75/Palmetto Expressway Managed Lanes Program** — Provided project delivery strategy advice on this approximately \$700+ million project to add managed lanes within the I-75/Palmetto Expressway corridor, where ultimately it was concluded that public funding was more appropriate than a PPP.

- ▶ **First Coast Outer Beltway** — Served as Principal-in-Charge of work assisting FDOT to reassess options for implementing what had been envisioned as an over \$2 billion, self-financing toll road comprising a 46-mile outer beltway around Jacksonville, Florida. Identified significant funding challenges and assisted FDOT in identifying a scope which could be advanced by Florida's Turnpike Enterprise.
- ▶ **Hunter's Point and Candlestick Park redevelopment (City of San Francisco Office of Community Investment and Infrastructure (OCII), and Lennar Urban):** Advised OCII and now Lennar on financial plan and potential TIFIA loan for this multi-billion mixed-used redevelopment and infrastructure project.
- ▶ **Empire State Development - Jacob K. Javits Convention Center Expansion:** Served as Principal-in-Charge for EYIA's engagement to provide procurement and support advisory services for the \$1.5 billion Design-Build expansion of the Javits Center in New York City.
- ▶ **Multnomah County Courthouse, Multnomah County** – Led EYIA's engagement to provide financial advisory services to Multnomah County for its development of a new, \$200m+ central courthouse building in Portland, Oregon. Assisted with the development of the project funding strategy and financing options and advised on comparing DBFOM and DB options. In addition, participated in the County's risk analysis as part of a multi-disciplinary team.
- ▶ **Regents of the University of California, Merced – Merced 2020 Project:** Serves as a lead principal on the Merced 2020 Project, advising the University of California administration on their ambitious and complex \$1.5+ billion project which will support a 50% increase in the student population by 2020. Leads EYIA's procurement work stream, including developing the P3 procurement strategy including RFQ and RFP documentation, financial aspects of the P3 contract as well as advising on the project business case and the analysis underlying the decision to advance the project as a P3.
- ▶ **The Port Authority of New York & New Jersey (PANYNJ):** A Principal-in-Charge for EY's role as capital program and financial advisor to PANYNJ, including specific projects including:
  - ▶ **Capital Program Screening:** Undertook a review of PANYNJ's \$30B capital program of bridges, highways and transit to identify opportunities for federal funding and financing, and opportunities for P3 delivery.
  - ▶ **Goethals Bridge Replacement P3 Project:** Advised PANYNJ in developing the strategy for, planning and procurement of a P3 project of the \$1.1 billion project to replace the existing 83-year-old Goethals Bridge. Previously undertook a review of the Staten Island Bridges to identify programmatic opportunities.
  - ▶ **LaGuardia Airtrain:** Advising PANYNJ on the strategy and planning for delivery of a new Airtrain at LaGuardia Airport.
- ▶ **Georgia Department of Transportation (GDOT) / Georgia State Financing and Investment Commission (GSFIC) — PPP / Alternative project Delivery Advisory:** Serves as Principal-in-Charge of EYIA's work advising on the financial plans and delivery strategy for \$10+ billion express lanes and highway improvements in the Atlanta region and on alternative project delivery/PPPs. Historically, under prior contracts, assisted in the structuring and procurement of the I-285/SH 400 DBF, one of the largest DBF financings undertaken in the US transportation market, which achieved a price more than \$300m below estimate, and previously assisted GDOT in its review of unsolicited proposals for potential PPP projects and in advancing the potential Multi Modal Passenger Terminal.



## Marc Powell

Senior Managing Director  
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### Financial and technical education and training

- ▶ MS – New College, Oxford University (Rhodes Scholar)
- ▶ MSc – Massachusetts Institute of Technology (MIT)
- ▶ BS – Université Laval, Quebec, Canada

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Trustee of the Citizen's Budget Commission of New York
- ▶ Board Member of the New York City Opera
- ▶ Vice Chairman of the United Nations International School in New York

### Professional experience summary:

Marc Powell is a Senior Managing Director with Ernst & Young Infrastructure Advisors (EYIA). He leads the US Infrastructure Strategy Practice of EY, working with clients on project selection, risk assessment, financing, and execution. For the past 25 years, Mr. Powell specialized in developing business strategies for investors, constructors, and operators who are undertaking large infrastructure investments and need to define the appropriate business model. Mr. Powell also leads EY's infrastructure strategy practice focused on technology and telecommunications clients. His work there is in helping infrastructure operators select the best technology for their systems, and in helping technology companies develop the best strategy for commercial success with operators.

Mr. Powell has deep experience in all sectors of the infrastructure landscape. He has worked on toll roads, bridges, tunnels, ports, airports, rail, subway, parking, energy, power, waste, wind, water, housing, social infrastructure, utility services and telecommunications. He has led effort in the US, Latin America, Europe and Asia. He is recognized as a one of the top specialists worldwide in toll roads. He has led substantive efforts in assessing the market for and deploying smart infrastructure technology in the US and worldwide.

### Select engagement experience:

- ▶ **Georgia Department of Transportation (GDOT) - Broadband P3 Project Wireless Antenna P3 Project:** Engagement lead for EY's role as advisor to GDOT to analyze the feasibility of a Broadband P3 project and a Wireless Antenna P3 project. The Broadband P3 project may involve a private team delivering, through a Design-Build-Finance-Operate-Maintain (DBFOM) agreement, additional broadband capacity for GDOT on interstates around the state in return for the ability to lease unused conduit to generate revenue. The Wireless Antenna P3 project may involve managing right-of-way (ROW) access requests from wireless providers to having a private consortium (through a DBFOM) build additional network capacity along state routes to support future connected vehicles or improved access in rural areas of the state.

### Non-EYIA engagement experience:

- ▶ Marc joined EY in the fall of 2017 from PwC, where he led Infrastructure Strategy as a senior partner in the Capital Projects and Infrastructure Practice. Prior to joining PwC, Marc was the global infrastructure practice head at BCG.
- ▶ Marc has deep background in technology and telecommunications focused on TICE (Technology, Information, Communications and Entertainment) clients. His work there is in helping infrastructure operators select the best technology for their systems, and in helping technology companies develop the best strategy for commercial success with operators. He came to infrastructure working first on telecom tower acquisitions before getting into other infrastructure sectors. In the late 90's, he launched the Silicon Valley practice of Booz Allen & Hamilton.
- ▶ Marc has worked with most of the leading players in the infrastructure industry. He has supported many of the leading infrastructure funds, sovereign wealth funds, insurance investors and debt funds, as well as with many of the constructors and operators, globally. He has also worked with many government organizations at the Federal, State and Local level, around the world and is regarded as an expert in project funding. In the past ten years, Marc has advised on dozens of major investments, concessions or P3s in the Canada, Latin America, Europe and Asia, in addition to his work in the US.

- ▶ Marc has worked on transactions involving 50+ transportation assets over the past 10 years. He has conducted revenue evaluations, operational evaluations, capex evaluations, has supervised due diligence efforts, and has built 100 day plans for transportation. He has been involved with E-tolling strategies, pricing strategies, marketing strategies, operational restructuring of maintenance operations, of toll collection, of leakage avoidance practices. He has managed the transformation of several toll roads post acquisition, generating traffic increases, revenue increases, and cost reductions.
- ▶ *Note that much of Marc's project experience is bound by confidentiality agreements due to the sensitive nature of the strategy engagements.*



## Stephen Auton-Smith

*Managing Director*

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### Financial and technical education and training

- ▶ BA – Christ's College, Cambridge University

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Association of Corporate Treasurers
- ▶ Accountant of England and Wales

### Professional experience summary:

Stephen is a Managing Director within EY Infrastructure Advisors, LLC (EYIA) with over 15 years of experience of advising government agencies and contractors on energy IPP and environmental infrastructure P3 projects.

Stephen has experience and track record in government procurement, financial and commercial structuring, negotiation and risk allocation, and financial modelling and finance raising in a range of jurisdictions. Stephen is an experienced financial and lead adviser to large scale, nationally significant infrastructure projects in the water, energy and solid waste management sectors.

### Select engagement experience:

- ▶ **Duquesne University** - Financial advisor to the University on the sale of its central energy plant to the private sector, and procurement of associated energy services contract.
- ▶ **Dormitory Authority of the State of New York**: Advising DASNY on the financial structuring and procurement of a new co-generation plant for a complex serving Office of Mental Health and Department of Corrections facilities in upstate New York.
- ▶ **USA EPA / WIFIA** – Advising the US EPA on the WIFIA program. Stephen is currently leading EYIA's advice to EPA on the San Francisco and San Diego WIFIA projects.
- ▶ **Garrison Diversion** – Advising Garrison Diversion Conservancy District in North Dakota on the financial and commercial structuring of a 160 mile / \$1bn bulk water pipeline whose purpose is to improve the resilience of drinking water supplies in North Dakota.
- ▶ **Middletown Water P3, Pennsylvania** – Provided financial advice to Severn Trent Services in its bid for the Middletown water P3, including review and advice in respect of financial and commercial documentation, balance of risk allocation and pricing / financial projections.
- ▶ **Central Contra Costa Sanitary District** – Advising Central San on the structuring and procurement on a wastewater bio solids P3 project.
- ▶ **Pacific Forest Trust, California** – Providing financial advice on the financial structuring and funding options for a multi-billion dollar watershed restoration and management program.
- ▶ **ABInBev**. Advised the company on the structuring, procurement and negotiation of two synthetic PPAs, for wind and solar for approximately 1.4m MWh per annum to power its US operations.
- ▶ **Nike**: Advising this company on the structuring, procurement and negotiation of three potential renewable PPAs its US operations, and advising on potential routes to market for securing renewable energy for its non-US operations.
- ▶ **Infrastructure Fund** – Advising the fund on the acquisition of a pre- construction 90MW solar PV project in North Carolina
- ▶ **Neva Water PPP, Russia** – Financial advisor to Vodakanal St Petersburg on the development, structuring and procurement of the first water PPP in Russia.



- ▶ **UK Water Company:** Advised a UK water company on corporate restructuring options in respect of its involvement in a wastewater PPP contract
- ▶ **Ministry of Finance, Egypt:** Lead and financial advisor to the Ministry of Finance PPP Unit on the procurement of wastewater infrastructure through PPP.
- ▶ **Oman Wastewater Services Company:** Advised on the corporatisation of OWSC and the development of the business plan for the Muscat wastewater system
- ▶ **Quanta Services Inc.** Led the EY team that advised the winning bidder on two fibre optic broadband concessions in Peru
- ▶ **P3 Canada –** Acted as subject matter specialist in developing a guidance pack on the application of P3 to Waste to Energy projects in Canada.
- ▶ **Montreal Biowaste / AD project:** Acted as subject matter specialist in the development of a feasibility study for the City of Montreal biowaste project.
- ▶ **Moroccan Agency for Solar Energy:** Financial and Lead adviser to Masen on the Noor II and III projects, together comprising 350MW of PT and Tower concentrating solar power capacity procured on a PPP / IPP basis, with capex of \$2 billion.
- ▶ **PLN / Indonesia:** Financial adviser to the national utility on the procurement of Jawa-1, a 1600MW gas fired IPP project.
- ▶ **UK Government:** Advised the UK Government on development of standardised best practice guidance for the conduct of PPPs in the waste management sector. This involved the development of guidance and template documentation for use by municipal authorities in the procurement of waste PPPs.
- ▶ **Aruba Waste PPP:** Advised a regional contractor on developing an advanced thermal treatment waste PPP project in Aruba.
- ▶ **Government of Malawi:** The project involves the development, structuring and procurement of the first IPP project in Malawi. The project focused on the installation of Solar PV capacity at key points across the grid to diversify energy mix, improving resilience, reducing reliance on hydro and diesel and meeting growing energy demand.
- ▶ **Buckinghamshire Waste to Energy PPP:** Financial adviser to this innovative, construction financed WtE PPP, which reached financial close in 2013.
- ▶ **Hertfordshire Waste PFI, UK:** Financial adviser to this Waste to Energy PPP, which reached financial close in 2011
- ▶ **Southwark Waste PFI, UK:** Financial advisor to this fully integrated Waste PPP project, which achieved financial close in 2008
- ▶ **FTSE 250 Company:** Advising a UK FTSE 250 company on a transaction to acquire the equity in a number of waste PPP contracts and sell an operating division.



## Sue Lee

Senior Managing Director  
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### Financial and technical education and training

- ▶ JD – University of Pennsylvania Law School
- ▶ BA – University of Pennsylvania (magna cum laude)

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Bar Association, State of New York

### Professional experience summary:

Sue Lee is a Senior Managing Director with Ernst & Young Infrastructure Advisors, LLC. With over 15 years of experience, she provides financial and strategic advisory services related to infrastructure projects. Sue focuses on advising public agencies on policies to enable alternative project delivery methods (such as public-private partnerships (PPPs)); financial feasibility and options analysis; developing project business plans; procurement strategy; and project management.

Prior to joining EYIA, Sue worked in the Banking and Project Finance practices of Milbank, Tweed, Hadley & McCloy LLP and Allen & Overy LLP, where she advised US, international and multilateral agencies, lenders and other financing parties and equity sponsors in connection with a broad range of infrastructure, energy, mining, financing, restructuring, and corporate transactions. Sue was also with Millennium Challenge Corporation (MCC), a US foreign aid agency focused on reducing global poverty through economic growth.

### Select engagement experience:

- ▶ **Missouri Office of Administration (MOA) – Public-Private Partnership Financial Advisory Services:** Serves as EYIA's Principal-in-Charge in advising MOA on developing a PPP program for capital projects on state building. EYIA's services will include developing legislation to enable use of PPP delivery methods, feasibility and options analysis, development of project business plans and support for project procurement and implementation.
- ▶ **Los Angeles World Airports (LAWA) - LAX Landside Access Modernization Program:** Serves as Principal-in-Charge assisting LAWA, as Commercial and Transactional Advisor. Work includes financial analysis and structuring, project risk assessment, procurement strategy and implementation and general commercial and transaction support for LAWA's planning and procurement of an automated people mover and consolidated rental car facility at Los Angeles International Airport. Both projects, which are estimated to cost over \$5 billion collectively, will be delivered as DBFOM PPPs.
- ▶ **Philadelphia Regional Port Authority (PRPA) – Southport Marine Terminal Complex:** Served as EYIA's Principal-in-Charge in advising PRPA on the development of approximately 200 acres of land into port, intermodal, energy or other potential projects at the Southport Marine Terminal Complex located on the Delaware River. PRPA planned to use a design-build-finance-operate-maintain PPP structure to develop this project. EYIA acted as financial and general transaction advisor to PRPA and services included: general project management; development of a procurement strategy; institutional capacity-building of PRPA staff and its Board of Directors regarding PPPs; coordination of a market outreach process (including issuance of a Request for Expressions of Interest and more targeted outreach to private firms); support with preparation of RFQ and RFP documents; and advice on engagement of other external advisors and coordination of their procurement.
- ▶ **The Port Authority of New York & New Jersey (PANYNJ):** Procurement Advisory Lead EY's role as capital program and financial advisor to PANYNJ, including specific projects including:
  - ▶ **Goethals Bridge Replacement P3 Project:** Assisted PANYNJ in planning and procuring its P3 procurement of the \$1.1 billion project to replace the existing 83-year-old Goethals Bridge.
  - ▶ **Ports Master Plan:** EY has been engaged by PANYNJ to prepare a Master Plan for all of PANYNJ's ports assets. EYIA is on the Hatch team and responsible for financial and

economic analysis and supports Hatch in leading visioning and strategic planning workshops. Objectives of the Master Plan include identifying potential “highest and best uses” of PANYNJ’s ports assets and providing recommendations for maximizing profitability and minimizing environmental impacts. Serving as Principal-in-Charge in leading EYIA’s work.

- ▶ **Illinois Department of Transportation (IDOT):** Engagement partner for EY’s role as advisor to IDOT on its non-traditional transportation program; specific engagements include:
  - ▶ **P3 Delivery Project:** Serves as EYIA’s Principal-in-Charge and prime contractor leading a multi-disciplinary team (which also includes legal, technical, T&R, insurance and communications advisors) that collectively serves as IDOT’s P3 Advisor. This engagement is EYIA’s fourth with IDOT under a competitively procured contract. Sue manages the advisory team’s analysis of potential project structures and procurement strategies for the I-55 Managed Lanes project. The project involves the conversion of a 6-lane, untolled 25-mile corridor near Chicago into tolled managed lanes and 6 untolled general purpose lanes.
  - ▶ **Illiana Corridor - Illinois Project:** Served as EYIA’s Principal-in-Charge and Project Manager to advise IDOT on the financial structuring and analysis and the procurement of this over \$1 billion toll road project. Work included support with determining the project’s delivery method as an availability payment-based design-build-finance-operate-maintain project; amending the Illiana Expressway authorizing legislation; devising state funding and appropriations processes; applications for TIFIA loan and PABs allocation; and coordination on bi-state issues with the Indiana Department of Transportation and the Indiana Finance Authority.
  - ▶ **Strategic & Financial Planning Assistance for Alternative Contracting Methods:** Served as EYIA’s Project Manager to assist with IDOT’s development and enactment of state legislation to authorize PPP projects and amendments to existing Illiana Expressway project authorizing legislation, as well as internal policies related to alternative contracting methods, with a focus on PPP and DB procurements.
- ▶ **I-30 Crossing DB Project, Arkansas Highways and Transportation Department (ARDOT), Little Rock, AR:** EYIA’s engagement leader for ARDOT on the procurement of the ~\$500 million DB project. This project was originally anticipated for DBF delivery. Through the course of our work it became apparent that ARDOT may have adequate funds to use DB delivery. Has advised on the drafting of the RFQ, RFP, and DB contract, including procedural and risk allocation aspects of the project.



**Neil McMonagle**  
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#### Financial and technical education and training

- ▶ Bachelor of Laws (honours) – University of Strathclyde

#### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Chartered Accountant – Institute of Chartered Accountants of Scotland (ICAS)

#### Professional experience summary:

Neil has 17 years of experience advising governments and private developers on strategy, financing and procurement of major infrastructure projects and programs in Europe, Canada and the United States. He has worked across a wide range of sectors, including transportation, technology, social infrastructure and energy.

His current and past clients include state and local governments in Texas, Ohio, Virginia, Illinois, and Arkansas, as well as international agencies including Transport for London, Transport Scotland and Metrolinx (Canada).

#### Select engagement experience:

- ▶ **Fargo Moorhead Flood Diversion Authority – Fargo Flood Diversion Project:** Advising on the financing and procurement of the \$2.4bn flood diversion P3 project in North Dakota.
- ▶ **The Port Authority of New York & New Jersey (PANYNJ):** Lead EY's role as capital program and financial advisor to PANYNJ, including specific projects including:
  - ▶ **Capital Program Screening:** Undertook a review of PANYNJ's \$30B capital program of bridges, highways and transit to identify opportunities for federal funding and financing, and opportunities for P3 delivery.
  - ▶ **Goethals Bridge Replacement P3 Project:** Assisted PANYNJ in planning and procuring its P3 procurement of the \$1.1 billion project to replace the existing 83-year-old Goethals Bridge.
  - ▶ **LaGuardia Airtrain:** Advising PANYNJ on the strategy and planning for delivery of a new Airtrain at LaGuardia Airport.
- ▶ **Puerto Rico P3 Authority – ID Card and Drivers' License Project:** Supported Puerto Rico P3 Authority in the analysis of an unsolicited proposal for to centralize and automate Drivers' license and ID card production under a P3 arrangement.
- ▶ **Texas Department of Transportation (TxDOT):** Engagement partner for EY's role as advisor to TxDOT on its non-traditional transportation program, including Design Build and CDA projects. As well as advising on the development of programmatic procurement documents for the Design Build program, specific projects include:
  - ▶ **SH-183 Managed Lanes Project:** Assisted TxDOT on the planning and procurement of a private partner for the SH-183 managed lane project. Supporting application for a federal TIFIA loan.
  - ▶ **Toll Services Agreements:** Supporting TxDOT in negotiating revisions to toll service agreements with NTTA and the Developer for a range of Dallas area concession projects.
  - ▶ **Southern Gateway Managed Lanes Project:** Supported TxDOT in the analysis of delivery options and procurement of the Southern Gateway managed lane project in the Dallas area.
  - ▶ **LBJ East:** Assisting TxDOT in the financial planning and procurement of managed lane expansion.

- ▶ **Loop 1604:** Feasibility analysis on various delivery options for San Antonio highway project.
- ▶ **Ohio Department of Transportation (ODOT):** Lead EY's role as programmatic advisor to ODOT, including specific projects including:
  - ▶ **Policy Advisory:** Assisted ODOT in the development of financial policies for P3s to implement enabling legislation passed in 2011, and reviewed major projects for suitability for innovative delivery methods.
  - ▶ **Portsmouth Bypass:** Served as EY's project manager advising ODOT in the financial feasibility, development and procurement of the \$500 million Portsmouth Bypass P3 Project, including the successful application for a \$207m rural TIFIA loan.
  - ▶ **Brent Spence Bridge:** Led a team developing delivery strategy and financing options for a \$2.3B bi-state bridge between Ohio and Kentucky.
  - ▶ **Working Capital Management:** Led a multi-disciplinary EY team reviewing ODOT's management of working capital.
  - ▶ **Cleveland Innerbelt II Innovative Project Delivery Analysis and Project Procurement:** Assisted ODOT in analyzing delivery options for the \$300+ million CCG2 Innerbelt Bridge in Cleveland.
  - ▶ **Performance Based O&M Contracting:** Supported ODOT in undertaking analysis of performance based O&M contracts for highway maintenance.
- ▶ **FirstNet – National Public Safety Broadband Network:** Part of a multi-disciplinary EY team advising FirstNet, an independent authority within the U.S. Department of Commerce, on the financial planning and procurement of the National Public Safety Broadband Network (NPSBN).
- ▶ **District of Columbia Department of Transportation (DDOT) — DC Streetcar:** Advised on financial planning efforts for EYIA on DDOT's proposed 37-mile streetcar network expansion and oversees the development of a multi-phase, multi-segment financial model.
- ▶ **Illinois DOT (IDOT) — Strategic Financial Planning Assistance for Alternative Contracting Methods:** Supported IDOT in various tasks after passing of P3 legislation, including capability building for District and Central Office staff and development of project development manual.

**Non-EYIA engagement experience:**

- ▶ **Metrolinx — Non Fare Revenue Review:** Undertook a review of benchmarking and business improvement opportunities for non fare revenue sources for Metrolinx and the GO Transit bus and commuter rail network in Toronto.
- ▶ **Nassau Interim Finance Authority (NIFA):** Assisted NIFA, which assumed interim emergency control of the finances of Nassau County, New York in reviewing costs and potential efficiencies within the state budget, including the proposed privatization of Long Island Bus and potential redevelopment of the Nassau Coliseum.
- ▶ **Puerto Rico P3 Authority:** Supported the Puerto Rico P3 Authority in analyzing a commercial rest stop facility project and the development of a traffic fine management system.
- ▶ **Transport Scotland Strategic Transport Projects Review** Assisted the Scottish Government on the identification, screening and prioritization of long-term road, rail and transit projects for the ten year period to 2022.



**Tom Pelnik**  
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#### **Financial and technical education and training**

- ▶ MS – University of Rhode Island
- ▶ BS – Worcester Polytechnic Institute

#### **Certifications, licenses and associations**

- ▶ Registered Professional Engineer in Virginia (Active) and New York (Inactive)
- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)

#### **Professional experience summary:**

Tom has 30-years of progressively responsible experience in the development of civil and industrial infrastructure, culminating in more than a decade of executive leadership of the development of design-build projects and public-private partnerships. He has a proven record of addressing regulatory, legislative, policy, technical, financial and procedural matters as they relate to P3 and design-build projects as both a public sector official and a private sector construction executive.

Tom joined EYIA in April of 2015 from ACSID, the US based equity investment arm of the ACS Group, a \$37 billion international contractor. Tom identified prospective P3 opportunities for ACSID, and worked with project teams to win new contracts. During his tenure, teams led by ACSID were selected for Ohio DOTs first P3 project, the Portsmouth Bypass, and for TXDOTs SH288 managed lanes P3 project in Houston.

Tom was responsible for initiating the DB and P3 programs for the Virginia Department of Transportation (VDOT) in 2003, procuring the I-495 Express Lanes P3 concession agreement and I-95 Express Lanes P3 interim agreement, and for overseeing the initial procurement and development of the Midtown Tunnel P3 project. As the director of VDOT's Innovative Project Delivery Division from its inception in 2003 until March 2011, Tom provided executive direction of a state-wide division responsible for development and oversight of Design-Build Contracts and Consultant Procurement, and Public-Private Partnerships (P3s). He regularly advised VDOT executives on delivery of major projects and resolution of +\$100-million issues. P3 and DB contracts accounted for more than one-half of VDOT's construction work outstanding in September 2010.

Tom also wrote and reviewed policies and practices for contract procurement and implementation, and annually prepared legislative impact statements and proposed substitute legislation to advance alternative project delivery opportunities for the state. He worked with a consultant attorney to develop a standard design-build contract that has since been used for dozens of DB projects. As part of his work to integrate and share best practices, Tom served on national and international work groups with AASHTO, the NCHRP and the TRB. He was a member of NCHRP SHRP2 Technical Coordinating Committee for Renewal Program, and was the Chairman, Research Steering Committee of AASHTO Subcommittee on Construction, 2008 – 2010, successfully advocating for relevant research including an international survey of lessons learned from completed term P3 contracts.

#### **Select engagement experience:**

- ▶ **Retreat or Restore/ Louisiana Coastal Protection & Restoration Authority – Louisiana Coastal Restoration Project:** Leading EYIA's engagement with RoR to assist the Louisiana CPRA in the development of an implementation plan for its coastal and offshore protection and restoration projects identified by the state. Through this effort, EYIA will evaluate funding streams, develop effective project delivery and financial structures (including traditional and P3) for many of the megaprojects identified by CPRA
- ▶ **Fargo Moorhead Area Diversion - The Fargo Moorhead Flood Diversion Authority (FM-FDA)** is currently in the planning and procurement stage for this ~\$2.4 billion, 36-mile long flood diversion project. The project will establish permanent flood protection measures for the flood-prone Fargo-Moorhead Metropolitan Area. EYIA is the lead commercial and financial advisor, including



development of a multi-generational financial plan for the project structured as hybrid financing with a mix of public debt and AP P3, considering key factors including affordability and risk transfer. We are also advising the Authority on the procurement process to select a private Developer for the P3 project. Tom has been responsible for coordinating resolution of critical operations and maintenance performance requirements among the multi-disciplinary advisor team for inclusion in the technical and commercial contract documents.

- ▶ **Los Angeles County Metropolitan Transportation Authority - LA Metro Unsolicited P3 Proposal Program:** Tom is helping to lead EYIA's role as commercial and financial advisor to LA Metro's Office for Extraordinary Innovation to support the evaluation of unsolicited proposals that seek to accelerate project delivery, improve design and implementation, and reduce costs. The projects are associated with the delivery Measure M, LA Metro's recent capital infrastructure program that is funded, partially, from the passage of a US\$120 billion expenditure plan via a public ballot in November 2016.
- ▶ **South Capitol Street Bridge DB Project, District of Columbia Department of Transportation (DDOT), Washington, D.C.:** EYIA's engagement leader as part of a multi-disciplinary team for the DB procurement of +\$400 million South Capitol Street Bridge. Has advised on drafting of the RFP including procedural and risk allocation issues, responses to bidder questions, participated in 1:1 meetings related to commercial, technical and aesthetic design issues, and advised the technical evaluation committee's review of technical proposals.
- ▶ **I-30 Crossing DB Project, Arkansas Highways and Transportation Department (ARDOT), Little Rock, AR:** EYIA's engagement leader for ARDOT on the procurement of the ~\$500 million DB project. This project was originally anticipated for DBF delivery. Through the course of our work it became apparent that ARDOT may have adequate funds to use DB delivery. Has advised on the drafting of the RFQ, RFP, and DB contract, including procedural and risk allocation aspects of the project.

**Non-EYIA engagement experience:**

- ▶ **I-495 Capital Beltway Express Lanes, Virginia Department of Transportation (VDOT) – VDOT's first DBFOM P3 project;** \$1.2 billion capex; approximately \$3 billion life cycle value; project funding included state and federal funds, and toll revenue; project financing included private equity, private activity bonds and a federal TIFIA loan. Tom represented the Chief Engineer for successful negotiation of the 80-year DBFOM revenue risk, managed lanes contract for the 12-mile long project with Fluor-Transurban, and participated in the executive partnering meetings during construction and led the negotiation of changes that could not be resolved by the project team. The project reached commercial close in December 2007, financial close in 2008, and opened ahead of schedule in December 2011. The developer invested additional \$280 million equity in 2014 as a result of revenue shortfalls during the ramp-up period.
- ▶ **Portsmouth Bypass P3 Project, Ohio Department of Transportation (ODOT), Portsmouth, OH (2011-2015):** Senior advisor for the ACS-led team selected by ODOT for the \$430M Portsmouth Bypass Design-Build-Finance-Operate-Maintain (DBFOM) Project; its first P3 project, a new, 16-mile, limited access highway in Ohio's Appalachian Corridor. The availability-payment project reached commercial close in December 2014 and financial close in April 2015, and is currently under construction by the DB team. Tom had responsible roles for team formation, responses to the RFQ and bid preparation, and client interaction during the procurement process.
- ▶ **Beach Replenishment Studies, Norfolk District, United States Army Corps of Engineers (USACE) –** Engineer in responsible charge for a series of Indefinite Delivery Indefinite Quantity consulting contracts for the Norfolk District, 1995 - 2000. Completed hundreds of analyses to support protection and restoration of coastline.



## Jon Godsmark

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### Financial and technical education and training

- ▶ BSc (honors) Management – London School of Economics

### Certifications, licenses and associations

- ▶ MSRB's Municipal Advisor Representative Qualification Examination (Series 50)
- ▶ Chartered Accountant – Institute of Chartered Accountants of England and Wales

### Professional experience summary:

Jon is a Senior Vice President of Ernst & Young Infrastructure Advisors, LLC. Jon has provided strategic and financial advice to state and local governments on infrastructure projects in the US, UK, UAE and Bermuda, across a range of sectors including light rail, high speed rail, highway transportation, utilities, renewable energy, healthcare and justice. His advice has included helping governments analyze different financial and commercial structures for building new infrastructure or improving the operational and financial performance of existing infrastructure to benefit their communities.

### Select engagement experience:

- ▶ **Washington Metropolitan Area Transit Authority (WMATA) – Business Transformation Assessment:** Jon advised WMATA with regard to the analysis of potential areas opportunities to improve financial and operational performance. The study covers all aspects of WMATA's operations and Jon lead aspects with regard to capital projects, real estate development and parking.
- ▶ **Massachusetts Bay Transportation Authority (MBTA) – Bus Maintenance and Operations Project:** Jon is leading EY's advice to the MBTA with regard to the procurement of a private partner to undertake maintenance and operations activities related to up to three bus garages.
- ▶ **Port Authority of New York and New Jersey (PANYNJ) – Port Department Master Plan:** Jon is leading the financial analysis and economic analysis with regard to the development of a long term master plan for the port in order to enhance revenue opportunities, increase operational efficiency, maximize land utilization and ensure appropriate diversity of users.
- ▶ **Greater Washington Partnership – Regional Mobility Initiative** - Jon is leading EY's support of the Greater Washington Partnership, a non-profit entity established by some of the leading CEOs in the Greater Washington Region, from Baltimore to Richmond. EY is supporting the GWP with their mobility initiative to identify and evaluate solutions to solve some of the region's most important issues.
- ▶ **Massachusetts Bay Transportation Authority (MBTA) – Automated Fare Collection P3 Project:** Jon is leading EY's advice to the MBTA with regard to procuring a new Automated Fare Collection System which is to be delivered under a long-term performance based contract with private financing. The new fare collection system will allow for account based transactions utilizing contactless bank cards and smart phones across all the MBTA's and other providers' transportation network.
- ▶ **Philadelphia Regional Port Authority (PRPA) — Southport Redevelopment Project:** Jon provided advice to PRPA regarding the procurement of a private developer for the Southport project, a 200 acre site adjacent to the existing port facilities.

### Non-EYIA engagement experience :

- ▶ **Ohio Department of Transportation (ODOT) - Ohio Turnpike Opportunity Analysis:** Jon led the financial analysis team advising ODOT and the Governor's Office on potential opportunities to improve the financial operations of the Ohio Turnpike to provide funding for other projects throughout the State. The ultimate structure implemented by the State included significant revenue and operational cost

enhancements which allowed the state to issue over \$1bn of tax-exempt debt to be invested in other transportation projects.

- ▶ **National Railroad Passenger Corporation, Amtrak — Northeast Corridor High Speed Rail – 2010 - 2012\***: Advised Amtrak on the development of a Business and Finance Plan for the development of High Speed Rail in the North East Corridor. Work included evaluation of potential delivery options for the development and financing of approximately \$150 billion for High Speed Rail in between Washington, DC to Boston, while maintaining the existing regional and express services.
- ▶ **Palm Jumeirah Monorail Project\* - 2007 - 2008**: Provided financial and commercial advice to Nakheel, a Dubai World subsidiary, on the sole source negotiation of the operations and maintenance contract with SMRT for the monorail on the Palm Jumeirah, the first monorail to be developed in the Middle East.
- ▶ **Regional Transportation Authority of Chicago (RTA): I-90 Transit Options Analysis\* 2010**: Advised RTA with evaluating potential opportunities to include a commuter rail or Bus Rapid Transit developments within the \$3.7 billion I-90 Corridor outside of Chicago. The work included a comparison of various development options based on analysis of potential funding options and structures to develop the project including federal funding, private funding, dynamic pricing toll revenue and local funding.
- ▶ **Virginia Department of Transportation (VDOT) - I-95 HOT Lanes Project**: Jon was a member of the team advising VDOT and the OTP3 on the sole source negotiation of a Comprehensive Agreement with a private developer for the Project. The project involved the development and operation of High Occupancy Toll (HOT) lanes along approximately 29 miles of the existing I-95 corridor in Northern Virginia. The Project was financed in two stages including public funds, tax exempt bonds and TIFIA credit assistance.
- ▶ **Indiana Finance Authority (IFA) - Ohio River Bridges Project**: Jon advised the IFA on the project to build two bridges over the Ohio River between Kentucky and Indiana along with a significant interchange at the intersection of three Interstate highways. Jon was responsible for the development of the Value for Money (VfM) analysis for the Project. This included the evaluation of various project structures including traditional finance, availability payments and toll concession to assess the relevant benefits and constraints. The Project was ultimately developed as two separate projects with one being delivered utilizing a traditional structure and one under an availability payment structure.

## Appendix B: Additional project experience and descriptions

Project Name/ Client	Project Description
<b>Statewide Financial Advisor for P3s</b>  Florida Department of Transportation (FDOT)	<p>EY was first engaged by FDOT in 2005 and has been advising FDOT since then as a result of multiple re-procurements. Over the course of multiple contracts and renewals, most recently as “Statewide P3 Advisor” to FDOT, EY has advised FDOT on a programmatic basis as well as on individual P3 projects. EY’s broad policy and programmatic work for FDOT, Florida’s Turnpike Enterprise (FTE) and the Florida Transportation Commission (FTC) includes:</p> <ul style="list-style-type: none"> <li>▶ General P3 financial advice to FDOT on formulation of P3 policies, finance strategies and sources of funding;</li> <li>▶ Redesign of FDOT’s multi-billion dollar financial plan and forecasting model for the State Transportation Trust Fund;</li> <li>▶ Advice to FTC on organizational approaches, resource allocation and leading practices to develop a robust FDOT P3 program;</li> <li>▶ Support to FTE and FDOT on alternatives analysis to assist FDOT’s evaluation of asset monetization for the Alligator Alley, Beachline East Expressway and Sunshine Skyway Bridge assets; and</li> <li>▶ Advice to FTE on the financial strategy for procurement of a private partner for the renovation and operation of eight travel plazas.</li> <li>▶ Interstate 75 and Palmetto Expressway Managed Lanes Projects – EY helped FDOT analyze alternative project delivery methods for this major component of a planned Southeast Florida managed lanes system.</li> </ul>
<b>Statewide Public-Private Partnership Advisory Services</b>  Ohio Department of Transportation (ODOT)	<p>Following the passing of the State of Ohio’s P3 enabling legislation, EY initially assisted ODOT in establishing the foundational elements of its P3 program, including developing the State’s formal “Public Private Initiatives Policy,” which identified the relationship between P3s and ODOT’s existing planning and finance policies, and financial guidance addressing the State’s treatment of availability payment structures, in the context of its constitutional debt limits. In order to complete the formal policy and financial guidance, EY’s Legislation/Policy/Programmatic Analysis work included:</p> <ul style="list-style-type: none"> <li>▶ Analyzing Ohio’s P3 legislation to assist ODOT’s legal advisor to determine permissible activities and types of P3 arrangements;</li> <li>▶ Analyzing the P3 legislation and policies of other states and transportation agencies and summarizing leading practices for implementation of a P3 policy in Ohio;</li> <li>▶ Assisting ODOT develop a comprehensive P3 policy that addresses identification of types and categories of potential projects and financial and technical evaluation factors; and</li> <li>▶ Developing screening criteria to determine the financial feasibility and suitability of projects for alternative project delivery.</li> </ul> <p>Following the policy development services, as part of the Statewide P3 Advisor role, EY has been assisting ODOT with financial analysis and applying project screening criteria to determine the feasibility of a range of alternative delivery models for projects within ODOT’s work program, including:</p> <ul style="list-style-type: none"> <li>▶ <b>Ironton-Russell Bridge</b> - EY assessed potential delivery options for the Ironton-Russell Bridge project. Although a DBF structure was considered, EY’s analysis helped determine that alternative delivery would not be appropriate for this project;</li> <li>▶ <b>Performance Based Operations and Maintenance</b> - EY supported ODOT’s technical advisor in analyzing potential performance based operations and maintenance contracts within the state;</li> <li>▶ <b>Rest Areas P3</b> - EY provided an accelerated analysis of ODOT’s plan to use a Design-Build-Operate-Maintain (DBOM) to lease its rest areas in order to free up state and federal gas tax revenues to be used for other transportation projects; and</li> <li>▶ <b>Columbus Crossroads</b> - EY provided feasibility analysis of ODOT’s entire capital program to consider multiple financial options for accelerating the Columbus Crossroads project (the proposed reconstruction of several bridges and urban streets in downtown Columbus, OH), including DBB, DB, DBF and availability payment DBFMO models.</li> </ul>

<p>Based, in part, on EY's analysis, ODOT has developed and delivered two innovative delivery projects:</p> <ul style="list-style-type: none"> <li>▶ <b>Cleveland Innerbelt Bridge II (CCG2)</b> - EY supported ODOT in evaluating the use of a DBF mechanism to accelerate delivery of the second Cleveland Innerbelt Bridge. Following this analysis, which resulted in a publically published report, ODOT progressed the project as its first DBF project. EY assisted ODOT with the industry forum, refining the financial and payment structure, and drafting the financial/commercial portions of the procurement documents and project contract. EY also advised on the decision to switch to a DB delivery when ODOT unexpectedly gained the opportunity to use proceeds from debt issued against Ohio Turnpike revenues during the procurement period.</li> <li>▶ <b>Portsmouth Bypass</b> - The Portsmouth Bypass is a \$500 million, 16-mile, 4-lane limited access highway bypass in southern Ohio. This is the first DBFMO project to be delivered in the State of Ohio and has been approved to receive a \$207 million TIFIA loan under the rural set-aside provisions of MAP-21.</li> </ul>	
<p><b>Financial Advisor for Non-Traditional Transportation Project Delivery</b></p> <p>Texas Department of Transportation (TxDOT)</p>	<p>EY performed programmatic advisory work with TXDOT to analyze opportunities to utilize alternative delivery for its planned/potential projects. EY serves as part of TXDOT's financial advisor pool for non-traditional procurement, assisting in:</p> <ul style="list-style-type: none"> <li>▶ Peer analysis of an availability payment-based delivery for the Grand Parkway project, where EY identified several opportunities for greater financial efficiencies; and</li> <li>▶ Due diligence analysis of the Central Texas Turnpike System's financial structure, where EY outlined options to reduce TXDOT's ongoing operations and maintenance support.</li> </ul> <p>As part of its statewide contract, EY has also assisted TxDOT in undertaking feasibility analysis and transaction support on the SH 183 project, Southern Gateway Managed Lanes and LBJ East projects.</p>
<p><b>Statewide Financial Advisor for P3s</b></p> <p>Colorado Department of Transportation (CDOT)</p>	<p>EY was engaged by CDOT in 2013 as Statewide Financial Advisor for P3s. EY has advised CDOT on a programmatic basis as well as on individual P3 projects. Because of State of Colorado constitutional limits on taxes and debt, CDOT and its High Performance Transportation Enterprise (HPTE) are very focused on using managed lanes projects to support capacity expansion across the state. EY's work for CDOT to date includes:</p> <ul style="list-style-type: none"> <li>▶ General P3 financial advice to CDOT on formulation of P3 policies and finance strategies;</li> <li>▶ Development of a statewide value for money analysis framework for managed lanes projects;</li> <li>▶ Alternatives analysis for several managed lanes project as well as the development of a high speed rail corridor from Denver into the Rocky Mountains; and</li> <li>▶ Support for CDOT in the execution of financings for two managed lanes projects to date with additional projects under consideration.</li> </ul> <p>EY's work on significant major projects for CDOT includes:</p> <ul style="list-style-type: none"> <li>▶ <b>C-470 Managed Lanes (C-470)</b> – The C-470 Managed Lanes Project will add new express lanes to the median of the existing, highly congested C-470 freeway spanning southwest Denver. EY played key advisory roles in: the strategic and value for money analysis that led to the selection of a design-build delivery method with non-recourse toll financing backed by a gross revenue pledge; industry outreach; and the assessment of project affordability and the development of the ultimate plan of finance.</li> <li>▶ <b>I-70 Mountain Express Lane (I-70)</b> – The I-70 Mountain Express Project will add a tolled peak period shoulder lane to Colorado's Twin Tunnels which experience substantial leisure-related congestion as the gateway to the Rocky Mountains from the Denver metropolitan area. EY played key advisory roles in the assessment of project financial capacity and the development of the project financial strategy.</li> <li>▶ <b>North I-25 and I-70 West Mountain Managed Lanes</b> - EY helped CDOT analyze alternative project delivery methods and financing considerations for both of these critical corridors. In both cases, EY's analysis included evaluation of a range of phasing and timing options to facilitate project delivery while preserving risk transfer, minimizing required public contributions and meeting CDOT policy goals. EY also worked closely</li> </ul>

	with the traffic and revenue and technical consultant teams to refine key inputs to facilitate CDOT planning and decision making.
<b>Strategic and Financial Planning Assistance for Alternative Contracting Methods</b>  Illinois Department of Transportation (IDOT)	<p>EY led a multi-disciplinary team of financial, legal and technical advisors under IDOT's first contract for strategic and financial planning assistance for alternative contracting methods, providing IDOT with support for its new alternative contracting program and legislative efforts, including advice regarding P3 and DB enabling legislation. EY's efforts included both legislative/policy-level and project-specific work.</p> <p>In addition to its legislative and program support work, EY also assisted with financial analysis of specific ongoing or potential projects, including the Chicago Managed Lanes, Illiana Corridor and South Suburban Airport:</p> <ul style="list-style-type: none"> <li>▶ <b>Chicago Managed Lanes P3 Feasibility analysis</b> – Performed preliminary P3 feasibility analysis for new managed lanes capacity on key commuter corridors in the Chicagoland area. P3 analysis included both toll revenue-risk concessions and availability payment structures.</li> <li>▶ <b>Illiana Corridor (Illinois Project)</b> -The Illiana Corridor is a proposed \$1.2 billion, 46-mile, limited access toll road, connecting I-55 in Illinois with I-65 in Indiana. This bi-state corridor was split into two separate projects along the state boundary, and each state was expected to deliver its portion in close collaboration with the other. Prior to being put on hold, the IL portion of the road was anticipated to be delivered under a P3 structure requiring design, build, financing, operations and maintenance.</li> <li>▶ <b>South Suburban Airport</b> – EY has supported IDOT's feasibility and options analysis of this potential greenfield airport development project. EY's work has included preparing questions to use in a Request for Information to solicit industry feedback on preliminary project structure and procurement options; developing P3 business plan options based on industry feedback and revenue forecasts; and presentations to the IL Secretary of Transportation and the Governor's office regarding the project.</li> <li>▶ <b>Elgin-O'Hare Airport Western Bypass</b> - EY helped project development and environmental (PD&amp;E) team in a fast-track analysis of the potential, \$2+ billion Elgin-O'Hare Airport West Bypass toll road.</li> </ul>
<b>WMATA Business Transformation</b>  Washington Metropolitan Area Transportation Authority (WMATA)	<p>EY was a member of the team advising WMATA with regard to an assessment of financial systems and management operations. The study covered all aspects of WMATA's operations, including capital projects, real estate, revenue and ridership, personnel, operating costs and financial systems and reporting. The study included a number of recommendations of potential opportunities for WMATA to implement changes to save costs, increase revenue and increase the efficiency of certain functions.</p>
<b>Middletown Water Concession</b>  Severn Trent Water Services	<p>EY advised Severn Trent Water Services, a publicly traded utility company, on its bid for the Middletown water and wastewater concession. The project comprised a 50-year concession agreement for the private operations and management and more than \$80 million of renewal works for the water and wastewater system in Middletown, Pennsylvania. EY assisted the bidder with the development and stress-testing of its financial model, including revenue assumptions and forecasting.</p>
<b>City of Lake Havasu Wastewater Treatment</b>	<p>The project involved the restructuring of the city's existing water and wastewater system debt. EY's analysis considered the creation or use of an existing public authority to issue new debt to defease the existing wastewater debt. In addition, the city wanted to enter into a full lease with the public authority to operate its wastewater system and potentially its water utility system.</p>



City of Lake Havasu	
<b>Empire Station Complex</b>	The Empire Station Complex Redevelopment involves the conversion of the historic James A. Farley Post Office Building in New York City into Moynihan Station which will serve as the new home of Amtrak and help address intercity and commuter rail passenger space constraints Penn Station. The redevelopment also involves the upgrading of Penn Station, a key priority of Governor Andrew Cuomo. EY assisted ESD in development of a financial plan; analysis of potential public and private delivery options; assessment of financing and value capture strategies including air rights and transit oriented development; negotiations with potential partners and stakeholders; and in the \$526m TIFIA loan financing.
Empire State Development Corporation (ESD)	
<b>Long Beach Courthouse</b>	EY was engaged by AOC to advise on the Long Beach Courthouse project, the first availability payment-based DBFMO social infrastructure project in the US, from 2010 through the award of the project in 2013. EY guided the AOC from conceptual plans through project delivery, successfully completing the only P3 courthouse development in the US to date.
California Administrative Office of the Courts (AOC)	EY provided project management and financial advisory services for this \$490 million development of a new 531,000-square-foot facility to accommodate 31 superior court rooms and supporting services of the County justice agencies, probation offices, commercial and retail space. The project was the first AOC project using "performance-based infrastructure," which leveraged the private sector's access to financing, technological expertise, management efficiency, and entrepreneurial spirit to quickly provide a high-quality facility.
<b>Southport Marine Terminal Complex Development</b>	EY acted as financial advisor to PRPA in relation to a PPP procurement to design, build, finance, operate and maintain three sites at the Southport Marine Terminal complex along the Delaware River in Philadelphia. EY assisted with: <ul style="list-style-type: none"> <li>▶ Review of Expressions of Interest and participation in interviews with respondents to explore potential development scenarios;</li> <li>▶ Development of a market analysis of potential uses for the project including container, automobile, energy and warehousing;</li> <li>▶ Structuring the procurement process and development of procurement documents for the project to accommodate multiple uses and drive competition;</li> <li>▶ Developing materials and supporting with outreach to stakeholders and potentially interested private developers; and</li> <li>▶ Development of transaction documents.</li> </ul>
Philadelphia Regional Port Authority (PRPA)	
<b>Fargo-Moorhead Area Diversion Project</b>	The \$2.2 billion Fargo-Moorhead Area Diversion Project will establish permanent flood protection measures for the flood-prone Fargo-Moorhead Metropolitan Area. The current plan includes a 20,000 cubic feet per second, 36-mile long diversion channel with 32,500 acres of upstream staging
Flood Diversion Board of Authority	EY assisted the Board with analysis of alternative delivery options and the feasibility of a potential P3 delivery model, and is now supporting on the procurement/ transaction phase, among other matters.
<b>Goethals Bridge Replacement Project and Staten Island Bridges</b>	EY's engagement by PANYNJ began as part of a team to analyze innovative finance and procurement methods to replace three bridges connecting Staten Island and New Jersey – the Outerbridge Crossing, Bayonne and Goethals Bridges, with the Goethals Bridge alone generating \$100 million per year in toll revenues (it is one of the heaviest utilized bridges in the US by large trucks). EY's scope covered all bridges (unsolicited schemes had been proposed by P3 advocates to privatize the three facilities as a multi-billion package) and analyzed options against: consistency with the PANYNJ's bond covenants; impact on debt capacity; status of environmental studies and preliminary engineering; traffic and revenue; risk allocation and value-for-money; prevailing capital and P3 markets conditions; the need to control toll policy to balance network loads throughout the region; the relative urgency for structural repairs; and institutional/political considerations, among others.
Port Authority of New York &	

<p>New Jersey (PANYNJ)</p> <p>Awarded Best Road / Bridge / Tunnel Project and Projects Grand Prix (i.e., best overall project) by <i>P3 Bulletin</i> in 2014.</p>	<p>EY, together with PANYNJ's technical advisors, recommended separating the three bridges and prioritizing the replacement of the Goethals Bridge. In addition, EY identified a modified availability payment structure custom designed for PANYNJ to adhere to strict covenants imposed by more than \$18 billion of outstanding bonds and tap into its subordinated credit to fund the capital costs over 30+ years.</p> <p>The Goethals Bridge Replacement Project is a \$1.1 billion project to replace the 85-year-old Goethals Bridge, which connects New Jersey and Staten Island, NY. PANYNJ awarded the project to NYNJ Link under a 35-year Project Agreement to design, construct, finance and maintain a new 1.4 mile, 6 lane cable-stayed Bridge and to demolish the old bridge. NYNJ Link is owned by Macquarie Infrastructure Real Assets (90%) and Kiewit Development Company (10%). NYNJ Link's price proposal offered a 10% savings from PANYNJ's cost estimate.</p> <p>This groundbreaking project was PANYNJ's first DBFM P3 project and the first surface transportation project built as a true P3 in the Northeast Region. It was named Best Road/Bridge/Tunnel Project and Projects Grand Prix (i.e., best overall project) by <i>P3 Bulletin</i> in 2014.</p>
<p><b>Portsmouth Bypass</b></p> <p>Ohio Department of Transportation (ODOT)</p>	<p>EY advised ODOT on the financial structuring and procurement of the Portsmouth Bypass, a \$500 million 16-mile four-lane, limited-access highway bypass in Southern Ohio. The project is the first DBFOM project in Ohio, under the State's P3 legislation, and received a TIFIA loan under the rural set-aside provisions of MAP-21.</p> <p>EY served as financial advisor to ODOT, assisting in:</p> <ul style="list-style-type: none"> <li>▶ Development and analysis of project delivery scenarios, including PPP options, and potential scope enhancements, including additional maintenance responsibility for selected US and State routes in the County.</li> <li>▶ Preparation of a successful LOI for a rural TIFIA loan and a \$600 million PABs application.</li> <li>▶ Development of the Request for Qualifications / Request for Proposals documents and support in procurement, including analysis of Statements of Qualification.</li> </ul>
<p><b>Port of Miami Tunnel</b></p> <p>Florida Department of Transportation (FDOT)</p>	<p>The \$900M project was designed to provide dedicated truck access to/from the Port of Miami through 42-ft diameter twin tunnels bored under the Miami cruise ship channel. The project was the first US availability payment PPP awarded and achieved financial close in 2009 at a price almost 40% below FDOT estimates.</p> <p>EY assisted FDOT in:</p> <ul style="list-style-type: none"> <li>▶ Taking POMT from pre-development through construction, playing key advisory roles in the strategic analysis that led to the DBFOM delivery method;</li> <li>▶ Value for money analysis;</li> <li>▶ Industry outreach;</li> <li>▶ RFQ/RFP development and evaluation;</li> <li>▶ Federalizing the project post-award to qualify for a TIFIA loan;</li> <li>▶ Negotiating/closing the project terms after bid expiry.</li> </ul> <p>The project successfully began service in August 2014.</p>
<p><b>I-595 Express Lanes and Corridor Improvements Project</b></p> <p>Florida Department of Transportation (FDOT)</p>	<p>I-595 consists of \$1.65 billion of capacity enhancements, reversible managed lanes, and 35 years of operations and maintenance work for all associated improvements in Broward County. The total length of the project is approximately 10.5 miles. The project, which was the first availability payment-based P3 transportation project closed in the US, reached financial close in the middle of the financial crisis at \$200 million below estimates in Net Present Value terms.</p> <p>EY served as financial advisor to FDOT, assisting in:</p> <ul style="list-style-type: none"> <li>▶ Development of the financial plan for the project, which includes: \$2 billion in Private Activity Bonds which EY helped to secure, and a \$603 million TIFIA loan, which EY helped to secure through establishing a successful SEP-15 process;</li> <li>▶ Analysis of potential delivery options, resulting in a preliminary Value for Money report; and</li> <li>▶ Various aspects of the two stage Request for Qualifications-Request for Proposals procurement for the project to be delivered as an availability payment-based P3.</li> </ul>

<b>Miami Intermodal Center (MIC)</b>	<p>The MIC is the largest intermodal complex in the US. The finance plan incorporated \$533 million of TIFIA loans and more than a dozen separate local, state and federal funding sources, including: tolls, gasoline taxes, real estate development, rental car customer charges, State Infrastructure Bank financing, and grant contributions by stakeholder agencies.</p>
<p>Florida Department of Transportation (FDOT)</p>	<p>EY serves as financial advisor for FDOT, assisting in:</p> <ul style="list-style-type: none"> <li>▶ Financial planning for the project since environmental studies began in 1993;</li> <li>▶ Assistance in devising, structuring, and closing the first investment grade ultimate recovery (cash sweep) credit structure in the U.S. transport market as part of the TIFIA package.</li> </ul> <p>With the completion of major road improvements, the 2010 opening of the 6550-car consolidated rental car facility (RCF), the 2011 opening of the people mover between the airport terminal and the MIC, the 2012 completion of the Metrorail extension to the MIC, and the 2015 substantial completion of the MIC Central Station, the \$2.0 billion MIC is now approaching full build-out.</p>
<b>University of California Merced 2020 Project</b>	<p>EY acted as financial advisor to the UC Regents in respect of the University of California Merced 2020 P3 Project. The project was for an ambitious ~\$1 billion Design-Build-Finance-Operate-Maintain (DBFOM) contract that will support a 50% increase in the student population by 2020. The project is expected to be a mixed-use, master-planned development, constructed on a university-owned site.</p>
<p>Regents of the University of California (California)</p>	<p>EY's work included:</p> <ul style="list-style-type: none"> <li>▶ Assisting in financial plan development;</li> <li>▶ Providing analysis of potential private delivery options;</li> <li>▶ Advising on the development of RFP documentation; and</li> <li>▶ Supporting negotiations with potential partners and stakeholders.</li> </ul>
<b>Municipal Public-Private Partnership Program (MPPP)</b>	<p>EY has recently been selected to provide specialty municipal financial services to the City of Denver. The City is planning a municipal public-private partnerships program to revitalize the cultural center of the city with projects to include arts venues, theatres, arenas, hotels, and other cultural facility projects of the City. EY will be supporting the City with:</p>
<p>City of Denver</p>	<ul style="list-style-type: none"> <li>▶ Advising the City on developing financing goals and objectives as part of citywide MPPP policy</li> <li>▶ Developing financial parameters and screening criteria for citywide MPPP program</li> <li>▶ Assisting with the initial vetting and screening of potential MPPP project candidates</li> <li>▶ Assessing project delivery methods</li> <li>▶ Developing and conducting post-closing monitoring and reporting</li> <li>▶ Assisting with non-traditional financing transactions for assigned City Projects</li> </ul>
<b>PPP Canada P3 Fund</b>	<p>Financial and commercial advisor to PPP Canada since its inception on a number of mandates supporting formation as a Crown corporation and management of the \$1.2 billion fund (P3 fund) on an ongoing basis.</p>
<p>PPP Canada</p>	<p>Scope of EY's services include:</p> <ul style="list-style-type: none"> <li>▶ Initially advised on implementing the P3 Fund in Canada. EY assisted with development of the key operational elements of the P3 Fund in the start-up phase, with particular recommendations on market size, position and focus; preferred investment instruments; intake and evaluation of investment opportunities; and portfolio management;</li> <li>▶ Drafting procurement documents, including the P3 guide, business case template, intake processes and initial and comprehensive evaluation processes;</li> <li>▶ Advised PPP Canada on the development of the "PPP Federal Framework" document intended to provide procurement authorities with an overview in federal Department and Agencies seeking guidance on the implementation and execution of a public-private partnership (P3) procurement which adheres to Treasury Board Secretariat (TBS) policies, frameworks, and guidelines and follows Canadian P3 best practices;</li> <li>▶ Providing input to high level screening and bid evaluation considerations;</li> </ul>

	<ul style="list-style-type: none"> <li>▶ Assisting with the development of policy issues, best practices, lessons learned, guidance documents and analytical tools;</li> <li>▶ Giving strategic advice related to advancement of PPP Canada's mandate; and</li> <li>▶ Providing independent financial and commercial advice and support (e.g., review of draft request for proposal and contractual documents) for specific projects including Athabasca Roads, Sierra Yoyo Desan, Chief Peguis Trail Extension, and the Maritime Radio Communications System to allow management to complete its required level of due diligence.</li> </ul>
<b>Missouri Statewide P3 Financial Advisory Services</b>  State of Missouri – Division of Facilities Services	<p>EY has been engaged by the Division of Facilities Management for the State of Missouri to provide P3 financial advisory services to the State as it starts to develop a comprehensive P3 program. The State is seeking to bring forward P3 legislation and to develop guidance for screening potential projects to be included in its program.</p> <p>EY is assisting the State with the following:</p> <ul style="list-style-type: none"> <li>▶ Research and advisory services to assist in the development of policies, regulations, and processes for the procurement of P3 projects</li> <li>▶ Developing materials for state staff to educate and inform members of the Executive and Legislative branches on the potential P3 opportunities.</li> <li>▶ Developing screening and other processes to identify transactions with the highest potential value for money</li> <li>▶ Assisting in the selection of one or more specific projects to be developed under the P3 model.</li> <li>▶ Providing detailed analysis and advice on the structuring and execution of selected projects.</li> <li>▶ Recommending the appropriate timing and schedule for receiving the data in light of the planned procurement for the P3 project</li> <li>▶ Supporting the development and execution of P3 procurement documents including Requests for Information, Requests for Qualifications and Requests for Proposals</li> </ul>
<b>Los Angeles Civic Center Master Plan</b>  City of Los Angeles	<p>EY is currently advising the City of Los Angeles on financial planning and P3 analysis for a master plan for City-owned facilities in the center of civic government in Downtown Los Angeles, the largest concentration of government offices outside of Washington, DC.</p> <p>The City currently owns or leases up to 2 million square feet of space in and around the Downtown area – the EY analysis aims to rationalize the amount of building space needed and considers financing and delivery options, including potential design-build-finance-operate-maintain (DBFOM) options.</p> <p>Tasks include quantification of potential cost savings enjoyed by the City through space consolidation, a real estate market and feasibility analysis to determine the scale and type of potential private development to be included in the master plan, and development of a financial model to assist in understanding timing of cash flows and sizing of annual availability payments required of the City. The initial master plan phase would potentially include procuring a private partner to develop and operate a new 750 thousand square foot civic office building to centralize currently disparate offices for the City</p>
<b>Jacob K. Javits Convention Center Expansion Project</b>  Empire State Development, NY	<p>EY advised New York State's ESD on the delivery of a \$1bn+ Design-Build project to expand the Javits Convention Center in New York City, the busiest convention center in United States. The project will create an additional 500,000sf of exhibition space, a four-level truck marshaling facility, state-of-the art meeting and ballroom space as well as back of house and administration areas.</p> <p>EY provided procurement advisory and support services, which includes advising on the procurement and evaluation process. EY advised on the development of the evaluation manual; preparation of evaluation training materials preparation and delivery of training; assisting in the review of proposals; supporting evaluation committees and advising on procurement integrity and document management efforts.</p>
<b>Hunter's Point and Candlestick Park redevelopment</b>	<p>OCII, in partnership with private developer Lennar Urban, is overseeing the redevelopment of the Candlestick Park/Hunters Point Shipyard area of San Francisco into a mixed use development with over 300 acres of public park and open space, over 8,500 housing units, 700,000 square feet of retail and over 2 million square feet of commercial and industrial use space. The \$2 billion project will require over \$1B of infrastructure investment. OCII and Lennar entered into a Disposition and Development Agreement in 2008 for the transfer of property to Lennar for the project; the project's build out is planned to continue through 2026.</p>

City of San Francisco Office of Community Investment and Infrastructure (OCII) and Lennar Urban	EY is providing advice to OCII regarding the potential for a federal TIFIA loan for the transportation improvements included in the project. The project is being built over multiple phases; some phases are in development and some have started construction.
<b>Multnomah Courthouse</b>  Multnomah County, OR	EY provided financial advisory services to the County for its development of a new, \$200m+ central courthouse building in Portland, Oregon. EY assisted with the development of the project funding strategy and financing options and advised on DBFOM and DB options. In addition, EY helped to develop the County's approach to assessing project risk and the value for money of different options and the project as part of a multi-disciplinary team.
<b>Ministry of Government Services New Data Center</b>  Infrastructure Ontario, Canada	The Ministry of Government Services procured the New Data centre under a P3 procurement delivery model. A \$352 million, state-of-the-art information technology facility that will enable the Province's technological resources to become more efficient and reliable, while upgrading and modernizing e-Government solutions for Ontarians. This data centre has been successfully operational for a number of years, is LEED Gold certified and is the first such facility in the world to receive Uptime Institute's Tier 4 certification for operational sustainability.
<b>Real Estate/ Financial Advisor – Strategic Land Use</b>  Arizona State University (ASU)	<p>EY served as financial real estate advisors to ASU on all of their non-academic real estate transactions for six years and continues to serve on an on-call basis for individual projects.</p> <p>Over the years, EY evaluated and sold excess real estate holdings; assisted with negotiation of land leases; participated in RPF/RFQ development, scoring and selection including student housing; helped with real estate purchases; completed market and cash flow analyses, structured GPLET in-lieu deal points and evaluated redevelopment opportunities on their four Phoenix-area campuses.</p> <p>EY assisted in the negotiation and acquisition of ASU's Downtown Phoenix Campus, Downtown Tempe Campus and their Nano-Technology Campus in South Tempe. EY also assisted in the negotiation of land leases and P3 structures on complex mixed-use urban projects with Peabody Hotels, Benton Robb, Camden, Suncor, and DR Horton and identified commercial development opportunities on campuses.</p> <p>Moreover, EY has participated in several developer selection processes for a mixed-use project, University Center, and student housing developments. EY analyzed the feasibility of two conference center hotels as part of our analysis. Many P3 projects were negotiated and developed as several real estate market transactions were executed over the engagement timeline. EY continues to serve the university on an on-call basis.</p>
<b>Georgia Multimodal Passenger Terminal</b>  Georgia Department of Transportation (GDOT)	<p>The Georgia Multimodal Passenger Terminal is a \$1.6 billion transit center and redevelopment project that will connect existing MARTA rail and bus systems, regional express buses, intercity buses, and new passenger rail investments, and will ultimately be part of one of the largest transit-oriented developments in the U.S. The project is located inside a 120-acre study area in the center of Downtown Atlanta.</p> <p>EY serves as procurement, financial, and project management advisor to GDOT, and has assisted with:</p> <ul style="list-style-type: none"> <li>▶ Procurement of a Master Developer (MD) through its PPP program to oversee the design, planning, and implementation of the MMPT. The MD has created a plan to leverage revenues from future retail, commercial, and residential projects to help defray the capital and operating costs of the MMPT.</li> <li>▶ Negotiation and implementation strategies, and development of a funding concept to support pre-development activities</li> <li>▶ Strategic project management and interface with the MD. A Master Development Agreement was signed in October 2011 with a team of Forest City Enterprises, The Integral Group, and Cousins Properties.</li> </ul>

	<p>The MD has delivered to GDOT all contracted work and the environmental review process continues; a Finding of No Significant Impact (FONSI) is anticipated in 2016 for an initial phase of the project.</p>
<p><b>Occupancy Cost Reduction and Portfolio Rationalization</b></p> <p>Texas Department of Transportation (TxDOT)</p>	<p>EY was engaged by the Texas Department of Transportation to perform an initial review of the real estate portfolio and facilities organization. This assessment consisted of two components:</p> <p>Portfolio Rationalization: A review of the real estate footprint with the goal of developing opportunities to release capital and reduce cost.</p> <p>Occupancy Cost Reduction: An analysis of the real estate organization with the goal of optimizing efficiencies and further reducing future operating costs.</p> <p>By bringing TxDOT more in line with modern thinking TxDOT could release up to \$139 million of recurring and one time savings over the next ten years (NPV) plus obtain approximately \$34 million in productivity gains over that same time period.</p>
<p><b>Treasure Island Site Redevelopment (P3)</b></p> <p>US General Services Administration (GSA)</p>	<p>EY was engaged by the GSA to analyze alternative uses for the formal naval base of Treasure Island, off the coast of San Francisco. As one of the largest redevelopment efforts in the country, EY's role included working closely with GSA and the city of San Francisco personnel to clarify the long term development objectives for Treasure Island, analyzing alternative development scenarios and financial feasibility that were consistent with the stated objectives, and assigning a value to the site given its highest and best use. Scenarios were tested and presented to the Navy, GSA, and Treasure Island Redevelopment Authority.</p> <p>EY concluded the highest and best use of the 600 acre island as a self-sustained community, with up to 8,000 residential units, 240,000 sqft. of commercial and office space, 300 acres of parks and public open space, multiple hotels and resorts, renovation and revitalization of historic assets, a fully functioning marina, and direct transportation to the city of San Francisco itself via a new ferry terminal. EY proved to be a critical component of the redevelopment efforts, allowing parties to move forward with an agreed upon plan and to gain a better understanding of the market value of the island.</p>
<p><b>Governor's Island redevelopment</b></p> <p>New York City Economic Development Corporation</p>	<p>EY was engaged by the New York City Economic Development Corporation to develop reuse alternatives for Governor's Island, previously used for military operation of the U.S. Coast Guard. The island carried significant operating costs to maintain numerous historic buildings, a two-mile sea wall, and continuous ferry service. EY created various scenarios to develop a hotel and conference center, inn and spa, historical theme park, and educational uses including a major presence by one of the country's leading universities. Scenarios were tested for market and financial feasibility and presented to the City of New York to help determine a reuse for this historic asset that could be enjoyed by the public while posing a minimal financial burden on the City's fiscal budget.</p>
<p><b>Parking Concession Analysis</b></p> <p>Washington Metropolitan Area Transportation Authority (WMATA)</p>	<p>The Washington Metropolitan Transit Authority (WMATA) owns and operates over 60,000 parking spaces – among the largest parking systems in the country. EY was engaged by WMATA to conduct a performance assessment of its operations, including capital projects and real estate and to identify opportunities, among which EY identified significant parking-related concession and other transaction opportunities, which WMATA has now announced publically as under consideration. EY's current work includes an analysis and valuation of its parking facilities, evaluation of potential transaction structures and the development of a road-map to implement. Implementation support may follow.</p>



## EY | Assurance | Tax | Transactions | Advisory

### About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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ED None

# Proposal for Strategic Initiatives Financial Advisory Services

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## City of Jacksonville, Florida



January 16, 2018

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January 16, 2018

Mike Weinstein  
Director of Finance Department  
City of Jacksonville Department of Finance  
117 West Duval Street, Suite 375  
Jacksonville, FL 32202

Dear Mr. Weinstein,

Goldman Sachs & Co. LLC (“Goldman Sachs”) is pleased to submit our response to the City of Jacksonville, Florida’s (the “City”) Request for Proposals for Strategic Initiatives Financial Advisory Services. The type of assignments contemplated in this RFP is a core part of Goldman Sachs’ public finance business. Leveraging financing structures used in other parts of the world, Goldman Sachs led the introduction of public-private partnerships to the US market in government advisory roles for the Chicago Skyway and Indiana Toll Road in the mid-2000s. Since then, Goldman Sachs has worked on dozens of assignments, including new and existing projects across asset classes and across the country, as buy-side advisor, sell-side advisor, underwriter, and investor. In particular, advising governments on these strategic initiatives is at the heart of our investment banking business, within which our public finance group sits, where we are the perennial leader in sell-side M&A across the globe.

Select Rankings	Select Projects			
#1 Sell-side M&A since 2010 #1 Power & Utility M&A since 2010 #1 Water Utility M&A since 1998 #1 Public Power Underwriter since 1990 #2 Port Underwriter 2000-Present 140+ Water & Sewer Deals since 2000* 120+ Airport Deals since 2000*	 2010 <b>\$2.6bn</b> Denver RTD Eagle Financial Advisor	 2013 / 2012 <b>\$2.7bn / \$2.2bn</b> LBJ/NTE Advisor	 2012 <b>\$146m</b> Water System Acquisition Financing	 2016 <b>\$2.9bn</b> Advisor for Chicago Skyway Sale
	 2016 Sell-side Advisor for Asset Sale	 Ongoing <b>TBD</b> Sole Sell-side Advisor Terminal Project	 2009 <b>\$389m</b> Sole Arranger for I-4 Project	 2012 <b>\$615m</b> Bid Team Advisor San Juan Airport

Source: Deal Point Data, D-Logic, Thomson SDC, Press Releases, Company Filings

\*Senior Managed deals only

Combined with our extensive experience with the City and within the State, we believe Goldman Sachs is well suited to serve the City as a Strategic Initiatives Advisor. Some highlights of our credentials are listed below.

- **Track Record of Successful Projects for Municipal Clients:** The Goldman Sachs team brings a deep understanding of the P3 processes and a record of successful execution. Select P3 transactions in which we have served as financial advisor, structuring agent or underwriter

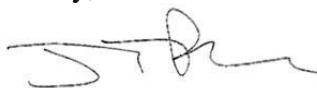
include JetBlue JFK T6 / T7 (ongoing), RTD Eagle P3 Project, LBJ Express, Seagirt Marine Terminal, North Tarrant Express, SH130, I-4 Connector, I-77 HOT Lanes, Capital Beltway, Indiana Toll Road, and Chicago Skyway. Notably this experience includes some of the few successfully closed asset monetization transactions for municipal clients.

■ **Global Leader in Sell-Side Transactions:** In addition to our specific US public finance expertise, our industry leading sell-side franchise provides the breadth and experience to source a broad range of interested investors to increase competitive tension and deliver value to the City. This expertise exists across a broad range of asset classes, including airports, toll roads, utilities, power, water and wastewater, renewables and real-estate projects across the globe. PSI is located within Goldman Sachs' Investment Banking Division, providing seamless access and integration between the expertise working with municipal clients in PSI and the industry leading sell-side and M&A practice in Investment Banking.

■ **Commitment to the City of Jacksonville and the State of Florida:** We consider the City, along with its agencies, among our most important public sector clients. We are proud to have served as senior manager on 10 financings totaling \$2.3bn since 2010 for the City and its agencies. We have also invested heavily in the State, with over \$12.8 billion of senior managed experience since 2010 including innovative transactions such as summer league stadiums in Lakeland and West Palm Beach, serving as structuring agent and lead arranger on the Orlando City SC stadium, senior manager on the \$693 million Miami-Dade County Aviation Revenue Refunding Bonds (AMT & Taxable), advisor and lead arranger to the Orlando Magic on its arena financing, senior manager on the City of Orlando's Magic arena financing, and senior manager on \$139 taxable and tax-exempt bonds for the new stadium for Tampa Bay Lightning. Furthermore, Goldman Sachs maintains two offices and over 110 employees in the State of Florida.

We believe this proposal highlights our qualifications and thorough approach, which are important indicators of how well positioned we are to serve the City. Please do not hesitate to contact Justin Goldstein at (917-343-1802) or Chris Elmore at (212-357-2991) should you have any questions.

Sincerely,



Tim Romer  
Managing Director, Jacksonville Team  
Oversight



Justin Goldstein  
Vice President, Jacksonville Team  
Leader



Chris Elmore  
Vice President, Jacksonville Strategic  
Initiatives Team Leader

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Any information and/or analysis contemplated by this material is provided by Goldman Sachs & Co. LLC (“Goldman Sachs”) in our capacity as a potential financial advisor to the City of Jacksonville, Florida (the “City”) in connection with the Request for Proposals for Strategic Initiatives Financial Advisory Services. Goldman Sachs’ response to this RFP is being provided pursuant to the exemption from the definition of municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934 (the “Act”)) for responses to requests for proposals or qualifications. Goldman Sachs’ response to this RFP is premised on the assumptions that (i) the City does not anticipate issuing securities (whether through the City, another governmental entity or a conduit issuer) with respect to the financing of any transaction contemplated by this RFP and (ii) the City has engaged, and will rely on an independent registered municipal advisor, in connection with any municipal financial products and the issuance of any municipal securities with respect to the financing of any transaction contemplated by this RFP. Note that the Goldman Sachs is not seeking to be, and would not be engaged as, a municipal advisor (as defined in Section 15B of the Act) in connection with the matters contemplated by this RFP and will rely on the exemption set forth in Section 15Ba1-1(d)(3)(vi) of the Act. See our disclosures below and Appendix B for other activities that Goldman Sachs may be engaged in during the course of this assignment.

As you know, Goldman Sachs is a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment banking, commercial banking and financial advisory services, investment management, principal investment, financial planning, benefits counseling, risk management, hedging, financing, brokerage activities and other financial and non-financial activities and services for various persons and entities. In the ordinary course of these activities and services, Goldman Sachs and its affiliates may at any time make or hold long or short positions and investments, as well as actively trade or effect transactions, in equity, debt and other securities (or related derivative securities) and financial instruments (including bank loans and other obligations) for their own account and for the accounts of their customers. Such investment and securities activities may involve securities and instruments of the City, as well as of other entities and persons and their affiliates which may (i) be involved in transactions arising from or relating to the engagement contemplated by this letter, (ii) be customers or competitors of the City, or (iii) have other relationships with the City. In addition, Goldman Sachs and its affiliates may provide investment banking, commercial banking, underwriting and financial advisory services to such other entities and persons. Goldman Sachs and its affiliates may also co-invest with, make direct investments in, and invest or co-invest client monies in or with funds or other investment vehicles managed by other parties, and such funds or other investment vehicles may trade or make investments in securities of the City or such other entities. The engagement contemplated by this letter may have a direct or indirect impact on the investments, securities or instruments referred to in this paragraph. Although Goldman Sachs in the course of such other activities and relationships may acquire information about the transaction contemplated by this letter or other entities and persons which may be the subject of the engagement contemplated by this letter, Goldman Sachs shall have no obligation to disclose such information, or the fact that Goldman Sachs is in possession of such information, to the City or to use such information on the City’s behalf.

Goldman Sachs does not provide accounting, tax, regulatory or legal advice.

Nothing in Goldman Sachs's response to this RFP is an expressed nor an implied commitment by Goldman Sachs to act in any capacity contemplated by this RFP or our response thereto. Any such commitment to perform the services contemplated in our response to this RFP shall only be set forth in a separate agreement.

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## A2. Strategic Initiative Financial Advisory Team

Provide the names and backgrounds of the individuals who will be assigned to this engagement on a full-time basis. If your firm has more than one office, identify the office from which each designated individual will be operating. Clearly indicate each individual's responsibilities during the engagement and highlight the day-to-day contact person as well as the individual who will attend official meetings of the City, if requested.

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The Goldman Sachs' Team brings a wealth of experience in the public-private partnership, concession, public sector, and project finance space, drawing knowledge and insight from some of the largest, most complex M&A transactions and financings to date.

The Goldman Sachs professionals assigned to the City bring tremendous regional, sector and product experience. Our team will be overseen **Timothy Romer**, *Managing Director* and head of our public-private partnership business in the US. Tim will be a core member of our Jacksonville team on any strategic initiatives assignment, including day-to-day involvement and ensuring the full resources of the firm are brought into the assignment as needed.

**Justin Goldstein**, *Vice President*, leads our southeastern coverage and heads our Jacksonville team will continue to be the City's day-to-day team lead for Goldman Sachs. **Chris Elmore**, *Vice President*, is a senior member of our transportation and public private partnership team and will join the team on a day-to-day basis for any strategic assignment. **Sameera Gadiyaram**, *Associate*, and **John Finn**, *Analyst*, will provide day-to-day analytical and execution support.

This core team will be supported by **Greg Carey**, *Managing Director Chairman of Public Sector & Infrastructure Banking & Co-Head of US P3*, providing leadership and oversight and will ensure the full resources of the firm are available to the City and oversee future deal execution in addition to help drive investor discussions. Additionally, **Brian Bolster**, *Managing Director and Global Co-Head of Infrastructure* and **Joel Mossberg**, *Vice President* will provide additional leadership for global M&A experience and connectivity to investors globally.

For each specific asset class, the transaction team will be built-out to include sector expertise for a specific asset from both the PSI team (with municipal client expertise) and corporate Investment Banking (with additional M&A expertise and deep connectivity with the universe of potential investors). For example, if the City were to explore a lease or sale of Jacksonville International Airport ("JAX") or JAXPORT, the team would be supplemented by **Paul Bloom**, *Vice President, head of US Port and Airport*

*Financing* and **Kyle Vinson**, *Vice President* from the PSI team who have deep experience in both financing and strategic transactions for airports and ports. Additionally, **Ed Wittig**, *Managing Director, Airline Coverage* would join the team and assist with understanding key value drivers that may impact carrier tenants (since under the Airport Privatization Pilot Program, 65% of the operating carriers would need to approve any lease and sale of JAX). For the exploration of any Water assets, **Andrew Prindle**, *Vice President* and **Chris Higgins**, *Vice President* in PSI would join the team along with **Peter Ying**, *Managing Director* of the Water coverage team within the Natural Resources group. If any Power assets were to be considered for sale, **Jill Toporek**, *Managing Director* and **Yamini Kalidindi**, *Vice President* from PSI would assist along with **Alan Liu**, *Managing Director* of the Power coverage team within the Natural Resources group. Finally, for the potential sale of any real estate assets **Marvin Markus**, *Managing Director* and **Ben Herbst**, *Vice President* from PSI would assist along with **Andy Jonas**, *Managing Director* of the Real Estate Group.

In addition to the core execution teams, the City will have seamless access to financing experts across markets that may be utilized by potential investors. **Ed Droesch**, *Managing Director and Head of the Municipal Syndicate* and **Bervan Yeh**, *Managing Director* will manage and advise on the marketing, structuring and pricing of any tax-exempt/taxable municipal debt. **Eric Meyers**, *Managing Director, Private Placement Origination and Syndication* would advise on any taxable USPP / 144A transactions, and **JP Boudrias**, *Managing Director, Structured Finance* would advise on any project finance/ bank loan financing. This expertise will help develop transaction structures that will provide investors access to debt capital, ultimately increasing proceeds to the City.

The City will also be supported by **Arthur Miller**, *Managing Director*, providing tax and regulatory expertise, and **Michael Borys**, *Vice President*, providing quantitative expertise. **Stacy Lingamfelter**, *Vice President*, will focus on credit advisory.

Full resumes and contact information can be found in Appendix A. "City of Jacksonville Team Resumes".



## Experienced, Coordinated Team Focused on Delivering Results for the City



### Goldman Sachs & Co. LLC City of Jacksonville Advisory Team

#### Core Jacksonville Execution Team

**Tim Romer**  
Team Oversight  
Managing Director  
Los Angeles

**Justin Goldstein**  
Jacksonville Day-to-Day Lead  
Vice President  
New York

**Chris Elmore**  
Strategic Transaction Day-to-Day Lead  
Vice President  
New York

**Sameera Gadiyaram**  
Day-to-Day Transaction Support  
Associate  
New York

**John Finn**  
Day-to-Day Transaction Support  
Analyst  
New York

#### Functional Area / Asset Class

Public Sector & Infrastructure	P3 Leadership	Airports & Ports	Water	Power	Real Estate
	<b>Greg Carey</b> Managing Director New York	<b>Paul Bloom</b> Vice President Seattle <b>Kyle Vinson</b> Vice President San Francisco	<b>Andrew Prindle</b> Vice President Los Angeles <b>Chris Higgins</b> Vice President Los Angeles	<b>Jill Toporek</b> Managing Director New York <b>Yamini Kalidindi</b> Vice President New York	<b>Marvin Markus</b> Managing Director New York <b>Ben Herbst</b> Vice President New York
Investment Banking Coverage & Execution	Global Infrastructure	Airlines	Water	Power	Real Estate
	<b>Brian Bolster</b> Managing Director New York <b>Joel Mossberg</b> Vice President New York	<b>Ed Witting</b> Managing Director New York	<b>Peter Ying</b> Managing Director New York	<b>Alan Liu</b> Vice President New York	<b>Andy Jonas</b> Managing Director New York
Financing Experience	<b>Ed Droesch</b> Managing Director New York <b>Bervan Yeh</b> Managing Director New York	<b>JP Boudrias</b> Managing Director New York <b>Eric Meyers</b> Managing Director New York	<b>Arthur Miller</b> Managing Director New York <b>Michael Borys</b> Vice President New York <b>Stacy Lingamfelter</b> Vice President New York		
			<b>Structuring / Credit</b>		

## A3. Investigations

Summarize any litigation, regulatory action or legal investigation involving your firm or its principals, filed or pending within the last three (3) years. Include a description of any filed or pending matters that have been resolved and the details of such resolution. Please discuss the impact this litigation would have on your ability to serve as an Advisor to the City. If the response requires an extensive list, include a summary table and reference an exhibit.

Please see Appendix C “Investigations” for more detail regarding litigation.

## A4. Fee Approach

Discuss your firm's approach to fees charged for financial advisory services contemplated by this RFP. Understanding that fee level and structure are largely transaction specific, include fee indications for a range of transaction options. The City reserves the right to negotiate any fees, expenses, or terms prior to the commencement of any transaction.

Goldman Sachs is pleased to provide our firm's approach to fees charged for financial advisory services as contemplated by this RFP. As stated earlier, the Goldman Sachs PSI Group is uniquely able to combine more traditional sell-side M&A P3 Advisory with our robust public sector expertise to deliver a comprehensive solution to achieve the City's strategic initiatives. We also can successfully execute across a wide range of financing outcomes with proven relevant prior experience.

We propose that our fees cover two different types of services and outcomes - a "M&A and P3 Viability Studies" and "Transactional Success Fee Structure".

"M&A and P3 Viability Studies" contemplates an assignment whereby the City would like to evaluate a variety of assets and projects for potential transaction feasibility. This would consist of market analysis, strategic review of potential monetization or private development of City assets or project, value for money analysis, and identifying which, if any, assets or projects may be attractive to proceed to an auction / sale / lease or concession process. We will work closely with the City and the City's advisor, PFM, during this time in order to efficiently evaluate the viable strategic opportunities available to the City. Given the exploratory work of "M&A and P3 Viability Studies", and since no specific transactions would be known at the outset, we would charge a

retainer fee of \$20,000-75,000 per month (depending on scope and complexity of the requested analysis) for an agreed upon period of time with cancellation rights. The outcome of this process may or may not result in an actual transaction. If the City elects to move forward with a specific transaction as a result of the study, Goldman Sachs would be offered a right of first refusal to provide the needed advisory services to run the transaction process at which time the below "Transactional Success Fee Structure" would apply.

In some situations, there may be no need for a Feasibility Study or the City may elect to go directly to execute a transactions. If the City has identified a specific project or asset it would like to move forward with a potential M&A sale or P3 auction/RFP process, we would propose a "Transactional Success Fee Structure" approach, under which we would charge a success driven fee payable only upon the success financial close of the selected process. The amount of the Success Fee would depend on the level of complexity as well as the size of the enterprise value of the transaction. As with all of Goldman Sachs' sell-side advisory work, the success fee approach encourages incentive alignment towards the successful completion of the proposed transaction – where our fee is directly tied to your success – and that our fee is tied to delivering higher value to the City.

M&A and P3 Viability Studies		
Proposed Fee		Scope
<ul style="list-style-type: none"><li>■ Monthly retainer of \$20,000 -75,000 per month depending on complexity and time</li></ul>		<ul style="list-style-type: none"><li>■ Evaluate strategic opportunities available to the City</li><li>■ In place until start of Phase II</li></ul>
Transactional Success Fee Structure		
Enterprise Value	Proposed Fee	Scope
<ul style="list-style-type: none"><li>■ \$0-500mm</li></ul>	<ul style="list-style-type: none"><li>■ 1.25 - 1.50% of Enterprise or P3 Value, \$3mm floor</li></ul>	<ul style="list-style-type: none"><li>■ Initiated upon the City’s selection of transaction to pursue</li><li>■ Success Fee only applies when City’s asset is sold</li></ul>
<ul style="list-style-type: none"><li>■ \$501 -1,000mm</li></ul>	<ul style="list-style-type: none"><li>■ 1.00 - 1.25% of Enterprise or P3 Value</li></ul>	
<ul style="list-style-type: none"><li>■ \$1,001-3,000mm</li></ul>	<ul style="list-style-type: none"><li>■ 0.85 - 1.00% of Enterprise or P3 Value</li></ul>	
<ul style="list-style-type: none"><li>■ \$3,001+mm</li></ul>	<ul style="list-style-type: none"><li>■ 0.63 - 0.85% of Enterprise or P3 Value</li></ul>	

Note: Actual fee will depend on asset type, type of sale, complexity of sale process, etc.

## B1. Firm Experience

Briefly discuss your firm's experience in providing Financial and/or Investment Banking Advisory Services for local governments on complex financial transactions which are similar (but not limited) to public private partnerships or the lease, sale, and/or disposition of City assets. Please detail any such transaction in the State of Florida. Provide the specific experience of the individual(s) who will work with the City.

Goldman Sachs offers both the #1 Ranked Overall M&A franchise and relevant expertise working with municipal entities. Our deep experience advising state and local government clients on complex financial transactions, P3's and asset monetization processes stems from a variety of successful transactions that balance the needs of a public entities with the demands of the classic M&A or corporate market place. Uniquely, in addition to (1) providing advisory services to state and local governments, we also (2) actively advise private bidders on US P3 and infrastructure buy-side transactions, (3) provide traditional government underwriting services, (4) provide financing (underwriting and lending) commitments for buy-side transactions and (5) manage an infrastructure investing fund through our West Street Infrastructure Partners affiliate. This

breadth of activity across the infrastructure space provides insights that can help us drive value for any process we undertake with the City. Understanding not only the relevant investors, but having experience developing full buy-side processes will allow us to advise the City on how to run a process to increase value and/or achieve additional policy goals given our nuanced understanding of how specific bidders may approach a transaction. Similarly, our understanding of financing markets and alternatives will help ensure transaction structures are conducive to financing, allowing bidders to receive higher levels and/or lower cost financing, ultimately driving higher value to the City. Please find summary of transactions for state and local governments set forth below, along with potential relevance to Jacksonville.

Transaction	Date	Size	GS Role	Sector	Jacksonville Team	Overview / Relevance
Sell-side Opportunity	Ongoing	TBD	Sell-side Advisor	Utility	Tim Romer Paul Bloom	Goldman Sachs is currently working as sell-side advisor on the sale of a municipal-owned electric utility.
Nashville Transit	Ongoing	~\$5.4bn	Advisor to Nashville	Mass Transit	Chris Elmore Justin Goldstein	Assisted Nashville to develop financial plan for potential mass transit expansion program.
MTA Hudson Rail Yards Monetization	2017	\$1.05bn	Underwriter to MTA	Real Estate (Ground Lease) Monetization	Chris Elmore	Developed and executed on structure to monetize 99-year Ground Leases on the MTA Hudson Rail Yards.
Chicago Transit Authority	2012-2016	~\$4-6bn	Lead Advisor to CTA	Mass Transit	Greg Carey Chris Elmore	Assisted CTA in analysis and consideration of various potential project delivery and financing alternatives for RPM program, ultimately selecting DB delivery for the project.
Denver RTD Eagle P3 Project	2007-2010	\$2.6bn	Lead Advisor to RTD	Mass Transit	Tim Romer Chris Elmore	Lead P3 advisor to Denver RTD for the Eagle P3 Project. Successfully navigated combination of DBFOM P3 procurement, FFGA process, EA process, the financial crisis and navigating complex stakeholder engagement to ultimately close the first DBFOM availability payment P3 for U.S. mass transit.
Los Angeles Department of Water and Power	2008-2016	N/A	Financial Advisor to LADWP	Utilities	Tim Romer	Sell-side advisor to LADWP and analyzed M&A opportunities related to its coal-fired generation and other opportunities.
LBJ Expressway	2010	\$2.7bn	Advisor to TxDOT	Toll Roads	Greg Carey	Sell-side advisor on \$2.7bn HOT lane transaction. Developed Comprehensive Development Agreement conducive to PABs financing.
NTE Express	2010	\$2.2bn	Advisor to TxDOT	Toll Roads	Greg Carey	Sell-side advisor on \$2.2bn HOT lane transaction. Comprehensive Development Agreement conducive to PABs financing.
Indiana Toll Road	2006	\$3.8bn	Advisor to State of Indiana	Toll Roads	Greg Carey	Lead P3 advisor to the State of Indiana on a 75-year toll road concession lease.
Chicago Skyway	2005	\$1.8bn	Advisor to City of Chicago	Toll Roads	Greg Carey	Advisor to the City on its 99-year toll road concession lease. The transaction resulted in \$1.8bn for city projects and shifted operational risk out of the City's hands.

In addition to the specific expertise outlined above working with state and local governments, below is additional recent relevant infrastructure advisory or financing transactions that provide specific expertise that will assist the City in potential strategic

Transaction	Date	Size	GS Role	Sector	Jacksonville Team	Overview / Relevance
JetBlue JFK T6/7	Ongoing	TBD	Sole Advisor to JetBlue	Airports	Chris Elmore Paul Bloom Kyle Vinson	Ongoing sell-side advisor to JetBlue to select development partner for T6/7 at JFK.
Orlando MLS	Ongoing	\$120mm	Lead Arranger and Structuring Agent	Stadiums	Greg Carey	Florida "P3" project financing.
Chicago Skyway	2016	\$2.9bn	Sell-Side Advisor to Cintra / Macquarie	Toll Roads	Greg Carey Chris Elmore	Sell-Side advisor to Cintra/Macquarie for the Chicago Skyway. Recent sell-side transaction shows ability to deliver value for US infrastructure assets.
Florida I-4 Ultimate	2014	\$2.9bn	Advisor and Underwriter to Unsuccessful Bid Team	Roads	Justin Goldstein Chris Elmore	Experience advising on Florida P3 transaction
Allentown Water & Sewer Monetization	2013	\$307mm	Sole Underwriter to Lehigh County Authority	Water	Chris Elmore	Underwriting for "public-public" asset monetization transaction that provided highest value to Allentown, and preserved tax-exemption.
LMM Airport	2012	\$615mm	Advisor to Unsuccessful Bid Team	Airports	Greg Carey Paul Bloom	Buy-side experience on US Airport monetization transactions.
Chicago Midway Airport	2008 (did not close)	\$2.5bn	Advisor to Unsuccessful Bid Team	Airports	Greg Carey Paul Bloom	Buy-side experience on US Airport monetization transactions.
Florida I-4 Connector	2009	\$389mm	Arranger to Archer Western	Roads	Justin Goldstein Chris Elmore	Developed financing structure and arranged bank loan for Florida I-4 Connector.
Mid-Bay Bridge Authority	1991-Today	\$741mm	Underwriter to Mid-Bay Bridge Authority	Roads	Greg Carey Chris Elmore	Underwriter for initial project-finance delivery of Mid-Bay Bridge Authority and ongoing restructuring and underwriting work. Experience with Project Finance in Florida and coordination with FDOT

In addition to our extensive experience in advising government entities in complex and strategic transactions and work on US infrastructure, Goldman Sachs has consistently performed well in the M&A league table, achieving a #1 league table ranking every year since 1999. As described more herein, this dominating presence in M&A advisory work will allow the City to draw on both industry leading M&A process execution that has a track record of achieving higher premiums than other banks, as well as ability to access a wide range of investors to increase

transactions. As shown in our experience, we are particularly well equipped to assist cities and local governments with (1) asset monetization / disposition / sale transactions and (2) new build transactions.

participation and ultimately drive competitive tension and value for the City. Since 2010, our clients on public sell side transactions greater than \$1bn achieved a 36% premium, versus only 28% premium for other advisors.

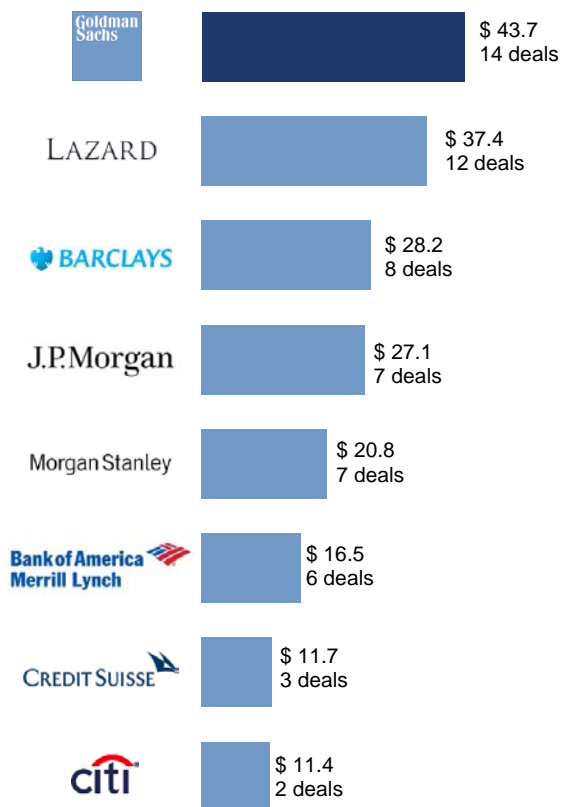
In Appendix E "Case Studies" we provide four relevant public sell-side case studies that detail the depth of our approach and ability to assist our public sector clients in optimizing the value of their infrastructure assets.

#### Global M&A (1999-1H 2018)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	1999-2017
<b>Goldman Sachs</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Morgan Stanley	3	2	3	4	3	5	2	2	2	6	2	2	2	2	3	3	2	2	2	2
JP Morgan	4	6	4	2	4	3	3	3	3	2	3	3	3	3	2	4	3	4	3	3
BAML	2	4	2	6	2	4	4	5	4	4	5	7	5	5	4	2	4	3	5	4
Citi	9	5	6	3	5	2	5	4	5	3	4	8	6	4	8	5	5	5	4	5
Credit Suisse	5	3	5	5	9	11	8	6	7	8	5	4	4	6	9	9	7	6	7	6
UBS	6	8	8	10	7	10	6	7	6	6	7	6	10	7	6	10	11	9	11	7
Deutsche Bank	10	12	7	8	8	7	7	8	8	7	9	5	8	8	7	8	9	10	12	8
Barclays	12	11	13	12	10	9	10	10	9	9	9	10	7	4	5	6	8	7	6	9
Lazard	7	9	10	7	6	6	9	9	12	10	8	9	10	10	10	7	6	8	8	10

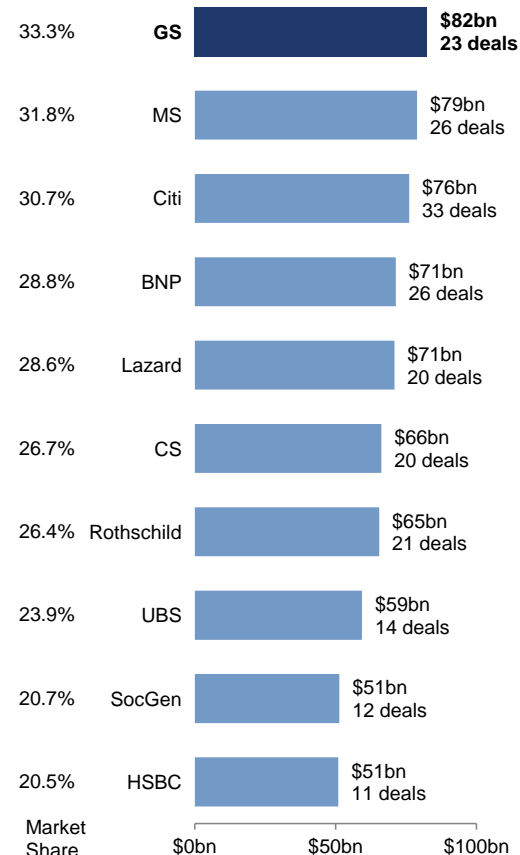
Source: Thomson Reuters and Dealogic. 2008 and 2009 excludes government rescues.

### Power & Utilities M&A Advisory Since 2010: Transaction Equity Value (\$bn)



Source: Deal Point Data and company press releases

### Global Infrastructure >\$500mm (2010-2017)



Source: Company announcements, RNS and MergerMarket. League table data based on announced deals from Thomson SDC as of 31-Aug-2017, deals greater than \$500mm.

## B2. Discussion of Strategic Financial Advisory Approach and Current Market Environment

Provide a discussion of your firm's approach applicable to the City's potential review and completion of strategic opportunities. Also, provide a review of the current market environment as it relates to strategic opportunities.

### APPROACH TO STRATEGIC OPPORTUNITIES

Goldman Sachs looks forward to the opportunity to partner with the City to identify and evaluate delivery options for various projects and ultimately assist in a M&A, P3 procurement or other asset monetization / disposition. We will bring the direct experience and expertise outlined herein to assist the City in successfully delivering projects. When we work with our clients, we strive to provide comprehensive service and analysis, and view our role as the "quarterback" managing the full range of processes to drive towards success. Importantly, for any strategic advisory assignment, we work closely with our clients to first understand your core goals and objectives, work to develop a transaction process and framework to achieve those goals, and then run a tightly controlled competitive process to deliver on the

transactions. Below are some capabilities we would bring to the City:

- **Modeling:** Given our direct experience in serving as financial advisor for P3 bid teams and sell-side M&A processes, we have the in-house expertise to develop bid models that fully incorporate all elements that would be included by the bid teams given our expertise in serving in that role. Many other advisors may have experience in building shadow bid models and reviewing buy-side bid models, but do not have the in-house expertise on the team with developing true bid models. This provides the ability to assist in evaluating potential value drivers and impacts of transaction structures that the City may elect to utilize. Analyzing the trade-offs directly with the City prior to launching any process allows the City to approach the market with conviction and speed – which both ultimately



increase competitive tension and ultimately increase value.

- **Deep Expertise Across Key Sectors:** As described above, Goldman's approach is to field deep teams comprised of infrastructure, P3 and financing market experience, but we also incorporate subject matter experts to ensure sector specific knowledge and insights are incorporated into our work.
- **Understanding Financing Alternatives:** Our presence as an active participant in the US tax-exempt market, USPP market, bank loan market and with federal government-funded loans will allow us to provide the City with real-time feedback on available financing products for potential bid teams, and up to date pricing information for bidder financing. This direct knowledge will assist us in selecting alternatives and executing value-for-money analysis without relying on bid teams or other third parties for market information and current developments in available products.

Additionally, we have a history of going above and beyond to assist our governmental clients in executing M&A, P3 projects, including:

- **Presentations to DRCOG:** For the Denver RTD Eagle P3 Project, ***Tim Romer*** presented the project and approach to the Denver Regional Council of Governments ("DRCOG") as part of their Annual Program Evaluation process. Assisting RTD in stakeholder outreach and education ultimately helped ensure buy-in from across the region for delivery methods and sequencing of projects.
- **Presentations to LADWP:** As part of our work with the Los Angeles Department of Water and Power NGS Project, ***Tim Romer*** worked closely with LADWP over the course of the eight year engagement to educate staff via numerous presentations on ways to increase value whilst providing consistent service to customers. This transaction demonstrates Goldman Sachs' continued leadership in assisting municipal utilities in meeting their public policy and financial goals.
- **Presentations to City of Chicago:** As a part of our work with CTA for the RPM project, ***Chris Elmore*** participated in discussions with the City of Chicago on evaluating financing alternatives and

streams, and importantly describing the P3 process for mass transit and how it differed from other type of P3 (such as the Chicago Skyway monetization). This process ultimately resulted in identifying the Transit TIF approach to finance the project.

- **Coordinating with Federal Stakeholders:** For the Eagle P3 Project, we worked closely with RTD and FTA to help educate FTA (Both Region 8 and DC) on the DBFOM delivery model, the changes to the risk profile to FTA, and how the FFGA process would interface with the P3 Procurement process. In the event the City chose to pursue a lease or sale of JAX airport, we would work with the City and its advisors to coordinate application to the FAA for entry into the Airport Privatization Pilot Program ("APPP"). Entry into the program will lay the groundwork for a successful transaction. If managed correctly, timing of entry into the APPP could be used to create market excitement and increase competition, but if not tightly managed, it could create market confusion (such as is occurring with the STL process). Thus, we would work to integrate the process for required Federal, State and local approvals with the transaction schedule to create a seamless face to the market.

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## CURRENT MARKET DYNAMIC

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A confluence of market events has created one of the most attractive times to pursue a lease or sale of infrastructure assets. The combination of (1) significant fundraising focused on US infrastructure, (2) limited supply of infrastructure assets (particularly "core" infrastructure such as airports, ports, toll roads and water utilities) available for tender, and (3) low interest rates and attractive terms from bank lenders and credit markets (tax-exempt and taxable USPP), has created an environment of high valuations for infrastructure assets. As shown in the table below, Infrastructure funds have had substantial funds over the past 10 years. We believe funds' allocations to infrastructure are expected to increase further with a continued strong investor desire to deploy capital. Notably, there have been several funds over the past two years have raised multi-billion dollar infrastructure focused funds, as seen below.

While there is significant supply of funds, there has also been a scarcity of assets available to purchase, which has led to investors looking to diversify away



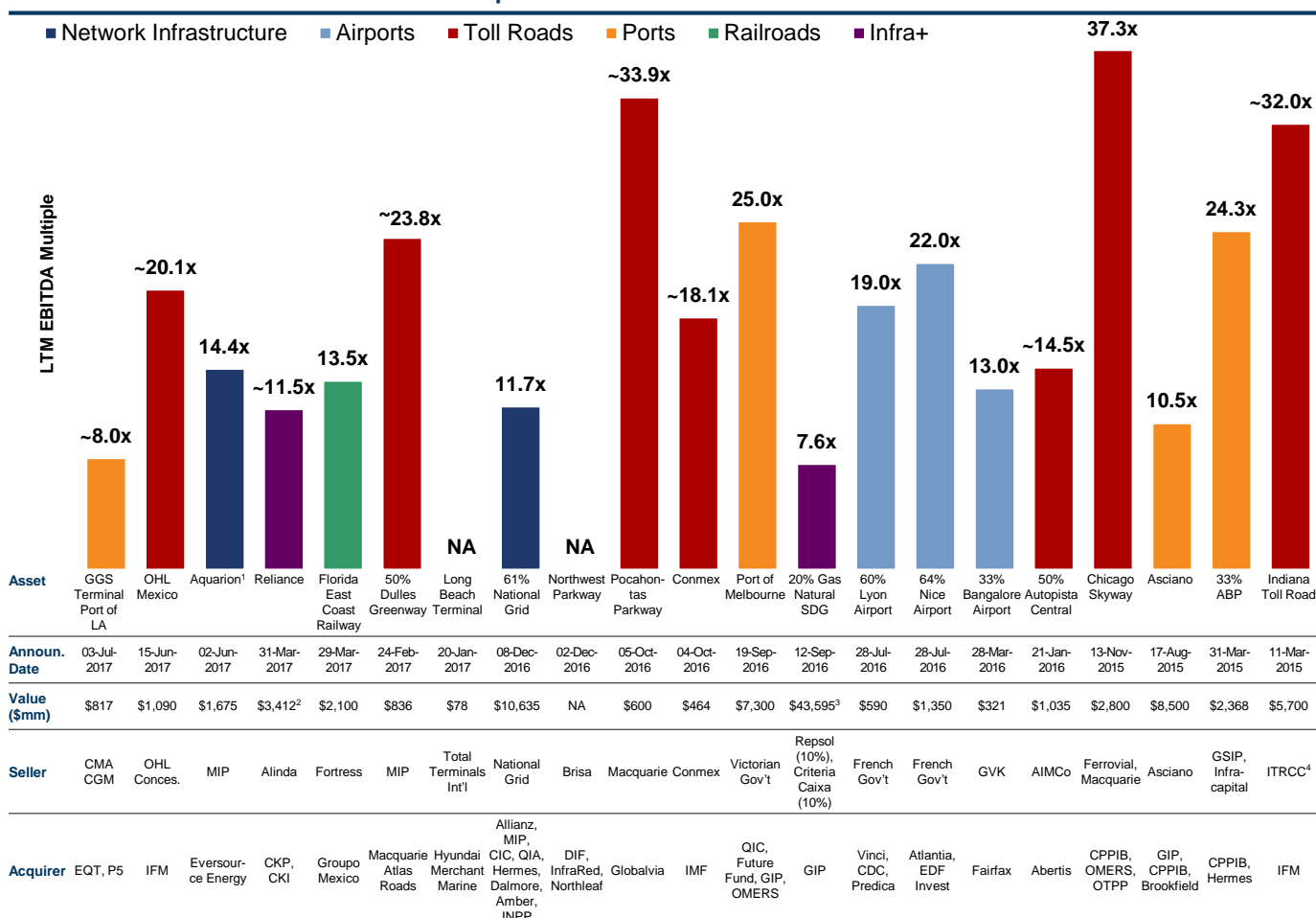
from where they normally would have focused (geography, asset class, etc.). Funds have become increasingly open to unconventional investments in order to earn worthwhile returns, obtain a first mover advantage over its competitors and obtain diversity in its overall portfolio. To this end, we have seen attractive multiples being paid on recent transactions as seen below. Given the dynamic that has forced investors to move outside of their comfort zone and beyond “core” infrastructure, any opportunity to invest in a core asset (such as an airport) would drive significant interest. For example, we understand that multiple teams have lined up advisors and have prepared for a potential STL process, even though the

City of Saint Louis has not even determined if it will run a process or what advisors it may retain as the sell-side advisor. This level of excitement has contributed to the EBITDA multiples shown below:

As mentioned above, there is a strong appetite and significant competition for infrastructure assets in today’s market. This dynamic coupled with the increasing risk appetite of investors has increased valuations and compressed their future returns. High quality assets in desired sectors have seen 7-9% IRR for acquirers while assets with higher risk (e.g. counterparty risk, untested sector, construction risk) typically have seen 9-11%+ IRRs.

Fund	Size (\$bn)	Year
GIP Global Infrastructure Fund III	\$15.8	2016
Brookfield Infrastructure Fund III	14.0	2016
ArcLight Energy Partners Fund VI	5.6	2015
EQT Infrastructure III	4.2	2017
Antin Infrastructure Partners III	3.8	2016
Stonepeak Infrastructure Partners II	3.5	2015
ISQ Global Infrastructure Fund	3.0	2015

#### Multiples Paid in Recent Transactions



Source: Preqin, Merger Markets, Capital IQ, Company Filings. Notes: 1 Aquarion EBITDA multiple based upon 2016A EBITDA. 2 Based on a CAD/USD exchange ratio of 0.74.3 Based on a EUR/USD exchange ratio of 1.122. 4 ITRCC acquired following Ch11 bankruptcy.

B3. Marketing Approach

- Describe your firm’s approach to marketing strategic opportunities to potential counterparties.
- Describe your approach to ensuring the City receives the best execution of any potential transaction.

APPROACH TO MARKETING

Goldman Sachs’ approach to marketing for strategic opportunities is designed to (1) maximize participation of well qualified bidders to drive competitive tension and (2) provide marketing and diligence information to allow for aggressive and informed bids. To achieve this, we undertake a three pronged approach:

- Identify potential investors
- Provide outreach to generate buyer participation
- Execute strategic marketing plan as a part of the lease / sale process (as described in more detail below)



IDENTIFYING POTENTIAL INVESTORS

Goldman Sachs has various avenues we will utilize to identify a broad universe of potential investors. This will include a full spectrum of strategic investors, and a range of financial investors from US and Canadian pension funds active in infrastructure investment, sovereign wealth funds, infrastructure funds, private equity funds with infrastructure allocations, and pension / insurance companies. In order to identify a broad universe of potential investors, we will utilize

the expertise of the individuals on the Jacksonville team along with our global coverage footprint.

- **Identify active participants in the US P3 market.** *Chris Elmore* along with *Tim Romer* and *Greg Carey* work closely with many of the active buy-side participants in the US market, and can identify potential investors for specific potential assets.
- **Identify potential global buyer base.** The team utilize the expertise of *Brian Bolster* and *Joel Mossberg* who work with infrastructure funds and strategic operators globally to identify additional potential investors. Since 2016, we can identify additional investors who have participated in similar transactions.

These avenues will allow us to develop a robust list of potential investors for initial outreach. A summary of core potential investors are provided below – though for each transaction we would undertake a full process of buyer identification to customize the buyer list for the specific asset, as well as for changes in investment mandates or preferences for specific investors based on ongoing dialogue GS has with active market participants.

List of Potential Investors					
US / CND PENSION FUNDS	Observations	<ul style="list-style-type: none"><li>■ Very competitive cost of capital</li><li>■ Borealis, CDPQ, CPPIB, PSP and OTPP all have the capacity to write checks &gt;\$500m</li></ul>		SOVEREIGN WEALTH FUNDS	Observations
	KEY PLAYERS				KEY PLAYERS
INFRA FUNDS*	Observations	<ul style="list-style-type: none"><li>■ Strong level of interest across asset classes</li><li>■ Range of focus from brownfield asset monetization's to new-build greenfield</li></ul>		INT'L PENSION / INSURANCE / INFRA	Observations
	Observations	<ul style="list-style-type: none"><li>■ Larger funds have the capacity to bid alone</li><li>■ Smaller funds are likely to play passive roles in consortium bids</li></ul>			Observations
					

\*Includes select US-domiciled infra funds, of size, with international parents.



## OUTREACH TO INVESTORS AND INVESTOR PARTICIPATION

One key advantage of the integration of PSI within Investment Banking is our ability to coordinate with our global footprint of coverage bankers and relationships for initial outreach and distribution of teaser materials. Once the potential buyer list is identified, we will reach out to coverage bankers globally for them to distribute a marketing “teaser” to the best contact at the potential clients. This approach ensures that the relevant CEO, CFO, Development Director or Portfolio Manager receives the teaser, and given the close relationships we have with investors globally, that they also focus on this potential asset. For example, during the JetBlue process, in addition to distributing the initial teaser to active US investors, we engaged coverage bankers globally in Europe and Asia to further expand the potential universe of participants in the process. Finally, we will provide the teaser to our Financial and Strategic Investors Group who have strong relationships with private equity funds globally to ensure that group distributes the teaser to additional universe of potentially interested clients.

## MARKETING PLAN

The marketing plan for any asset is generally divided into three primary categories of marketing materials:

- Initial teaser

- Confidential Information Memorandum (“CIM”)
- Data Room

Each of these marketing materials are generally aligned with the multi-step execution process described below. The initial teaser includes high level asset information to generate excitement in the bidder community and to encourage participation in the process.

Once initial investors have been identified and executed an NDA, they would receive the CIM, which would include all of the key relevant information to assist investors in their diligence of the asset and encouraging their participation in the process. In some ways a CIM is similar to a disclosure document the City may prepare for a bond issuance, though the focus of a CIM is more on marketing the asset versus a precise legal description of the transaction. The CIM will usually allow investors to understand the asset in detail, and will be developed to highlight the strengths of the investment opportunity of the specific asset the City would be looking to sell / divest or lease.

Finally, we would provide a data room with extensive diligence information that would allow the bidders to fully develop their valuation models. Frequently the data room will include as much information as possible on the asset, including historical financials,

any material contracts, asset condition reports, projections, any regulatory constraints, as well as any key transaction documents. The sooner the bid teams have access to a complete and detailed data room, the faster they can work to develop bids, and allows the City to maintain competitive tension between the teams.

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## **APPROACH TO EXECUTION**

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Our core approach to running any sell-side M&A process is to maximize interest and participation from potential bidders, and run a quick and efficient process to quickly deliver value to the City. This is spread generally through five stages summarized below:

- Preparatory Stage
- Buyer Identification and Outreach
- Round 1 Bidding
- Round 2 Bidding
- Financial Close

### **PREPARATORY STAGE**

During the Preparatory Stage, we would work closely with the City to evaluate the potential transaction and develop the proposed transaction structure to the greatest extent possible prior to public announcement (or at least formal announcement of the process – we recognize given FL Sunshine statutes the level of confidential preparatory work may be more limited than for non-governmental processes). Importantly, we believe that performing internal analysis around value drivers, transaction structure, and obtaining required approvals before approaching the market allows the City to retain control of the information flow and process – ultimately maintaining competitive tension and driving higher value.

Initial work in the preparatory stage would include developing a full buy-side model to assist in determining key interplay between value and potential value drivers, which include:

- Lease / concession term or full sale
- Transaction structure
- Key performance requirements
- Offtake / counterparty agreements

For example, for a monetization of the JAX airport, the structure of the airline use agreements will have a large driver on value. By negotiating those

agreements prior to launching the transaction (and including those in the data room) will not only allow the City to understand potential value, but also expedite the process. Additionally, given that airline approval is required for the APPP, “pre-wiring” the airline approvals through negotiating the lease will allow for a quick seamless bid process, and one that shows to bid teams there is limited if any risk of non-approval of the bids, encouraging broader and more aggressive participation.

In addition to evaluating key value drivers, we would also use the preparatory stage to identify any required approvals, and to the extent possible receive all of those prior to launch, or to be able to clearly articulate the plan and process to quickly receive additional approvals if not received prior to approaching the market. Notably after many high-profile potential P3 transactions were subject to approval after the receipt of bids from a political body, we would encourage if not receiving explicit approval parameters (for example the City Council would approve any bid that is compliant with operating standards and generates at least \$Xmm in proceeds), that the City Council at least approves the launch of the process to show commitment from the City to the process.

### **BUYER IDENTIFICATION AND OUTREACH**

After establishing a robust understanding of the various elements of the transaction during the Preparatory Stage, Goldman Sachs would focus on creating an extensive buyer universe for the transaction tailored to asset for sale. Goldman Sachs has access to and experience with many types of investors, most relevant to the City being Infrastructure Funds, Pension Funds, Sovereign Wealth Funds and Strategic Buyers in the Infrastructure space. During the buyer outreach stage, Goldman Sachs would work the City to identify and contact a broad range of potential investors to increase participation in any sale process. Goldman Sachs would work with management to prepare a Confidential Information Memorandum (“CIM”) to share with a finalized investors list during the First Round.

### **ROUND 1**

During the ~4-8 week First Round, the City would work with Goldman to engage with those on a potential investors list, providing to those qualified investors a CIM, financial model, and any third-party reports generated by consultants. Offering chances for minimal Q&A will allow the City and Goldman to

control the information sent to investors whilst also assessing the investors through interaction. Goldman would contact each buyer with a highly tailored “talk sheet” to generate / assess interest in the transaction. Fast execution of a first round with bidders increases competitive tension, and allows selectivity going in to the Second Round.

## ROUND 2

With City review and approval, Goldman Sachs would provide transaction opportunity details for each buyer, supplying the appropriate level of information to maximize price and minimize issues during negotiations. Goldman Sachs would maintain a data room of the requisite asset(s) information as provided by the City and increase engagement between the bidders and the City through management Q&A. While increasing exposure to the City, Goldman would foster a competitive environment between bidders and facilitate buyer diligence process such that bidders are able to obtain the committed financing needed for the transaction.




## FINANCIAL CLOSE

Once a bidder is selected, the team would move to finalize the PSA and other legal documents required to achieve a quick close.

Goldman Sachs’ experience with Chicago Skyway best highlights the flexibility and efficiency of our suggested approach. As per the case study we discuss in Question B2, a credible highlight of the process was Goldman Sachs’ ability to maintain the level of diligence and Q&A provided to bidders at the start as well as the consistent updates to the City of Chicago to ensure transparency while managing confidentiality in the investor community. Additionally, Goldman Sachs’ relationship with the buyer universe and understanding of the buyer universe’s behavior coupled with cross collaboration between various teams at Goldman lead to an efficient process with maximum value for the City of Chicago.

## B4. References

Please provide three (3) local government financing references, including name, title, telephone number, type of transaction, and the date(s) of service.

 <p><b>City of Nashville</b></p>	 <p><b>Los Angeles Department of Water and Power</b></p>	 <p><b>PORT OF PORTLAND</b></p> <p><b>Port of Portland - Airport</b></p>
<p><b>Richard Riebeling</b>  <i>Chief Operating Officer</i>  Tel: (615) 862-6151  Email:  <a href="mailto:richard.riebeling@nashville.gov">richard.riebeling@nashville.gov</a></p> <p><b>Transaction Type:</b>  Financial Advisory  <b>Dates of Service:</b>  2008-Present</p>	<p><b>Mario Ignacio</b>  <i>Treasurer</i>  Tel: 213-367-0690  Email:  <a href="mailto:mario.ignacio@ladwp.com">mario.ignacio@ladwp.com</a></p> <p><b>Transaction Type:</b>  Financial Advisory &amp; Financings  <b>Dates of Service:</b>  2003-Present</p>	<p><b>Vince Granato</b>  <i>COO</i>  Tel: (503) 415-6059  Email :  <a href="mailto:vince.granato@portofportland.com">vince.granato@portofportland.com</a></p> <p><b>Transaction Type:</b>  Airport/Port Strategic Financings  <b>Dates of Service:</b>  1994-Present</p>



## B5. City Experience

Provide information on any previous work done with the City.

Through years of coverage, Goldman Sachs has gained a deep understanding of the City of Jacksonville. In each of our interactions, Goldman Sachs has sought to demonstrate to the City our commitment to providing timely market insights and creative financial solutions. For an important role, such as the one being contemplated by this RFP, it is

critical to select an investment bank that can integrate a strong working knowledge of the City into the analysis. Below highlights the extensive and constructive history of Goldman Sachs and the City of Jacksonville since 2010:

Issue Amount				Issue Amount			
Sale Date	City of Jacksonville Entity	(\$ in mm)	GS Role	Sale Date	City of Jacksonville Entity	(\$ in mm)	GS Role
1/14/2010	Jacksonville Electric Authority	\$ 153	Co-Manager	1/18/2013	Jacksonville Electric Authority	59	Co-Manager
3/10/2010	Jacksonville Electric Authority	64	Co-Manager	1/25/2013	Jacksonville Electric Authority	203	Lead
3/18/2010	Jacksonville Electric Authority	48	Co-Manager	4/26/2013	Jacksonville Electric Authority	96	Co-Manager
7/15/2010	Jacksonville Electric Authority	81	Co-Manager	6/7/2013	Jacksonville Electric Authority	43	Co-Manager
7/21/2010	Jacksonville Electric Authority	221	Co-Manager	7/26/2013	Jacksonville Electric Authority	204	Co-Manager
9/30/2010	Jacksonville Electric Authority	294	Lead	8/14/2013	Jacksonville Electric Authority	197	Co-Manager
10/21/2010	Jacksonville Electric Authority	123	Co-Manager	1/16/2014	Jacksonville Electric Authority	288	Co-Manager
9/20/2011	Jacksonville Electric Authority	365	Co-Manager	3/6/2014	Jacksonville Electric Authority	72	Co-Manager
9/20/2011	Jacksonville Electric Authority	365	Co-Manager	5/15/2014	Jacksonville Electric Authority	89	Co-Manager
1/17/2012	Jacksonville Electric Authority	175	Co-Manager	6/5/2014	Jacksonville Electric Authority	64	Co-Manager
1/26/2012	Jacksonville Electric Authority	355	Lead	6/26/2014	Jacksonville Electric Authority	300	Co-Manager
3/22/2012	Jacksonville City-Florida	209	Lead	10/30/2014	Jacksonville City-Florida	100	Lead
3/22/2012	Jacksonville City-Florida	280	Lead	2/26/2015	Jacksonville Electric Authority	83	Lead
7/16/2012	Jacksonville Electric Authority	121	Co-Manager	4/29/2015	Jacksonville Electric Authority	73	Co-Manager
7/18/2012	Jacksonville Electric Authority	178	Co-Manager	7/8/2015	Jacksonville Electric Authority	42	Co-Manager
7/30/2012	Jacksonville Electric Authority	110	Co-Manager	2/1/2017	Jacksonville Electric Authority	90	Co-Manager
8/1/2012	Jacksonville City-Florida	115	Lead	8/23/2017	Jacksonville City-Florida	144	Co-Manager
8/2/2012	Jacksonville Electric Authority	141	Co-Manager	12/13/2017	Jacksonville Electric Authority	437	Co-Manager
8/21/2012	Jacksonville Electric Authority	85	Co-Manager	12/14/2017	Jacksonville Electric Authority	384	Lead
11/16/2012	Jacksonville City-Florida	230	Lead	<b>Total</b>		<b>\$ 6,686</b>	



## Appendix A. City of Jacksonville Team Resumes

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### TEAM LEADERSHIP AND OVERSIGHT

**Timothy Romer**, Managing Director, Head of West Region Public Sector and Infrastructure Banking  
Tel: (310) 407-5886  
e-mail: timothy.romer@gs.com

Mr. Romer joined Goldman Sachs in 2003, became a Managing Director in 2005, and was promoted to Head of West Region Public Sector and Infrastructure Banking in 2011. Mr. Romer offers over 27 years of experience in project, government, and municipal finance. Prior to joining Goldman Sachs, Mr. Romer served as Co-Head and Managing Director of Merrill Lynch's western region public finance group.

Mr. Romer provides a deep and diverse background in government and project finance and has completed over \$75 billion of projects and working capital needs for large and small infrastructure, government and quasi-government projects, public/private ventures, and specialty credit financings throughout the West region. The types of financings have included fixed rate, variable rate, swaps, swaptions, forward bonds, senior/subordinate liens, asset-backed securities, refundings, lease/lease back, and cash flow financings. Mr. Romer also brings a wealth of experience working directly with a variety of types of municipal issuers including with Metropolitan, LADWP, State of California, City of San Diego, BATA, Port of Los Angeles, Denver Public School, Denver RTD, County of San Bernardino, LAUSD, and the City of Sacramento among many others. He has also been very active on the P3 and municipal M&A sector, having executed his first P3 in 2003 and closing on over \$15bn of P3 financing and advisory transactions.

Mr. Romer earned a BS in Industrial Engineering from Stanford University and an MBA, with honors, from the Wharton School at the University of Pennsylvania.

### JACKSONVILLE COVERAGE

**Justin Goldstein**, Vice President, Public Sector and Infrastructure Banking  
Tel: (917) 343-1802  
e-mail: justin.goldstein@gs.com

Mr. Goldstein has 16 years of experience in municipal finance and covers general governmental, energy and transportation clients across the Southern and Southwest regions. Mr. Goldstein's transaction

experience includes a wide range of issuer types from transportation (rail, mass transit, highway, toll road, and airport), to energy (cooperative, generation, and transmission), to general governmental issues (general obligation, water and sewer, and lease revenue). Mr. Goldstein has extensive experience in the City of Jacksonville, including multiple transaction as senior and co-manager for the City and JEA totaling over \$6 billion since 2010. Some of Mr. Goldstein's other relevant experience includes senior managed transactions throughout Florida including Florida Citizens, Florida Hurricane Catastrophe Fund, City of Orlando, City of Lakeland, Palm Beach County.

### TRANSPORTATION P3

**Chris Elmore**, Vice President, Public Sector and Infrastructure Banking  
Tel: (212) 357-2991  
e-mail: chris.elmore@gs.com

Mr. Elmore joined Goldman Sachs' Public Sector and Infrastructure Banking Group full time in July 2008. Chris focuses on the firm's transportation clients, project financings, and P3 transactions. He has significant experience working on P3 and advisory transactions for the Chicago Transit City, Denver RTD Eagle P3 Project, US-36 Phase 2 Managed Lanes, Seagirt Marine Terminal, Port of Oakland Outer Harbor Terminal, and New York MTA / Triborough Bridge and Tunnel City, among others. Chris has worked on senior managed transportation and project finance transactions for: San Joaquin Hills and Foothill/Eastern Transportation Corridor Agency, San Francisco 49ers, Capital Beltway, Denver RTD, New York MTA / Triborough Bridge and Tunnel City, Washington Metropolitan Area Transit City, Amtrak, Lehigh County City, Houston Metro, Mid-Bay Bridge City, Dormitory City of the State of New York, and Denver International Airport, among others. To date Chris has worked on over \$10 billion of senior managed financings for infrastructure projects.

Mr. Elmore provides transit, transportation and P3 expertise, with an additional focus on federal transportation programs, initiatives and legislation, including National Infrastructure Bank, TIFIA and RRIF programs.

Mr. Elmore graduated from Stanford University with a BS in Mathematical and Computational Sciences.

### **P3 / PROJECT FINANCE LEADERSHIP**

**Greg Carey**, Managing Director, Chairman of Public Sector and Infrastructure Banking  
*Head of P3 and Project Finance Group*  
Tel: (212) 902-4316  
e-mail: gregory.carey@gs.com

Mr. Carey has over 30 years of extensive infrastructure and project finance expertise and experience. Before joining the firm in 2004, Mr. Carey was the head of the Transportation and Infrastructure Group at Citigroup, where he focused on large, complex infrastructure financings. He continues this effort now at Goldman Sachs with a focus on innovative financings for clients in the municipal market, ranging from revenue bond credits, stand-alone project financings for large toll roads, ports and sports facilities to heavily negotiated public-private partnerships across the country.

Throughout his career, Mr. Carey has served as lead manager on over \$140 billion of transactions. A common hurdle that many of these transactions face is finding the appropriate allocation of risk and negotiating the deal terms in a way that makes the deal beneficial to all parties involved. In every transaction that Mr. Carey is engaged on, he is keenly focused on working with all parties, including multiple issuers, private companies that raise capital through conduit issuers in the tax-exempt market, federal officials (including TIFIA loans) and rating agencies to structure a deal uniformly viewed as a success.

Since 1988, Mr. Carey has served as lead account manager and close advisor to the Suffolk County Water City (SCWA), overseeing their debt restructuring and indenture changes in 1988, the introduction of the City's note program and subordinate lien in 1992 and 1993, ratings agency upgrades in 2005 and 2008, and a \$100 million Build America Bond issuance in 2009. Since 2005, Goldman Sachs has advised SCWA on 15 transactions, totaling over \$900 million.

He has also served as sell-side P3 advisor to TxDOT for numerous CDA projects including the \$4 billion LBJ 635 express lane corridor P3 project in North Texas, \$2 billion NTE project bidding process and evaluation, \$4 billion SH-161 TxDOT Toll Equity Loan Agreement, and the SH-130 project which raised \$1.4 billion in total funding.

Mr. Carey's other P3 and project financing clients have included Capital Beltway Funding Corporation of Virginia, Central Texas Regional Mobility City, Highway 407, Texas Turnpike City, Skyway Concession Company LLC, Central Texas Turnpike System, Florida Turnpike, Oklahoma Turnpike, New Jersey Turnpike, Mid-Bay Bridge City, Harris County Toll Road City, Osceola Parkway, Ports America Chesapeake, FDOT / I-4 and the San Joaquin & Foothill-Eastern Toll transactions.

Additionally, Mr. Carey provided senior team oversight for the \$2.1 billion Denver Regional Transportation District ("RTD") Eagle P3. He oversaw the Goldman Sachs team which ran the procurement process for the project, which was the first availability payment transit project to reach financial close in the U.S. Among other efforts, the Goldman Sachs team assisted RTD in receiving a \$280 million TIFIA loan to finance a portion of the upfront construction payments made by RTD to the concessionaire.

In 2013, he also served as underwriter for the Lehigh County City to finance its acquisition of the lease and concession for the Allentown Water & Sewer System. In 2015, Mr. Carey led the GS team as exclusive financial advisor to Ferrovial and Macquarie in the 2016 sale of Skyway Concession Company LLC for \$2.9bn. The transaction achieved an implied LTM EBITDA multiple of 37.3x, one of the highest toll road transaction multiples in recent times.

Mr. Carey earned an AB in Economics from Harvard College in 1983.

### **HEAD OF PORTS AND AIRPORTS**

**Paul Bloom**, Vice President, Public Sector and Infrastructure Banking  
Tel: (310) 407-5590  
e-mail: paul.bloom@gs.com

Before joining Goldman Sachs in 1994, Mr. Bloom worked for the Portland Development Commission, the City of New York and the Port of Seattle, where he managed all aspects of the Port's capital planning and financing program and the Port's investment banking relationships. Since his investment banking career began in 1994, Mr. Bloom has focused on the west region and the transportation and energy sectors and has served as lead banker to a wide variety of clients, including the States of Alaska, Washington and Oregon, the cities of Anchorage, Portland and Seattle, the Alaska Energy City, the University of

Washington, the Washington State Convention Center and Sound Transit and Tri-Met (the Seattle and Portland Transit Agencies). Since 2009, Mr. Bloom has led the firm's Public Sector Airport and Ports focus group, driving our strategy in this sector, serving as a resource to regional bankers across the US and leading or being integrally involved in our coverage of key clients. Mr. Bloom has led deals for airports in Denver, Portland, Seattle, Houston, St. Louis, Los Angeles, and Sacramento, among others. Mr. Bloom has also been involved in a number of Airport and Port sector P3's and project financings including the Seagirt Marine Terminal, Terminal 18 at the Port of Seattle and participating in the Goldman bidding team for the LGA P3 redevelopment.

Mr. Bloom's financing experience includes senior managing fixed rate new money and refunding issues, variable rate issues, commercial paper, certificates of participation, lease revenue bonds, PFC and CFC financings, project financings, P3 concessions, forward delivery bonds and interest rate swaps. He is also a specialist in developing new credit structures at airports and ports, getting them successfully rated, and having led inaugural bond transactions and issuances of PFC bonds for Portland and Seattle, and having assisted in implementing and selling financings with major indenture changes in Oakland, LA, Portland, and Seattle.

Mr. Bloom received a BS from Willamette University in 1986 and an MBA from Columbia University in 1988.

#### **ADDITIONAL AIRPORT COVERAGE**

**Kyle Vinson**, Vice President,  
Public Sector and Infrastructure Banking  
Tel: (415) 393-7755  
e-mail: [kyle.vinson@gs.com](mailto:kyle.vinson@gs.com)

Kyle joined the Public Sector and Infrastructure Banking Department in September 2009, bringing with him two years of experience at a national public financial advisory firm. Kyle covers a range of transportation, utility and general government clients throughout the West Region as well as assisting the firm's national airport coverage efforts. He has previously worked with clients including the San Francisco International Airport, the City of San Jose and the San Jose International Airport, the Port of Portland, the Port of Seattle, the Houston Airport System, Santa Clara Valley Transportation Authority, the Bay Area Toll Authority, the Los Angeles County

MTA, the Contra Costa Transportation Authority, and Energy Northwest, among others. Most recently, he helped lead San Francisco Airport's \$888 million issuance in September 2016 and Alaska Airport's \$176 million issuance in January 2016.

Kyle earned a Bachelor of Arts in History from Pomona College.

#### **TEAM MEMBERS**

**Sameera Gadiyaram**, Associate,  
Public Sector and Infrastructure Banking  
Tel: (212) 357-5184  
e-mail: [sameera.gadiyaram@gs.com](mailto:sameera.gadiyaram@gs.com)

Ms. Gadiyaram joined the Public Sector and Infrastructure Group at Goldman Sachs in 2016. Her experience includes 5+ years in private sector advisory for the energy and industrials industries. She provides analytical and quantitative support to senior bankers in the Infrastructure and P3 and Project Finance groups.

Ms. Gadiyaram graduated from the University of Virginia, McIntire School of Commerce with a B.S. in Commerce with concentrations in Accounting and Finance.

**John Finn**, Analyst,  
Public Sector and Infrastructure Banking  
Tel: (212) 357-5493  
e-mail: [john.m.finn@gs.com](mailto:john.m.finn@gs.com)

Mr. Finn joined the Public Sector and Infrastructure Group at Goldman Sachs in 2017 after working for 7 months as a Summer Analyst in 2016. He provides analytical and deal execution support to the senior bankers focusing on the firm's P3, Transportation and Sports Clients.

Mr. Finn graduated from Northeastern University with a B.S. in Business Administration with concentrations in Finance and Accounting.

#### **POWER COVERAGE (PSI)**

**Jill Toporek**, Managing Director,  
Public Sector and Infrastructure Banking  
Tel: (212) 902-5184  
e-mail: [jill.toporek@gs.com](mailto:jill.toporek@gs.com)

Ms. Toporek is the head of our Public Sector and Infrastructure Municipal Utilities Group and serves on the PSI Operating Committee. She joined Goldman Sachs in 1988 and is an expert in the

municipal utilities sector, specializing in complex credits and the structuring and marketing of new utility projects to investors. In addition, over the last five years Ms. Toporek worked closely with Lehigh County Authority on their acquisition of the Allentown Water and Sewer Concession and various other municipal utilities on confidential strategic assignments which included the valuation of generation and transmission assets.

Ms. Toporek was the recipient of the 2008 and 2013 Bond Buyer “Deal of the Year” Awards for her work with the MJMEUC and Lehigh County Authority as well as the SMITH’s Research & Gradings “2010 All-Star Deal of the Year” for her work on the MEAG Power Plant Vogtle financing. Ms. Toporek also has strong experience in municipal credit analysis.

Prior to joining Goldman Sachs, she worked at Moody’s Investors Service in New York. Ms. Toporek received a BA from the University of Rochester and an MBA from the University of Chicago Graduate School of Business.

#### **WATER COVERAGE (PSI)**

**Andrew Prindle**, Vice President,  
Public Sector and Infrastructure Banking  
Tel: (310) 407-5834  
e-mail: [andrew.prindle@gs.com](mailto:andrew.prindle@gs.com)

Andrew joined Goldman, Sachs’ Public Sector and Infrastructure Group in 2004. During this time, he has focused on complex project financings for a variety of sectors including, water, energy, transportation, military housing, and general infrastructure. His relevant experience includes senior managed and innovative financings for Chicago Transit Authority, Sound Transit, Denver RTD, Colorado DOT, Bay Area Toll Authority, Riverside County Transportation Commission, Foothill/Eastern Transportation Corridor Agency, San Joaquin Hills Transportation Corridor Agency, OCTA, LACMTA, San Bernardino Regional Transportation, and over \$10 billion in financings for other municipal entities.

Andrew graduated from the University of California, Santa Barbara with a Bachelor of Science in physics.

**Chris Higgins**, Vice President,  
Public Sector and Infrastructure Banking  
Tel: (310) 407-5937  
e-mail: [christopher.higgins@gs.com](mailto:christopher.higgins@gs.com)

Mr. Higgins has over 18 years experience in municipal finance and has worked with many local water and wastewater issuers to help them meet their financing needs. His experience includes financing for the Bay Area Water Supply and Conservation Agency and for Metropolitan Water District of Southern California, California Department of Water Resources, West Basin Municipal Water District, Irvine Ranch Water District, Imperial Irrigation District, San Diego County Water Authority, and East Bay MUD. Mr. Higgins’ additional relevant experience includes financings for California issuers such as Silicon Valley Power, the City of San Jose, LADWP and Northern California Power Agency.

Mr. Higgins earned a B.A. in Business Administration from the University of Washington.

#### **ADDITIONAL TEAM SUPPORT**

**Arthur Miller**, Managing Director  
Tax & Structuring Expert  
Tel: (212) 902-6491  
e-mail: [arthur.miller@gs.com](mailto:arthur.miller@gs.com)

Arthur is a structuring expert. Formerly a tax lawyer at Mudge Rose Guthrie Alexander & Ferdon, Arthur has been with the Firm since 1985 and is considered one of the leading specialists in arbitrage, rebate and advance refundings, as well as in tax law and tax reform. He has served as Chairman of the American Bar Association’s Task Force on Advance Refundings, and on the Bond Market Association’s Market and Public Policy Analysis Committee. In addition, he is part of the PREPA team and has served on an advisory committee to the U.S. Treasury to help simplify the arbitrage and rebate rules.

Arthur is a graduate of New York University School of Law (LLM Taxation), Duke University School of Law (JD), University of North Carolina (MA History), and Princeton University (AB).

**Michael Borys**, Vice President  
Structuring Expert  
Tel: (212) 902-6471  
e-mail: [michael.borys@gs.com](mailto:michael.borys@gs.com)

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Mr. Borys has more than 32 years of experience in the municipal finance business. Mr. Borys is the Department's specialist in the technically complex aspects of municipal transactions, including securitizations, advance refundings, new product development, modeling of structured financings and debt structuring including the use of derivative products. With a broad range of experience in the municipal market and having structured several billion dollars in municipal financings, Mr. Borys is an expert in the development of new financing strategies and structures, and in the development of financial models.

Mr. Borys received a BS and an MBA from the State University of New York at Albany.

**Stacy Lingamfelter**, Vice President

Public Finance Credit Expert

Tel: (212) 855-0816

e-mail: [stacy.lingamfelter@gs.com](mailto:stacy.lingamfelter@gs.com)

Stacy Lingamfelter joined Goldman Sachs in 2005 from Moody's Investors Service's Public Finance Group. Her experience with Moody's includes working with numerous public entities in the Northeast. Since joining the firm, she has advised several large issuers including the Los Angeles Department of Water and Power, the Commonwealth of Kentucky, and the Commonwealth of Puerto Rico.

Stacy earned a Bachelor of Arts in Economics and International Relations from Tufts University. She also attended the University of Chicago, receiving both a Master of Public Policy and an MBA from the Booth School of Business

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## **Appendix B. Additional Conflicts of Interest Disclosure**

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Goldman Sachs is a full service firm engaged in trading, underwriting, investment banking, commercial banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services for various persons and entities.

Goldman Sachs has in place policies and procedures designed to prevent the unauthorized disclosure of confidential information from its investment banking division, including the Public Sector and Infrastructure Banking group (“PSI”), to its sales and trading, investment research and investment management divisions. In reliance on these policies and procedures, business units outside of PSI may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments (each, an “Instrument”) for our own account or for the accounts of our customers. Our sales and trading, investment research and investment management divisions may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such Instruments, and may at any time recommend or otherwise communicate to clients that they should acquire long and/or short positions (including, for example, by buying and/or selling credit protection against default by an issuer) in such Instruments. The investment and trading activities and communications described in this paragraph are conducted in business units outside of PSI and may relate to or involve the City or Instruments of the City or persons or entities with relationships with the City, and may be, or appear to be, inconsistent with the interests of the City. Goldman Sachs, including PSI, may also provide investment banking, commercial banking, underwriting, financial advisory services and other services to persons and entities with relationships with the City. For additional information regarding other activities that Goldman Sachs may be engaged in during the course of this assignment, please see our disclaimers provided on the title page of this document.

Goldman Sachs has considered this assignment through our centralized conflicts clearance process it uses to evaluate potential new investment banking assignments. Based on our review, we do not believe that there are any activities in which the firm is currently engaged that would present an actual conflict that would prevent us from accepting the assignment that is contemplated by our Proposal for this RFP.



## Appendix C. Investigations

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Except where indicated, the following relates solely to the proceedings in the past three years relating to Goldman Sachs & Co. LLC's ("Goldman Sachs") Public Sector and Infrastructure Banking group.

From time to time, the firm, its managing directors and employees are involved in proceedings and receive inquiries, subpoenas and notices of investigation relating to various aspects of its business. These include requests for information by the Securities and Exchange Commission and certain other federal and state agencies and authorities arising out of publicly reported events in the municipal securities arena, as well as certain litigation proceedings involving the activities of the Public Sector and Infrastructure Banking group. As reported in the press, there has been recent regulatory and governmental focus on various aspects associated with municipal offerings, including pricing, transaction expenses, and municipal derivative products. The firm is willing to provide information regarding such matters upon request. In the normal course of business, the firm keeps regulatory inquiries, subpoenas, notices of investigation and other similar regulatory matters confidential, except as those that the firm has publicly disclosed in Form BD and the periodic reports filed by the firm electronically with the Securities and Exchange Commission. For additional information on matters that are required to be publicly reported, which may include updates to the information set forth herein, please also refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

On December 27, 2012, the Financial Industry Regulatory Authority ("FINRA") announced settlements with five firms, including Goldman Sachs, regarding the reimbursement of California Public Securities Association ("Cal PSA") fees as underwriting expenses in connection with California municipal and state bond offerings between February 2006 and December 2010. FINRA alleged that Goldman Sachs and the other four firms violated fair dealing and supervisory rules of the Municipal Securities Rulemaking Board ("MSRB") by obtaining reimbursement for the Cal PSA payments. As part of its settlement, Goldman Sachs agreed, without admitting or denying FINRA's allegations, to be censured, pay a fine, pay restitution to certain issuers in California and to implement any necessary revisions to its supervisory procedures and systems to ensure compliance with MSRB Rule G-27.

On September 27, 2012, the Securities and Exchange Commission and the Commonwealth of Massachusetts announced settlements with Goldman Sachs relating to the unauthorized political activities of a former employee, Neil Morrison, from 2008 until 2010 in connection with the former Massachusetts Treasurer. The firm detected Morrison's unauthorized activities in the Fall of 2010, promptly reported them to the relevant regulators and terminated Morrison's employment. As part of the SEC settlement, which found that Morrison's unauthorized activities were attributable to Goldman Sachs, the firm agreed, without admitting or denying any findings or allegations, to be censured and to cease and desist from violating Section 15B(c)(1) of the Exchange Act as well as MSRB Rules G-8, G-9, G-17, G-27 and G-37. The firm also agreed to make payments pursuant to the settlements totaling roughly \$14.6 million.

Goldman Sachs (along with, in some cases, other financial services firms) is named as respondent in a number of FINRA arbitrations filed by municipalities, municipal-owned entities, state-owned agencies or instrumentalities and non-profit entities, based on Goldman Sachs' role as underwriter of the claimants' issuances of an aggregate of approximately \$2.0 billion of auction rate securities from 2003 through 2007 and as a broker-dealer with respect to auctions for these securities. The claimants generally allege that Goldman Sachs failed to disclose that it had a practice of placing cover bids in auctions, and/or failed to inform the claimant of the deterioration of the auction rate market beginning in the fall of 2007, and that, as a result, the claimant was forced to engage in a series of expensive refinancing and conversion transactions after the failure of the auction market in February 2008. Certain claimants also allege that Goldman Sachs advised them to enter into interest rate swaps in connection with their auction rate securities issuances, causing them to incur additional losses. The claims include breach of fiduciary duty, fraudulent concealment, negligent misrepresentation, breach of contract, violations of the Exchange Act and state securities laws, and breach of duties under the rules of the Municipal Securities Rulemaking Board and the NASD. One claimant has also filed a complaint against Goldman Sachs in federal court asserting the same claims as in the FINRA arbitration. As reported in the firm's most recent Annual Report on Form 10-K, the firm is subject to a number of

investigations and reviews by various governmental and regulatory bodies and self-regulatory organizations relating to transactions involving municipal securities, including wall-cross procedures and conflict of interest disclosure with respect to state and municipal clients, the trading and structuring of municipal derivative instruments in connection with municipal offerings, the political contribution rules, underwriting of Build America Bonds and the possible impact of credit default swap transactions on municipal issuers. The firm is cooperating with the investigations and reviews. For further information, please refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

While the civil action did not in any way relate to the municipal securities business or the firm's role as underwriter of municipal offerings, please note that on April 16, 2010, the Securities and Exchange Commission brought a civil action in the U.S. District Court for the Southern District of New York against Goldman Sachs and one of its employees in connection with a single collateralized debt obligation transaction made in early 2007, and subsequently, on July 15, 2010, Goldman Sachs agreed to a settlement with the Securities and Exchange Commission to resolve this action against the firm. For further information about this matter, please refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD, periodic filings pursuant to the Exchange Act, and [www.gs.com](http://www.gs.com).

On September 4, 2008, Goldman Sachs' parent, The Goldman Sachs Group Inc., was named as a defendant, together with numerous other financial services firms, in two complaints filed in the U.S. District Court for the Southern District of New York alleging that the defendants engaged in a conspiracy to manipulate the auction securities market in violation of federal antitrust laws. The actions were filed, respectively, on behalf of putative classes of issuers of and investors in auction rate securities and seek, among other things, treble damages in an unspecified amount. Defendants' motion to dismiss was granted on January 26, 2010. On March 1, 2010, the plaintiffs appealed from the dismissal of their complaints.

On August 21, 2008, Goldman Sachs entered into settlement agreements in principle with the Office of Attorney General of the State of New York and the Illinois Securities Department (on behalf of the North American Securities Administrators Association) regarding auction rate securities. Under the agreements, Goldman Sachs, among other things, without admitting or denying any wrongdoing, offered (i) to repurchase at par the outstanding auction rate securities that were held by its Private Wealth Management clients and were purchased through the firm prior to February 11, 2008, with the exception of those auction rate securities where auctions are clearing, (ii) to continue to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for institutional investors, and (iii) to pay a \$22.5 million fine. On June 3, 2009, Goldman Sachs entered into a final settlement with the Office of Attorney General of the State of New York pursuant to the agreement in principal. In connection with this final settlement, Goldman Sachs, without admitting or denying any wrongdoing, agreed to pay a civil penalty of \$22,500,000, of which \$1,952,439.67 was paid to the State of New York. The remainder of the civil penalty will be paid to those states and territories that enter administrative or civil consent orders approving the terms of the North American Securities Administrators Association settlement. On March 19, 2010, Goldman Sachs entered into a final settlement with the Illinois Securities Department. In addition, as of September 10, 2012, Goldman Sachs has entered into final settlements with 49 jurisdictions (including New York and Illinois).



































On May 31, 2006, the U.S. Securities and Exchange Commission (the "SEC") announced that it had settled with 15 firms, including Goldman Sachs that participate in the auction rate securities market regarding their respective practices and procedures in this market. The SEC alleged in the settlement that the firms had managed auctions for auction rate securities in which they participated in ways that were not adequately disclosed or that did not conform to disclosed auction procedures. As part of the settlement, a number of firms, including Goldman Sachs had each agreed to pay civil money of \$1,500,000. In addition, without admitting or denying the SEC's allegations, Goldman Sachs agreed to be censured, to cease and desist from violating certain provisions of the securities laws, to provide to customers written descriptions of its material auction practices and procedures, and to implement procedures reasonably designed to detect and prevent any failures to conduct the auction process in accordance with disclosed procedures.

On June 27, 2006, as part of a multi-firm settlement relating to transactions in municipal securities below the minimum denominations set by the issuers of those securities, the NASD censured Goldman Sachs, assessed a fine and required the firm to adopt and implement policies and procedures to ensure compliance with those MSRB rules.

The firm's Public Sector and Infrastructure Banking group activities have been the subject of several lawsuits in recent years. In August 2004, several purchasers of Michigan Strategic Fund Resource Recovery Limited Obligation Revenue Bonds (Central Wayne Energy Recovery Limited Partnership Project) brought a lawsuit against Goldman Sachs, as underwriter, and R.W. Beck, as feasibility consultant, in Michigan state court alleging negligent and innocent misrepresentation in connection with the issuance of the bonds in 1998. In March 2005, these claims were dismissed and the plaintiffs were permitted to file an amended complaint alleging fraud in connection with the issuance of the bonds. In July 2005, the Michigan amended complaint was dismissed on forum non conveniens grounds and the plaintiffs have appealed that decision. Shortly thereafter, the plaintiffs served a similar fraud complaint in New York, which Goldman Sachs has moved to for summary judgment following the completion of discovery. In January 2009, a settlement was entered into on the basis of a dismissal of all claims and mutual releases. No payments were made pursuant to this settlement agreement.

As reported in the 10-K of The Goldman Sachs Group, Inc. for the fiscal year ended December 31, 2013, the firm believes, based on currently available information, that the results of such proceedings, in the aggregate, will not have a material adverse effect on our financial condition, but may be material to our operating results for any particular period, depending, in part, upon the operating results for such period.



















## Appendix D. Additional Credentials

Infrastructure and Utility Sell-Side Experience				
 <b>TBD</b> <b>\$4.0bn-\$6.0bn</b> RPM / RLE Projects, In progress	 2016 <b>\$321m</b> Sale of 33% to Fairfax	 2016 <b>\$6.0bn</b> Sale of Company to Dominion Resources	 2015 <b>\$2.9bn</b> Sale of Chicago Skyway Toll Road	 2015 <b>\$6.7bn</b> Sale of Company to Duke Energy
 2015 <b>\$12.0bn</b> Sale of Company to Southern Company	 2015 <b>£1.6bn</b> Sale of Minority Stake to Hermes and CPPIB	 2014 <b>\$2.2bn</b> Sale to Brookfield Infrastructure and other partners	 2014 <b>\$2.4bn</b> Sale of the Company to SunEdison and TerraForm	 2014 <b>\$4.7bn</b> Sale of Company to Investor Group led by Macquarie
 2014 <b>\$3.5bn</b> Sale of EquiPower to Dynegy for Advisor to Seller	 2014 <b>\$165m</b> Sale of Dominion's Retail Business to NRG Energy	 2014 <b>\$880m</b> Sale of TRG's 32% stake in TGI to Empresa de Energia de Bogota	 2013 <b>£392m</b> Ferrovial Sale of 8.65% stake in BAA to USS	 2013 <b>\$2.8bn</b> LBJ I-635
 2012 <b>\$1.1bn</b> Atlantia sale of 49.9% stake in Grupo Costanera	 2012 <b>£900m</b> Sale of 20% in BAA to Qatar Holding (10.62% by Ferrovial)	 2012 <b>\$1,135m</b> Sale of the Company to AltaGas Ltd.	 2012 <b>£450m</b> Sale of 10% in BAA to CIC (5.72% by Ferrovial)	 2012 <b>\$2.1bn</b> NTE SH-121
 2011 <b>\$12.0bn</b> Sale of the Company to Exelon Corporation	 2010 <b>\$25.1bn</b> Advisor to GDF SUEZ on reverse takeover of International Power	 2010 <b>\$7.6bn</b> Advisor to E.ON on sale of E.ON US to PPL Electric Utilities	 2010 <b>\$430m</b> Advisor to SouthWest Water on sale to consortium of investors	 2010 <b>\$25.1bn</b> Advisor to GDF SUEZ on reverse takeover of International Power
 2010 <b>\$17.5bn</b> Advisor to NSTAR on merger of equals with Northeast Utilities	 2010 <b>\$9.0bn</b> Advisor to Allegheny Energy on sale to FirstEnergy	 2010 <b>\$2.7bn</b> Denver RTD Eagle P3 Financial Advisor	 2010 <b>A\$630m</b> Advisor to KordaMentha on restructuring and sale of Lane Cove Tunnel	 2009 <b>\$1.4bn</b> SH-130
 2006 <b>€150m</b> Advisor to RWE on sale of Pridesa to Acciona	 2006 <b>£8.0bn</b> Sale of Thames Water to Macquarie led consortium	 2006 <b>\$3.8bn</b> Sale of Indiana Toll Road to MIG-Cintra Consortium Lead Financial Advisor	 Republic of France 2005 <b>€42.3bn</b> Privatization of Toll Road Network Advisor to The Republic of France	 2005 <b>\$1.8bn</b> 99 Year Concession lease

## Infrastructure and Utility Buy-Side Experience

 <b>2016</b> <b>\$12.2bn</b> Acquisition of Westar Energy	 <b>2016</b> <b>\$11.3bn</b> Acquisition of ITC Holdings	 <b>2014</b> <b>\$164m</b> US 36 and I-25 Managed Lanes	 <b>2014</b> <b>\$12.2bn</b> Acquisition of Pepco Holdings	 <b>2014</b> <b>A\$6.7bn</b> Acquisition of Queensland Motorways
 <b>2013</b> <b>A\$824m</b> Acquisition of 19.9% in SP AusNet to SPI	 <b>2011</b> <b>\$1.1bn</b> PR-22	 <b>2010</b> <b>\$894m</b> Acquisition of 10% stake in 407 ETR from Ferrovial	 <b>2010</b> <b>A\$3.1bn</b> Acquisition of Intoll	 <b>2010</b> <b>\$285m</b> Acquisition of Seagirt Marine Terminal Buy Side Advisor and Underwrite
 <b>2010</b> <b>~A\$7.0bn</b> Restructuring and Initial Public Offering Acquisition Advisor	 <b>2008</b> <b>US\$686m</b> Outer Harbor Terminal Buy Side Advisor	 <b>2007</b> <b>Undisclosed</b> GSIP Acquisition of Minority Stake	 <b>FARAC Assets</b> <b>2007</b> <b>\$4.1bn</b> 30 Year Concession Lease	 <b>2006</b> <b>£2.4bn</b> Acquisition

## Water and Infrastructure Financing Experience

 <b>2015 (Remarketing)</b> <b>\$56m</b> Flex ITNs	 <b>2015</b> <b>\$1,200m</b> Revenue refunding bonds	 <b>2014</b> <b>\$350m</b> Taxable century bonds	 <b>2013</b> <b>\$2,000m</b> Tax-exempt securitization	 <b>2013</b> <b>\$270m</b> Water System revenue bonds	 <b>2013</b> <b>\$308m</b> Water & sewer revenue bonds
 <b>2012</b> <b>\$335m</b> Capital cost recovery prepayment program	 <b>November 2012</b> <b>\$146m</b> Senior Notes	 <b>2011</b> <b>€2,500m, £550m</b> Bond issues	 <b>2010</b> <b>€1,500m</b> Term loan	 <b>2010</b> <b>\$3,400m</b> IPO; Joint global coordinator	 <b>2010</b> <b>€1,000m</b> Senior Notes due 2017 <b>€500m</b> Senior Notes due 2025
 <b>2010</b> <b>£500m</b> Amortising Notes due 2035 <b>£300m</b> Bullet Notes due 2020 Joint Bookrunner	 <b>2009 to 2010</b> <b>£250m</b> 2047 IL-Notes <b>£250m</b> 2047 IL-Notes <b>£250m</b> 2047 IL-Notes <b>£250m</b> 2047 IL-Notes Private Placement	 <b>2009</b> <b>€4,000m</b> 7 Year Euro Bond	 <b>2008</b> <b>€505m</b> Bank Loan Refinancing	 <b>2007</b> <b>£2,840m</b> Term Loan Facility <b>£1,275m</b> Convertible Notes	 <b>2004</b> <b>£2,100m</b> PFI Debt Refinancing

## Appendix E. Case Studies



### DENVER RTD FASTRACKS / EAGLE P3 PROJECT

- Ran procurement process as sell side advisor for \$2.1 billion Eagle P3 project, the first availability payment transit project to reach financial close in the U.S.
- Structured Concession Agreement to allow for PABs or Bank Loan financing for the concessionaire.
- Developed mechanics to manage interest rate and spread risk between bid and financial close.

The initial proposed schedule from project inception in 2007 indicated goal of financial close in October 2009. The actual financial close occurred in July 2010. Two primary drivers extended the ultimate financial close:

- Delay in receipt of the \$1.03 billion Full Funding Grant Agreement (“FFGA”). The Eagle P3 Project was the first (and ultimately only) transit project to utilize the Penta-P program at Federal Transit Administration, and despite accelerating the FFGA process, the total timing was still longer than RTD had initially expected
- Global Financial Crisis of 2008. The Financial Crisis of 2008 closed available financing markets for the transaction, requiring slight project delay. Goldman Sachs worked closely with RTD and the short-listed bid teams to maintain the bidders through 2008 and 2009 to still deliver two compliant bids in 2010.

### PERFORMING COMPLEX MODELING ANALYSIS

Over the course of the summer of 2007, Goldman Sachs rebuilt RTD’s entire financial model and helped RTD develop a 60-year financial plan that allowed the District to analyze its ability to finance all of FasTracks and maintain the existing rail and bus system within revenue and operating expense projections. The model incorporates a variety of financing approaches, including sales tax revenue bonds, appropriation-backed certificates of participation, and subject-to-appropriation availability payments for a P3 arrangement. Similar exercises were performed in 2008 and 2009, in addition to countless model updates in between for internal and Board needs as well as for FTA New Starts submissions and statutory submissions to the Denver Regional Council of Governments.

Goldman Sachs has helped RTD evaluate myriad approaches to financing and delivering FasTracks. The approaches include traditional finance methods and more innovative project finance approaches that are gaining greater acceptance in the U.S. RTD successfully closed the first P3 Design-Build-Finance-Operate-Maintain (DBFOM) concession for transit in the U.S. in 2010. Under the DBFOM structure RTD contracts with the private sector to design, build, finance, operate and maintain its East and Gold Line Corridor commuter rail projects (“Eagle P3 Project”) under a long-term lease agreement. This approach resulted in reduced lifecycle costs allowing RTD to advance ~\$300 million of additional projects under the FasTracks program. Additionally, the P3 has allowed for project acceleration, significant upfront construction and ongoing O&M risk transfer to the private sector and lower financing costs. Given the subsidized nature of transit projects, the concession is structured as an “availability concession” whereby RTD pays the private sector partner (concessionaire) a periodic “availability payment,” which is similar to a lease payment, in exchange for making the project available for use according to specified standards. Additionally, we helped structure a transaction that fit within Colorado’s TABOR laws, the first availability P3 ever executed in Colorado.

Goldman Sachs additionally assisted RTD in receiving a \$280 million TIFIA loan to finance a portion of the upfront construction payments made by RTD to Denver Transit Partners (DTP) the successful concessionaire for the Eagle P3 Project. The TIFIA loan provides RTD with additional cash flow flexibility as many of the FasTracks projects are completed and enter operations, in addition to attractive long-term cost of capital.

### LOS ANGELES DEPARTMENT OF WATER & POWER



Los Angeles  
Department of  
Water & Power

### SALE OF 21.2% INTEREST IN NAVAJO GENERATING STATION FEB 2008 – JULY 2016

On July 1, 2016, the Los Angeles Department of Water and Power (“LADWP”) sold its 21.2% undivided interest in the Navajo Generating Station (“NGS” or the “Plant”) to Salt River Project (“SRP”). NGS is a 2,250 MW coal-fired power plant located five miles southeast of Page, AZ on a site leased from



the Navajo Nation. Prior to the sale, the plant was co-owned by the U.S. Bureau of Reclamation (24.3%), SRP (21.7%), LADWP (21.2%), Arizona Public Service Co. (14.0%), Nevada Power Co. (11.3%) and Tucson Electric Power Co. (7.5%) (collectively, the “co-tenants”) with SRP acting as the operating agent. Goldman Sachs served as sole financial advisor to LADWP for the asset sale, working for over 8 years since the initial mandate to help LADWP navigate numerous regulatory and market challenges and ultimately complete a transaction that met LADWP’s strategic and financial goals.

In 2008, Goldman Sachs was selected through a competitive procurement process to assist LADWP analyze M&A opportunities related to its coal-fired generation, its transmission assets, and innovative structures to acquire renewable energy. In hiring Goldman Sachs, LADWP put in place a flexible contract that allowed LADWP and Goldman Sachs to add additional “task orders” if the circumstances arose. Over the course of the contract, five task orders were performed.

In this assignment, LADWP’s initial focus was divesting its share of NGS. LADWP sought such services in response to projections suggesting that LADWP may not be able to meet the emissions reduction targets stipulated by the California Air Resources Board pursuant to the Assembly Bill 32 (“AB32”) by the targeted deadlines without additional transactions involving divestiture of high-carbon producing assets and/or acquisition of low-carbon producing assets. The passage of California Senate Bill 1368 (“SB1368”) created additional urgency, as it prohibited LADWP from entering into long-term financial commitments with respect to high-emission base-load generation, renewing certain power purchase agreements, and extending the life of certain owned-generation plants.

In July 2008, LADWP instructed Goldman Sachs to explore a sale of its share of NGS. To facilitate the sale, Goldman Sachs developed a comprehensive valuation model for the asset, incorporating sensitivities for potential changes in merchant power prices, fuel costs, and carbon taxes, among other factors. Goldman Sachs also evaluated various strategies for securing additional renewable or low-emission power to replace LADWP’s 477MW of NGS generating capacity. Goldman Sachs subsequently prepared the materials for a full sell-side process in which the asset would be marketed to various financial and strategic buyers, including IPPs,

multi-sector & infrastructure private equity funds, and, importantly, the NGS co-tenants. These sales materials included a teaser as well as a comprehensive confidential information memorandum describing the plant, the plant’s competitiveness, as well as the power environment in the Southwest.

Starting in late 2008 and continuing through 2015, declining merchant power prices, declining renewable power production costs, and increasing conventional fuel costs created a challenged market for coal-fired generation assets – causing LADWP’s NGS asset sale to be effectually postponed. During this time, Goldman Sachs continued to provide valuation updates and explored various strategic alternatives. A key concern throughout the process was that the NGS ownership agreement included a “right-of-first-refusal” that would make it difficult to for a third party to acquire the asset unless all of the co-tenants were in favor.

As a consequence of the changing regulatory environment (including potential settlements with the EPA to assist in extending the NGS site license) as well as the “right-of-first-refusal”, in 2012, LADWP and Goldman Sachs chose to focus the sales efforts on the NGS co-tenants. From 2013-2015, LADWP and SRP had repeated negotiations, with discussing ebbing as power market prices dramatically changed. After several iterations, LADWP and SRP reached a near-final agreement in November 2014. LADWP’s Board approved the sale on July 24, 2015, subject to various closing conditions.

The final “sale price” was tailored to allow LADWP to realize greater future value, particularly from aspects that SRP had less interest in. In exchange for its 21.2% ownership interest in NGS, LADWP ultimately received a \$10.0mm cash payment from SRP, \$2.9mm of the Peabody Coal Settlement, and 158MW of SRP’s Eldorado transmission assets. In addition, LADWP secured the right to purchase the full generation output from SRP’s Hudson Ranch Geothermal Plant from 2015 through 2021 – bolstering the size and diversity of LADWP’s renewable generation portfolio. In aggregate, the total value realized from the sale, including the avoided costs of continued NGS ownership, provided a net benefit of \$259.1mm to LADWP ratepayers. The sale will also reduce LADWP’s greenhouse gas emissions by 5.39mm metric tons over the next 3 ½ years – equivalent to taking over 1mm cars off the road. Finally, the sale included a market adjustment clause

such that if power prices increase from 2017-2019, LADWP has an opportunity to realize greater cash proceeds. This transaction demonstrates Goldman Sachs' continued leadership in assisting municipal utilities meet their public policy and financial goals. Over the course of the eight year assignment, Goldman Sachs worked closely with LADWP to educate staff as to the generation M&A market, devise creative ways to achieve greater value, and provide consistent service.



## **ALLENTOWN WATER AND SEWER CONCESSION – LCA**

In 2013, City of Allentown issued an RFP for the 50-year lease of its Water and Sewer System to help manage rising police and fire pension costs. The City had unfunded pension liabilities of ~\$160 million. Annual required contributions were expected to reach ~\$20 million by 2015, which equated to ~20% of the City's \$88 million general fund budget. The System's rates had increased by ~6% on average since 1989, but the rate increase was not sufficient when translated into revenues.

On July 31, 2013 Goldman Sachs served as sole bookrunner on \$308 million of Lehigh County Authority ("LCA") Water and Sewer Revenue Bonds, financing the acquisition of the Allentown Water and Sewer System by LCA. The transaction was the Largest Pennsylvania Water and Sewer transaction since January 2011.

### **NAVIGATING A COMPETITIVE PROCESS**

Goldman Sachs worked extensively with LCA to develop a structure that allowed LCA to access the market in a challenging environment. From the bid date to close, 30-year MMD rose over 100 basis points. Shortened final maturities helped minimize the effect of rising long-term interest rates and matched investor demand. The structure matched future debt service to periods of greatest projected cash balances. The bonds ultimately received an "A" rating from S&P. Goldman Sachs acted as LCA's sole bookrunner on the issuance.

LCA obtained the exclusive right to operate, manage, maintain, improve, and collect revenues from the System for a 50-year period. In return, LCA agreed to pay the City an upfront payment of \$220 million, as well as annual payments of \$500,000 throughout the life of the Concession (increasing at CPI); upfront payment of \$220 million was adjusted to \$211.3

million based on an interest rate adjustment clause included in the Concession Agreement. Ultimately, LCA's bid exceeded the initial threshold value established in 2011 by 50%.

### **EXISTING RELATIONSHIP WITH THE CITY AND THE SYSTEM**

LCA is a Municipal Authority with a 47-year history of providing water and sewer service in the Lehigh County Area, of which Allentown is the Seat. LCA was already a well-established, local, proven water and sewer operator in the region. It operated similar assets in the same geographic and demographic region with an experienced management team with technical expertise.

### **NON-PROFIT STRUCTURE ALLOWED FOR A LOWER COST OF CAPITAL**

LCA had a distinct advantage in the bidding process for Allentown's water and sewer assets due to its ability to finance upfront acquisition payment on a tax-exempt basis. The non-profit structure reduced the necessity for future rate increases. LCA was able to finance the 5-year Capital Improvement Program on a tax-exempt basis, decreasing their costs and enabling increased investment in the system.

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### **CITY OF RIALTO**



### **WATER AND WASTEWATER CONCESSION FOR RIALTO WATER SERVICES, LLC**

### **4(2) PRIVATE PLACEMENT**

On November 29, 2012 Goldman Sachs served as joint placement agent for Rialto Water Services, LLC ("Concessionaire") on its concession of the Water and Wastewater Facilities ("Facilities") of the City of Rialto, California. Proceeds of the financing will be used to fund capital improvements, develop necessary new infrastructure and provide lease payments back to the City. Equity sponsors are Table Rock Capital and an affiliate of Union Labor Life Insurance Company, a financial services company for union workers. The Concessionaire will provide all labor, supplies and materials necessary to operate, maintain and manage the Facilities for 30 years, but the City will still retain ownership. Veolia Water West Operating Services will manage the operations and maintenance of the Facilities, which serves 50,000 residents, equal to approximately half of the City of Rialto. The Wastewater Facility serves nearly all residents of Rialto with 20,100 accounts. This

transaction provided the capital necessary to rejuvenate the Facilities and improve cost efficiencies, while supporting local economic development.

Fitch was engaged early on in the process to provide feedback and to ensure that the nuances of the transaction were understood. Goldman Sachs led extensive dialogue with investors via a NetRoadshow, a physical roadshow, and one-on-one investor calls to convey credit strengths and structural features of the transaction, in particular Water and Wastewater Facility Revenue Structure, in which the Facility revenues structured as “Special Revenues” and do not flow through the City’s General Fund.



## CHICAGO SKYWAY

On November 13th, 2015, Ferrovial, through its highway division, Cintra, along with Macquarie Infrastructure Partners and Macquarie Atlas Roads, reached a definitive agreement with Calumet Concession Partners LLC ("the Consortium"), consisting of Canada Pension Plan Investment Board, OMERS and Ontario Teachers' Pension Plan, to sell 100% of the equity interest in Skyway Concession Company LLC for \$2.9 billion.

Ferrovial and Macquarie hired Goldman Sachs as exclusive financial advisor in April 2015.

### POSITIONING A UNIQUE INFRASTRUCTURE ASSET

The Chicago Skyway Concession had been awarded to Ferrovial and Macquarie in January 2005 for a term of 99 years and was the first privatization of a highway in the United States. Goldman Sachs served as financial advisor to the City of Chicago on that transaction.

The deal team highlighted that the Chicago Skyway is a limited access highway providing a critical link between downtown Chicago and the surrounding communities in Illinois and Indiana. Additionally, the Chicago Skyway's attractive tolls for both east and west bound traffic contractually increase through 2017 based on a pre-set predictable schedule.

Effectively positioning these and other points, Goldman Sachs together with its client, communicated the value of the asset to the investor community, enabling the transaction to achieve an implied LTM EBITDA multiple of 37.3x, one of the highest toll road transaction multiples in recent times.

### CREATING VALUE FOR THE CLIENT WHILE MANAGING POTENTIAL NEW INVESTORS

The flexibility and efficiency of Goldman Sachs' process enhanced value for its clients and the attractiveness of the asset to potential buyers.

Detailed pre-launch preparation allowed the management team to supply bidders with a comprehensive data room. The vast majority of bidder questions were answered well ahead of the deadline for the second round of bids, allowing bidders to focus on price maximization in the final stages of the bid process.

### PROACTIVE ENGAGEMENT WITH THE CITY OF CHICAGO

Goldman Sachs provided consistent updates to the City of Chicago to ensure appropriate transparency whilst managing process confidentiality with investor community. This included the facilitation of Sponsor-to-City and Bidder-to-City meetings during the process.

### RELEVANCE TO THE CITY

This transaction demonstrated Goldman Sachs' ability to lead a successful sell-side process and positioning Chicago Skyway as a premiere infrastructure asset to maximize value for the seller. The process also highlighted the Firm's ability to execute a transaction while balancing a relationship with the City of Chicago that began with its role as financial advisor during the initial privatization of the Chicago Skyway.

City of Jacksonville, FL		BMO/IMG Rebel				Ernst & Young				Goldman Sachs						
A	Primary Contact Information:	Sasha Page 1015 15th Street, NW, Suite 600 Washington, DC 20005  Phone: (301) 280-0155 SPage@IMGRebel.com				Tom Rousakis New York, NY  Phone: (212) 773 2228 tom.rousakis@ey.com				Justin Goldstein, Vice President 200 West Street New York, NY 10282  Phone: (917) 343-1802 justin.goldstein@gs.com						
	Strategic Initiative FA Team (25%)	Name		Location & Years Experience		Name		Location & Years Experience		Name		Location & Years Experience				
		Sasha Page		Washington, D.C., 20+		Tom Rousakis		New York, 20+		Justin Goldstein		New York, 16				
		Marcel Ham		Washington D.C., 20		Jay Gillespie		Atlanta, 15+		Chris Elmore		New York, 9				
		Steve Steckler		Washington D.C., , 30		Mike Parker		Philadelphia, 17+		Sameera Gadiyaram		New York, 9				
		David Pennington		Chicago, 25		Marc Powell		New York, 25		John Finn		New York, 6				
	Investigations															
		IMG Rebel has no history of judgements against them or pending litigation/investigations related to financial advisory services  To the best of their knowledge and belief, there has not been any material litigation against BMO Capital Markets Corp. nor any litigation related to the provision of services contemplated by this Request for Proposal					None in the past three years					Details of litigation provided in proposal				
	Fee Approach (10%)															
		Principal/Managing Director - \$450 per hour Director/Senior Manager/Senior Advisor - \$375 per hour VP/Senior Associate/Manager/Associate Director - \$325 per hour Associate/Senior Consultant - \$250 per hour Analyst/Staff Consultant/Program Support Specialist - \$200 per hour Clerical/Administrative Staff - \$75 per hour  Willing to consider offering all-inclusive rates, but believe that the proposed fee structure offers better value for money for the City					Sr. Managing Director/Partner/Principal - \$550 per hour Managing Director/Executive Director - \$500 per hour Senior Vice President/Senior Manager - \$475 per hour Vice President/Manager - \$400 Senior Associate - \$350 per hour Staff - \$270 per hour Global delivery staff - \$150 per hour  Willing to provide specific fixed fee or "not to exceed" fee estimates for defined task order scopes					M&A and P3 Viability Studies - Monthly retainer of \$20,000-75,000 per month Transactional Success Fee Structure -\$0-500mm - 1.25-1.50% of P3 Value, \$3mm floor -\$501-1,000mm - 1.00-1.25% of P3 Value -\$1,001-3,000mm - 0.85-1.00% of P3 Value -\$3,001+mm - 0.63-0.85% of P3 Value				
B	Firm Experience (35%)															
		The IMG Rebel-BMO Team has extensive experience in P3, alternative project delivery, complex financing and lease/sale and privatization of public assets. They provide an overview of selected team engagements in these transaction categories as well as team qualifications. They provide examples of the projects they have previously worked on in their proposal					Top North American infrastructure finance advisor for the last two years (July 2015 to June 2017) with 9 transactions totaling \$5,259mm in value and a 7.8% market share (List and description of transactions provided in proposal)					Power & Utilities M&A Advisory Since 2010 - 14 deals for \$43.7(bn) Global Infrastructure >\$500mm (2010-2017) - 23 deals for \$82(bn) (List and description of transactions provided in proposal)				
	Discussion of Strategic Financial Advisory Approach and Current Market Environment	Will work with the City to achieve its goals relating to the market analysis, opportunity review, planning, solicitation, evaluation, negotiation, and award of potential alternative delivery of existing or new projects or services which are similar (but not limited) to public private partnerships or the lease, sale, and/or disposition of City assets. They can deliver strategic project assessment and delivery services that support the City's goals of building collaborations with the private sector through successful project delivery options including but not limited to P3s  "Developments in a number of sectors and new financing availability make the infrastructure market particularly dynamic. New developments the pick up in the US social infrastructure P3 transaction market. Further, the availability of innovative debt and equity financing sources is high in the current market environment					Will work with the City to identify its key objectives and undertake an initial screening of the City's assets, projects and functions against these objectives to identify a list of potential opportunities  "The City, like most governments nationwide, faces the challenge of "doing more with less". Disruptive factors affecting the environment include technological and legislative changes, economic changes driven by urbanization and demographic shifts and changing consumer expectations. Some general observations include equity funds having record amounts of capital for investment in assets and infrastructure and a broadening of interest by investors into diverse public infrastructure and assets. This surplus of capital suggest good market conditions for valuations of P3 opportunities					Will work closely with the City to understand core goals and objectives, work to develop a transaction process and framework to achieve these goals, and then run a competitive process to deliver non the transactions. Capabilities they would bring to the City include modeling, deep expertise, understanding financing alternatives and coordinating with Federal Stakeholders  "The combination of (1) significant fundraising focused on US infrastructure, (2) limited supply of infrastructure assets, and (3) low interest rates has created an environment of high valuations for infrastructure assets. And as funds have become increasingly open to unconventional investments an opportunity to invest in a core asset (such as an airport) would drive significant interest				
	Marketing Approach (30%)															
	Marketing Strategic opportunities to potential counterparties	Some of the formats used for conducting market outreach include market sounding to assess the appetite for a transaction; sending out a Request for Information (RFI) to gather industry feedback on strategic opportunities; conducting an early stage Industry Day or Road Show; individual meetings upon request by interested parties. Additionally, marketing through industry media, developing a website, using social media and leveraging the team's extensive network are other methods used to market to potential counterparties					(i) Request for Information ("RFI")/Market outreach to engage with the private sector P3 market prior to launching a transaction (ii) Hold a formal Industry day prior to launch to allow for further marketing opportunities (iii) Publish a project information memorandum for clients (iv) Market forthcoming project through conferences and industry media					Identify potential investors including pension funds, sovereign wealth funds, infrastructure funds, private equity funds and insurance companies. Once a buyer list is identified, they will reach out to coverage bankers for them to distribute a marketing "teaser" to the best contact at the potential clients. Will also provide the teaser to their Financial and Strategic Investors Group who have strong relationships with private equity funds. The marketing plan includes three primary categories of marketing materials (1) Initial teaser (2) Confidential Information Memorandum and (3) Data Room				
	Ensuring the City receives the best execution	The IMG Rebel-BMO Team will help ensure that the City of Jacksonville is well prepared and follows a clear and well-defined strategy prior to communicating with the market					Their approach is based on understanding the project, communication and collaboration and providing appropriate resources. Having a successful transaction is further enhanced through having an initial policy review, two-step procurement and the inclusion of P3 or lease agreement in the RFP					Five stage process to deliver value to the City: (1) Preparatory Stage to evaluate the potential transaction and develop the proposed transaction structure, (2) Buyer Identification and Outreach to focus on creating an extensive buyer universe for the transaction tailored to asset for sale, (3) Round 1 Bidding where the City would work with Goldman to engage with those on a potential investors list, providing to those qualified investors a CIM, financial model, and any third-party reports generated by consultants, (4) Round 2 Bidding where Goldman Sachs would provide transaction opportunity details for each buyer, supplying the appropriate level of information to maximize price and minimize issues during negotiations, and (5) Financial Close where the team would move to finalize the PSA and other legal documents required to achieve a quick close				
	References	Issuer	Reference	Type of Project	Date(s) of Service	Issuer	Reference	Type of Project	Date(s) of Service	Issuer	Reference	Type of Project	Date(s) of Service			
	1:	Maryland Department of Transportation	Jodie Misiak	Purple Line	2013-2016	Florida Department of Transportation	Leon Corbett	1-595 Express Lanes P3 Port of Miami Tunnel P3	Not Provided	City of Nashville	Richard Riebeling	Financial Advisory	2008-Present			
2:	Howard County, Maryland	Nikki Griffith	Courthouse	2016-Present	LA Metro	Colin Peppard	Unsolicited P3 & Capital Program	Not Provided	Los Angeles Department of Water and Power	Mario Ignacio	Financial Advisory & Financings	2003-Present				
3:	Miami-Dade	Charles Scurr	Independent Citizens Trust	2006-Present	Sound Transit	Brian McCartan	ST3 Project Analysis	Not Provided	Port of Portland - Airport	Vince Granato	Airport/Port Strategic Financings	1994-Present				
City Experience	Has previously worked with the City of Jacksonville including having a long history of underwriting and lending for the Jacksonville Electric Authority					EY is currently retained by the City of Jacksonville to assist the Emergency Operations Center and the Jacksonville Fire and Rescue Department with the administration of federal grant funds and insurance recovery related to Federal Disaster Declaration ("DR-4283"), commonly referred to as Hurricane Matthew. EY was also previously engaged to undertake an assessment of the City's financial condition for the incoming Mayor. Historically, EY was also the auditor of the City					Has previously served as both Lead and Co-Manager on deals for the City of Jacksonville and Jacksonville Electric Authority. Provides list of deals going back to 2010					

JP Morgan				KPMG				Morgan Stanley				RBCCM			
Henry Reyes 450 S Orange Avenue, Floor 10 Orlando, FL, 32801  Phone: (407) 236-5434 henry.p.reyes@jpmorgan.com				Prakash Ganesh 1801 K Street NW Suite 1200 Washington, DC 20006  Phone: (786) 266-4044 Prakashganesh@kpmg.com				Randy Campbell New York, NY  Phone: (212) 761-9037 Randall.Campbell@ms.com				Tom Carlson 100 2nd Avenue South Suite 800 St. Petersburg, FL 33701  Phone: (727) 895-8899 thomas.carlson@rbccm.com			
Name		Location & Years Experience		Name		Location & Years Experience		Name		Location & Years Experience		Name		Location & Years Experience	
Jason Gredell		New York, 18		Guy Wilkinson		Austin, 18+		Randy Campbell		New York, 25+		Tom Carlson		St. Petersburg, 17+	
Henry Reyes		Orlando, 30		Prakash Ganesh		Washington, DC, 12+		Tony Uccellini		New York, 11+		Vanessa Eckert		Los Angeles, 13+	
Eric Anderson		Chicago		Robert Labenski		Jacksonville, 30		David Nastro		New York, 25+		Kevin Hoecker		Chicago	
Ben Djounas		New York						Scott Beicke		New York, 13+		Christopher Good		New York, 11+	
Based on current knowledge, the Firm believes it has asserted meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings, intends to defend itself vigorously in all such matters and does not believe that any pending legal proceeding would have a material effect on the Firm's performance of the services contemplated by the RFP (Details of litigation provided in proposal)				KPMG has no pending litigation or litigation commenced in the past three (3) years that would materially affect the Firm's operations (Details of litigation provided in proposal)				To the best of MS' knowledge, no employee of Morgan Stanley & Co. LLC involved in this financing has been the subject of any criminal proceeding, criminal investigation, or other securities investigation since January 1, 2015 (Details of litigation provided in proposal)				Details can be found through the Financial Industry Regulatory Authority ("FINRA")			
Fee approach encompasses a retainer fee (subject to discussion with the City) payable quarterly or portion thereof during the term of assignment, commencing upon the execution of an engagement agreement which shall be credited against any Transaction Fee and - A success-based fee (the "Transaction Fee") equal to a percentage of any consideration or third-party investment realized by the City as a result of the successful close of an asset sale, monetization, privatization or P3 transaction. - Fee indications, based on market fee comparable, would be 0.7% to 2.5% (reduced by any retainer payments as specified above).The percentage will be dependent on the size of the transaction and certainly subject to negotiation with the City				Partner/Principal/Managing Director - \$560 per hour Director - \$500 per hour Manager - \$420 per hour Senior Associate - \$350 per hour Administrative Staff - \$140 per hour  *Willing to explore with the City a fixed-fee structure for defined scope of work and deliverables				Morgan Stanley is not able to provide specific fee quotes as they are subject to certain non-disclosure agreements with their private clients. Instead, they provided an example where they were retained by the University of Florida on the sale of the school's parking system. The transaction did not go forward, but it had a minimum fee with incentives to increase if certain value objectives were achieved and the transaction moved forward. The incentive fee ranged up to 1.75% of the total sale price subject to a minimum and contingent upon the sale. Advisory fees will vary but generally range from 1.5% up to 4% depending on size and complexity of the assignment. The typical asset size of our advisory engagements range between \$150mm to several billion. Morgan Stanley will be open to the opportunity to discuss a specific fee proposal with the City as a particular asset is identified				RBCCM recommends discussing potential fees after having had additional dialogue with the City and having a more defined roadmap based on the City's goals and objectives, as well as the type and number of assets the City wishes to divest			
JP Morgan has been involved in more than 150 privatizations on behalf of the governments of more than 40 different countries over the last 30 years. JP Morgan also has extensive P3 advisory experience. (List of relevant projects provided in proposal)				KPMG is recognized by Project Finance Magazine and Infrastructural Journal as the #1 financial advisor on P3 projects, having closed more than \$18 billion of US projects in the last nine years KPMG P3 Advisory in US (January 206-December 2017) - 24 transactions, \$29,980mm value, 25.8% market share. Provided select case studies in their proposal				Their municipal finance team leverages Morgan Stanley's expertise in infrastructure banking and project finance globally for its municipal PPP and project finance business. They provide a list of select examples of privatizations of infrastructure assets that they have worked on in their proposal as well as two case studies detailing their work in the Power and Utilities sector  Since 2009, Morgan Stanley has senior managed \$9.55 billion and co-managed \$19.19 billion of AMT and PABs transactions				In 2017, RBCCM was the #4 underwriter for negotiated transactions, senior managing 525 transactions totaling over \$24.08 billion. For the two year period from 2015 to 2017, RBCCM ranks as the #1 Advisor by number of transactions in the InfraDeals League Table for North American Advisory, having served as Advisor for over \$18.9 billion of transactions on 25 separate deals. Further, RBCCM's ranked #4 in SDC's 2017 Municipal Underwriter Senior Managed League Tables. Case studies and examples provided in proposal			
Will work with the City and the core project team to evaluate and explore all available options for the delivery of a transaction that will serve as the core of the City's identity. Phase (1) Construct an Asset Inventory and Develop an Ongoing Communications Plan, (2) Assembly of Core outside Professional Team and Selection of Preferred Projects, (3) Market Sounding, (4) Selection of Preferred Bidder(s) and (5) Commitment Phase  *The private sector is enjoying the benefits of a historically low interest rate environment, significant debt capacity, and strong equity market valuations. At the same time, private corporations are struggling to maintain top-line growth and sustain investment that will allow them to take advantage of the current environment. The dilemma and the urgency of exploiting the current market have driven the private sector to look for new opportunities in the public sector. Given the confluence of circumstances and the supply and demand imbalance between the corporate and public markets, the United States is poised to become one of the largest markets in the world for privatization and P3 opportunities and transactions and the City has a number of assets that would receive interest from the corporate and institutional investment community				KPMG will complement the City's in-house capabilities, and work in collaboration with PFM, and the City's technical and legal advisors to provide strategic, commercial and financial advisory services to the City. To start, there will be a programmatic assessment which includes a review of existing assets and a review of the current capital plan and potential projects contemplated. Following the assessment there will be project-level planning to identify goals and objectives, analyze financing, funding and transaction alternatives, and determine feasibility and affordability. This is followed by the procurement process, evaluations, negotiations and the award process  (Current market environment opinion not provided)				Morgan Stanley's philosophy in advising clients is to consistently leverage the best resources of the Firm in their global entirety to deliver an optimal approach for all aspects of the P3 transaction process. This is never truer than when we work on a 'Phase I' analysis for clients, which typically involves assessing a range of options and scenarios for the asset under consideration, including but not limited to pursuing a full or partial P3 (with payments upfront or via a revenue sharing mechanism), engaging an operator under a management contract and/or putting additional leverage on the asset  *The City should expect a receptive market to potential P3 and assets sale initiatives. Both P3 and asset sales have found to be able generate aggressive value propositions. This has been driven by the demand by operators of public assets and the investing market including infrastructure funds and the pension funds' allocation to alternative assets. The need for consistent returns and the desirable asset class of municipal assets have driven paid multiples higher. However, public policy with respect to an asset class and the desire to limit the private sector flexibility can impact those values significantly				Six Step Monetization Approach: (1) Pre-Work Stage to discuss goals and objectives, identify potential assets, etc.; (2) Preparation Stage to clearly outline the City's objectives, conduct extensive due diligence, develop a technical assessment of assets and begin drafting Confidential Information Memorandum, send NDAs and distribute teaser; (3) Qualifying Stage (RFQ) to release RFQ, have a Q&A period, prepare RFQ summary report; (4) Indication Stage (RFI) where qualified proposers are selected, documents made available for initial review, conduct final due diligence calls/in person meetings with proposers, indicative proposals deadline; (5) Final Proposal Stage (RFP) where final proposers have the opportunity to attend management meetings and conduct due diligence and where committed technical and financial proposals and transaction structures are due; (6) Committed Stage (Post Proposal) where preferred prosper is selected and the financial close occurs  *RBCCM, as a global leader in infrastructure advisory, has seen strong demand for private infrastructure investments over the last few years. Competition for assets, particularly secondary stage (already built and operating) assets in developed economies, has pushed valuations higher. Low interest rates have also contributed to higher pricing demands as leverage becomes cheaper. Infrastructure is an attractive investment, one with predictable revenue streams that are contracted out for long periods of time and resistant to competitive threats and economic downturns			
JP Morgan will work proactively with the City to prepare the necessary materials to ensure the identified assets and strategic opportunities are marketed and messaged appropriately to investors The marketing approach begins with a RFI for broad market appetite followed by a focused, tailored process ultimately leading up to the final bidding offer. A detailed marketing approach graphic is included in the proposal				The marketing approach will have two key goals in mind: (1) to develop market interest among potential private sector partners and (2) to assess market interest in the various commercial structures resulting from the previously conducted transaction structuring analysis. Will assist the County in conducting informal market sounding exercises, the development of Information Memorandum and Request for Information (RFI) and scheduling industry forums followed by formal one-on-one meetings. Based on the project goals and market feedback, KPMG will work with the City to finalize a deal structure and procurement strategy to move forward the transaction process by issuing an RFQ identifying requirements for the private partner				To optimize the marketing process Morgan Stanley will work to prime the market through facilitating high level conversations with the buyer universe, establish early on the scope of assets included in any carve out procedures (No "White Space"), provide vendor due diligence reports as well as transparency and certainty on the approval process, and manage consortium formation. Morgan Stanley has extensive relationships across the buyer universe and will work to determine the optimal amount on investor outreach (broad vs narrow & public vs private outreach) and which type of investors to consider (e.g. strategic investors, infrastructure funds)				After the preparation stage, RBCCM will work with the City and its financial advisor to assemble the following deliverables: (1) Teaser; (2) Comprehensive Financial Model; (3) Comprehensive Confidential Information Memorandum; and (4) Management Presentation. Upon receipt of the initial bids at the end of Step 4 – RFI Stage, RBCCM will compare the initial valuations / summary of terms to the City. They will work with the City to narrow down the list to a handful that would advance to the Step 5 RFP Stage – i.e., the final bid round. As part of the Step 5 RFP Stage, proposers will have an opportunity to meet the management team as well as conduct additional due diligence on the assets (i.e., site visits)			
J.P. Morgan will work closely with the City to identify the optimal target assets and design, structure, prepare and execute a process to address Jacksonville's goals and objectives. A successfully executed auction structure and approach involves three main components: (1) determining the number of parties to include in the process, (2) identifying which particular arties to include in he process, and (3) selecting the highest/best bidder(s)				Not Provided				Not Provided				RBCCM's PU&I and CME team has long-standing relationships with the universe of bidders for potential City of Jacksonville asset monetization transactions; RBCCM will leverage these relationships to drive value for the City			
Issuer	Reference	Type of Project	Date(s) of Service	Issuer	Reference	Type of Project	Date(s) of Service	Issuer	Reference	Type of Project	Date(s) of Service	Issuer	Reference	Type of Project	Date(s) of Service
CPS Energy	David Jungman	Advisor related to sale of wireless communications towers	Jan-14	Florida Department of Transportation	Leon Corbett	I-4 Project	Not Provided	Citizens Energy Group, IN	John Brehm	Acquisition of Indianapolis' Water and Wastewater System	1998-Present	Lower Colorado River Authority	Richard Williams	Sell-Side Advisor	June 2016-September 2017
BCD Energy Collaborative	Andrew Cohn	Purchase and simultaneous sale of Medical Total Energy Plant	Ongoing	Broward College	Jayson Iroff	Downtown Campus	Not Provided	Nassau County, NY	Steven Conkling	P3 Advisory	2012	DePaul University	Jeffrey Bethke	Sell-Side Advisor	July 2016-July 2017
New Hampshire Public Utilities Commission	Anne Ross	Sale of power generation portfolio	Oct-17	Miami-Dade County	Tara Smith	Civil Court Facilities	Not Provided	Florida Development Finance Corporation, FL	Bill Spivey	Private Activity Bond Underwriting	2017	ENGIE	John Givens	Buy-Side Advisor	February 2015-July 2017
J.P. Morgan has consistently been the top underwriter of the City's debt financings. Since 2005, J.P. Morgan, as the #1 underwriter for the City and its associated agencies, has led 40 issuances, for more than 25% of the market share. Recently, J.P. Morgan acted as financial advisor to JEA on the acquisition of Florida Power and Light's ("FPL") 20% stake in Saint John's River Power Park. J.P. Morgan delivered a valuation opinion to the Board of Directors of JEA				KPMG is currently engaged by the Jacksonville Transportation Agency to assist the Authority in conducting a risk analysis as it explores the use of autonomous vehicle fleet technology				Morgan Stanley has served as a co-manager in the City's past financings. Morgan Stanley is not in the City's current underwriting pool. MS has engaged as an underwriter with several Florida clients including cities, counties and special authorities				RBCCM has a long history and commitment to the City of Jacksonville and Duval County. Since 1980, RBCCM has served as underwriter on 85 transactions for a par amount in excess of \$3.2 billion, including 47 transactions for over \$826.9 million as a senior manager. In addition, RBCCM served as underwriter on over 74 transactions for a par amount in excess of \$12.2 billion for the Jacksonville Electric Authority, including over \$702.3 million of transactions as senior manager since 2010			



## City of Jacksonville

J.P. Morgan Response to Strategic Initiatives Financial Advisory Services RFP

STRICTLY PRIVATE AND CONFIDENTIAL



J.P.Morgan



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One or more of the services included in this Request for Qualifications may be considered municipal advisory activities under the final rules (SEC Rel. No. 34-70462 (Sept. 20, 2013)) (such final rules and to the extent referenced therein, Section 975, the "Municipal Advisor Rules"), implementing Section 975 ("Section 975") of the Dodd-Frank Wall Street Reform and Consumer Protection Act. We may not be able to perform some of the services you may request of us from time to time in connection with the engagement on which you are requesting qualifications, unless we have confirmed that such requested services do not cause us to be considered a "municipal advisor" under the Municipal Advisor Rules or are otherwise excluded or exempt under the Municipal Advisor Rules. Any certifications, guarantees, warranties and agreements, with respect to our ability to perform the services described in the RFP or otherwise requested by you in connection with this engagement are hereby qualified and may only be performed to the extent that any such services may be performed without causing us to be considered a "municipal advisor" under the Municipal Advisor Rules.

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## A.1. Executive Summary / Cover Letter

Jeremy Niedfeldt, Director  
Public Financial Management, Inc.  
300 South Orange Ave., Suite 1170  
Orlando, FL 32801

January 15, 2018

Jeremy,

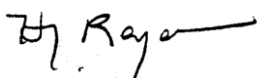
On behalf of J.P. Morgan Securities LLC ("J.P. Morgan" or the "Firm"), we thank you for this opportunity to present our qualifications to serve the City of Jacksonville (the "City" or "Jacksonville"). We respectfully propose this material highlights our credentials, capabilities, prior service and community investment to merit a role as Strategic Initiatives Financial Advisor.

**Leadership in Advisory Services.** J.P. Morgan is a premier provider of investment banking services to the public and private sectors in the U.S. The Firm is an industry leader in providing advisory, financing and capital markets support in order to facilitate the strategic and policy objectives of our government and corporate clients. As discussed further in our responses below, J.P. Morgan has long been at the forefront of the public and corporate M&A, public-private partnership ("P3") and privatization market. The Firm's competitive position and its success in public-private M&A and privatization assignments bring with it a significant wealth of industry knowledge, expertise and transaction experience. This extensive experience in public / government and corporate M&A assignments requires the evaluation of P3 models, assessment of market trends, asset valuation expertise, structuring and negotiation of complex deal terms and transaction agreements and the clear communication of this detail to potential partners, stakeholders, community leaders and governing authorities. J.P. Morgan's success and the experience highlighted in our response is a testament to our unique platform which integrates the industry's only dedicated Public M&A and P3 Advisory Group with the Firm's Corporate M&A and Industry Investment Banking and Public Finance groups to execute advisory assignments on behalf of the Firm's clients. We are not aware of another firm that has this capability or success in the market. We believe that the City of Jacksonville's assignment will require this level of demonstrated transaction experience, technical expertise and multi-disciplinary support which J.P. Morgan is uniquely capable of delivering.

**Commitment to Florida and the City of Jacksonville.** We have assembled a team with in-depth Jacksonville, and advisory experience to serve the City. Full time coverage will be led by Henry Reyes, Managing Director (authorized to commit the Firm), based in Orlando and part of a statewide network of 398 locations employing 14,100 Florida residents. In Jacksonville, we employ 1,800 City residents, serving over 164,200 consumer customer & more than 6,600 small business customers. The Firm has provided over \$900 million in credit facilities to the City and its Utility, JEA, over the past 6 years comprised of an initial \$130 million liquidity facility for BJP which was renewed twice, a \$300 million revolving facility to JEA and \$201 million of Liquidity Facilities supporting JEA variable rate bonds. We are proud to have successfully underwritten and serve as lead or co-lead on teams for JEA, JTA and UNF and to have provided credit to JAXPORT during the 2007-08 national fiscal downturn.

We sincerely appreciate this opportunity to present our qualifications and hope that our proposal reflects our strong capabilities and desire to deploy our resources and experience on your behalf as strategic advisor. We understand the scope of the services to be provided and are committed to bringing to bear the full resources of J.P. Morgan to ensure flawless execution for the City. Please do not hesitate to contact us if you have any questions or would like additional information.

Sincerely,



Henry Reyes  
Managing Director  
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## A.2. Strategic Initiatives Financial Advisory Team

J.P. Morgan has assembled a multi-disciplinary team of senior professionals and requisite staffing from the Firm's Public and Corporate M&A groups, P3 Advisory, Public Finance and Industry Investment Banking Groups to advise the City on the execution of this engagement. The Firm's overall approach to this assignment, as is the case for all J.P. Morgan's engagements, will be to leverage the team's sector expertise and extensive transaction experience to provide the City with a comprehensive resource to address the complex requirements of the process and any transaction that the City decides to pursue. This team will be available to the City and its stakeholders on an "on-call" basis throughout the assignment regarding all aspects of each process. J.P. Morgan will work closely with the City to identify the optimal target assets and design, structure, prepare and execute a process to address Jacksonville's goals and objectives. A successful process is designed and conducted in a disciplined and transparent manner with the objective of optimizing the outcome while achieving the key policy objectives for the City, its stakeholders and the broader Jacksonville community.. The team described below represents the personnel who have been engaged to support the City. A summary of the experience and proposed roles for team members follows. Complete resumes are included in Appendix A.

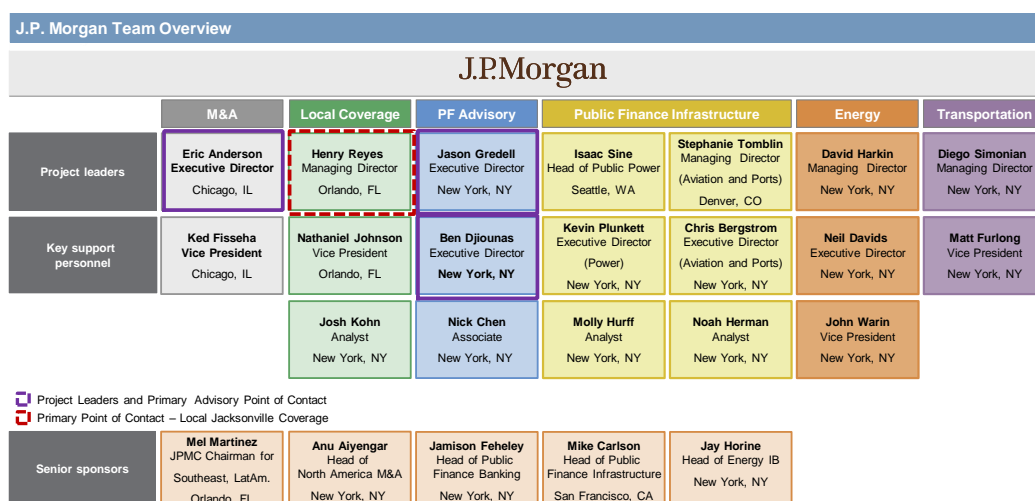
### Senior Sponsorship:

Represent the most senior level of professionals at J.P. Morgan. Senior sponsors have extensive experience in public and private M&A advisory, P3, infrastructure, global M&A and general investment banking. They will be briefed regularly with status

updates, consulted for advice and be available as appropriate during the execution of the engagement.

**Project Leaders:** Represent senior level professionals with extensive experience in public and private infrastructure advisory and P3 assignments. Project leaders will be responsible for project management, ensuring a coordinated, efficient execution of the process including reviewing, comparing and analyzing the feasibility of various privatization proposals or P3 models. These individuals will also coordinate with senior sponsors to direct and supervise key support personnel. Project leaders have a deep understanding and extensive experience addressing key financial, legal, market and regulatory aspects of public-private M&A advisory and P3 transactions including:

- Personal relationships, experience and understanding of the City of Jacksonville
- Relationships and transaction experience with the universe of target bidders and key stakeholders in the process
- In-depth knowledge of the City's assets, current market conditions, and transaction precedents
- Performing transaction diligence
- Analyze market trends and provide precedents for key transaction terms and definitive documents
- Relationships with key industry professionals, consultants, developers, contractors and state / federal regulators
- Appreciation for and experience with the nuances related to effectively managing a process for publicly-owned assets (e.g., importance of community communication / buy-in as well as political, regulatory and community dynamics).





Project leaders will work closely with the City as well as its attorneys and consultants for calls and meetings. Project leaders will be available to provide trustee, legislative, political, or regulatory recommendations, briefings and testimony, as needed

**Key support personnel:** Represent seasoned professionals with experience in public and private utility M&A and / or public finance transactions. Key support personnel will be responsible for day-to-day project management including the creation of procurement documents (e.g. process letters, RFI/Q/Ps), financial models, data room and marketing materials and presentations / analysis. These individuals will work closely with key City personnel and its advisors through daily interactions and communications (both calls and in-person meetings). Complete Resumes are available in Appendix A.

### A.3. Investigations

JPMorgan Chase & Co. and/or its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories. Based on current knowledge, the Firm believes it has asserted meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings, intends to defend itself vigorously in all such matters and does not believe that any pending legal proceeding would have a material effect on the Firm's performance of the services contemplated by the RFP. For further discussion, please refer to JPMorgan Chase & Co.'s publicly-filed disclosures, including its most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (available at: <http://investor.shareholder.com/jpmorganchase/sec.cfm> ). Reference is also made to a press release issued on May 20, 2015 concerning settlements related to foreign exchange activities (available at: <http://investor.shareholder.com/jpmorganchase/releasedetail.cfm?ReleaseID=914105> ). Judgment consistent with the terms of the plea agreement referenced in the press release was entered on January 10, 2017.

### A.4. Fee Approach

The City is a long standing client of J.P. Morgan and the award of the advisory assignment is of significant importance to the Firm, the advisory franchise and the professionals that are dedicated to the transactions. As such, J.P. Morgan is committed to providing flawless execution and is interested in working to structure a compensation arrangement that addresses the needs and objectives of Jacksonville while appropriately compensating J.P. Morgan for the comprehensive resources that the Firm will commit in order to deliver a successful outcome to the City. Our fee approach encompasses a retainer fee (subject to discussion with the City) payable quarterly or portion thereof during the term of assignment, commencing upon the execution of an engagement agreement which shall be credited against any Transaction Fee (described below) and

- A success-based fee (the "Transaction Fee") equal to a percentage of any consideration or third-party investment realized by the City as a result of the successful close of an asset sale, monetization, privatization or P3 transaction.
- Fee indications, based on market fee comparables, would be 0.7% to 2.5% (reduced by any retainer payments as specified above). The percentage will be dependent on the size of the transaction and certainly subject to negotiation with the City.

The proposed fee construct is based on precedent market transactions, J.P. Morgan's previous experience on similar transactions (which, to the extent not subject to confidentiality agreements, we will provide to the City upon request) and would reflect our assessment of the resource commitment and potential term of the assignment, reviewed in detail with the City. We also seek to emphasize that we would be willing to discuss an alternative fee structure if the City desires such an alternative arrangement.

## B.1. Firm Experience

We believe J.P. Morgan is uniquely qualified to serve as a strategic advisor to the City as we are able to commit the full resources of the Firm to this assignment as we have an integrate platform comprised of industry leading public and corporate M&A advisory, energy, infrastructure, transportation, and public finance practices. The team's knowledge and experience executing successful privatization, public-private M&A advisory and P3 assignments across a variety of industry verticals for both investor-owned and public sector clients allow us to provide the City with the breadth and depth of experience that is critical to the success of this assignment.

### J.P. Morgan has extensive experience working on similar transactions involving government sector client

J.P. Morgan has extensive experience working on similar transactions involving governmental agencies, as highlighted in the case studies below. Through this experience, we have developed a thorough knowledge of government requirements that are applicable which we will utilize for the City if ultimately chosen as advisor. We have been relied on extensively by past clients to assist with the dialogue with key regulatory and public stakeholders and we are available to provide the same services to the City.

The list below highlights some of the public and private clients for whom J.P. Morgan has provided services similar to those requested by the City's RFP. The list includes members of J.P. Morgan's dedicated Jacksonville team (resumes provided in Appendix A of this RFP response) involved in each transaction.

#### List of Relevant Projects

Client / Transaction	Jacksonville Team Members Involved	
<b>Client:</b> BCD Energy Collaborative <b>Transaction:</b> BCD purchase and simultaneous sale of Medical Area Total Energy Plant ("MATEP")	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> <li>Jason Gredell</li> </ul>	<ul style="list-style-type: none"> <li>Isaac Sine</li> <li>Kevin Plunkett</li> <li>Nick Chen</li> </ul>
<b>Client:</b> State of Hawaii <b>Transaction:</b> State of Hawaii / University of Hawaii Broadband Cable Project	<ul style="list-style-type: none"> <li>Jason Gredell</li> <li>Nick Chen</li> </ul>	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> </ul>
<b>Client:</b> New Hampshire Public Utilities Commission <b>Transaction:</b> New Hampshire Public Utilities Commission sale of Eversource's New Hampshire solid-fuel and hydro generation portfolio	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> <li>Anu Aiyengar</li> <li>Jay Horine</li> <li>Jason Gredell</li> <li>Kevin Plunkett</li> </ul>	<ul style="list-style-type: none"> <li>Neil Davids</li> <li>Isaac Sine</li> <li>Eric Anderson</li> <li>Ked Fisseha</li> <li>Nick Chen</li> </ul>
<b>Client:</b> JEA <b>Transactions:</b> JEA purchase of FPL's 20% undivided interest in Saint Johns River Power Park	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> <li>Jay Horine</li> <li>Jason Gredell</li> <li>Isaac Sine</li> </ul>	<ul style="list-style-type: none"> <li>Kevin Plunkett</li> <li>Neil Davids</li> <li>Nick Chen</li> <li>Eric Anderson</li> <li>Ked Fisseha</li> </ul>
<b>Client:</b> North Carolina Eastern Municipal Power Agency <b>Transaction:</b> North Carolina Eastern Municipal's sale of 700MW of generation capacity to Duke Energy Progress	<ul style="list-style-type: none"> <li>Anu Aiyengar</li> <li>Eric Anderson</li> <li>Ked Fisseha</li> </ul>	<ul style="list-style-type: none"> <li>Neil Davids</li> <li>Isaac Sine</li> <li>Jay Horine</li> </ul>
<b>Client:</b> City of Philadelphia <b>Transaction:</b> City of Philadelphia's sale of Philadelphia Gas Works	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> <li>Anu Aiyengar</li> <li>Eric Anderson</li> </ul>	<ul style="list-style-type: none"> <li>Neil Davids</li> <li>Ked Fisseha</li> <li>Jay Horine</li> </ul>
<b>Client:</b> State of Wisconsin / University of Wisconsin <b>Transaction:</b> State of Wisconsin privatization of the University of Wisconsin System district energy portfolio	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> <li>Jay Horine</li> <li>Neil Davids</li> </ul>	<ul style="list-style-type: none"> <li>Isaac Sine</li> <li>Kevin Plunkett</li> <li>Jason Gredell</li> </ul>
<b>Client:</b> Regional Transportation District <b>Transaction:</b> Denver Regional Transportation District Eagle P3 transit line enhancement.	<ul style="list-style-type: none"> <li>Jamison Feheley</li> <li>Michael Carlson</li> </ul>	<ul style="list-style-type: none"> <li>Ben Djionas</li> </ul>

Client: Carrix / SSA Marine Transaction: Equity Private Placement

■ Diego Simonian

■ Matt Furlong

\*Detailed case studies are included in Appendix B.

**J.P. Morgan is a leading advisor in privatizations and P3 transactions**

J.P. Morgan has been involved in more than 150 privatizations on behalf of the governments of more than 40 different countries over the last 30 years.

J.P. Morgan has extensive P3 advisory experience. In addition to the Firm's dedicated Public M&A Group, J.P. Morgan has a dedicated infrastructure team within the Public Finance Group with a leading advisory track record advising clients on the structuring and execution of infrastructure P3 transactions. This group synthesizes the resources of traditional mergers and acquisitions and corporate finance advisory with the unique public policy oriented perspective necessary in this market. The team's relevant experience includes advisory roles on/for Denver RTD, City of Los Angeles, Mississippi DOT, Midway Airport, , Indiana Toll Road, Pennsylvania Turnpike, Alligator Alley and the Port of Corpus Christi. These transactional experiences give us timely insight into key value drivers such as: specific asset class understanding, transaction structuring alternatives and preferences, target equity investor profile and maximization of value in the current credit market environment.

J.P. Morgan's key competencies in P3 advisory and M&A create significant value and maximum leverage for our clients throughout the process which we believe are also directly relevant to the City in our potential role as strategic advisor.

- **Differentiated, full-service integrated platform:** J.P. Morgan will deliver a coordinated, multi-disciplinary execution strategy with complete advice across the spectrum of valuation, financing, and transaction structuring issues
- **Market knowledge:** Significant U.S. applicable public and corporate sector knowledge gained through vast transaction experiences across all major sectors in North America
- **Valuation expertise:** Extensive valuation and advisory experience with industry-leading best practices and standards; Proprietary market intelligence provides insight into current market valuations
- **Technical capabilities:** Dedicated team capable of adapting to changing work priorities and deliverables; Significant experience modelling public and corporate sector contracts under various scenarios

**J.P. Morgan is an industry leader in U.S. M&A**

A select overview of J.P. Morgan's most recent U.S. advisory assignments are below

Pending \$6.3bn   Advisor to Avantor Performance Materials on its acquisition of VWR	Pending \$4.9bn   Advisor to Apollo on its acquisition of West Corporation	2017 \$64.1bn   Advisor to Reynolds American on sale of its remaining 57.9% stake to British American Tobacco	Pending \$107.9bn   Advisor to AT&T on its acquisition of Time Warner	Pending \$23.1bn   Advisor to Twenty-First Century Fox on its acquisition of remaining 61.6% stake in Sky	Pending \$30.1bn   Advisor to Rockwell Collins on its sale to United Technologies
2017 \$43.4bn   Advisor to Enbridge on its merger with Spectra Energy	2017 \$19.3bn   Advisor to Colony Capital on its merger of equals with Northstar Asset Management and North Realty Finance	2017 \$16.6bn   Advisor to ONEOK on its acquisition of ONEOK Partners	Pending \$14.8bn   Advisor to Scripps Networks Interactive on its sale to Discovery Communications	Pending \$6.6bn   Advisor to AltaGas on its acquisition of WGL Holdings	Pending \$6.6bn   Advisor to Sinclair Broadcast Group on its acquisition of Tribune Media



## J.P. Morgan is an industry leader in Corporate and Public Power and Utilities M&A






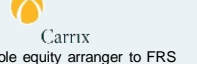






A select overview of J.P. Morgan's most recent public and private power and utilities advisory assignments are below

<p>pending \$258.3mm</p>  <p>Advisor to the New Hampshire Public Utilities Commission on the divestiture of Eversource generation facilities</p>	<p>Pending \$6.6bn</p>  <p>Advisor to AltaGas on its acquisition of WGL Holdings</p>	<p>Pending \$4.3bn</p>  <p>Advisor to TerraForm Power in its sale of its controlling stake to Brookfield Asset Management</p>	<p>Pending \$2.3bn</p>  <p>Advisor to Shanghai Electric Power on its acquisition of 66.4% stake in K-Electric</p>	<p>Pending \$1.8bn</p>  <p>Advisor to Gas Natural on sale of its Fenosa's gas distribution business in Spain to Allianz and CPPIB</p>	<p>Pending \$1.3bn</p>  <p>Advisor to Vertiv on the sale of ASCO Power Technologies to Schneider Electric</p>
<p>Pending \$1.1bn</p>  <p>Advisor to TerraForm Global on its sale to Brookfield Asset Management</p>	<p>2017 \$43.4bn</p>  <p>Advisor to Enbridge on its merger with Spectra Energy</p>	<p>2017 \$5.1bn</p>  <p>Advisor to Petrobras on its sale of South American natural gas transmission utility to Brookfield Infrastructure Consortium</p>	<p>2017 \$3.0bn</p>  <p>Advisor to EPH on sale of its remaining 35.0% stake to Daniel Kretinsky</p>	<p>2017 \$2.8bn</p>  <p>Advisor to EDP Energias de Portugal on its sale of Naturgas Energia Group to JPMorgan and consortium</p>	<p>2017 \$2.4bn</p>  <p>Advisor to Algonquin Power &amp; Utilities on its acquisition of Empire District Electric</p>
<p>2017 \$441mm</p>  <p>Advisor to LS Power on the sale of its Decatur Energy Center</p>	<p>2017 \$137mm</p>  <p>Advisor to JEA on the acquisition of NextEra subsidiary FPL's ownership stake in St. Johns River Power Park</p>	<p>2017 \$7.9bn</p>  <p>Financial advisor to SunEdison's second lien creditor constituents on the sale of TerraForm Global and TerraForm Power to Brookfield</p>	<p>2016 \$10.4bn</p>  <p>Advisor to Emera on its acquisition of TECO Energy</p>	<p>2016 \$3.3bn</p>  <p>Advisor to TransCanada on its sale of its U.S. Northeast generation portfolio</p>	<p>2015 \$6.7bn</p>  <p>Advisor to Riverstone on its merger with PPL Energy Supply</p>



## J.P. Morgan has extensive experience working on port transactions

A select overview of J.P. Morgan's most recent port advisory assignments is provided below

<p>2016 c.\$600mm</p>  <p>Mandated Lead Arranger for the infrastructure financing of two DP World ports in Canada</p>	<p>2016 A\$12.8bn</p>  <p>Advisor to Qube Holdings led consortium on its acquisition of Asciano Ltd</p>	<p>2016 \$5.0bn</p>  <p>Advised CMA CGM on its acquisition of Neptune Orient Lines and led the \$1.65 billion related acquisition financing</p>	<p>2016 \$350mm</p>  <p>Acted as Global Bookrunner on Global Ports' \$350mm eurobond</p>	<p>2015 S\$640mm</p>  <p>Exclusive Financial Advisor to Macquarie Infrastructure and Real Assets to acquire a 34% interest in Universal Terminal</p>	<p>2014 Undisclosed</p>  <p>Sole equity arranger to FRS Capital Corp., parent of Carrix Inc., in connection with Mr. Fernando Chico Pardo's investment in the Company</p>
<p>2014 \$250mm</p>  <p>Joint Lead-Manager and Bookrunner on Global Ports Holding's inaugural US\$250mm 7NC4 bond offering</p>	<p>2013 c.\$1bn</p>  <p>Sole financial advisor to CDPQ on its acquisition of a 26.67% interest in the Port of Brisbane from GIP</p>	<p>2013 \$561mm (pre-shoe)</p>  <p>Joint Bookrunner for Qinhuangdao Port's H-share Initial Public Offering</p>	<p>2012 \$2.5bn</p>  <p>Fairness opinion to NCSP on its 100% acquisition of PTP</p>	<p>2011 \$1.6bn</p>  <p>Sole financial adviser and debt arranger to Arcus on the acquisition of Forth Ports</p>	<p>2010 US\$520mm</p>  <p>Sole Financial Advisor to COSCO Pacific on its acquisition of 13.7% stake in Yanbian from APMM</p>

Source: Infranews, J.P. Morgan estimates



## J.P. Morgan has unrivalled expertise in the global airport sector

A select overview of J.P. Morgan's most recent airport advisory assignments is provided below

<b>Pending Undisclosed</b>  Sole financial advisor to MIRA on its ongoing strategic review of its investment in Copenhagen Airport	<b>2017 €1.4bn</b>  Financial advisor on Fraport's successful bid for the airports of Fortaleza and Porto Alegre in Brazil	<b>2016 -</b>  Financial advisor to Ferrovial and Meridiam for the acquisition of Nice and Lyon Airport	<b>2016 c.\$1.0bn</b>  Merger/Consolidation with TPS Avia	<b>2016 \$2.0bn</b>  Global Coordinator and Joint Bookrunner for dual-tranche senior secured bond offering	<b>2015-2016 -</b>  Financial advisor to Macquarie for the acquisition of London City Airport
<b>2015 Undisclosed</b>  Sell-side advisor to Advent International on the sale of Aerodrom	<b>2014 -</b>  Lead financial advisor to Capote Alliance for the acquisition of a 49.9% stake in ATB	<b>2014: \$300mm 2012: \$203mm 2010: \$121mm</b>  Joint Placement Agent MAHB's private placement to finance acquisition of 40% \$300mm stake in ISG & LGM (2014)	<b>2013 -</b>  Advising the 1st runner up on Ana airports privatization	<b>2013 \$303mm</b>  Financial Advisor to GIC on its divestiture of 8.8% stake in Beijing Capital International Airport to NWS	<b>2013 £1,500mm</b>  Sole financial advisor to Manchester Airports Group on the acquisition of Stansted Airport

## B.2. Discussion of Strategic Financial Advisory Approach and Current Market Environment

In order to best assist the City with reviewing and executing its strategic options, the selected advisor must have a deep understanding of the City's asset portfolio, prevailing political environment and sector expertise on areas where the City's assets reside in order to maximize each potential opportunity and not waste time and resources pursuing opportunities that do not address the needs of the City and the community of Jacksonville

At the outset, J.P. Morgan will work with the City and the core project team to evaluate and explore all available options for the delivery of a transaction that will serve as the core of the City's identity, giving shape to its long-held traditions of resource prudence, connection to the environment, and responsible leadership. In short, these initial conversations will help shape a strategic plan and inventory of target opportunities, which will then be reflected in the procurement process. J.P. Morgan will leverage insights from our own experience, feedback from the various resources of J.P. Morgan's global network and discussions with key industry participants and experts.

### Overall Approach and Key Work Streams

**Phase 1: Construct an Asset Inventory and Develop an Ongoing Communications Plan** In order to maximize value for the City when review strategic initiatives, identifying and narrowing the universe of possible assets is critical to ensure time and resources are only dedicated to high potential projects. To achieve this goal, J.P. Morgan will leverage its deep understanding of the Florida political environment, past privatization experience, and institutional sector expertise to categorize City assets based on political plausibility, potential value and regulatory circumstances.

The key deliverables and activities of Phase 1 would include:

- Clarify the operational, financial and social objectives of the City and the Jacksonville community
- Evaluation of potential for strategic opportunities for the City's asset and programs
- Develop a contact list of key City personnel overseeing the strategic review and current managers of various City assets
- Develop an ongoing communication strategy and schedule regular meetings / calls with key City personnel to provide updates on the strategic review process as well as any trends developing within the publicly owned asset market
- Clarify the City's jurisdiction and ownership of each asset as well as identify any legal / regulatory limitations on the City's control of its assets
- Develop financial, operational and legal profiles for each assets by using internal expertise and conducting due diligence with existing asset managers



**Phase 2: Assembly of Core outside Professional Team and Selection of Preferred Projects** After establishing a comprehensive asset inventory, J.P. Morgan will assist the City in selecting preferred projects to further investigate. To assist with this effort, J.P. Morgan will work with the City in qualifying and selecting key professionals (e.g. outside counsel, market consultants) that will be part of a core project team. This core project team will leverage its professional experience to recommend projects from the inventory that fits the City's defined objectives and regulatory authority.

The key deliverables and activities of Phase 2 would include:

- Assist with the selection of outside project professional / contractors (i.e. market consultants, legal, etc.) through a structured RFP process
- Update the working group list to include key contractors / consultants
- Perform detailed legal, technical and financial diligence on the asset inventory to provide the City with project recommendations
- Assist the City in selecting the preferred projects from the core team's recommendations
- Finalize the procurement process for the preferred projects

**Phase 3 – Market Sounding** Following the City's selection of the preferred projects, J.P. Morgan will work with the City and the core project team to begin the process of qualifying potential buyers (outright sale) / operating partners (P3 or other partnerships) through a formal market sounding RFI in order to obtain more specific feedback regarding the various options available in the market and to confirm market "appetite" for various transaction structures and terms.

The feedback from these discussions with potential bidders is an effective way to gather valuable market intelligence regarding the feasibility of various options and structures for each identified asset and the value that each provides to the City's long goals and objectives. Additionally, the introduction of the opportunity to potential partners will provide the added benefit of providing market intelligence that will be used in developing the parameters of the overall project agreement and the final RFP. J.P. Morgan will leverage our deep industry relationships across transportation, energy and infrastructure sectors as well as past experience in advising public entities on strategic options to provide the City with a comprehensive market sounding from the universe of potential bidders and operating partners. We believe that this approach will allow for a comprehensive and neutral assessment of the various alternatives.

The key deliverables and activities of this phase would include:

- Launch a formal RFI to test market interest for identified assets and confirm market "appetite" for various transaction structures and terms
- Develop Teaser, initial marketing materials, financial model, Information Memorandum and bidder data packs
- Develop Phase 3 Process Letter covering the process until responses to the RFI (Expression of Interests) are due
- Populate virtual data room ("VDR") and distribute confidential agreements to targeted bidders
- Handle potential bidder communications and logistics, including Q&A
- Assist City with any community engagement requirements arising from the transaction(s)
- Schedule periodic update calls / meetings with the City to provide status on the process
- Assist the City in assessing bidder Expressions of Interest and selecting a shortlist

**Phase 4 - Selection of Preferred Bidder(s)** In Phase 4, a Request for Proposal ("RFP") will be developed and distributed to participants screened in the Phase 3 RFI/Q process. These bidders will be provided access to the virtual data room ("VDR"). J.P. Morgan will coordinate all bidder interactions with the City by conducting structured Q&A sessions as well as provide the City with guidance on responding to bidder inquiries in order to maximize interest in the transaction. J.P. Morgan will work with the City and the core project team to refine the transaction structures and business cases based on feedback from the RFI.

The key deliverables and activities of this phase would include:

- Development of a RFP that 1) clearly states the City's objectives and requirements for the process 2) incorporates evaluation criteria and benchmarks that objectively measure feasibility and value of any proposal submitted to the City and 3) includes J.P. Morgan recommendation on how best to innovatively include the City into the overall transaction financing in order to maximize the financial marketability of the identified assets



- Development of the Phase 4 Process Letter for the process until Best and Final Offers (“BAFOs”) are due
- Develop detailed operational and financial model for the asset
- Coordinate VDR access for bidders and disseminate the RFP
- Conduct interviews and address bidder questions
- Schedule periodic update calls / meetings with the City to provide status on the process
- Coordinate management presentations and on-site due diligence trips
- In collaboration with counsel, assist the City with negotiating the commercial terms within key legal documents
- Assist the City in assessing BAFOs and share J.P. Morgan institutional experience on 1) bidder reputation and deal execution capacity 2) feasibility of proposed financing structure 3) reasonableness of proposed costs and 4) value for money analysis that compare proposals with their public sector comparator

Arguably, the selection of a partner for any transaction is the most important decision that the City will make during the process. The partner will not only be responsible for transforming a feasible concept into a functioning project or transformational transaction but also the management and delivery of critical services to the City. J.P. Morgan will work with the City and its core project team to develop financial, technical and economic criteria in order to evaluate the potential partners. J.P. Morgan will leverage this criteria as well as its own transaction experience to qualify, diligence and eventually select the best partner for the City based on:

- Delivery of a proposal that provides Jacksonville with the most comprehensive and cost effective solution
- Expertise and experience with similar assets, transactions and projects
- Sufficient in-house resources covering a full range of expertise and track record of success / partner references

**Phase 5 – Commitment Phase** In the final phase, we will assist the City in final negotiations with the preferred bidder(s), the preparation of required regulatory processes and work towards a transaction closing.

The key deliverables and activities of Phase 5 would include:

- Assist in the finalization of all transaction contracts and documents
- Assist with any remaining regulatory requirements
- Coordination of the commercial and financial close





The phases described above will serve as milestones and critical decision points in the development of a successful transaction. The phases are deliberately established to create logical waypoints for reporting the status of the each potential project and reflecting on the information that has been gathered to date and allowing the information to guide the direction of each decision to advance the process. This will provide for continuous monitoring of the transaction, thereby increasing the opportunities to make real-time adjustments or changes that ensure a successful outcome for the City and also ensure the effective and efficient use of all resources committed to any transaction. We believe that the best way to ensure the delivery of a successful outcome is to run a disciplined process that provides real-time feedback to shape key transaction decisions and create a hedge against advancing any selected project without a clear path to close.

### **Market Overview and Potential Jacksonville Strategic Opportunities**

After decades of underinvestment and an increasing population in the US, today’s infrastructure needs are large and continue to grow. Federal, state and local governments are finding it difficult to operate and maintain capital intensive operations and to finance new projects on their own due to decreased tax revenue and shrinking budgets. These factors have increased the political will and desire to seek alternatives to fund critical infrastructure and mitigate the mounting deferred investment and the risk associated with the operation of critical assets. While the traditional methods of debt financing still make up the bulk of capital raised by government and not-for-profit organizations, there has been an increasing trend to consider and pursue alternative funding methods such as privatization and P3 vehicles, ranging from design-build (and operate-finance or both) through concessions to operations and maintenance type contracts. This need to find non-traditional funding alternatives has been met with growing interest from the institutional investment community and private corporations to invest capital and to acquire public assets. The private sector is enjoying the benefits of a historically low interest rate environment, significant debt capacity, and strong equity market valuations. At

the same time, private corporations are struggling to maintain top-line growth and sustain investment that will allow them to take advantage of the current environment. The dilemma and the urgency of exploiting the current market have driven the private sector to look for new opportunities in the public sector. Adding to this dynamic environment is the anticipation of a record M&A market in 2018 as the private sector looks to take advantage of the current window before these positive trends slow. Given the confluence of circumstances and the supply and demand imbalance between the corporate and public markets, the United States is poised to become one of the largest markets in the world for privatization and P3 opportunities and transactions.

The City has a number of assets that would receive interest from the corporate and institutional investment community and would generate significant value, cash proceeds and potential cost savings to the Jacksonville community in a strategic transaction. This can range from retendering assets under a P3 concession to an outright asset sale. We have identified the assets below to highlight some of the more probable options.

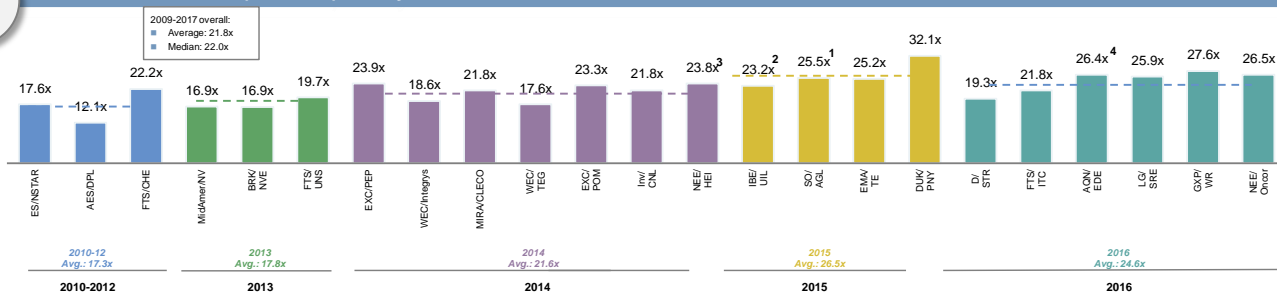
Assets		Financials			
 <div>JAA Jacksonville Aviation Authority</div>	<p>JAA is a public agency formed in 2001 by the State of Florida to own and operate aviation facilities in Duval County, Florida. The authority oversees four main airport assets: 1) Jacksonville International Airport 2) Jacksonville Executive at Craig Airport 3) Herlong Recreational Airport and 4) Cecil Airport.</p>	<b>Operations</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
		Passengers	5,585,523	5,425,988	5,191,718
		Enplanements	2,799,587	2,722,032	2,602,821
		<b>Financial (\$millions)</b>			
		Total Revenues (excludes PFC)	80	75	68
 <div>JAXPORT JACKSONVILLE PORT AUTHORITY</div>	<p>JAXPort is a public agency created to own and operate marine facilities in Duval County, Florida. Its main assets are three cargo facilities and one passenger cruise terminal. Bulk of JAXPort's operating revenues is container revenues with the balance being cruise revenues.</p>	<b>Operations</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
		Container TEUs	968,279	915,292	936,972
		Cruise Ship Passengers	197,925	183,192	181,580
		<b>Financial (\$millions)</b>			
		Total Revenues	58	55	53
 <div>JEA</div>	<p>JEA is a City owned agency created to own and operate the City's electric, water, waste water and other energy related systems.</p> <p><b>Electric System:</b> It is the 8th largest municipally owned electric utility in the U.S. The system has a total installed capacity of approximately 3,722 MW. Its fuel mix is around 37% natural gas and 52% solid fuel with the balance being other fuel types.</p> <p><b>Water System:</b> Serves around 341,016 customers in 4 counties as of 2017. The system has 4,700 miles of pipe, 80 MG of storage capacity and 137 permitted wells. The Waste Water system has about 4,000 miles of pipe and 1,300 pump stations</p> <p><b>District Energy System:</b>The system has 4 chilled water plants and a 21,500 ton chilling capacity</p>	<b>Operations</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
		Electric Customer Accounts	458,953	451,788	443,705
		Total Electricity Sales (MWh)	13,893,852	14,586,486	14,379,697
		Water Customer Accounts	341,016	333,139	325,352
		Total Water Sales (kgals)	37,245,188	36,357,919	34,558,284
 <div>CITY OF JACKSONVILLE, FLORIDA</div>	<p>The City's public parking system is consisted of on-street, off-street and parking garage facilities. The City currently has agreements with a private developer to construct and operate three parking garages. The current agreement provides a subsidy totaling about \$4m p.a. to the private operator. The City has options to buyout the current business arrangement, refinance the related non-city debt and assume operational control thereof.</p>	<b>Operations</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
		Downtown Parking Garage Capacity	3,160	3,115	2,812
		On Street Meters	1,554	1,690	1,690
		<b>Financial (\$thousands)</b>			
		Total Revenues	3,837	3,826	3,701
	Operating Income	341	330	188	
	Total Assets	9,064	8,950	8,541	
	Total Liabilities	694	647	612	

## JEA

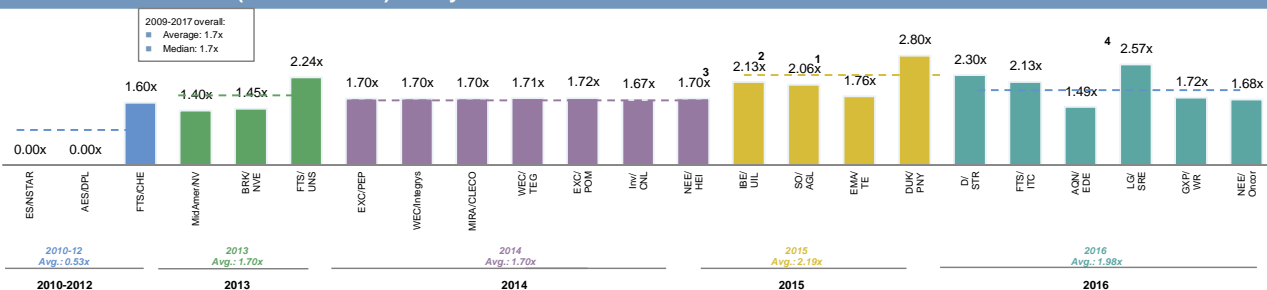
The robustness of the City's economy, combined with JEA's scale and financial stability makes it a substantial source of value should the City considers a strategic sale or P3. The combined Electric System, Water and Wastewater have considerable strategic value to adjacent utilities looking to expand their service coverage footprint in Florida. Since the system includes electricity and water generation, transmission, interconnection as well as distribution, the City has considerable flexibility in deciding which parts of the system could be privatized or leveraged in a P3. Historically low interest rates, significant debt capacity, stagnant customer demand, and a shrinking pool of acquisition targets have resulted in a "seller's market" in the utilities industry. This is evident in the steadily increasing acquisition multiples and buyer-friendly contract terms over the last couple of years. J.P. Morgan believes that the current market trends and the quality of the JEA system would have a market value in excess of \$10.0 billion and would create a transformational opportunity for a strategic partner and the City. The graphic below highlights utility M&A activity and valuation trends.



## Recent transactions (LTM P/E): Utility



## Recent transactions (FV/Rate Base): Utility



<sup>1</sup> SO/GAS adjusted metrics for just the LDC business. ~\$200mm of EBITDA is removed and \$1.1bn of firm value at 5-6x FV/EBITDA; <sup>2</sup> UIL multiples reflect pro forma market capitalization as disclosed in the merger investor presentation; based on average of 17.5x 2017E P/E and 16.5x 2017E P/E at merger announcement; <sup>3</sup> Assumes Hawaiian Electric subsidiary trades at \$8/share and includes \$1.60/share of tax benefits; <sup>4</sup> Numbers shown assuming 100% liability recovery, assuming 0% liability recovery LTM P/E = 30.2x; LTM FV/EBITDA = 13.1x; FV/RAB = 2.92x; P/BE = 3.59x

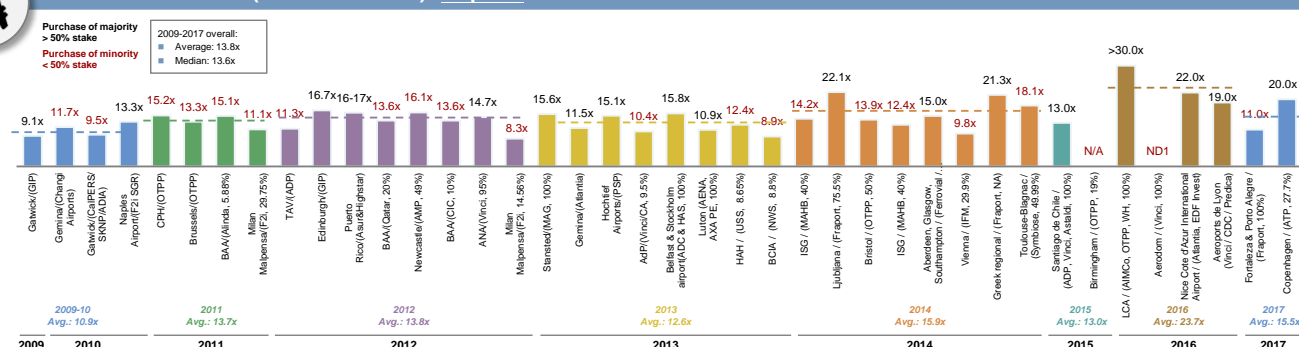
## Jacksonville Airport Authority (JAA)

Although market appetite for JAA assets will not be known until a robust market sounding process is conducted, the authority's regionally focused asset portfolio will likely encounter less political and regulatory resistance should the City pursue strategic sale processes.

Even though airport privatizations are less common in the U.S. relative to other countries, the demand for U.S. airport asset exposure amongst institutional investors remains robust. Several factors contribute to the strong demand: 1) strong liquidity and low cost of capital amongst financial buyers 2) scarcity of U.S. aviation opportunities and 3) size and stability of airport assets attracts a large / global investor base. Airports located in areas with positive economic outlook and sale processes giving relative freedom to buyers to operate non-regulated business (retail, food, car rentals etc.) post transaction will attract higher valuations from investors.



## Recent transactions (FV/LTM EBITDA): Airports



Source: Company data, Broker reports, Company estimates, FactSet; Note: Name without brackets = Target, Name in brackets = Acquirer; <sup>1</sup> Not disclosed

There are many transaction structures available to the City when deciding how best to extract strategic value from JAA. While privatization allows the City to extract the most nominal value from its JAA assets, it carries the greatest regulatory and political risks compared to other procurement options. In lieu of privatization, Design-Build or DBFOM structures under a P3 framework can allow airports to make use of private investment to further projects while maintaining ownership, with some airports looking directly to airline partners.

## Jacksonville Port Authority (JAXPORT)

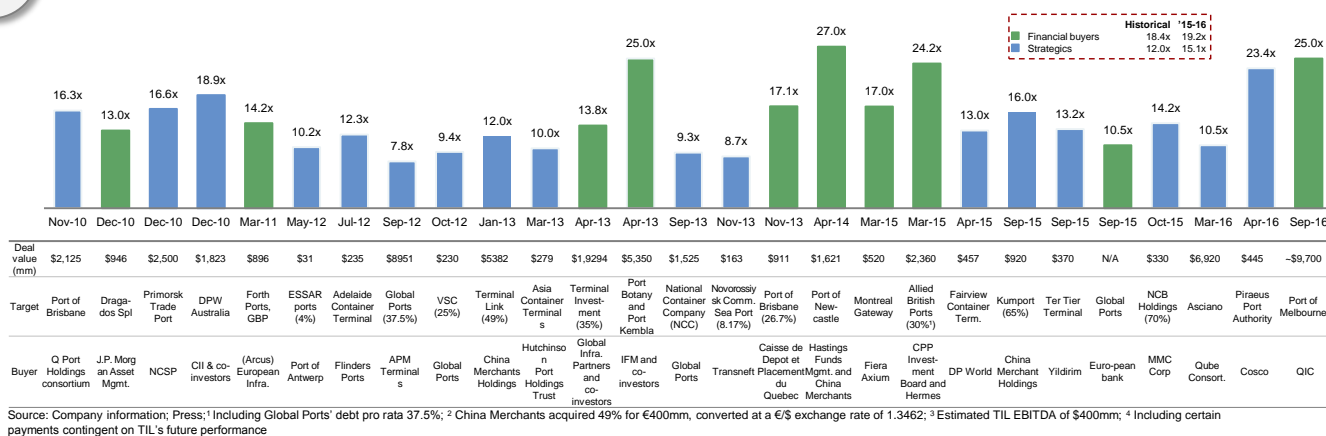
As with other assets, there are a number transaction structures that can unlock strategic value from JAXPORT's assets. Concessions in particular have been an effective way for municipal port operators to leverage private expertise and capital. Some recent trends within the seaport space include:

- Shifts in the Chinese growth model and overinvestment in shipping capacity has led to challenges for global shipping companies; this has led to the use of larger vessels that can move more volume and ports having to deploy additional capital to accommodate these larger (Post-Panamax) ships
- Concessions have proven critical in aiding U.S. ports in their efforts to modernize in advance of the opening of the Panama Canal's third locks
- On the East Coast, the Port of Baltimore and the Port of Virginia are the only two ports that can currently accommodate Post-Panamax ships, and both have utilized P3-type structures to achieve this
- However, following concessions at the Ports of Portland, Oakland, and Baltimore, P3 development in the municipal seaport space has stalled
- Away from the P3 space, recent activity includes sale processes for and equity investments in Carrix, MOL Terminals, Maher Terminals and Ports America

Macroeconomic forces of low interest rates and appetite for steady income, long duration assets continues to support relatively robust port valuations.



### Recent transactions (FV/LTM EBITDA): Ports

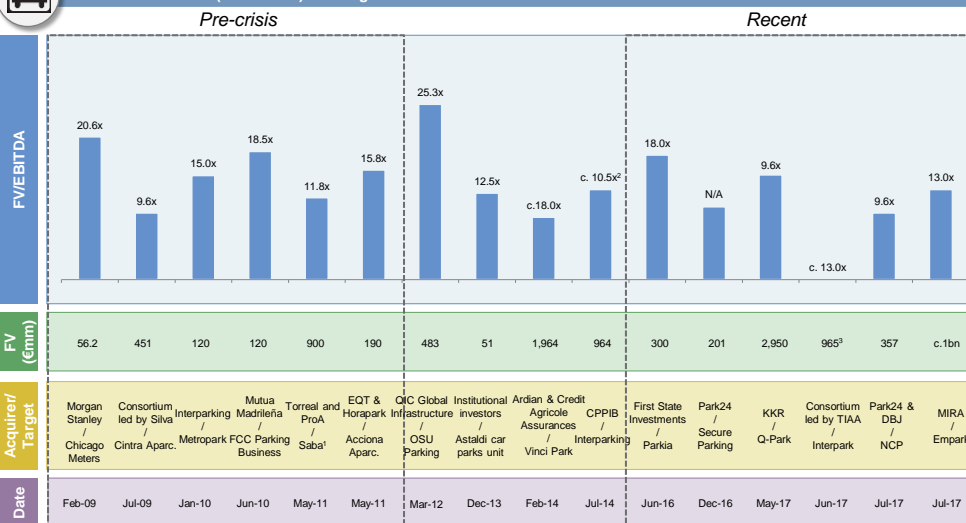


## Parking

Another common asset public sector clients consider for strategic review is parking. Strategically located parking assets' relative income stability and high barrier to entry make them attractive to investors looking for "infrastructure like" assets. Although multiples paid for parking assets depend heavily on jurisdiction, business model and asset characteristics, recent transactions help illustrate the valuation trends on parking assets over the past few years. Past parking transactions in the US



### Recent transactions (FV/EBITDA): Parking



Source: Company data, MergerMarket, Dealogic  
 Notes: In July 2011, FCC sold EYSA (on-street) to N+1 Private Equity for €115m. That transaction has been excluded from the selected ones due to being exclusively on-street.  
<sup>1</sup> Subsequent to the acquisition of a 12.5% stake in Saba for an undisclosed amount in 2011, KKR announced the acquisition of an additional 5.66% stake in December 2011 for €22.6mm (representing an 11.4x FV/EBITDA multiple based on €76mm EBITDA in 2011)  
<sup>2</sup> FV/EBITDA estimated multiple based on latest reported financials available and not on LTM EBITDA. EBITDA of Secure Parking Australia as of June 2016, of Secure Parking Singapore as of March 2016 and of Secure Parking Malaysia as of December 2015  
<sup>3</sup> Based on rumoured deal value of \$1.1bn; USD / EUR FX of 0.8768 as of announcement date (30-06-2017) applied

consists mostly of public entities giving private operators long term operating concessions (e.g. Chicago Meters, OSU Campus Parking) rather than an outright sale.

### B.3. Marketing Approach

J.P. Morgan will work closely with the City to identify the optimal target assets and design, structure, prepare and execute a process to address Jacksonville's goals and objectives. A successful process is designed and conducted in a disciplined and transparent manner with the objective of optimizing the outcome while achieving the key policy objectives for the City, its stakeholders and the broader community. In our experience, no single P3 / M&A process is "one size fits all" and the process must reflect the unique circumstances of the assets, market and potential bidders. Typically, however, building an auction structure and approach involves three main components: (1) determining the number of parties to include in the process, (2) identifying which particular parties to include in the process, and (3) selecting the highest / best bidder(s) out of these parties.

**(1) Number of parties to include:** a key choice the seller faces is the number of parties to include in the process. Typical considerations include value, speed, certainty, confidentiality, control over the process and potential business disruption.

**(2) Which parties to include:** In addition to determining the number of parties, the seller must select which particular parties to include. The main criteria for determining whether to include a party are:

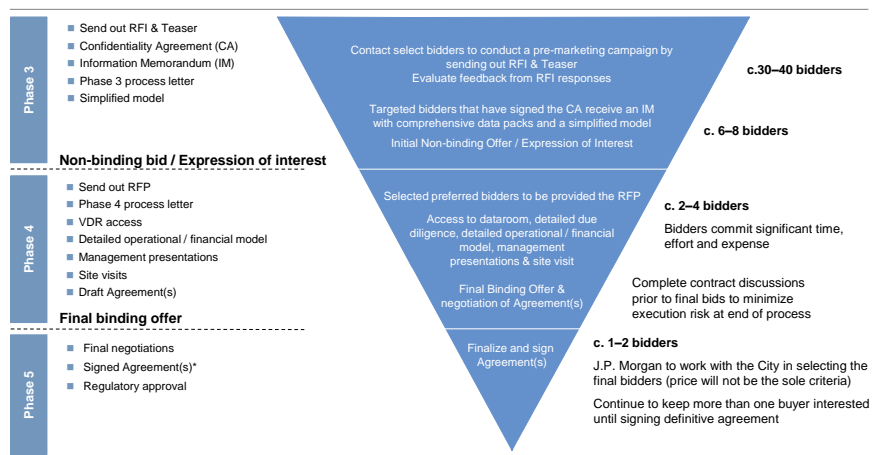
- Whether they have a history of operating the particular asset class
- Whether they have a track record of ownership in the particular asset class
- Whether they are likely able to finance the transaction
- Whether they would be able to close on a transaction (e.g., are there regulatory or other government approvals that would prevent them from acquiring the business / assets)

Including parties in the process that do not meet these threshold criteria risks wasting time and effort with parties that ultimately are not likely to be successful.

**(3) Identifying the best / highest bidder:** once the parties to include in the process have been selected, the seller must then identify the highest / best bidder, but must do so in a timely and efficient manner. Where a large number of parties are included in the process, the best way to handle this is by staging bidders' access to information and using multiple "rounds" of bidding. The seller can use these rounds to narrow the field to ultimately focus on those parties that are willing to transact at the highest price. The drawback of such an approach is that it takes time and significant effort, but a process in which a large number of parties are provided with full information about the business and asked to provide binding proposals based on such information risks having the seller spend time with parties that are either not particularly interested (i.e., "tire kickers") or are less likely to be the highest / best bidder

J.P. Morgan's marketing approach begins with a RFI for broad market appetite for different assets and structures

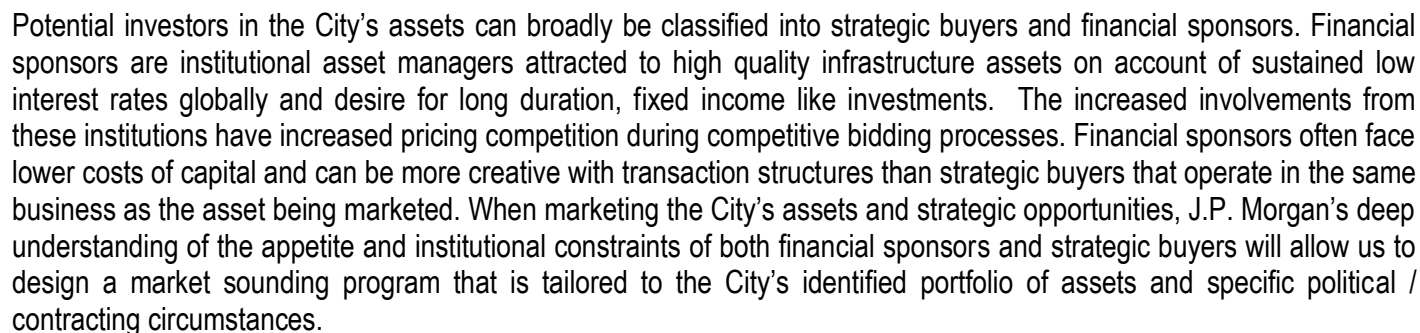
followed by a focused, tailored process. This ensures proposal innovation and competitive tension is maximized in the beginning of the process and the later process can be tailored to accommodate the types of bids / structures the City decides to pursue. The following graphic overlays our marketing approach on top of our phased strategic advisory approach discussed in the previous section. Even before the pre-marketing campaign, J.P. Morgan will work



Note: \* Agreement(s) may include Sale & Purchase Agreements for a sale or Concession Agreements for P3 transactions



In addition to maximizing value to the City, the speed and risk of each transaction are also of paramount importance. J.P. Morgan's relationships with major investors go beyond basic coverage; we have direct access to senior decision makers at these organizations that can facilitate tremendously when transactions hit roadblocks. For additional detail on key marketing materials and documents please see Appendix C.



J.P. Morgan is the only full service investment bank that has dedicated Public M&A and P3 Advisory Groups within Public Finance to support the non-traditional funding alternatives and strategic advisory services for public sector clients. As such, we will ensure the City receives the best flawless execution during the entirety of the strategic advisory engagement by providing the City with a single point of contact that will coordinate all internal resources. This ensures the City is able to leverage a comprehensive resource to address every facet of the process.

## B.4. References

References				
Client Name	Client	Contact	Transaction	Date of Service
CPS Energy	David Jungman Senior Director Business & Economic Development	7000 San Pedro Ave San Antonio, TX 78216 (210) 854-2834 djungman@cpsenergy.com	Advisor to CPS Energy related to the sale of the Company's wireless communications towers and execution of a long term operating partnership with Crown Castle, the largest tower operator in the US.	Jan. 2014
BCD Energy Collaborative	Andrew Cohn CEO & President	375 Longwood Ave Boston, MA 02215 (617) 823-3913 andrew_cohn@hms.harvard.edu	BCD's purchase and simultaneous sale of Medical Area Total Energy Plant ("MATAP")	Ongoing
New Hampshire Public Utilities Commission	Anne Ross General Counsel	21 S. Fruit St, Suite 10 Concord, NH 03301-2429 (603) 271-2431 f.anne.ross@puc.nh.gov	Eversource's sale of its New Hampshire power generation portfolio	Oct. 2017

*Note: J.P. Morgan has not included Melissa Dykes, the Chief Financial Officer of JEA, as a reference related to J.P. Morgan's role in the JEA / FPL transaction. In the event that the Staff is in need of additional feedback regarding J.P. Morgan's qualifications as an advisor and performance during the assignment, we would encourage the Staff to contact Ms. Dykes.*










## B.5. City Experience

We immensely value the privilege to collaborate with the City on important financial and community initiatives the past 10+ years. J.P. Morgan has consistently been the top underwriter of the City's debt financings. Since 2005, J.P. Morgan, as the #1 underwriter for the City and its associated agencies, has led 40

issuances, for more than 25% of the market share. Recently, J.P. Morgan acted as financial advisor to JEA on the acquisition of Florida Power and Light's ("FPL") 20% stake in Saint John's River Power Park. J.P. Morgan delivered a valuation opinion to the Board of Directors of JEA.

The Firm and our management view community support as primary responsibility and locally have contributed over \$900,000 the past 3 years for economic and community development to

entities such as Habijax, Family Foundations, United Way Northeast, JAXUSA, Duval Public Schools, Ability Housing. Within days of the Hurricane Irma's landfall, **JPMorgan Chase donated \$1 million to aid the response to Hurricane Irma** across affected communities in the U.S. and the Caribbean including: \$250,000 to American Red Cross, \$250,000 to International Medical Corps, \$500,000 to other local nonprofit organizations in communities that need it most: including Northeast Florida and \$100,000 to **Florida's First Coast Relief Fund**, a strategic collaboration created by United Way of Northeast Florida, United Way of St. Johns County, The Community Foundation for Northeast Florida, the Jessie Ball duPont Fund and the Jewish Federation of Jacksonville.

to collaborate with the City and important es the past 10+ years. J.P. Morgan has writer of the City's debt financings. Since underwriter for the City and its 40			September 2017 Brooks Rehabilitation Hospital Series 2017 \$71,405,000  BROOKS Rehabilitation  Sole Manager		February 2017 JEA Series 3 & 2017 A \$90,405,000  JEA  Senior Manager		September 2016 City of Jacksonville Series A \$150,000,000    Sole Manager				
August 2016 City of Jacksonville Series 2016 A & B \$150,860,000    Senior Manager		July 2015 JEA, Electric Series Three 2015 B \$42,335,000  JEA  Senior Manager		January 2015 JTA Series 2015 \$97,485,000    Senior Manager		June 2014 JEA, W&S 2014 Series A \$300,200,000  JEA  Senior Manager		September 2013 City of Jacksonville Series 2013 A, B, C \$120,745,000    Senior Manager		June 2013 JEA, W&S 2013 Series A&B \$203,635,000  JEA  Senior Manager	
November 2012 City of Jacksonville Series 2012 \$118,005,000    Senior Manager		September 2011 JEA, SJRPP Issue 2, Series 23 & 24 \$365,410,000  JEA  Senior Manager		June 2011 City of Jacksonville Series 2011 \$79,220,000    Senior Manager		July 2010 JEA, Electric Series Three 2010B&C, Sub 2010 Series A&B \$81,445,000  JEA  Senior Manager		November 2009 JEA, Electric Series Three 2009 D&F, Sub 2009 Series G \$142,230,000  JEA  Senior Manager		September 2009 City of Jacksonville Series 2009 A, B, C \$92,325,000    Senior Manager	
April 2009 JEA, SJRPP Issue 3, Series 3 \$64,305,000  JEA  Senior Manager		November 2008 JEA, Scherer 4 Series 2008A \$77,945,000  JEA  Senior Manager		April 2008 JEA, SJRPP Issue 3, Series 2 \$125,000,000  JEA  Senior Manager		February 2007 JEA, W&S 2007 Series A \$107,180,000  JEA  Senior Manager		January 2007 JEA, SJRPP Issue 2, Series 22 \$108,350,000  JEA  Senior Manager		November 2005 JEA, Issue Two Series 21 \$225,180,000  JEA  Senior Manager	



Our balance sheet support in the region is further evidence of the priority we place on Jacksonville and includes **\$500mm** in credit facilities to JEA comprised of a **\$300mm** revolving facility to JEA & **\$201mm** of Liquidity Facilities supporting JEA variable rate demand instruments. We are proud to be serving as lead or co-lead on investment banking teams for JEA, JTA and UNF and to have provided credit to JAXPORT during the national fiscal downturn. In addition to our record of financial service, JPMorgan Chase strives to be a strong civic partner with the Jacksonville community. **JPMorgan Chase employs over 1,800 City residents in 12 locations serving over 164,200 consumer customers and 6,600 small businesses.**

## Appendix A: Resumes

### Senior Sponsors

#### Mel Martinez

*Chairman, Southeast / Caribbean / Latin American markets*

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mel.martinez@jpmorgan.com

Mel Martinez is Chairman of the Southeast U.S. and Latin America for JPMorgan Chase & Co. After more than a decade of public service, Senator Martinez joined JPMorgan Chase in July 2010. Based in Florida, he represents the Firm to clients throughout the Americas – from individuals and businesses to large corporations, governments and nonprofit organizations. Mr. Martinez was elected to the United States Senate in 2004. Representing Florida as a U.S. Senator, he served on several committees including Banking, Housing and Urban Affairs and Armed Services. While serving in the Senate, he led efforts to reform Fannie Mae and Freddie Mac and was a trusted voice on foreign policy issues throughout the Western Hemisphere.

Prior to his time in the Senate, Mr. Martinez served as the 12th Secretary of the United States Department of Housing and Urban Development (HUD). As the first Cuban-American to serve in a President's cabinet, he became known for his efforts to increase homeownership for all Americans and his aggressive efforts to end chronic homelessness. Mr. Martinez also served as Mayor of Orange County (Orlando, FL) and he practiced law for 25 years.

He received both his B.S. and J.D. degrees from Florida State University.

In addition to his role with JPMorgan Chase, he is actively involved on housing policy reform discussions as co-chair of the Bipartisan Policy Center's Housing Commission. Mr. Martinez also serves on the boards of Marriott Vacations Worldwide as Lead Director and NVR, Inc. He and his wife, Kitty, reside in Orlando; they have three children and five grandchildren.

#### Anu Aiyengar

*Managing Director  
Head of North America Mergers & Acquisitions*

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Anu Aiyengar is the Head of J.P. Morgan's North American Mergers & Acquisitions Group responsible for the marketing and execution of advisory assignments in North America. Since 1999, she has advised both domestic and international clients on over \$500 billion worth of transactions including mergers, acquisitions, divestitures / separations, leveraged buyouts, proxy contests, unsolicited transactions and special committee assignments. Ms. Aiyengar also serves on J.P. Morgan's fairness and valuation committee.

Ms. Aiyengar obtained a Master in Business Administration from Vanderbilt University and a BA from Smith College.

**Jamison Feheley***Managing Director, Head of Public Finance Banking*

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jamison.feheley@jpmorgan.com

Mr. Feheley is currently Head of Public Finance Banking at J.P. Morgan and has been providing investment banking services to state and local governments for the past 26 years. His structuring expertise includes long-term fixed and variable rate bonds, sales tax and asset-backed bonds, special purpose revenue bonds, certificates of participation, and toll revenue bonds. Mr. Feheley provides investment banking expertise for the issuance of toll road/bridge revenue bonds, transportation sales tax revenue bonds, highway revenue bonds, and the leveraging of federal funds for highways and transit using GARVEE bonds and bonds secured by TIFIA and Full Funding Grant Agreements. In addition to his work with MWAA as part of the J.P. Morgan team described herein, Jamison worked with the Airports Authority and its financial advisors while at another firm to develop the multi-lien bond indenture and offering document, and reviewed and refined the investment grade traffic and revenue study for the inaugural Dulles Toll Road Revenue Bond issuance in 2009. Mr. Feheley graduated with honors from the University of Arizona with a B.S. in Finance.

**Mike Carlson***Managing Director & Head of U.S. Public Finance Infrastructure Group*

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Mr. Carlson has twelve years of public finance experience and has been providing investment banking services to municipal issuers since 2003. Mr. Carlson serves as the head of the U.S. Public Finance Infrastructure Group, which includes engagements in the transportation, public power, corporate-backed, and water utility sectors. The Infrastructure team within Public Finance coordinates most of J.P. Morgan's U.S. infrastructure finance programs and works closely with professionals in other sectors, as well as in regions around the country and globally, to provide expertise related to specific projects.

Mr. Carlson has worked with infrastructure issuers for the last decade, including senior managing over \$20 billion in debt transactions for clients around the country. Mr. Carlson's experience includes public and private debt transactions, private activity bonds, leveraging TIFIA and other Federal and State funding programs, and bank secured products.

Mr. Carlson received his bachelor's degree from the University of California at Berkeley and his MBA from Santa Clara University.

**Jay Horine***Managing Director**Global Head of Energy Investment Banking*

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Mr. Horine is Global Head of J.P. Morgan's Energy Investment Banking Group, which includes the Oil & Gas, Power & Utilities, Renewables, Midstream and CleanTech sectors. He joined J.P. Morgan in 2006 after 12 years at Goldman Sachs.

Mr. Horine's experience includes financial advisory, merger and acquisition, and equity and debt financing assignments for clients such as Xcel, Dominion, DTE, PSE&G, EdF, NextEra Energy, Warburg Pincus, Alliant, Ameren, PPL, Portland General, ITC, and Vectren.

Mr. Horine is a graduate of the University of Virginia and has an MBA from the University of Florida. Mr. Horine currently serves as Co-Chairman of EEL's Wall Street Advisory Group.

## Mergers &amp; Acquisitions

**Eric Anderson***Executive Director**Mergers & Acquisitions*

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Chicago, IL, 60603-2300

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Eric Anderson is an Executive Director in the Mergers & Acquisitions group of J.P. Morgan. Eric is focused on M&A advisory services to clients in the Energy space, including power and utilities and midstream. Eric also covers Diversified Industrials businesses. His experience includes buy-side, sell-side and separation transactions involving both public and private companies and subsidiaries. He has also advised clients related to Activism and Corporate Westar Energy, NiSource, Xcel Energy, Northeast Utilities, Millennium Pipeline, and Pepco.

Eric earned an MBA with High Honors from the University of Chicago Booth School of Business and a B.S in Finance and Management Information Systems from Boston College

**Ked Fisseha***Vice President*

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Ked Fisseha is a Vice President in J.P. Morgan's Mergers and Acquisitions Group responsible for the marketing and execution of advisory assignments in North America. Prior to joining J.P. Morgan, Mr. Fisseha was an Associate in the North American Mergers and Acquisitions Group at BNP Paribas and also an Analyst in the Consumer, Retail and Leisure Investment Banking Coverage Group at the Royal Bank of Scotland.

Mr. Fisseha obtained a Master in Management Studies from Duke University and an AB from Harvard College.

## Public Finance – Infrastructure Advisory

**Jason Gredell***Executive Director, Head of Public Infrastructure Mergers & Acquisitions*

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New York, NY 10179

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**Primary Point of Contact**

Jason Gredell is an Executive Director in J.P. Morgan's Public Finance Group and lead's the Firm's public infrastructure M&A advisory efforts. In this capacity, Mr. Gredell is focused on executing M&A and privatization and P3 advisory mandates for J.P. Morgan's public finance clients.

Mr. Gredell has executed M&A transactions and strategic projects for various municipal and state authorities throughout the U.S.

Prior to J.P. Morgan, Mr. Gredell was a Managing Director at Jefferies serving in various roles throughout his career including Co-Head of the Firm's Public Advisory Group and Head of the Firm's U.S. Telecom Infrastructure Group. Mr. Gredell has 18 years of investment banking experience and has executed M&A and financing transactions for a broad range of clients in the public and private infrastructure sectors.

Mr. Gredell received a Bachelor of Science degree from the University of Richmond.

**Ben Djionas***Executive Director and Head of P3 & Project Finance*

383 Madison Avenue, 8th Floor

Ben Djionas has been a member of J.P. Morgan's Public Finance Infrastructure Group since 2004, working with transportation and infrastructure clients on innovative financing and advisory assignments.

Mr. Djionas is active in transportation financing and advisory for P3 projects, including leading the J.P. Morgan team on senior managed

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 benjamin.n.djiounas@jpmorgan.com

engagements of the bond financing portions of many of the largest transportation P3 projects. Ongoing advisory and P3 financing assignments range across infrastructure asset classes, including social infrastructure, parking, transit, aviation and toll road projects.

Prior to joining J.P. Morgan, Mr. Djiounas was an M&A specialist in the transportation sector. Mr. Djiounas graduated from Babson College with honors and is a CFA charter holder.

### **Nick Chen**

*Associate*

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 nick.chen@jpmorgan.com

Mr. Chen provides quantitative and investment banking support for the Infrastructure, Transportation and P3 clients nationwide. He joined J.P. Morgan in 2016.

Mr. Chen holds a B.Math in Actuarial Science from the University of Waterloo and a M.Fin from the MIT Sloan School of Management.

## **Public Finance – Local Jacksonville Coverage**

### **Henry Reyes**

*Managing Director*

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 henry.p.reyes@jpmorgan.com

**Mr. Reyes will be the primary contact for the City and will provide day-to-day investment banking services from the Firm's Orlando office.**

Henry Reyes, Managing Director, joined J.P. Morgan in early 2007 after working as the national head of Public Finance at Raymond James from 2002-2007. His 30 years of industry experience include 15 years in public finance at Citigroup, where he was a Managing Director and served as Deputy Head of Public Finance and Chair of the Transaction Structuring Committee, and four years as a Certified Public Accountant in the Tampa Bay office of Ernst and Whinney where he specialized in municipal clients. Mr. Reyes has participated on over \$30 bn of senior managed transactions for a variety of issuers including: Jacksonville, Orlando, Tampa, Tallahassee, Miami, Clearwater, Fort Lauderdale, Gainesville, Hollywood, Ocala, Pembroke Pines, Sarasota, St.Petersburg; Counties: Hillsborough, Orange, Osceola, Miami Dade, Broward, Alachua, Brevard, Charlotte, Escambia, Lake, Lee, Manatee, Pasco, Palm Beach, St. John's; Airports: Orlando, Tampa, Miami, Fort Lauderdale, Pensacola; Ports: Jaxport ( co-Mgr/Credit Provider), Tampa Bay, Manatee, Canaveral, Everglades, Florida Ports Financing Commission; Muni Utilities: Hillsborough Water/Sewer & Solid Waste; Tampa Bay Water's Acquisition of West Coast Regional Water Supply Authority Assets; Charlotte County's Acquisition of GDU Water Assets, Tallahassee Energy, FMPA, OUC, Orange Solid Waste, Sarasota County Water, Sarasota City Water/Sewer, St. Petersburg Water; Public-Private: Osceola Neo City Commercial Building/Advanced Mfg. Campus, Lee Resource Recovery, Dade Waste to Energy, Reedy Creek Improvement District (\$800mm+), Florida Hurricane Catastrophe Fund ( State created Reinsurer, \$6Bn+), Citizens Property Insurance Corp (\$7Bn+), Health Care: Moffitt Cancer Center Research Institute ( \$700mm Cigarette Tax Allocation Bonds, \$600mm Hospital Revenue), Tampa General, South Broward, Non-Florida Large City: NY Water,



Chicago Hotel Financing Auth., Philadelphia, Seattle Stadium, Nashville Stadium, St Louis Airport Hotel. Jacksonville Area: \$150mm 2016 Jacksonville Special Revenue Bonds, \$71mm 2017 Brooks Rehabilitation Hospital, \$400mm Various Jacksonville 2009-2013, \$97mm JTA 2015.

Henry received a BS in Accounting (High Honors) from the University of Florida and an MBA in Finance & Strategic Planning from the Wharton School at the University of Pennsylvania. He served on Governor Jeb Bush's CON Work Group and was a member of Leadership Florida Class XX.

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**Nathaniel Johnson**

*Vice President*

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Mr. Johnson joined J.P. Morgan through the Bear Stearns merger in 2008, and primarily focuses on east coast governmental issuers. Mr. Johnson has covered clients in Florida, Puerto Rico, North Carolina, New York, and Wisconsin, including the Puerto Rico Housing Finance Authority Capital Grant and Housing Revenue Bond financings in 2008, which received Bond Buyer Deal of the Year for 2008. He has completed senior managed financings totaling over \$17 bn, including financings for: Tallahassee Energy, FMPA and OUC, the City of Raleigh, the School Board of Hillsborough County, Osceola County, City of Miami Beach, City of Jacksonville, Jacksonville Transportation Authority, School Board of Orange County, Orlando-Orange County Expressway Authority, Citizens Property Insurance Corporation, Florida Hurricane Catastrophe Fund, the City of New York, the City of Jacksonville, the City of Orlando, and others. Mr. Johnson has a Bachelor and Master of Science degree in Finance from the University of Florida and holds Series 7, Series 53 and Series 63 licenses.

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**Josh Kohn**

*Analyst*

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Mr. Kohn provides analytical coverage to a variety of clients in the southeast region. Recently, he has helped provide transactional and analytical support to municipal issuers including deals for the City of Jacksonville, City of Tallahassee Energy System, Georgia State Road and Tollway Authority, the Central Florida Expressway and the Michigan Finance Authority's State Aid Note Program. Josh received a B.A. from Davidson College in 2009 and served 6 years as an Army Officer, before joining J.P. Morgan last year through the Firm's Military Veteran Hiring Initiative.

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**Public Finance – Power Coverage**

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**Isaac Sine**

*Executive Director*

*Head of Public Power*

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Mr. Sine has been providing investment banking services to issuers for over thirteen years and is the Head of Public Power within J.P. Morgan's Public Finance Group. Based in J.P. Morgan's Seattle office, Isaac has worked with public power and utility issuers across the State of Washington. Isaac has worked on over \$16 billion in transactions across the country. Mr. Sine's experience includes both public and private debt transactions, variable rate debt, and leveraging federal and state funding programs.

Mr. Sine supports numerous clients including Energy Northwest, Bonneville Power Administration, Los Angeles Department of Water and Power, Western Generation Authority, American Municipal



Power, Sound Transit, and Energy Northwest to name a few.

Isaac holds a B.A. in Economics from the University of Washington.

### **Kevin Plunkett**

*Executive Director*

*Public Power*

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New York, NY 10179

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kevin.plunkett@jpmorgan.com

Mr. Plunkett is an Executive Director in J.P. Morgan's Public Finance Group with responsibility for coverage of publicly owned utilities. Mr. Plunkett has expertise in project finance and underwriting, and supports the Firm's infrastructure advisory efforts. With over ten years of municipal banking experience, he has assisted with debt financings for various projects and purposes, including complex restructuring and securitization transactions.

Mr. Plunkett has worked on numerous transactions in the Power & Utility Industry for such clients as Bonneville Power Administration, Energy Northwest, Long Island Power Authority, New York Power Authority, WPPI Energy, Santee Cooper, Indiana Municipal Power Agency, Omaha Public Power District, Turlock Irrigation District and Grant County PUD.

Mr. Plunkett received a B.A. in political science and philosophy from Boston College.

### **Molly Hurff**

*Analyst*

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Ms. Hurff joined J.P. Morgan's Infrastructure banking team in March 2016 and provides analytical support to various transportation and energy clients with a focus on P3 transactions. Ms. Hurff's most recent experience includes transactional support for J.P. Morgan's most recent advisory role on JEA's acquisition of NextEra subsidiary FPL's ownership stake in St. Johns River Power Park. Ms. Hurff also provided analytical support on JEA's Electric System Series 2017A transaction for which J.P. Morgan served as Senior Manager and the Electric System Series 2017B and Water and Sewer System Series 2017A transactions for which J.P. Morgan served as Co-Manager. Ms. Hurff received a B.A. in Economics from New York University.

## **Public Finance – Aviation and Ports Coverage**

### **Stephanie Tomblin**

Managing Director and Head of Aviation Group

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Ms. Tomblin joined J.P. Morgan in 2001 and was named Head of the Aviation Group within J.P. Morgan's Public Finance Group in 2012. Ms. Tomblin's senior managed experience includes serving as lead banker on the largest U.S. airport GARB financing in history, \$1.95 billion for Chicago ORD, in addition to financings for Massport, Chicago Midway, San Francisco International Airport, and Dallas/Fort Worth International Airport, Metropolitan Washington Airports Authority, among others. Ms. Tomblin holds two Bachelor's Degrees from the University of Montana and a Master's Degree from the University of Chicago Graduate School of Business. Ms. Tomblin served as an officer on the ACI-NA Finance Committee from 2012-2016.

**Chris Bergstrom***Executive Director*

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Mr. Bergstrom has worked in J.P. Morgan's Public Finance Infrastructure Group for over 10 years, where he covers airports, ports and other transportation issuers. Since joining the Firm, he has worked on over \$10 billion of issuance senior managed by J.P. Morgan, including offerings for the Massachusetts Port Authority, Port of Seattle, Greater Orlando Aviation Authority, Metropolitan Washington Airports Authority, Detroit Metropolitan Wayne County Airport, Fort Lauderdale-Hollywood International Airport, Miami International Airport, Tampa International Airport, Denver International Airport, Hartsfield-Jackson Atlanta International Airport, Portland International Jetport, and Nashville International Airport, among others. Mr. Bergstrom graduated from the London School of Economics and Political Science, where he received his Bachelor's Degree in Government and Economics.

**Noah Herman***Analyst*

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Noah Herman is an Investment Banking Analyst in J.P. Morgan's Public Finance department. He joined the J.P. Morgan Public Finance Team in January of 2016 and now provides analytical and transaction support for J.P. Morgan's national infrastructure clients. Representative clients include Long Island Power Authority, Bonneville Power Administration, Energy Northwest, Dallas-Fort Worth International Airport, New York State Thruway Authority and Florida Municipal Power Agency. Noah holds a B.S. in finance from The College of New Jersey.

**Power & Utilities Investment Banking****David Harkin***Executive Director, Power Generation & Renewable Energy NA*

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David Harkin is a Managing Director in the Energy Investment Banking Group, based in New York. David recently rejoined the Power & Utilities group from the Oil & Gas group, where he spent the last four years covering midstream, LNG and E&P companies. During that time, he led (as a Left or Active Bookrunner) over \$18bn of capital markets transactions, including IPOs, debut HY offerings, levered loans, convertible, mandatory and common offerings. He has also worked on over \$10bn in M&A transactions.

Prior to joining J.P. Morgan in 2010, David spent four years in Lazard's Power and Renewables group. Previously, David was a lawyer in the corporate department of Cravath, Swaine and Moore, where he worked on a range of M&A, securities and financing transactions.

David graduated from Emory University and the Harvard Law School. David is originally from Grapevine, Texas.

**Neil Davids***Executive Director, Power Generation & Renewable Energy NA*

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New York, NY 10179

Neil Davids is an Executive Director in the Energy Investment Banking Group of J.P. Morgan with responsibility for coverage of Power Generation and Renewable Energy clients. Mr. Davids has executed numerous corporate, portfolio, and single asset power generation and renewable energy M&A transactions. Mr. Davids has also executed

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numerous equity, debt and convertible transactions for YieldCo, IPP, and private equity clients including NRG Yield, TerraForm, SunEdison, Dynegy, Talen, and Riverstone.

Prior to covering Power Generation and Renewable Energy, Mr. Davids also executed numerous equity, debt and convertible transactions for electric, gas and pipeline companies including Westar Energy, NiSource, Xcel Energy, Northeast Utilities, Millennium Pipeline, and Pepco.

Mr. Davids has an M.B.A. from Columbia Business School and a B.A. in Economics from the University of Rochester.

**John Warin**  
*Vice President*

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John Warin is a Vice President in J.P. Morgan's Power and Energy Investment Banking Group. John joined J.P. Morgan in 2012 and is based in New York. John has experience in Energy Investment Banking, Capital Markets, and Merger and Acquisitions including advising the City of Philadelphia on the sale of its natural gas utility, Philadelphia Gas Works, and advising JEA on its acquisition of FPL's 20% ownership stake in St. Johns River Power Park. Prior to joining J.P. Morgan, John was an Associate at the management consulting firm Alliance Consulting. Before that, he was a project manager at the construction firm HITT Contracting. John received a Bachelor of Science in Civil Engineering from the University of Virginia in 2000 and an MBA from the University of Chicago Booth School of Business in 2012.

### Transportation Investment Banking

**Diego Simonian**

*Managing Director*  
*Head of Infrastructure Investment Banking*

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Diego Simonian is currently based in New York, where he is a Senior Client Executive in the Transportation Group, responsible for clients in the infrastructure, shipping, logistics, and aviation sectors. Between 2008 to 2012, Mr. Simonian spent four years in London as head of J.P. Morgan's Transportation and Infrastructure Group for Europe, the Middle East and Africa. Prior to moving to London in 2008, Mr. Simonian spent four years in the Global Transportation Group and five years in the Latin America Corporate Finance Group in New York. Prior to joining J.P. Morgan in 1999, Mr. Simonian worked at Citibank's Global M&A Group in London and its Corporate Banking Division in Argentina.

Mr. Simonian obtained a Masters in Business Administration with specialization in Finance from Columbia University in 1999 (Beta Gamma Sigma National Honor Society and Dean's Honor List) and holds a BS Honors Degree in Economics from Universidad Catolica Argentina. Mr. Simonian is fluent in English and Spanish, and has working knowledge of Portuguese.

**Matt Furlong**  
*Vice President*

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Matthew Furlong has been a member of J.P. Morgan's Transportation Group since 2010, where he currently serves as Vice President, responsible for clients in the infrastructure, shipping, cruise line, logistics, and aviation sectors.

Mr. Furlong obtained a Bachelor of Business Administration in Finance

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and Bachelor of Arts in Economics from Miami University of Ohio.

## Appendix B: Case Studies

### BCD Energy Collaborative Case Study



#### Overview

##### J.P. Morgan Role

J.P. Morgan acted as exclusive financial advisor to BCD Energy Collaborative related to the purchase of Medical Area Total Energy Plant (“MATEP”) and the simultaneous sale to an investor owned power provider.

##### Transaction Overview

MATEP is centrally located in the 200 acre Longwood Medical Area (“LMA”) of Boston. MATEP is a tri-generation energy facility that supplies steam, chilled water, and electricity to LMA institutions including Boston Children’s Hospital, Brigham and Women’s Hospital, Beth Israel Deaconess Medical Center, Dana-Farber Cancer Institute, Harvard Medical School, Joslin Diabetes Center and other healthcare and research facilities (the “Members”). MATEP has been owned by a consortium consisting of Morgan Stanley Infrastructure Partners and Veolia North America since 2009.

The provision of utilities to the Members from MATEP is governed by long-term utilities contracts. In an attempt to reduce overall utilities cost, the Members renegotiated the contracts with MATEP in 2015 and received as part of the renegotiation an option to purchase the MATEP plant from its owner at a fixed price before a predetermined date. The Members engaged J.P. Morgan to explore the potential value of its option, advise on strategic options to capture any potential value and conduct any subsequent processes should the Members decide to proceed.

Three of the Member institutions ultimately decided to proceed with the transaction. Specifically, the participating Members (“PM”) wanted a downstream buyer to enter into a parallel transaction that will purchase MATEP from the PMs after they exercise the option to ensure the plant remains in the hands of a reliable operator experienced in energy generation and management. In its capacity as advisor to the PMs, J.P. Morgan ran a competitive process amongst a collection of vetted sponsors and operators that led to a crystallization of option value for the PMs that exceeded initial expectations.

#### Relevance to the City of Jacksonville

- Transaction with large public sector client with complex needs and social objectives
- Extensive regulatory process and milestones
- District energy system similar to JEA’s
- Transfer of economic interests from not-for-profit entities to private operators
- Need to balance value maximization and selection of suitable operator that satisfy social objectives
- Largely identical buyer universes

## State of Hawaii Broadband Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as exclusive financial advisor to the State of Hawaii Department of Business, Economic Development, and Tourism ("DBEDT"), the University of Hawaii ("UH") and the Special Assistant to the Governor related to the State of Hawaii Broadband Initiative ("HBI").

**Transaction Overview**

In 2015, Act 143, Session Laws of Hawaii 2015, made appropriations for a Hawaii Resilience and Sustainability strategy for various essential infrastructures. The Act authorized the commitment of State capital and resources to develop critical infrastructure for Hawaii with an emphasis on broadband.

DBEDT, UH and the Special Assistant to the Governor was charged with assist developing a carrier-neutral platform for the exchange of communications and information traffic and cost effective connectivity in the State and the throughout Pacific Rim to ensure the long term availability of submarine fiber capacity which is critical to Hawaii, the Department of Defense and the United States Military (the "Project").

In January 2017, J.P. Morgan launched a process seeking a partner for the State to establish a public-private partnership to design, build, finance, operate, manage and maintain the Project in order to address the following critical elements for Hawaii:

- Develop a secure open access, carrier neutral, multi-tenant cable landing station that will serve as an entry point for broadband communications in the Pacific Basin to interconnect current and future submarine cables, wireless and terrestrial carriers, ISPs, IXPs, and content providers in the State
- Encourage investment in submarine cable capacity in Hawaii to increase the availability of future supply and resiliency of transport services and infrastructure in the State at the lowest cost and highest quality
- Improve the overall performance of broadband communications in the region while lowering bandwidth costs and facilitating the introduction of new services and industries in the State
- Leverage the State's capital and resources in the delivering the Project including the State's Capital Commitment
- Expand Hawaii's role as a strategic communications and information exchange hub in the Pacific Basin
- Demonstrate Hawaii's commitment to broadband infrastructure development

Following an extensive process which included several iterations of the Project structure and work with the Governor, State Legislature and local community leaders, the State received a number of comprehensive proposals. Following the receipt of the best and final submissions, J.P. Morgan concluded that while the proposals effectively addressed Hawaii's strategic needs and evaluation criteria, the existing legislation was not sufficiently comprehensive to ensure the delivery of the Project. In June, 2017, J.P. Morgan and the State's Procurement Office recommended that the current solicitation be canceled and that the State move expeditiously to reissue the RFP at the earliest possible date. Following the cancellation, DBEDT and J.P. Morgan have worked to clarify the Project structure and address the issues raised during the procurement process in particular the siting and permitting procedures necessary for the successful delivery of the Project. The revised RFP will be issued in 2018.

## Relevance to the City of Jacksonville



- 
- Management of complex public-private procurement
  - Process involved the delivery of a new asset to a government authority through a structured P3 process
  - Advisor to public entity with multiple decision makers and key stakeholders
  - Development and execution of a broad, competitive multinational process
  - Extensive diligence and development of key deal related marketing materials, RFI, RFP, financial models, etc.
  - Long-standing relationships and deal experience with potential partners
- Management and consensus building among multiple stakeholders and community leaders
  - Effective communication of the State's complex permitting and environmental laws
  - Coordination with State and federal regulatory authorities
  - Negotiation of key transaction documents with multiple buyers
-

## New Hampshire Public Services Commission Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as exclusive financial advisor to the New Hampshire Public Utilities Commission on Eversource's sale of its New Hampshire power generation portfolio.

**Transaction Overview**

On October 12, 2017, Eversource through a process conducted by the New Hampshire Public Utilities Commission announced that it had entered into definitive agreements to sell its New Hampshire generation portfolio in two separate transactions. The Company's 1,130 MW fossil generation assets were sold to Granite Shore Power LLC, a 50-50 partnership formed by Atlas Holdings and Castleton Commodities International, for \$175.0 million or \$155/kW. The Company's 68 MW hydroelectric generation assets were sold to Hull Street Energy for \$83.3 million or \$1,221/kW. The diversified 1,198 MW portfolio supports regional reliability and represents a significant generation resource in ISO-New England. The successful completion of the sale is the culmination of 2-stage RFQ and RFP executed for both the fossil fuel and hydro asset portfolios in a parallel process initiated by the New Hampshire Public Utilities Commission as part of a comprehensive restructuring of the energy market and rate stabilization settlement with Eversource. Following NHPUC and FERC approvals, the divestiture will mark the completion of electric deregulation in New Hampshire.

**Relevance to City of Jacksonville**

- Management of public-private process
- Representation of a government authority
- Extensive energy asset diligence and development of key deal related marketing materials, RFQ, RFP, financial models, etc.
- Execution of multiple processes simultaneously
- Extensive valuation analysis and defense
- Negotiation of key transaction documents with multiple buyers
- Management of multiple stakeholders and community leaders
- Involves multiple assets sold as a portfolio

## JEA Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as financial advisor to JEA on the acquisition of Florida Power and Light's ("FPL") 20% stake in Saint John's River Power Park. J.P. Morgan delivered a valuation opinion to the Board of Directors of JEA.

**Transaction Overview**

Located in Jacksonville, Florida, JEA is the 8<sup>th</sup> largest municipally owned electric utility in the U.S. with 455,000 customers in addition to 337,000 water and 261,000 sewer customers. Saint Johns River Power Park is a 1,252 MW coal fired electric generating plant owned jointly by JEA (80%) and FPL (20%). FPL and JEA began negotiations surrounding the future of SJRPP back in 2016, with both parties ultimately agreeing to seek closure of the facility given the plant's environmental and operating characteristics. With FPL motivated to exit the asset quickly, J.P. Morgan worked with JEA to identify the liabilities associated with acquiring the remaining 20% stake and assuming the decommissioning process, as well as the financial and operating impacts the closure would have on the budget and operations of the utility. Ultimately, J.P. Morgan and JEA negotiated a consideration paid to JEA consisting of \$135.6 million in cash and FPL sharing remediation and decommissioning costs.

The transaction is expected to bring several benefits to JEA, including reduction of operating costs, increased rate stability, reduction of environmental footprint and control of the remediation and decommissioning process.

**Relevance to the City of Jacksonville**

- Transaction involves one of the City's largest assets
- Required deep understanding of JEA's operations, assets, financial situation, market position and strategic value
- Leveraged extensive relationship with JEA management and stakeholders
- Negotiation assistance with large corporate counterparties
- Extensive valuation analysis and defense
- Work product tailored for publicly owned entity
- Assisted JEA with communicating transaction to the community
- Assessment and recommendations related to key deal terms

## University of Kansas – Central District Development Project Case Study



### Overview

#### J.P. Morgan Role

J.P. Morgan served as lead bookrunner for a \$326.9 million offering of Lease Development Revenue Bonds used to finance the Central District Development Project

#### Transaction Overview

Back in 2015, University of Kansas (“KU”) identified the need for major capital improvements in order for the university to remain competitive and expand the KU brand. The Central District Development Project (the “Project”) was developed to achieve this goal. KU originally intended to develop the Project over a longer time horizon but opted to accelerate the full project in order to maintain its competitive edge in the higher education sector and achieve efficiencies and cost savings

The project was to be developed over roughly 40 acres of land at the Lawrence Campus and construction cost was approximately \$350 million. Major components of the project include:

- Integrated Sciences Building (“ISB”)
- 1,200 beds of Student Housing
- Student Dining Center
- Student Union
- 595-space parking structure and roughly 1,500 spaces of surface parking
- Central Utility Plant (“CUP”) and North District Power Plant Improvements
- Infrastructure improvements, including road network and utilities

Through a competitive bid process, KU received 15 responses to an RFQ for the Project and shortlisted three firms to serve as Project developer in February 2015. After the final RFP, Edgemoor was selected as the preferred bidder to develop the Project in July 2015

The bonds that financed the project were issued by the Public Finance Authority (“PFA”), a conduit issuer domiciled in Wisconsin with the ability to issue tax-exempt debt on behalf of entities across the nation. Despite investor questions regarding the use of PFA as the conduit issuer instead of a Kansas-based conduit typically utilized by KU, 24 investors ultimately placed orders for the bonds (5.2x subscriptions).

### Relevance to the City of Jacksonville

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>■ Structured and competitive P3 process to deliver critical social infrastructure (student housing)</li> <li>■ Extensive consideration given to social and community objectives</li> <li>■ Demonstrates J.P. Morgan expertise with financing large scale social infrastructure</li> </ul> | <ul style="list-style-type: none"> <li>■ Scope of development contains both multiple asset classes (student housing and energy)</li> <li>■ Presents a template funding model to the City for potential P3 projects</li> </ul> |
|--|---|

## Vanderbilt University Medical Center Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as financial advisor during the more than two year process to spin out all clinical and research operations from Vanderbilt University, creating a separate 501(c)(3) organization now known as the Vanderbilt University Medical Center (“VUMC”)

**Transaction Overview**

Vanderbilt University is a private research university founded in 1873 and located in Nashville, Tennessee. The University educates more than 12,000 students across undergraduate, graduate and professional programs. Furthermore, the University’s hospitals and clinics were responsible for more than \$2.8 billion of revenue in FY 2015, representing approximately 2/3<sup>rd</sup>s of the organization’s revenue.

After more than two years of ongoing discussion and collaboration between the leadership of the University and Medical Center, an upfront purchase price of \$1.13 billion was agreed upon with unique ongoing financial arrangements between the University and the newly created VUMC, including preservation of certain reserve rights and land ownership for the University. VUMC earned a standalone A3 credit rating and financed the purchase price with a mix of publicly offered tax-exempt and taxable debt in conjunction with bank loans. The spin-off transaction and initial capitalization closed concurrently on April 29, 2016.

**Relevance to the City of Jacksonville**

- Managed complex internal dynamics between multiple public sector entities (the University and the Medical Center)
- Leveraged long-term relationship and understanding of the University
- Guided key negotiation items to develop mutually agreeable solution
- Assisted in drafting of transaction documents that captured the goals of University and Medical Center leadership
- Performed extensive valuation analysis to determine fair and appropriate price for hospital and clinic assets

## North Carolina Eastern Municipal Power Agency Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as financial advisor to the Board of Directors of the North Carolina Eastern Municipal Power Agency ("NCEMPA") on the sale of its ownership stake in five generation units to Duke Energy Progress Inc. ("DEP") for \$1.25 billion.

**Transaction Overview**

NCEMPA is to receive: \$1.25 billion in cash consideration, full Requirements Contract with formula rates to cover DEP' costs of production and an 11% return on equity, benefit of transferring the liability related to the nuclear decommissioning costs of the Brunswick and Harris plants. DEP is to receive: 18.33% undivided ownership interest in Brunswick Units 1 & 2 (Nuclear), 16.17% undivided ownership interest in Mayo Unit 1 (Coal), 12.94% undivided ownership interest in Roxboro Unit 4 (Coal), & 16.17% undivided ownership interest in Shearon Harris Unit 1 (Nuclear).

Formed in 1982, NCEMPA provides wholesale power to its 32 participants, consisting of cities and towns in eastern North Carolina. NCEMPA is governed by a Board of Directors consisting of 32 members, each representing one of NCEMPA's participating cities and towns; Electricities Board of Directors provide oversight of operations.

**Relevance to the City of Jacksonville**

- |  |   |
|--|---|
| ■ Management of public-private process   | ■ Access to key buyer decision makers   |
| ■ Publicly owned utility assets  | ■ Communication with multiple stakeholders  |
| ■ Extensive diligence of solid-fuel generation assets similar to JEA's                                     | ■ Extensive regulatory process  |
| ■ Extensive valuation analysis and defense   | ■ Assessment and recommendations related to key deal terms                              |
| ■ Long-standing relationships and deal experience with Duke, a significant buyer in the energy asset space | ■ Negotiation of key transaction documents including long term power purchase agreement |



## Philadelphia Gas Works Case Study



## Overview

**J.P. Morgan Role**

J.P. Morgan acted as financial advisor to the City of Philadelphia on the sale of Philadelphia Gas Works ("PGW").

**Transaction Overview**

On March 3, 2014, the Philadelphia Mayor announced that his administration signed an agreement to sell the assets of the PGW to UIL Holdings for \$1.86 billion. The transaction would allow the City to fully defease all of PGW's debt and deposit excess proceeds of between \$424 million and \$631 million into the City's pension plan while providing the citizens of Philadelphia with a qualified operator for its gas business. The purchase price implied 11.2x FV/2013 EBITDA, the highest multiple paid for an LDC asset since 2008.

PGW is the nation's largest municipally-owned gas utility, serving more than 500,000 customers. In addition, PGW owns and operates facilities for the liquefaction, storage, and vaporization of natural gas. Transaction Overview.

## Relevance to the City of Jacksonville

- |   |   |
|---|---|
| ■ Management of public-private process  | ■ Access to key buyer decision makers   |
| ■ Publicly owned utility assets   |   |
| ■ Extensive utility diligence and development of key deal related marketing materials, RFQ, RFI, financial models, etc. | ■ Communication with multiple stakeholders, community advocacy groups and local thought leaders |
| ■ Complex, rigid public procurement   | ■ Development and execution of a broad, competitive process                                     |
| ■ Long-standing relationships and deal experience with buyer universe   | ■ Negotiation of key transaction documents  |
|   | ■ Delivery of an above market value for the City  |

## Appendix C: Key Preparation and Marketing Documents

### Key Preparation and Marketing Documents and Materials

Pre-marketing/ Teaser	CA/Process letters	Financial model	Data pack	Mini Management presentation
<ul style="list-style-type: none"> <li>Very brief descriptive materials (incl. selected historic financials) to be distributed to all investors selected for pre-marketing</li> <li>Will only be provided upon strong enough indication of interest in initial meeting/call</li> <li>Does not include sensitive or confidential information, no CA required</li> <li>Should allow potential investors to form firm view on interest</li> <li>Consider having most recent financial report ready to deliver to potential investors in pre-marketing phase</li> </ul>	<ul style="list-style-type: none"> <li>Confidentiality agreement               <ul style="list-style-type: none"> <li>Agreement to be signed between the City and the potential investor before accessing any confidential information to ensure potential investor keeps process information confidential and agrees to certain process rules</li> </ul> </li> <li>Process letters               <ul style="list-style-type: none"> <li>Letters sent to potential investors to inform them about the process in detail</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Consolidated HoldCo model</li> <li>Standard output consisting of income statement, cash flow and balance sheet</li> <li>Requires detailed input from management</li> <li>Should be backed-up by concession agreements and other legal documents</li> <li>Input from technical consultants should be considered</li> <li>Input from tax and fiscal consultants should be considered</li> <li>Sign-off from senior management and relevant City officials</li> </ul>	<ul style="list-style-type: none"> <li>Key marketing document</li> <li>Sent out to investors invited into process that signed a CA</li> <li>In-depth business and market description including financial information</li> <li>Targeted information               <ul style="list-style-type: none"> <li>City of Jacksonville overview</li> <li>Operational and business overview</li> <li>Financial overview</li> <li>Regulatory framework</li> <li>Concessions overview</li> <li>Strategy</li> <li>Transaction structure</li> </ul> </li> <li>Investors will base their first round offers mainly on this key document</li> </ul>	<ul style="list-style-type: none"> <li>Further educate potential investors and increase appetite</li> <li>Presented "live" by CEO / CFO</li> <li>Presentation format, usually 1–2 hrs</li> <li>Allows for two-way interaction between management and potential investor</li> </ul>



# City of Jacksonville\*

**Response to Request for Proposals for Strategic  
Initiatives Financial Advisory Services**

January 16, 2018

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[kpmg.com](http://kpmg.com)





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# A) Proposing Firm and Personnel Information\*

## 1. Executive Summary/Cover Letter



January 16, 2018

Mr. Niedfeldt  
PFM Financial Advisors LLC  
Public Financial Management, Inc.  
300 South Orange Ave., Suite 1170, Orlando, FL 32801

Dear Mr. Niedfeldt,

KPMG LLP is pleased to submit this response to the City of Jacksonville's (the "City") Request for Proposals for Strategic Initiatives Financial Advisory Services issued on December 20, 2017. Where broker-dealer investment banking services are required, this work will be performed by KPMG Corporate Finance LLC, a wholly-owned subsidiary of KPMG LLP (together referred to as "KPMG").

KPMG is a leading provider of financial, strategic, and commercial advisory services related to infrastructure through alternative delivery and Public-Private Partnerships ("P3"), both for the public sector and commercial clients in the U.S., and internationally. We bring deep financial, commercial and strategic experience to the City in terms of understanding your public policy goals and mission to establish a tailored approach to project prioritization, evaluation of project feasibility and determining the optimal project delivery approach; helping build stakeholder consensus, and ultimately implementing a robust, transparent, and competitive procurement process.

KPMG is well suited to provide you with strategic and financial advisory services based on the following:

- **We have closed more P3 and alternative delivery transactions in North America than any other financial advisor:** According to Infrastructure Journal, KPMG, along with KPMG International member-firm KPMG Canada, is ranked as the #1 financial advisor for P3s, both in terms of total value of transactions closed and number of transactions closed. Our breadth of experience allows us to operate efficiently, leveraging past experience and best practices gained along the way.
- **A deep appreciation of the challenges cities and municipalities face:** We are helping many similar clients at present strategize how smart technology impacts provision of public services and the infrastructure required to deliver their core mission. For example, we are working with the District of Columbia (the "District") on the implementation of smart street lighting technology which involves development of a project that meets the core objectives of the District to reduce cost and enhance safety and service while being flexible enough to incorporate additional technologies such as traffic monitoring, crime detection at the appropriate point in time.
- **Deep experience in Florida and strong local presence in Jacksonville:** KPMG has been providing infrastructure financial and strategic advisory services to



government clients in Florida since 2007. We recently advised Florida Department of Transportation ("Florida DOT") on the state's largest P3 project to date, the \$2.3 billion I-4 Ultimate Project in Orlando. KPMG has also advised on the Jacksonville Transportation Authority's Skyway System, Miami-Dade County Civil Courthouse Facilities Project, the Fort Lauderdale Federal Courthouse, Florida High Speed Rail, Alligator Alley, and Wekiva Parkway. KPMG has offices in seven cities in the state and approximately 100 employees currently based in our Jacksonville office.

- **We have broad experience with varied deal structures and sectors including real estate:** We have direct and detailed understanding of the full spectrum of innovative delivery models, including traditionally financed delivery models (such as Design-Build ("DB") and Design-Bid-Build ("DBB") using taxable and/or tax-exempt financing, and privately financed availability payment structures. We also advise clients on asset disposition and sale – we have a team of real estate valuation specialists who can analyze potential fair market value and we have assisted clients including Amtrak, FDOT and Broward College on sale or long term lease of assets.
- **We offer informed, objective advice:** KPMG has no bias toward any final outcome nor will we recommend any particular product or structure. We will assist you in developing partnerships and projects which meet your public policy objectives. KPMG has helped clients screen literally hundreds of projects in the U.S. for P3 suitability over the past decade and will help the City in evaluating your projects based on your goals, stakeholder input, and market acceptance. We are free from any conflicting incentives to particular financing products, methodologies, approaches or delivery models.

KPMG would be honored to serve the City in providing strategic and financial advice in exploring the use of innovative delivery to finance, design, build, maintain and operate select projects. The requirements of the RFP are nearly identical to those we perform successfully on a daily basis, and we would very much appreciate the opportunity to serve the City in an advisory capacity. We also acknowledge the extended deadline.

Please contact us as needed for any clarifications or questions. We stand ready to dedicate the necessary resources to the City to achieve your objectives. Building on our work in Florida and with JTA, this is an extremely important engagement for KPMG, and we believe that the quality of this proposal demonstrates our strong desire to serve as your trusted advisor. Please refer to Attachment #3 for Other Matters.

Respectfully submitted,



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Email: [rlabenski@kpmg.com](mailto:rlabenski@kpmg.com)

## 2. Strategic Initiative Financial Advisory Team

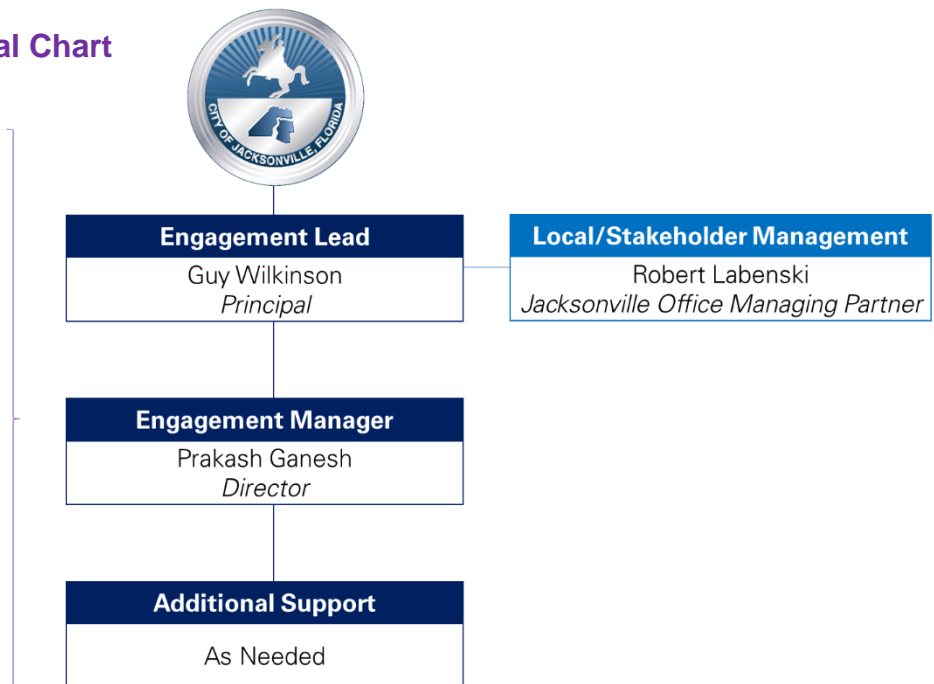
The KPMG team will be led by Guy Wilkinson, as the Engagement Lead and Partner-in-Charge. Guy has over 18 years of experience in project finance, real estate and alternative delivery transactions in the transportation and transit sectors. He has advised public and private sector clients on leveraging new and existing assets to develop new funding streams and enhance the delivery of public sector services. His experience includes advising Florida DOT on the I-4 Project, the largest P3 in Florida; Broward College; and Miami-Dade County on their infrastructure and real estate programs. Guy will be supported by Prakash Ganesh in providing all commercial and financial advisory services relating to any potential alternative delivery of existing or new projects or services for the City.

Prakash will be the key point of contact and will be instrumental in delivering the day-to-day project work for the City, interfacing with the City's key personnel, and will work collaboratively with the City's advisor, PFM Financial Advisors LLC ("PFM"). Prakash has over 12 years of experience advising public and private sector clients on large-scale infrastructure projects and specializes in the funding, financing and procurement of infrastructure projects. He has played an active role in the evolving P3 market in Florida and has advised Florida DOT on the I-595 refinancing, Tampa Express Lanes, South Florida East Coast Corridor and the Miami Intermodal Center. He is also currently advising Broward College and Miami-Dade County.

Guy and Prakash will be dedicated to meeting your needs and ensuring a consistently high quality of delivery and service. They will attend official meetings when requested by the City and also be responsible for facilitating the involvement of our sector specialists and additional resources, as required by each transaction.

### Exhibit 1: KPMG Organizational Chart

Subject Matter Resources	
Asset Management	Jeffery Gallart <i>Director</i>
Data Analytics	Oscar Bedolla <i>Director</i>
Justice and Security	Brendan Davis <i>Director</i>
Mobility and Autonomous Vehicles	Ted Hamer <i>Managing Director</i>
Real Estate/Housing	Jay Ross <i>Managing Director</i>
Smart Cities	Tom Hiddemen <i>Managing Director</i>
Social Infrastructure	Cate Singer <i>Director</i>
Transportation	Vincent Dolan <i>Managing Director</i>
Water/Wastewater/ Municipal Waste	Iain Tester <i>Managing Director</i>



The KPMG team includes a deep bench of senior-level sector specialists and additional resources, who are available to contribute to the project on an as-needed basis.

**KPMG has a strong presence in the State of Florida with our local office in Jacksonville** and offices in Miami, Fort Lauderdale, Orlando, Tallahassee, and Tampa. **Robert Labenski, the Office Managing Partner in our Jacksonville office, will leverage his local presence and years of experience to provide insights and perspectives on the local market.**

Brief descriptions of the experience of subject matter specialists, their expected responsibilities, and their locations can be seen in the table below. Detailed resumes for the each member, including additional resources, are located in Attachment #2.

### KPMG Team Subject Matter Specialists

Subject Matter Specialists	
<b>Jeffery Gallart, Director</b> Asset Management Office: Washington DC	Jeff specializes in all aspects of asset management and is currently advising the Jacksonville Transportation Authority. He is also advising Riverside County on fleet optimization. Jeff will assist the City in conducting a review of existing assets to identify strategic opportunities for optimizing the City's assets and services, including the city's fleet.
<b>Oscar Bedolla, Director</b> Data Analytics Office: Chicago	Oscar has over 15 years of experience providing strategic advisory services for large infrastructure projects and specializes in management techniques and data analytics. Oscar will assist the City to expand data collection and use to increase efficiencies in developing long-range planning that anticipates the future demands of citizens.
<b>Brendan Davis, Director</b> Justice and Security Office: Washington, DC	Brendan has over 10 years of experience in the P3 sector, specializing in data analytics in criminal justice, and target operating model and organizational transformation. Brendan will leverage his experience to assist the City in optimizing existing justice facilities and support the City on potential new developments, including potential jail facilities.
<b>Ted Hamer, Managing Director</b> Mobility and Autonomous Vehicle Office: Chicago	Ted has over 10 years of experience in infrastructure and technology and is currently working on several connected and autonomous vehicle engagements across the U.S., including advising the Jacksonville Transportation Authority. Ted will assist in improving mobility through management and operations of the Jacksonville transportation network.

<b>Jay Ross,</b> <b>Managing Director</b> Real Estate/Housing Office: New York	Jay specializes in the valuation and due diligence for real estate portfolios in all asset classes. Jay will assist the City in optimizing its real estate value in attracting private capital as the City pushes ahead with the revitalization of its downtown area.
<b>Tom Hiddemen,</b> <b>Managing Director</b> Smart Cities Office: Austin	Tom currently spearheads KPMG's smart cities strategy organization and performance sector. Tom will assist the City in Assist the City in meeting the challenge of oncoming technological change to foster a more integrated, transparent environment for residents.
<b>Cate Singer,</b> <b>Director</b> Social Infrastructure Office: New York	Cate has over 10 years of experience in infrastructure and municipal finance. She has advised the New York Dormitory Authority on the consolidated laboratory project and is currently advising Miami-Dade County on the Civil Court Facilities Project. Cate will assist with social infrastructure, including the potential development of a new convention center.
<b>Vincent Dolan</b> Transportation Office: Austin	Vince has over 20 years of experience in assisting clients with financing, development and procurement of infrastructure projects. He has worked to reach financial close on all categories of alternative delivery models. Vince will assist the City with its transportation program, including the city's bus rapid transit network and potential public transit alternatives.
<b>Iain Tester</b> Water/Wastewater/ Municipal Waste Office: Austin	Iain has advised public and private sector clients on alternative finance and O&M transactions across a wide range of sectors, with an emphasis on the water/wastewater/municipal waste sectors. Iain will assist the City in optimizing planning, managing and operations for water, wastewater and solid waste facilities.

### 3. Investigations

As is the case with all major professional services firms, from time to time KPMG and/or individual partners or principals have been named as defendants in lawsuits by regulatory bodies and civil plaintiffs, particularly when one of the Firm's clients suffers an economic downturn. Understandably, the details of such litigation are sensitive and highly confidential. KPMG has a professional indemnity insurance program in place to insure against such risks, and we have no pending litigation or litigation commenced in the past three (3) years that would materially affect the Firm's operations or our ability to perform services for you.

Like all major professional services firms, KPMG has a large number of clients that are registered with, or otherwise regulated by, the SEC, FDIC, other regulatory agencies, the Federal Reserve Board, various stock exchanges, and other self-regulatory organizations ("Regulators"). Such clients are at times involved with investigations or

informal inquiries by such Regulators. In addition, clients may be involved with investigations or informal inquiries by other Federal, state and local government agencies involved with law enforcement, including but not limited to the Department of Justice, Internal Revenue Service, various federal, state and local government agency Offices of Inspectors General, and state attorneys general (“Investigators”). KPMG and its personnel are regularly asked to, and do, cooperate with investigations and informal inquiries of such Regulators and Investigators related to services provided to clients. KPMG and its personnel are also from time to time involved with investigations and informal inquiries conducted by the Firm’s own Regulators, including the SEC, the Public Companies Accounting Oversight Board and various state boards of accountancy, regarding compliance by the Firm and its personnel with laws, rules and regulations. Many of these investigations and informal inquiries are not public, and we are frequently not privy to the thoughts or focus of the Regulator or Investigator with respect to these matters. In the vast majority of cases, investigations and informal inquiries in which KPMG and its personnel have some involvement are closed without any action being threatened or taken against KPMG or its personnel. We are not aware of any pending investigation or investigation within the past three years by any Regulator or Investigator that would materially affect the firm’s operations or our ability to provide services under this proposal.

#### **4. Fee Approach**

KPMG is committed to working with the City to establish a compensation policy that works best based on the scope of future projects and meets your purposes.

##### **Fee Structure**

Our fee will be based on time and material costs incurred to complete the project(s) at the hourly rates summarized in the table below. These rates will increase at CPI-U on an annual basis.

<b>Experience Level</b>	<b>Hourly Rate</b>
Partner/Principal/Managing Director	\$560
Director	\$500
Manager	\$420
Senior Associate	\$350
Administrative Staff	\$140

##### **Fee Estimate by Transaction Structure**

As a final list of projects and delivery models have not been determined, our total budget will vary based on the activities performed and the specific transactions/delivery models. We would be willing to explore with the City a fixed-fee structure for defined scope of work and deliverables.



## B) Experience and Performance Information\*



## 1. Firm Experience

### KPMG Infrastructure Advisory

KPMG Infrastructure Advisory is the largest U.S.-based financial and strategic advisory group on traditional and alternative project finance. We provide project finance services, specializing in P3s for programs and projects across a broad range of sectors including social infrastructure, water/wastewater, transport, research/lab, education, energy, utilities, and healthcare, among others. Our core competencies as a firm are focused on providing objective and market-tested services to public sector governments and agencies in the U.S.

We have a group of 80 staff dedicated to the infrastructure business in the U.S., supported by a network of over 3,000 professionals globally.

KPMG is recognized by Project Finance Magazine and Infrastructure Journal as the #1 financial advisor on P3 projects, having closed more than \$18 billion of U.S. P3 projects in the last nine years.

### Exhibit 2: P3 Financial Advisory Rankings in the U.S. (January 2006 – December 2017)<sup>1</sup>

Rank	Company	# Transactions	Value	Market Share
1	KPMG	24	29,980	25.8%
2	Macquarie Capital	18	24,844	21.4%
3	Royal Bank of Canada (RBC)	14	11,769	10.1%
4	Goldman Sachs	10	15,284	13.2%
4	EY	10	9,342	8.0%

### KPMG Infrastructure Experience

KPMG has assisted numerous public authorities in designing and implementing P3 transactions. Predominately in the U.S., we have advised public sponsors who seek to implement innovative methods to develop, build, finance, operate, maintain and leverage assets through non-traditional methods. In the last decade, we have provided strategic, financial, and commercial advisory services to the State of Florida as well as California, Colorado, Indiana, Massachusetts, Michigan, Nevada, New York, North Carolina, Ohio, Pennsylvania, Texas, and Virginia on their P3 programs and projects across multiple sectors. We have also advised private sector entities and have a deep appreciation of the issues from both sides of the transaction.

Our core competencies and experience cover the full range of relevant infrastructure solutions as can be seen in Exhibit 3 below.

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<sup>1</sup> InfraDeals, December 2017

### Exhibit 3: Infrastructure Solutions

Service	Description	Personnel
Infrastructure Strategy	Assist the City make more informed decisions regarding the prioritization of its limited infrastructure budget. Involves risk-based analysis and assistance with complex investment decisions requiring the integration of public policy, technical analysis and financial variables.	Guy Wilkinson Prakash Ganesh
P3 Transaction Advisory	Assist the City explore the feasibility of innovative financing and delivery models; structure marketable transactions; and successfully market and execute the transactions. We will work with the City and its independent agencies to identify potential strategic P3 opportunities.	Guy Wilkinson Prakash Ganesh
Asset Management	Assist the City in reviewing existing assets and identifying strategic opportunities for optimization of the City's assets and services, including opportunities to optimize the City's fleet.	Jeffery Gallart
Real Estate Strategic Advisory	KPMG's dedicated Economic and Evaluation Services ("EVS") practice will assist the City and the Downtown Investment Authority optimize the value of its real estate portfolio to drive value for the City as it continues its effort to revitalize Jacksonville's downtown area through private investment.	Jay Ross Cate Singer
Justice and Security	Assist the City in increasing the efficiency of current justice facilities and support the City on potential new developments, including jail facilities.	Brendan Davis
Smart Infrastructure	Assist the City in meeting the challenge of oncoming technological change to foster a more integrated, transparent environment for residents. KPMG will support the City in navigating through traffic and parking facility challenges that come with economic development in the downtown area.	Tom Hiddemen Ted Hamer
Energy Strategy/ Lighting/Water/ Wastewater	Assist the City to lower energy costs, improve energy security, achieve budget certainty, and realize environmental sustainability goals. We will also leverage our experience advising on smart street lighting projects to help the City solve existing issues and innovate for future solutions.	Iain Tester
Data Analytics	Assist the City expand its data collection and use to increase efficiencies in developing long-range planning that anticipates the future demand of residents. We will work with the Chief Information Officer and team to build on the successes that the Department has achieved.	Oscar Bedolla
Transportation	Assist the City address its transportation challenges and roadway improvements program to reduce congestion and increase the level of service to residents. KPMG will assist the City think through options for public transit including streetcars and commuter rail projects.	Vincent Dolan

Please refer to subject matter specialist table in Section 2 for a brief summary of each subject matter specialist. Detailed resumes can be found in Attachment #2.

We believe that KPMG can provide the most complete package of services to help the City determine the potential for strategic opportunities with regard to its existing or future assets and/or programs, and successfully deliver these contemplated projects. We have assembled a team that has directly relevant experience on alternative delivery

models and stands ready to work alongside your team on this significant project for the County.

### Select KPMG Case Studies

The table below provides a summary of case studies representing KPMG's select infrastructure projects that have been completed or are currently ongoing.

<b>Select KPMG Case Studies</b>	
<b>Jacksonville Transportation Authority (Transportation)</b>	KPMG is currently engaged by the Jacksonville Transportation Agency (JTA) to assist the Authority in conducting a risk analysis as it explores the use of autonomous vehicle fleet technology as part of a project to replace their current Skyway system.
<b>I-4 Ultimate Project (Transportation)</b>	KPMG provided financial, commercial, and strategic advice to FDOT on the \$2.3 billion I-4 Ultimate P3 Project. KPMG assisted with all financial aspects of the project, including statement of qualification evaluations, review of proposers' financial proposals and financial models, Value for Money (VfM) analysis, and provided negotiation advice.
<b>Broward College (Real Estate)</b>	KPMG provided financial, commercial, and strategic advice to Broward College on the redevelopment of its downtown campus. KPMG is also currently assisting Broward College providing financial and commercial advisory services for the development of its south campus.
<b>Miami-Dade County Civil Court Facilities (Real Estate and Justice Facilities)</b>	KPMG is currently engaged by Miami-Dade County to provide financial and commercial advisory services related to the development of the County Civil Court Facilities Project. The scope of work includes conducting a VfM analysis; analyzing delivery options analysis; determining project feasibility and affordability; and advising through the procurement phase.
<b>Long Beach Courthouse P3 Project (Real Estate and Justice Facilities)</b>	KPMG was the financial advisor to the successful bidding consortium for the design, build, finance, operations and maintenance of a new courthouse facility. The project was the first vertical construction P3 in US utilizing a performance based payment mechanism.
<b>Tampa Bay Water (Water)</b>	KPMG was retained by Tampa Bay Water Authority as their Strategic Procurement Advisor to help explore the viable procurement and financing options to address cracks in the Young Regional Reservoir. KPMG also assisted the Authority throughout the procurement phase of the project.

<b>Select KPMG Case Studies</b>	
<b>Denver International Airport Great Hall (Aviation)</b>	KPMG was selected as the commercial and transactional advisor to assist Denver International Airport with the structuring of a transaction that would engage a private sector developer to design, build, finance, operate, maintain, and operation concessions within the Great Hall.
<b>AMTRAK – Terminal Development Initiative (Real Estate)</b>	KPMG has been engaged by Amtrak to assist in analyzing and developing alternatives to improve performance of a subset of its terminals and portfolio of real estate assets, foster private investment, generate new revenue streams, and identify opportunities to increase value through development.
<b>Michigan Freeway Lighting (Energy)</b>	KPMG served as the commercial and financial advisor to MDOT on the Freeway Lighting Project. The Freeway Lighting Project is a DBFOM of all approximately 15,000 freeway lights for a 15 year period. MDOT is expected to achieve substantial savings through the life of the contract.

More detailed case studies can be found in Attachment #3.

## **2. Strategic Financial Advisory Approach and Current Market Environment**

KPMG will complement the City's in-house capabilities, and work in collaboration with PFM, and the City's technical and legal advisors to provide strategic, commercial and financial advisory services to the City. KPMG understands the local market well having worked at the state level with Florida DOT and agencies such as the Jacksonville Transportation Authority and Miami-Dade County. KPMG has also assisted other public entities, including cities, counties and State Departments of Transportation such as Texas and Virginia to establish their programmatic P3 programs to help screen, prioritize and implement projects.

### **(a) Programmatic Assessment**

At the start of the engagement, KPMG will work with the City's advisors to assist the City in defining programmatic goals and objectives with respect to its assets and the projects contemplated in the current capital plan. This will enable the City to:

- Clearly outline its goals related to strategic opportunities including P3s
- Identify any legal, policy, or legislative hurdles that the City may encounter with potential transaction structures
- Develop the criteria to examine projects and assets that can be leverage via alternative delivery structures
- Identify strategic opportunities with regard to key projects in the capital plan that the City contemplates implementing

The programmatic assessment will consist of two main components to identify strategic opportunities: 1) review of existing assets 2) review of the current capital plan

### Review of Existing Assets

Subsequent to completing the comprehensive review of the City's goals and objectives, as well as current capital plan, KPMG will conduct a broad-based analysis to identify the City's strategic opportunities for optimizing existing assets and services. We will work with the City and its advisors to develop a strategic plan to analyze the inventory of City-owned facilities/assets; identify the City's need for space, outline opportunities for consolidating or repositioning space, and identify options for monetizing real estate assets and opportunities to make them more attractive to private investors.

Key benefits of the asset scan include:

- Identifying new sources of revenue
- Evaluation the option of disposing of surplus assets
- Transferring risks to the private sector when appropriate
- Increasing operational efficiency

Based on review of the existing assets, KPMG will work with the City and its advisors to narrow down potential strategic opportunities with respect to existing assets.

### Capital Plan Review, Project Prioritization and Selection

**KPMG will work with the City and its advisors to review the current capital plan and potential projects contemplated.** KPMG will assist the City to develop screening criteria to identify projects that could potentially be delivered using alternative delivery structures. This phase will include a high level screening, including feasibility analysis and risk analysis. Recommendations will be made on the capital plan with respect to alternative delivery, including on project identification and project selection.

The activities during this phase include:

- Conduct a high-level risk workshop and develop a high-level risk matrix to documents the City's risk preferences towards with respect to each of the projects in the capital plan
- Discuss policy objectives and considerations in relation to the development of the specific project
- Review capital, operation and maintenance, and lifecycle costs provided by other advisors that will be used in the preliminary financial assessment
- Identify potential funding sources and financing mechanisms

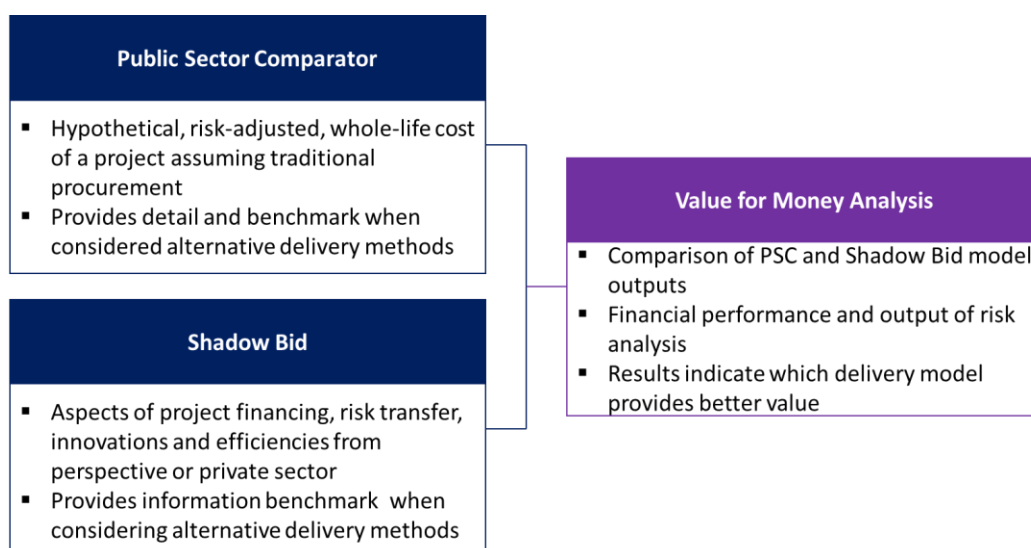
A project prioritization framework is then established to select projects to be developed. After candidate projects are prioritized, KPMG will conduct strategic options analysis on a project-level to determine feasibility of each project. After completing the programmatic assessment, KPMG will assist the City in determining the assets and specific projects to invest time and resources.

## (b) Project-Level Planning

For each project that is identified for alternative delivery, we will assist the City in identifying the project-level goals and objectives; analyze financing, funding and transaction alternatives; and determine feasibility and affordability. The objective of this phase is to assist the City make an informed decision regarding the scope of the projects and their appropriate delivery models. We will undertake the following:

- **Strategic review of goals and objectives:** We will work with the City, other advisors, policy makers and a broad range of stakeholders to establish the objectives and priorities for contemplated projects. This step allows us to align expectations and helps the City articulate the desired outcomes related to key policy considerations, structuring requirements and market approach, among other factors.
- **Preliminary transaction structuring analysis:** We will advise the City on the advantages and disadvantages of various transaction structures and P3 delivery models that may be implemented for selected projects. We will also analyze the payment mechanisms that may be appropriate under each transaction structure.
- **Accounting considerations:** KPMG will be able to assist the City with any accounting considerations relating to the contemplated transactions.
- **Real Estate Optimization Analysis:** For real estate related infrastructure and transactions, KPMG will work with the City to evaluate the state of the market, and assist the City in determining the optimal use of identified sites by considering the legal permissibility, physical possibility, financial feasibility and maximum productivity criteria to maximize value for the City.
- **Value for Money analysis:** The Value for Money (VfM) analysis compares the value of risk transfer under a P3 delivery option against the cost of retaining those risks under more traditional methods. The cost for each delivery model will be evaluated on a net present value (NPV) basis.

### Exhibit 4: Value for Money Analysis Framework





- **Affordability analysis:** Concurrently with the VfM analysis, KPMG will assist the City with understanding its long-term affordability parameters. We will perform affordability analyses to confirm that the preferred delivery model falls within these parameters.

### (c) Procurement Process

For each project, KPMG will conduct marketing diligence to attract a pool of private bidders to ensure competition in order to maximize value to the City. A detailed outline of the market sounding approach can be found in the Marketing Approach of Section 3.

### Solicitation

- **Assist with developing procurement strategy and structure:** We will assist the City in developing a procurement strategy and structure for delivering the procurement for candidate projects, including defining the key procurement steps and targeted dates, the topics to be addressed with bidders during collaborative meetings, the questions and answer process with bidders, the structure of evaluation committees, anticipated level of compensation to losing bidders and the roles of the various team members as part of the procurement process.
- **Assist with developing evaluation criteria and methodology:** As part of this process, we will assist the City in developing evaluation criteria and methodology for potential RFQs and RFPs, including the determination of bid parameters.
- **Assist with developing draft and final solicitation documents:** We will assist in drafting procurement documents that balance the objectives, risk appetite and limitations of potential private sector participants against public policy objectives. While it is important that these documents reflect a commercially viable position for the potential financiers, the ultimate goal of these documents is to protect the rights and interests of the City. Through our daily interactions with your fellow public sector agencies and developers, contractors and financiers active in this market, both within and outside the U.S., KPMG has a detailed understanding of the delicate balance between protecting your policy goals and helping to attract the appropriate industry participation. There is no substitute for real-time transaction experience.

### Evaluations

During the first step of the procurement process, the City will receive statements of qualification in response to the RFQ issuance. Then, approximately three months following the issuance of the final RFP documents and contractual agreements, the City will receive financial and technical proposals. KPMG will work with you during each phase to help you make informed and defensible decisions in shortlisting bidders and selecting the preferred proposer. Activities during the evaluations phase include:

- **Advice on evaluations of statements of qualification against your defined criteria:** We will perform detailed financial stability, liquidity and capacity analysis on each consortium to help determine if it is financially capable of undertaking the selected project requirements. Our team includes certified public accountants and finance professionals who know what is required and know what to look for in

financial statements and we possess a detailed methodology for such analysis. We will present the results of our detailed analyses for the evaluation team to consider.

- **Conduct financial evaluation of proposals received in response to the RFP:** Of ultimate importance to the City is that the financial proposals submitted by bidders follow the requirements of the RFP, include robust financial plans and the financial security package provides comfort that financial close can be achieved. We are well positioned to conduct the financial evaluation of proposals received in response to the RFP. We will also review responses to assess how proposed facility designs align with the operational scoping, affordability, and operating models.

### Negotiations

We have assisted state and local agencies on numerous P3 transactions and have a deep understanding of the financial and commercial terms and risk allocation items that bidders will seek to negotiate during the RFP and preferred bidder stages of each procurement. Specific tasks during the negotiations phase include:

- **Assist with the financial aspects of the bidder one-on-one process during the RFP phase:** The complexities involved in a greenfield project will likely require considerable negotiation with the private sector. We will use our prior experience on similar transactions to help the City leadership develop successful negotiation strategies and to ensure each deal remains both marketable and financeable. Our knowledge of the process and of the players involved will allow us to assist you protecting your commercial position and long-term policy objectives in the latter stages of the transaction. As part of this process we will also advise you on the financial aspects of alternative technical proposals.
- **Assist with final negotiations with preferred bidder:** We will assist the City in any final negotiations of project agreements leading up to commercial and financial close. We will provide feedback on the financial implications, if any, of changes to specific terms on risk allocation.

### Award Process

KPMG will support the City in working with the preferred proposer in achieving commercial and financial close for each project.

## 3. Marketing Approach

Following the market analysis, opportunity review and asset scan, and planning process described previously, we will assist the County in developing a marketing strategy for a selected project with two key goals in mind:

- Developing market interest among potential private sector partners
- Assessing market interest in the various commercial structures resulting from the previously conducted transaction structuring analysis

We will assist the County in marketing each project with a pre-submittal conference and other market outreach efforts, including:

- Conducting informal market sounding exercises
- Development of Information Memorandum and Request for Information (RFI)
- Scheduling industry forums followed by formal one-on-one meetings

Feedback from the private sector will be a critical factor in structuring the transaction as the City will want to generate interest from the bidding community. KPMG's knowledge of the market and its participants will be invaluable as we identify potential investors based on preferred business model, type of asset, location, size of investment, and asset life stage.

Based on the project goals and market feedback, we will work with the City to finalize a deal structure and procurement strategy to move forward and begin the transaction process by issuing an RFQ identifying requirements for the private partner.

## 4. References

### **Florida Department of Transportation - I-4 Project:**

- Leon Corbett, Project Finance Office Manager
- Telephone: (850) 414-4421 | Email: [leon.corbett@dot.state.fl.us](mailto:leon.corbett@dot.state.fl.us)

### **Broward College – Downtown Campus:**

- Jayson Iroff, Chief Financial Officer
- Telephone: (954) 201-7423 | Email: [jiroff@broward.edu](mailto:jiroff@broward.edu)

### **Miami-Dade County - Civil Court Facilities:**

- Tara Smith, Director of Internal Services
- Telephone: (305) 375-1135 / Email: [tara.smith2@miamidade.gov](mailto:tara.smith2@miamidade.gov)

## 5. City Experience

### **Jacksonville Transportation Authority**

Led by Guy Wilkinson and Ted Hamer, KPMG is currently engaged by the Jacksonville Transportation Agency to assist the Authority in conducting a risk analysis as it explores the use of autonomous vehicle fleet technology as part of a project to replace their current Skyway system. As the advisor to JTA for this project, KPMG:

- Conducted an international benchmarking of autonomous shuttle programs in order to leverage leading practices and lessons learned
- Assisted JTA by conducting a risk analysis of the organization and autonomous vehicle readiness with possible mitigating approaches
- Conducted risk workshops with JTA leadership and key personnel to identify known and potential risks related to the autonomous vehicle program to highlight financial, infrastructure, technology and operational risks



# Attachment #1: Other Matters\*

**Municipal Advisory Services:** It is understood and agreed that KPMGCF/KPMG LLP is not registered with the SEC as a municipal advisor and that the City is not asking KPMGCF/KPMG LLP to provide, and KPMGCF/ KPMG LLP will not provide, any services to the City which would require registration as a municipal advisor, including but not limited to advice with respect to municipal financial products or the issuance of municipal securities. KPMGCF/ KPMG LLP will not make recommendations relating to municipal financial products or the issuance of municipal securities, and KPMGCF/ KPMG LLP will not owe a fiduciary duty to the City under Section 15B of the Securities Exchange Act of 1934. The City represents to KPMGCF/ KPMG LLP that if the City desires municipal advisor services in connection with or related to the subject matter of this engagement, it will obtain such services from another party.

**AICPA Consulting Services:** KPMG's services as outlined in this proposal constitute an advisory engagement conducted under the American Institute of Certified Public Accountants ("AICPA") Standards for Consulting Services. Such services are not intended to be an audit, examination, attestation, special report or agreed-upon procedures engagements as those services are defined in AICPA literature applicable to such engagements conducted by independent auditors. Accordingly, these services shall not result in the issuance of a written communication to third parties by KPMG directly reporting on financial data or internal control or expressing a conclusion or any other form of assurance.

**Lobbying/Advocacy:** In providing our services, KPMG will undertake no role or view that could be considered public policy advocacy or lobbying.

**Legal Advice:** KPMG is not providing any legal advice or counsel under this proposal. Without limiting the foregoing, KPMG is not providing any interpretation of any laws or regulations that may be applicable to the Agency or that are otherwise related to the work hereunder. While KPMG personnel working on this project may, through experience or specialized training or both, be familiar with the general regulatory environment in their capacity as information technology and management consulting professionals, they will work under the direction of the Agency and its legal counsel regarding the specific legal and regulatory requirements under which the Agency operates.

The terms included in this proposal are subject to further negotiations with the City and are expected to be finalized in a mutually agreeable contract.

\* Section does not count towards page limit as per the RFP.



# Attachment #2: Detailed Resumes\*





**Guy Wilkinson**  
*Partner –  
Infrastructure*

KPMG  
111 Congress Avenue  
Suite 2500  
Austin, TX 78701

Tel 512-501-5325  
Fax 512-857-0792  
gwillkinson@kpmg.com

**Education, Licenses &  
Certifications**

- BA (Hons), University of York, History
- ACA qualified, Associate Member of the Institute of Chartered Accountants in England and Wales

**Background**

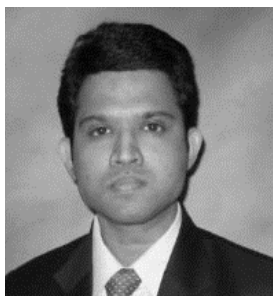
Guy has over 18 years of experience advising on project finance and P3 transactions in the accommodation and transportation sectors. During this period he has advised both public sector and private sector clients. For public sector clients Guy has been involved in evaluating bids, reviewing financial models, assessing value for money and risk, development of Full Business Case, negotiating payment mechanisms and the commercial aspects of strategic partnership contracts with the private sector. On the private sector side Guy has advised bidding consortiums including running bank funding competitions development of financial models, strategic advice and advice on development of payment mechanisms.

**Select project experience**

- **Florida Department of Transportation:** Provided advice on the feasibility of a number of toll roads. The work involves model building, appraisal of different options including alternative procurement models comparing the concession model against other contracting techniques such as availability and shadow tolling.
- **I-4 Ultimate P3:** Advised FDOT on project structuring for 21 mile, \$2.3 billion reversible managed lanes project, leading efforts to develop financial feasibility analyses, provide financial analysis in support of procurement activities, and support FDOT with negotiations with key investors, TIFIA, and ratings agencies. Guy also oversaw the development of applications for Transportation Infrastructure Finance Innovation Act (TIFIA) and Private Activity Bonds (PABs) allocation for the project.
- **Miami-Dade County Civil Court Facilities Project:** Currently advising Miami-Dade County on commercial and financial aspects related to the development of a new civil and probate courthouse, leading efforts to develop a feasibility analysis for alternative project delivery, providing financial analysis in support of procurement activities, assisting with the preparation of solicitation documents and conducting a market sounding exercise with the private sector.
- **Broward College:** Provided financial, real estate and commercial advisory services to assist the College in selecting a development partner for the redevelopment of their Downtown Las Olas Center and the development of their South Campus.
- **Denver International Airport:** Since mid-2015, Guy has been co-leading the team serving the Denver International Airport as a financial and commercial advisor for the Great Hall Redevelopment P3. Guy has drawn on his extensive airport financing experience to assist the Airport determine a commercial structure for the deal, identify key financial performance targets and affordability needs/considerations, and work with shortlisted bidders in 1-on-1 meetings to refine Great Hall conceptual plans.
- **Amtrak Terminal Development Initiative (TDI):** Advised Amtrak on a broad range of real estate and investment consultancy services required to assist in analyzing and developing actionable alternatives to improve the performance of a subset of its terminals and portfolio of real estate assets, foster private investment, generate new revenue streams, and identify opportunities to maximize and leverage value through development and other means. Assisted Amtrak in taking a comprehensive view of its prior and current initiatives in order to identify opportunities to maximize the value of Amtrak's terminal and

real estate assets through retail enhancements / expansions and repositioning, acquisitions/dispositions, development, redevelopment, repositioning, joint ventures, and other strategic investment structures.

- **Long Beach Courthouse:** Provided financial and commercial advice to bidder on their bid on Long Beach Court Building. The project which reached financial close in December 2010 is the first social infrastructure P3 in the U.S. Guy has run a funding competition which considered bank and bond finance options, developed the financial and commercial response, and negotiated support to client on development of Project Agreement and financing documentation.
- **Yonkers Public Schools:** Guy is leading KPMG's team which is currently acting as the lead financial advisor to the Yonkers Public School District in the State of New York in the development of their P3 program to assess the value of alternative delivery models in helping them to address \$1.7 billion in critical need improvements across the district.
- **Global Renewables:** Advised on the Proponent's successful bid for Lancashire Waste PFI (closed March 2007). The work included development of financial model supporting the bid, raising of debt and equity, negotiations with the Authority on payment mechanism and compensation on termination and support through to financial close.
- **Amtrak Northeast Corridor High-Speed Rail Project:** Guy is currently assisting with the firm's Strategic Advisory engagement as a Funding and Financing Specialist for the \$151 billion Amtrak High-Speed Rail Project in the Northeast. KPMG is assisting in the development of a business and financial plan as well as an options assessment and analysis plan for the project implementation. The project involves the implementation of a new two-track corridor capable of supporting 220 mph top speeds and reducing travel time in the Northeast.
- **California Department of Transportation:** Advised on the Presidio Parkway/Doyle Drive Concession in San Francisco. This project will include replacing some of the existing Doyle Drive with a new six-lane parkway and a southbound auxiliary lane. The project also includes construction and installation of various electrical and mechanical technologies the Girard Road undercrossing, and Low Viaduct, the Northbound High Viaduct, the Northern Park Presidio Interchange, the Northbound Roadway to Merchant Road, and demolition of the existing High Viaduct, and finally landscaping.
- **LA Metro:** Coordinating KPMG's financial advice to LA Metro as part of a team of advisors acting to assist the Authority in structuring and ultimately delivering a range of highway and transit projects. Current tasks include the development and execution of screening methodology, development of feasibility financial analysis and preliminary business case development.
- **Texas Department of Transportation:** Provided advice on CDA program for TTC-35. This is ongoing work and involves updating the master development plan, assessing the merit of projects ready for development and evaluating proposals put forward by TTC35 partner Cintra Zachry.



**Prakash Ganesh**  
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*CFA*

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#### **Education, licenses & certifications**

- MBA, The Fuqua School of Business, Duke University (Fuqua Scholar)
- MS, Civil Engineering (Structures), University of Cincinnati
- MTech, Infrastructural Civil Engineering, Indian Institute of Technology, Madras (IIT-m)
- BTech, Civil Engineering, Indian Institute of Technology, Madras (IIT-m)
- CFA Institute

#### **Background**

Prakash is a Director based out of DC office and he brings over 12 years of financial, commercial and strategic advisory experience advising public and private clients on large scale infrastructure projects including public private partnerships. Prakash's industry expertise includes transportation including highways, airports, bridges and transit, water and broadband sectors.

#### **Professional and industry experience**

He specializes in the financing, procurement and management of infrastructure projects, including leading roles in designing, evaluating, negotiating, executing and bidding for major infrastructure deals.

#### **Selected project experience**

- **Florida Department of Transportation (FDOT):** Provided advice on the feasibility of a number of toll roads. The work involves model building, appraisal of different options including alternative procurement models comparing the concession model against other contracting techniques such as availability and shadow tolling.
- **I-595 Refinancing:** Advised FDOT in the evaluation of a refinancing proposal from the Concessionaire, in structuring alternative approaches to share gains as a result of the refinancing, and in development of the supplemental agreement and review of financing documentation for this \$1.7 billion availability payment-based Design Build Finance Operate and Maintain (DBFOM) project.
- **Tampa Express Lane Project:** Advised on the financial feasibility and structuring of the 90 mile managed lanes project in Tampa as an Availability Payment based Design Build Finance Operate and Maintain (DBFOM) delivery
- **South Florida East Coast Corridor/Tri-Rail Coastal Link:** Advised on the development of new passenger rail service along the Florida East Coast Railway Corridor in Southeast Florida. Options involve multiple jurisdictions, freight and passenger transport joint use considerations, identifying the appropriate contractual arrangement with the host railroad, and potentially up to \$1 billion dollars of public investment
- **Miami Intermodal Center (MIC):** Advised FDOT on a \$2.1 billion development of the largest intermodal complex in the U.S. The finance plan incorporated \$533 million of TIFIA loans and more than a dozen separate local, state, federal, and private funding sources, including: tolls, gasoline taxes, real estate development, rental car customer charges, State Infrastructure Bank financing, and grant contributions by FDOT and stakeholder agencies.
- **Ohio Department of Transportation (ODOT) Portsmouth Bypass PPP Project:** advised ODOT in the development and procurement of the \$400+ million in southern Ohio, including feasibility analysis and procurement support.
- **The Port Authority of New York & New Jersey (PANYNJ) Goethals Bridge Replacement Project:** Advised PANYNJ in advancing its first PPP procurement of the \$1.1 billion project to replace the existing 83-year-old Goethals Bridge in New York. Advised on the procurement process from RFP stage to successful financial close in November 2013, and supported in the negotiation of a \$500m TIFIA loan.



**Robert Labenski**  
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**Education, Licenses &  
Certifications**

- BS, Accounting, Boston College
- Certified Public Accountant, Florida

**Background**

Rob is an audit partner and a member of our National Real Estate Leadership team, which he has been a part of since 2003. He is focused on serving as a lead audit engagement partner for our Real Estate Investment Trust (REIT) clients. In addition, Rob is involved in developing KPMG's REIT audit practice in New York and Philadelphia.

He has spent his entire 30 year career with KPMG, primarily serving public and private real estate companies, REITs, real estate opportunity funds and private equity funds. Rob has also worked in KPMG's Philadelphia, New York, Atlanta, and Jacksonville offices.

Rob has developed, and continues to teach, real estate industry training for our firm's professionals. In addition, he created a real estate fundamentals course for undergraduate students at Villanova University.

Rob has also served as the Real Estate Practice Leader for our Mid Atlantic and Southeast regions of the United States. As Real Estate Audit Practice Leader, he was responsible for the overall client service and growth of the practice:

**Selected project experience**

Rob is one of KPMG's representatives to the National Association of Real Estate Investment Trusts (NAREIT) and serves on the NAREIT Best Financial Practices Council which helps develop real estate industry policies.

- During his career, he has provided his clients with audit services as well as assistance for Initial Public Offerings, Securities Exchange Commission compliance and filings, financial feasibility studies, and public and private equity and debt placements.



## Jeffery Gallart

### Director

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### Education, Licenses & Certifications

- MBA, Northeastern University
- MSF, Northeastern University
- BS, Environmental Engineering, United States Military Academy at West Point

### Background

Jeffery is a Director with more than 16 years of experience in leadership, supply chain management, and project management. Jeffery is exceptionally effective at developing teams to deliver risk assessment, strategic process improvement, cost reduction, and revenue generation initiatives. Over the course of his career, Jeff has advised federal and state organizations on ways to reduce operating costs or drive incremental revenue. Most recently, his focus has been assisting transportation agencies in analyzing their portfolio of assets and identifying risks, mitigating strategies and opportunities to increase efficiencies. Beyond initiative identification, Jeff works as a trusted advisor for the leadership of these agencies to develop and execute attainable solutions to realize lasting value.

Jeff has acted as lead for various asset scan initiatives for numerous organizations as they have explored ways to reduce operating costs in the Facilities Management and Fleet Operations sector.

### Select project experience

- **Jacksonville Transportation Authority (JTA):** Assisting the Jacksonville Transportation Agency to conduct a risk analysis as it explores the use of autonomous vehicle fleet technology as part of a project to replace their current Skyway system.
- **North Carolina Department of Transportation (NCDOT):** Assisted NCDOT in identifying alternative delivery option for facilities management services across the DOT's portfolio of 10 million square feet. Additionally, he assisted in conducting a right-sizing analysis that would allow the DOT to meet its facility needs through higher space utilization.
- **Riverside County, California:** Conducted a Facilities Management and Fleet Operations analysis for the county; assisted the county in developing standard service level agreements and metrics to actively manage the program. From the fleet perspective, the analysis focused on calculating the breakeven point for owning vehicles and identifying approximately 20 percent reduction in the overall vehicle portfolio.
- **Indiana Department of Transportation (INDOT):** Assisted the DOT in completing an organizational and system assessment. Utilizing industry leading benchmarks, the team was able to generate a process maturity model and make recommendations on performance metrics.
- **Revenue Generation Programs:** Assisted transportation agencies in implementing programs in order to increase incremental revenues.
- **Utah Department of Transportation (UDOT):** Sponsorship Program.



## Oscar Bedolla

### Director

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### Education, Licenses & Certifications

- MA, International Public Policy and Economics, Johns Hopkins University – Paul H. Nitze School of Advanced International Studies (SAID)
- MS, Real Estate Development, Johns Hopkins University – Carey School of Business
- BS, Business Management, Hampton University

## Background

Oscar has 15 years of experience providing strategic advisory services for both large-scale infrastructure and real estate projects. During this period, he has worked in senior positions at the federal and local levels to finance, monitor, and manage large projects through all stages of the development cycle. Throughout his career, he has campaigned performance management techniques and data analytics. Oscar's industry expertise includes transportation, community and economic development, and parking.

## Select project experience

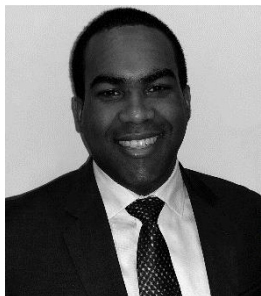
### ■ Performance Management Data Analytics

- National leader for KPMG's strategic growth initiative on public sector data analytics. Responsible for managing internal and external engagements and partnerships for public infrastructure and real estate.
- Assisted the with the development of the federal Transportation Performance Management program which dictates a strategic approach to utilize performance management to make investment decisions to achieve investment and performance goals.
- Assisted in the establishment of an interactive dashboard to provide city data in an accessible and user-friendly format for public consumption. These interactive data sets ranged from public health, economic and community development.
- Deployed data analytics to reduce cost, increase revenues and improve congestion for the City of Cincinnati. Specifically, analytics improved enforcement route and the interconnectivity with transit systems and off-street parking assets; increased staffing efficiency and helped to promote fair and efficient enforcement. These improvements lead to a revenue increase from \$3.5M to \$7M in three years.
- Developed a performance management process to manage third party contracts that lead to stronger monitoring and increased accountability. The information collected from this process allowed the City to perform analytics to determine the return on investment.

### ■ Community and Economic Development

- Incentivized the creation of over 2,200 housing units, created and retained over 4,000 jobs and leveraged public funds to attract \$1 billion in private investment.
- Led efforts to revise the land based code for the City of Cincinnati to include smart growth strategies centered on transit-oriented developments, including leveraging the investment of the Cincinnati Streetcar to incentivize transit-oriented development along the alignment.
- Managed process to select master developer for the mixed-use office, retail, residential and parking development supporting Cincinnati's medical, research and innovation corridor.
- Led a comprehensive review of the City's incentive policies to support the development of vibrant neighborhoods and to create economic and fiscal benefits for the City of Cincinnati.





## **Brendan Davis**

*Director*

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### **Education, Licenses & Certifications**

- MS, Finance, Florida International University
- MS, Criminal Justice, Florida International University
- BA, Sociology Saint Leo College

### **Background**

Brendan is a Director in KPMG's Advisory Services practice. He brings more than a decade of professional experience in the public and private sector, his specializations include Data and Analytics in criminal justice, target operating model and organizational transformation. Brendan is also a veteran of the United States Air Force.

Brendan has served in many leadership roles throughout his career as he has navigated several industries, to include the military, the private sector, higher education and the federal government.

### **Select project experience**

#### ■ **Law Enforcement Engagements:**

- Assisted top 3 law enforcement agency with review of performance metrics department-wide
- Assessed large law enforcement correctional division for efficiencies and savings; provided numerous adopted recommendations
- Led multiple law enforcement work streams for top 15 largest sheriff department; assisted in addressing numerous operational efficiency issues
- Assessed top 15 law enforcement agency patrol operations with scheduling and deployment; provide numerous recommendations leading to optimized deployment patterns
- Assisted in the procurement of major law enforcement system upgrades; helped develop system and vendor requirements for client
- Led team in law enforcement agency review; collaborated across multiple skill sets to deliver client results
- Managed staffing review of top 3 law enforcement agency; resulted in numerous recommendations to drive structural staffing changes

#### ■ **Risk and Financial Management Professional**

- Federal regulator tasked with writing regulatory guidance for approved insurance providers
- Assisted 10 global insurance firm with regulatory framework implementation
- Team member on new insurance evaluation and development team. Acted as team lead: compiled multi-department and external reviews; led numerous meetings; presented consolidated opinion to agency leadership
- Led team that developed system to integrate regulatory requirements in financial reporting framework
- Managed team delivering financial reporting services to major financial institution



**Ted Hamer**  
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**Education, Licenses & Certifications**

- M.B.A., DePaul University
- B.S., University of Wisconsin (La Crosse)

**Background**

Ted is a Managing Director in KPMG's Global Infrastructure advisory practice and is located in the Chicago. He joined KPMG's Risk Advisory practice in February of 2001 and has been with the Infrastructure practice since 2008. Ted's area of focus and is in innovative infrastructure strategy, mobility, including the impact of autonomous vehicles and Mobility-as-a-Service (MaaS) in public transportation, finance and innovative project delivery, including the use of third party lease arrangements and public-private partnerships (PPP). Ted helps public sponsors with establishing public policy objectives to effectively implement these approaches.

**Select project experience**

- **Ohio Department of Transportation:** Ted is leading KPMG's team assisting ODOT with the Drive Ohio initiative. Drive Ohio is ODOT's strategic plan and implementation of an autonomous and connected vehicle environment. Of note, Ted is heavily involved in the administration's push to help ensure Ohio is at the forefront of autonomous vehicle development and implementation including having active participation in the Ohio Smart Mobility Initiative (OSMI).
- **State of Ohio:** Since 2016 Ted has served as the overall lead partner for State and Local Government audit and advisory service delivery with the State of Ohio. He is helping deliver a wide range of KPMG's services to the State to help Governor Kasich's administration on-going efforts to transform and improve government.
- **Regional Development Authority of Northwest Indiana:** Ted is a senior team member assisting the RDA, in cooperation with the Indiana Finance Authority and NICTD "the South Shore", on the development and expansion of two transit rail projects: the West Lake Corridor and Double Tracking and the associated Transit Oriented Development opportunities with these projects.
- **Regional Transportation Authority of Chicago (RTA):** Ted was the overall program manager for KPMG's innovative finance and PPP mandate for the RTA. Ted led a study of transit options as part of the I-90 rehabilitation with the RTA and Illinois Toll Highway Authority, including assessment of potential private delivery opportunities for both commuter rail and bus rapid transit.
- **Amtrak:** Ted is leading a team that is working with Amtrak to redevelop both Union Station in Chicago and the 30th Street Station in Philadelphia through the competitive selection of a master developer. The KPMG team is working closely with the client and local developers to craft a marketable, financeable, and deliverable redevelopment of this landmark facility. This effort requires close coordination with Amtrak's stakeholders on both projects, including the cities of Chicago and Philadelphia, RTA of Illinois, Metra, IDOT, SEPTA, PennDOT and the FRA.
- **Indiana Department of Transportation (INDOT) and the Indiana Finance Authority (IFA):** Ted is a senior team member helping to lead our advisory services with INDOT and IFA, assisting with their innovative finance and delivery program. Notable projects include: I-69 Section 5: Ted helped lead the development of this \$380 million project reached successful conclusion with financial close in 2014 as a design-build-finance-operate-maintain availability payment agreement between INDOT and IFA and a team led by Isolux and PSP of Canada. Indiana Toll Road (ITR): Ted assisted IFA as it worked through the restructuring of the ITR through its bankruptcy process which ultimately

resulted in the tendering of the ITR Concession Company to the winning team lead by IFM which won the right to assume the remaining 75 year contract for \$5.8 billion

- **North Carolina Department of Transportation (NCDOT):** Ted was a senior team member who advised the North Carolina Department of Transportation on their efforts to implement high occupancy toll lanes through a PPP for the I-77 corridor in Charlotte, North Carolina. The project reached financial close in 2015.
- **Chicago Midway Airport Transaction:** Ted acted as the lead KPMG advisor assisting the City of Chicago's Midway Advisory Panel in assessing the relative merits of a potential long-term concession/lease of Chicago Midway International Airport under the FAA's Pilot Privatization Program.
- **Transportation and Infrastructure Committee:** Ted was a pro bono partner to the Transportation and Infrastructure committee for Chicago 2011; Mayor Rahm Emmanuel's transition effort. In this capacity Ted helped support Forest Claypool as the chair of the committee in drafting the infrastructure plan for the new administration.
- **Port KC:** Ted is working with the Port of Kansas City, Missouri and the City of Kansas City, Missouri to help explore project delivery, financing, and management options for the redevelopment of Kansas City International Airport.
- **State of Michigan:** Ted is a senior team member working on KPMG's mandate to provide a broad range of assistance advising the Office of Governor Rick Snyder on the broad based use of private sector involvement to develop and leverage Michigan's infrastructure. Ted is currently helping the State explore a variety of critical social infrastructure projects, including the development of a Biosafety Level 3 consolidated laboratory as well as the replacement of state operated acute mental health hospitals for adults and adolescents. Ted has also helped the State assess innovative methods of delivery for a Tier 4 data center as well as veterans housing replacement and new development projects.
- **Des Moines International Airport:** Ted worked closely with DSM to help conduct a market intelligence effort to understand potential terminal replacement options through public-private partnerships in 2015. This work has led to Ted and the KPMG team working with HNTB in a terminal programming effort to help select the site and preferred concept for a new 10 to 13 gate terminal to replace the aging and antiquated facility. KPMG is conducting the financial analysis for this effort.
- **Fort Lauderdale Federal Courthouse:** Ted worked closely with the General Services Administration, City of Fort Lauderdale, Broward County and the Fort Lauderdale Downtown Development Authority on how to replace the aging and antiquated federal courthouse with a new facility. This work helped secure funding for a new federal courthouse as part of the 2016 Federal omnibus package.



**Jay Ross**  
*Managing Director*

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**Education, Licenses & Certifications**

- BS, Lehigh University
- State Licensed Real Estate Appraiser

**Background**

Jay is a Managing Director in the Economic and Valuation Services practice of KPMG LLP in its New York office.

At KPMG, Jay has worked on a variety of different clients, on valuations and due diligence for acquisitions and mergers in all major asset classes including land, mixed use developments, residential, retail, office, industrial, and lodging. He has performed valuations on leasehold interests, assets for allocation purposes and market studies.

**Select project experience**

- **Amtrak Terminal Development Initiative Project:** Jay assisted Amtrak with its Terminal Development Initiative project. Specifically, he assisted Amtrak in taking a comprehensive view of its prior and current initiatives in order to identify opportunities to maximize the value of Amtrak's terminal and real estate assets through retail enhancements/expansions and repositioning, acquisitions/dispositions, development, redevelopment, repositioning, joint ventures, and other strategic investment structures. Services provided included economic and real estate valuation on various terminals and surrounding areas.
- **Pharmaceutical Manufacturing Facility Acquisition Project:** Led the firm's engagement for valuation services related to the acquisition of a pharmaceutical headquarter facility in New York. Special considerations included sale-leaseback, Payment in Lieu of Taxes (PILOT), etc.
- **Expansive Real Estate Development Site:** Jay assisted with the evaluation of a development model for a reasonableness check for the anticipation of public funding. The intent of this research was to determine if the development was supported by the market. The development, once fully complete, was proposed to include a landscaped open space, a sports entertainment complex, a boutique hotel, ground floor retail space, office space, affordable and middle-income housing, and market-rate housing.
- **Brooklyn Queens Connector ("BQX"):** The New York City Economic Development Corporation has engaged KPMG in analyzing the technical and the financial likelihood of a proposed light rail system in New York City; including, its potential impact on commercial real estate values and future development along its potential alignment corridor. Jay lead the effort in preparing the initial stages of a market study inclusive of 18 distinct neighborhoods by determining: (1) commercial land value by development type, (2) market leasing assumptions by property type, (3) 40-year supply and demand projections, and (4) land residual analyses.
- **Valuation of Real Estate Investment Fund:** A large Real Estate Investment Trust ("REIT") requested assistance in determining quarterly valuation conclusions for financial reporting purposes. The project included reviewing the initial valuation policies and procedures for the fund and providing regular updates to reflect adherence to current regulatory requirements and market based practices for commercial properties. Specifically, Jay led the review of quarterly valuations of underlying real estate investments as prepared by asset managers. He undertook detailed discussions with asset managers on valuation approach, methodology, key assumptions, and conclusions.



**Tom Hiddemen**  
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**Education, Licenses & Certifications**

- BBA – McCombs School of Business, University of Texas in Austin
- MBA – Ross School of Business, University of Michigan at Ann Arbor

**Background**

Tom is a Managing Director in KPMG Strategy's Energy, Natural Resources and Chemicals industry team, with over 15 years of experience. Tom works with clients on strategy development, operating model and organization design, and performance improvement initiatives. Prior to joining KPMG, he worked for Booz and Company where he led strategic engagements across the energy sector, and JPMorgan Chase in the Middle Market Banking and Capital Markets groups.

**Select project experience**

- Designed a new global organizational structure for a large Engineering, Construction and Procurement company to drive operational efficiencies through better utilization of firm capabilities
- Led the creation of a new 4 Megawatt customer-sited Solar PV energy program for a large Electric Utility company, enabling the utility to become in compliance with renewable energy portfolio requirements
- Created an investment strategy for a large Infrastructure Private Equity firm, which included analyzing new trends in the midstream natural gas industry and modeling two innovative investment theses
- Established new support service departments for a recently divested Oil & Gas Midstream pipeline company, which included designing organizational structures for the finance, accounting, tax and legal departments, developing best practice processes for each function, and developing key performance metrics
- Determined target corporate staffing levels and cost allocations for a large Power and Utilities company who was considering a potential sale of its natural gas subsidiary
- Led the development of a new integrated planning model for a large Independent E&P Oil and Gas company, which included redesigning strategic planning, capital allocation, budgeting and performance management processes
- Drafted rate case testimony for a state's electricity commission which outlined target customer electricity rates, which balanced a Utility company objectives of reducing operating costs while encouraging investments in aging utility infrastructure
- Designed new annual strategy and department planning processes for a leading Fuels Retailer, assisted VPs in preparing their initial strategic and operational plans, harmonized into an enterprise-wide plan, and linked to overall budgets and metrics



## Cate Singer

### Director

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### Education, licenses & certifications

- BA, Rutgers – State University of New Jersey
- Municipal Bond Association – Certificate Program
- Series 79 and Series 63

### Background

Cate joined KPMG's Infrastructure Advisory practice in 2010 from the State of New Jersey's Department of the Treasury, Office of Public Finance where she provided transaction services and portfolio management in governmental municipal finance. While with New Jersey's Office of Public Finance, Cate led, co-led or participated as the State Treasury representative for issuance of approximately \$5 billion of new money and refunding bonds during FY's 2008 and 2009. Cate was also responsible for administering the State's annual federally authorized program allocation of \$782 million PAB capacity among other duties.

Since joining KPMG, Cate's experience in infrastructure delivery has focused on work in the social infrastructure and transportation sectors. Her work consists primarily of funding and financial analysis, financial modeling, project screening and feasibility analysis and providing procurement and commercial structuring and negotiation support. Having balanced the financing objectives of the state within the framework of public policy considerations, Cate adds a client focused public sector perspective to the practice.

### Select project experience

While at KPMG Cate has been involved with the following projects:

- **Miami-Dade County Civil Court Facilities Project:** Currently advising Miami-Dade County on commercial and financial aspects related to the development of a new civil and probate courthouse, including developing a feasibility analysis for alternative project delivery, providing financial analysis in support of procurement activities, assisting with the preparation of solicitation documents and conducting a market sounding exercise with the private sector.
- **Amtrak Master Developer Procurements:** Cate is currently helping Amtrak manage the master developer procurements at both Chicago Union Station, Baltimore Penn Station and Pennsylvania 30<sup>th</sup> street station. KPMG is assisting Amtrak with managing the procurement process, evaluating the proposal submissions, and securing the best commercial terms with the selected developer. The selected master developer could be responsible, for the redevelopment of the station, concourse, and development on surrounding parcels owned by Amtrak. The projects will utilize private funds for commercial development and will generate a return to fund existing state of good repair improvements.
- **Amtrak Asset Monetization Initiative:** Cate is assisting Amtrak to explore potential opportunities to increase revenue or generate cost savings on their existing real property assets, including right-of-way, stations, offices, and maintenance facilities. She is providing engagement management for the evaluation of Amtrak's assets and developing an implementation plan to bring potential opportunities to market.
- **Amtrak Terminal Development Initiative (TDI):** Cate has acted as the Project Manager involved in all stages of the TDI project to analyze and develop actionable alternatives to improve the performance and circulation of a subset of Amtrak's terminals. Cate was involved in assisting Amtrak in taking a comprehensive view of its prior and current initiatives in order to identify opportunities to maximize the value of Amtrak's terminal and real estate assets through retail enhancements/expansions and repositioning,



acquisitions/dispositions, development, redevelopment, repositioning, joint ventures, and other strategic investment structures.

- **Amtrak, High Speed Rail Business and Finance Plan:** Cate played a key role in the funding and financing team for the Program, leading the development of the financial model and associated financial analysis and acting as a dedicated project/account resource. Cate has helped lead the development of a comprehensive funding and financing options report to evaluate and analyze the universe of available sources. Cate also played a lead role in development of the Northeast Corridor Capital Investment Program Business and Finance Plan along with several white papers related to federal financing opportunities and other deliverables.
- **Dormitory Authority for the State of New York, Consolidated Laboratory Project:** Cate served as Project Manager on the New York Consolidated Laboratory Project, which is currently in the pre-procurement stage. Cate led a comprehensive market sounding exercise for the project as well as an initial high-level feasibility and options analysis and has provided project and procurement support
- **Puerto Rico Public-Private Partnerships Authority, Liquefied Natural Gas Project:** Cate is an active member of the project team on this engagement. To date Cate has been involved in the development of a detailed and thorough benchmarking and commercial structuring analysis as well as with day-to-day project management.
- **Virginia Availability Payment Analysis:** Cate serves as Project Manager on the analysis of availability payment (AP) structures for the Virginia Department of Transportation (VDOT) and the Virginia Office of Transportation PPPs (OTPPP). As part of this work, Cate has led a comparative financial modeling analysis for AP and traditional structures for two separate roadway projects to determine high-level financial feasibility.
- **Colorado HPTE, US36 Phase 2 Managed Lanes Project:** Cate has been involved in all stages of the project providing procurement support and analysis and participating in the project screening phase of the engagement to determine the optimal delivery model for the Project. Specifically, Cate is involved in the financial modeling to determine the benefits of a PPP approach and was responsible for the organization of stakeholder and market soundings for the project in the form of a public industry forum and 1 on 1 meetings with the private sector. Cate also acts as Project Manager for the engagement.



## Vincent Dolan

### *Managing Director*

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#### Education, Licenses & Certifications

- MBA (Finance and Accounting), The University of Texas at Austin, McCombs School of Business
- MS (Engineering), The University of Texas at Austin
- BCE, Georgia Institute of Technology
- Registered Professional Engineer (Civil), California
- FINRA Licenses – Series 7, 24, 63 and 79

#### Background

Vince is a Managing Director with over 20 years of international experience in assisting clients with the financing, development and procurement of infrastructure projects. He has worked to reach close on all categories of alternative delivery including DB, DBM, DBF and DBFOM (Availability Payment and Toll Concession) models. This work has included feasibility analysis, assessment and assignment of project risks, development of commercial agreements, publishing procurement documents (RFQ, RFP) and evaluation of proposals. Prior to joining KPMG, Vince worked for Fluor Corporation where he was Development Manager for the Capital Beltway HOT Lanes project and other privately developed transportation projects. He also worked as a bridge engineer on P3 transit and viaduct projects in the US, Canada, Puerto Rico, Taiwan and Thailand.

#### Select project experience

- **TxDOT Non-Traditional Transportation Project Delivery Program:** Vince has led a team of over 15 professionals in providing commercial and advisory services to TxDOT's program. These services include evaluating financial feasibility of over 50 projects, RFQ and RFP evaluation assistance, development of shadow bid and public sector comparators, supporting the TIFIA loan process, procurement of DB, DBFOM and concession projects worth over \$6 billion in the last 5 years. Procurements he has worked on have included:
- **North Tarrant Express Segment 3C Managed Lanes:** Vince is the lead financial advisor to TxDOT on the negotiation of a \$600 mm change order to the existing concession agreement extending the existing managed lanes approximately 10 miles along I35W in the DFW region. He has assisted TxDOT in determining the existing concession's value before and after the expansion. Negotiation includes and re-negotiating expansion and revenue sharing provisions as well as incorporating financing using PABs and a TIFIA loan into the existing financial structure.
- **Harbor Bridge Project:** Vince was project manager on the KPMG team that assisted TxDOT in developing procurement documents, RFQ and RFP evaluation, a funding plan that included use of a tapered match to minimize financing costs, an interest rate protection mechanism and the use of deferred payments. He also assisted TxDOT in evaluating its approach to property insurance for this complex structure in a coastal hurricane zone.
- **Colorado High Performance Transportation Enterprise, US36 Phase 2 Managed Lanes Project:** As project manager, Vince worked with HPTE to determine the initial project scoping, complete the financial analysis of several alternative delivery options including design-build, availability payment and toll concession. He assisted HPTE in presenting the results of these analyses to their board and local stakeholders. A toll concession model was selected which included assigning an existing HPTE TIFIA loan to the private developer. Vince also supported HPTE's negotiation with TIFIA on assignment of their existing loan to the developer, negotiating a new loan and modeling activities related to financial close. The assignment of a TIFIA loan and issuance of a senior and subordinate TIFIA loans on one project were TIFIA firsts. He worked with HPTE and its other advisors in the development of RFQ, RFP and Concession documents, evaluation of proposals and negotiation of final \$170 mm Concession Agreement. Following close, he supported HPTE in their oversight of the agreement.

- **Caltrans, Presidio Parkway Project:** Vince has been a key adviser to Caltrans on the Presidio Parkway Project in San Francisco, California's first transportation project procured with an availability payment structure. This project will include replacing the south approach to the Golden Gate Bridge along Doyle Drive with a new six-lane parkway. He assisted Caltrans with the financial aspects of the Presidio Parkway Project. This work included: development of the RFP and P3A, evaluation of proposals and supporting contract negotiations with the selected proposer. Following commercial close he supported Caltrans in negotiations with the FHWA and TIFIA office on eligibility of AP payments for federal funds and modeling, activities related to financial close including interest rate adjustments and negotiation of TIFIA's first two tranche loan structure.
- **SR-156 Caltrans and Transportation Agency for Monterey County (TAMC):** Vince was project manager on the team that assisted Caltrans in developing the Business Case and Project Proposal Report for submission to the California Transportation Commission on the \$260 mm SR 156 toll project analysis including design-build with toll revenue bonds, availability payment and toll concession structures. During the later stages of the project he coordinated with TAMC's financial advisor.
- **Orange County Transportation Authority (OCTA) I-405 Express Lanes:** Vince was KPMG's lead financial advisor to OCTA for the analysis of traditional and alternative delivery options for the \$1.2 billion I-405 Express Lanes project. The team evaluated DB, DBFM and DBFOM delivery models.
- **Transportation Investment Corporation, Greater Vancouver Gateway Program:** Vince advised the government-sponsored project developer, TI Corp, on the procurement of an electronic tolling system for the C\$2 billion Port Mann Bridge. Work included review of project specifications, development of contract, procurement documents, evaluation procedures, and evaluation of proposals.
- **DFW Connector Project:** Vince advised the TxDOT Fort Worth district on procurement of this \$917 M managed lanes project as a design-build project with a fifteen year capital maintenance component. His work has included the development of the bid documents; development of key commercial terms in the development agreement and the evaluation of responses received from bidders.
- **I-495 Capital Beltway HOT Lanes:** Prior to joining KPMG, Vince was Development Manager on this \$1.9 billion toll concession project in Washington D.C. He led Fluor's development efforts following agreement signing to the final phase of project development. His efforts included coordinating design development, cost estimates, USACE permitting, NEPA re-evaluation, T&R studies and project financing.



**Iain Tester**  
*Managing Director*

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**Education, licenses &  
certifications**

- BEng (Hons) degree in civil engineering
- Chartered Engineer
- FINRA Licenses: Series 7, 63, 24
- Member, Institution of Civil Engineers

**Background**

Iain has seventeen years of advisory experience on infrastructure projects. He has a background in civil engineering and specializes in PPP and project finance, procurement option analysis, comparative risk assessment, proposal evaluation and contractual negotiations. Iain has advised public and private sector clients on innovative finance and PPP transactions across a wide range of sectors.

**Professional and industry experience**

Iain has provided strategic and commercial advice across surface transportation, water and social infrastructure. Iain has experience in assessing early project feasibility and developing project delivery structures with public and private owner clients. Iain also has advised on the development of public sector reference cases in order to assess value for money and quantification of risk; reviewing financial models; and negotiating funding and commercial agreements. In the UK, Iain was a member of BayernLB's project finance desk, specializing in structuring transportation, energy and water treatment finance facilities. Iain is a member of the Institution of Civil Engineers.

**Select project experience**

- **Arizona Department of Transportation** – providing commercial financial analysis for highway lighting conversion, water infrastructure and solar projects
- **Nassau County** – advised Nassau Co on project feasibility and transaction structuring related to a brownfield wastewater treatment plant
- **HOK / Texas Facility Commission** - advised TFC on a value-for-money and feasibility analysis to determine the optimal delivery model for the G.J. Sutton Complex project.
- **Commonwealth of Puerto Rico** – advised on the development of a commuter rail project and a ferry operations project
- **Garney Companies** – provided financial and commercial advice related to the development of a 142 mile water pipeline project with the San Antonio Water System
- **Consolidated Water** - Rosarito Desalination Project – provided project feasibility analysis and commercial structuring advice
- **Texas State University** - provided advice related to the procurement and development of combined heat and power plant
- **Michigan Department of Environmental Quality** – provided advice related to the development of a strategic water plan for Michigan
- **Tampa Bay Reservoir Project** – review of key commercial terms and proposed transaction structures;
- **Ajman Wastewater project, United Arab Emirates** – arranged senior debt finance and undertook credit analysis for limited recourse project finance asset
- **Umm Al Nar IWPP, United Arab Emirates** – arranged senior debt finance and undertook credit analysis for limited recourse project finance asset.
- **Longbeach Courthouse** – financial advice relative to the development of a 30-year design, build, finance and operate concession;

- **University of California – Merced** – independent review of methodology and analysis for a DBFOM delivery structure
- **Indiana Finance Authority:** Iain advised the IFA in relation to the development of a \$1.3 billion design, build, finance, operate and maintain crossing over the Ohio River
- **California High Speed Rail Authority:** provided financial and strategic advisory services to the Authority on the development of a funding and financing plans for the delivery of a \$64 billion high speed rail service between San Francisco and Los Angeles;
- **Amtrak** – assessment of corridor broadband development proposal
- **Michigan Department of Treasury** – provided advice to establish public-private partnership program; assisted the Department of Technology Management and Budget develop an innovative financing and procurement solution for delivery of a cross-departmental and shared services data center estimated at approx 80,000 square feet in space.
- **UK Government's Highway's Agency** – National Roads Telecommunications Systems project. Advised the UK Government on the development of a \$790 million project to upgrade roadside telecommunications along strategic UK highways. Assistance included detailed negotiations on commercial terms; negotiations on costs; and the development of the payment and performance mechanism.
- **North Carolina Department of Transportation** – project screening and evaluation; identification of cost saving and revenue generation opportunities
- **Ohio Department of Transportation, Brent Spence Bridge** – development of options and feasibility analysis for regarding the development of \$2.5 billion bi-state crossing project over Ohio River;
- **Texas Department of Transportation** – provided commercial and financial advice to TxDOT on the SH130 Segments 5&6 project; advised on the development of programmatic terms for TxDOT's comprehensive development agreement program



**Sandeep Sandhu**  
*Senior Associate*

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Phone: (202) 533-7028  
sandeepsandhu@kpmg.com

**Education, licenses & certifications**

- BA – Mathematics & Statistics, Columbia University

**Background**

Sandeep is a Senior Associate based out of the DC office. He brings over two years of experience providing strategic, commercial, financial and asset optimization services to public and private sector entities on surface transportation, airport, port, social infrastructure, water and wastewater, energy and resiliency projects.

**Select project experience**

- **Miami-Dade County Internal Services Department – Civil and Probate Courthouse:** Advising Miami-Dade County in the development of the new civil and probate courthouse and advised the County Assisted in analysis of potential public and private delivery options, funding sources and financing structures as well as value-capture strategies.
- **Florida Department of Transportation (FDOT) – Miami Intermodal Center (MIC):** Maintains the financial model for FDOT on a \$2.1 billion development of the largest intermodal complex in the U.S. to support the TIFIA Loan debt service payments based on a cash sweep loan structure, provides stress testing scenarios for rating agencies and assists FDOT in developing an annual plan update for FHWA. The finance plan incorporated \$533 million of TIFIA loans and more than a dozen separate local, state, federal, and private funding sources, including: tolls, gasoline, taxes, real estate development, rental car customer charges, State Infrastructure Bank financing, and grant contributions by FDOT and stakeholder agencies.
- **Los Angeles World Airports (LAWA) – Automated People Mover (APM) & Consolidated Rental Car Facility (CONRAC) Projects:** Advised LAWA on the procurement of a DBFOM concession for the \$2.0 billion+ APM and \$800 million+ CONRAC projects as part of LAWA's Landside Access Modernization Program at Los Angeles International Airport (LAX) and developing the financial plan as well as advising on procurement and transaction structure and participating in negotiations with potential partners and stakeholders.
- **Philadelphia Regional Port Authority (PRPA) – Southport Marine Terminal Complex:** Assisted PRPA with its RFQ process to select shortlists of potential proposers on the development of approximately 200 acres of land into port, intermodal, energy or other potential projects at the Southport Marine Terminal Complex located on the Delaware River. PRPA intends to use a DBFOM P3 structure to develop this project. Current work includes project management support, due diligence and negotiations with potential partners and stakeholders.
- **Empire State Development (ESD) / Moynihan Station Development Corporation (MSDC) – Empire Station Complex:** Advised ESD / MSDC in the redevelopment of the James A. Farley Post Office Building into Moynihan Station, which will serve as the new home of Amtrak in New York City and begin to address space constraints for intercity and commuter rail passengers by redeveloping Penn Station. The project's two main components are the conversion to a world class intercity rail station for Amtrak and the development of associated on and off-site real estate in order to help fund the train hall and surrounding public infrastructure improvements. Assisted in financial plan development, analysis of potential public and private delivery options and financing and value capture strategies, and negotiations with potential partners and stakeholders.





# Attachment #3: Detailed Case Studies\*

Jacksonville Transportation Authority	
<p><b>Role:</b></p> <p>Financial Advisor</p> <p><b>Project size:</b></p> <p>N/A</p> <p><b>Status</b></p> <p>Ongoing</p>	<p><b>Background</b></p> <p>JTA has indicated a preference to use autonomous vehicle fleet technology as part of a project to replace their current Skyway system, and has engaged KPMG and PTV to help conduct a risk analysis accordingly.</p> <p><b>Approach and services</b></p> <p>As advisor for this project, KPMG accomplished the following:</p> <ul style="list-style-type: none"> <li>■ Conducted an international benchmarking of AV shuttle programs in order to leverage leading practices and lessons learned</li> <li>■ Assisted JTA by conducting a risk analysis of the organization and AV readiness with possible mitigating approaches</li> <li>■ Provided JTA with salient business options, including how to potentially approach the implementation of autonomous fleet technologies</li> <li>■ Conducted risk workshops with JTA leadership and key personnel to hone in on known, and potential risks with the AV program to highlight financial, infrastructure, technology and operational risks</li> </ul>

## I-4 Ultimate Project

**Role:**

Financial Advisor

**Project size:**

\$2.3 billion

**Status:**

Financial Close

**Background**

The I-4 Ultimate Project (the Project) is a 21.1 mile greenfield managed lanes toll facility from Orange County to Seminole County and will serve as a primary link to downtown Orlando. The Project entails widening the I-4 to three general use lanes, auxiliary lanes, and two managed lanes in the eastbound and westbound directions. The Florida Department of Transportation (FDOT) will deliver the Project as a design, build, finance, operate and maintain structure with availability payments being made to the private sector concessionaire

FDOT issued an RFQ in March 2013, shortlisted four teams in May 2013, issued the final RFP in October 2013, and selected I-4 Mobility Partners (Skanska and John Laing led consortium) in April 2014 as the top value proposer.

**Approach and services**

FDOT engaged the KPMG team to act as its financial, strategic and commercial advisor to support the structuring of the Project, development of contract documents and negotiation with bidders and support to reach financial close. KPMG has provided a range of services on the I-4 Ultimate Project, including:

- Development of financial feasibility analysis
- Providing financial analysis in support of procurement activities
- Developing applications for Transportation Infrastructure Finance Innovation Act (TIFIA) and Private Activity Bonds (PABs) allocation
- Developing procurement documents including financial and commercial input to
- Supporting industry forum and one on one sessions with industry
- Supporting FDOT with negotiations with TIFIA office, ratings and potential conduit issues for PABs
- Providing negotiation advice and benchmarking information based on precedents from around the U.S. and internationally

## Miami-Dade County Civil Court Facilities

**Role:**

Financial Advisor

**Project size:**

N/A

**Status:**

Ongoing

**Background**

Miami-Dade County engaged KPMG to assist in its endeavor to develop a new Civil Court Facility to replace the existing courthouse.

**Approach and services**

KPMG is assisting Miami-Dade County to review and analyze court facilities, including:

- Performing feasibility analysis for alternative delivery methods
- Developing a value for money analysis
- Providing financial advisory services relating to funding options and financing capacity
- Conducting a market sounding exercise with potential private bidders to assess demand private investment demand for the project
- Assisting with the development of procurement documents
- Developing the financial model to support the transaction

## Long Beach Courthouse P3

### Role:

Financial Advisor  
to Meridiam

### Project size:

\$495 million

### Status:

Financial Close

### Background

KPMG was the co-financial advisor to a Meridiam consortium for the design, build, finance, operations and maintenance of a new courthouse facility in Long Beach, California. The P3 term is for 35 years.

This facility replaces the previous Long Beach Courthouse which was built in 1959, suffered from functional and security flaws, was undersized and dilapidated, had accessibility issues and the building has structural problems that were hazardous in the event of an earthquake

### Approach and services

In June 2009, we were appointed as co-financial advisor to the Sponsor Meridiam Infrastructure on their bid for Long Beach Courthouse – we have played a significant and influential role throughout the transaction successfully combining our P3 experience from other jurisdictions with a deep understanding of the California market. Our work has included:

- Support and advice in raising and structuring \$442m of bank debt to finance the transaction
- Support in development of Meridiam's RFQ and RFP bids for the project
- Negotiation support and financial advice in the development of the project agreement between Meridiam and the Administrative Office of the Courts ("AOC")
- Negotiation support in the development of the financing documentation between Meridiam and its bank group
- Development and running of the financial model to support the bid

## Tampa Bay Water Reservoir Facility Project

**Role:**

Financial Advisor

**Project size:**

\$150 million

**Background**

During the 1996 legislative session, the Florida Legislature directed the West Coast Regional Water Authority (Authority) and its member governments (Hillsborough County, Pasco County, Pinellas County, Tampa, St. Petersburg, and New Port Richey) to evaluate the Authority's operations and make recommendations for improvements. KPMG was retained by the Authority to conduct an objective analysis and present alternatives for establishing a regional water supply entity. The study resulted in the creation of Tampa Bay Water in 1998 after a two-year process that included legislative amendments that changed the name, structure, and the operational model of the West Coast Regional Water Supply Authority. The creation of Tampa Bay Water ended the region's 'water wars' and created a new alliance between the six governments in westcentral Florida: Hillsborough County, Pasco County, Pinellas County, New Port Richey, St. Petersburg and Tampa. Tampa Bay Water is now operating as a special district established by an Interlocal Agreement to supply wholesale drinking water to its member governments who, in turn, provide drinking water to more than 2.5 million people in the greater Tampa Bay region.

**Approach and services**

KPMG played a critical role in assisting the Authority and its member governments to conduct multiple workshops, develop new governing documents for Tampa Bay Water, including the Interlocal Agreement and the Master Water Supply Contract to supersede existing water supply contracts, and conduct extensive analyses related to water rates, water quality, legal issues, and overall water supply facility assessment. The pinnacle of these efforts was the creation of Tampa Bay Water as the regional water supply authority for the Tampa Bay area.



## Denver International Airport Great Hall

**Role:**

Financial Advisor

**Project size:**

N/A

**Status:**

Ongoing

**Background**

Denver is redeveloping its 20-year old Great Hall. Denver International Airport will procure a world-class airport developer to relocate security, reconfigure its passenger processing and security screening to enhance the customer experience in the Terminal and generate new non-airline revenues. The project seeks to achieve the following:

Relocation of TSA from Level 5 to 6 of the Great Hall

Reconfiguration of airline offices and operations, accommodating self-tag and self-bag drop systems and maximizing available square footage for non-airline revenue sources

Reconfiguration of Terminal operations spaces (airport administrative offices and operational spaces)

Development of a quality concessions program and concessions space, leveraging Denver's unique brand while attracting leading national and international brands

Integration of the Great Hall with the newly constructed hotel and soon-to-be-completed Hotel and Transit Center (HTC) attached to the Terminal building

**Approach and services**

KPMG is assisting Denver International Airport with the following services:

- Market soundings to inform the procurement process
- Development of a DBFOM term sheet, predevelopment agreement, and Instructions to Proposers
- Drafting of the revenue sharing terms and the commercial framework for technical specifications and concessions program

## Amtrak Terminal Development Initiatives

**Role:**

Financial and commercial advisor

**Project Size:**

Confidential

**Status:**

Ongoing

**Background**

KPMG has been engaged by Amtrak to provide a broad range of real estate and investment consultancy services required to assist in analyzing and developing actionable alternatives to improve the performance of its nationwide portfolio of real estate assets, foster private investment, generate new revenue streams, and identify opportunities to increase value.

In support of its updated strategic plan and to complement its ongoing master planning process for each station, KPMG is assisting Amtrak in taking a comprehensive view of its prior and current initiatives in order to identify opportunities to increase the value of Amtrak's assets through dispositions, development, redevelopment, repositioning, joint ventures, and other strategic investment structures.

**Approach and services**

As the strategic and financial advisor to Amtrak, KPMG is playing a key role on the project team, providing services that include the following:

- Collecting market data and conducting valuation assessments through comprehensive market research, analysis, third-party interviews, and a highest- and best-use analysis
- Creating a feasibility analysis of development/redevelopment options by identifying a range of alternatives for asset and revenue generation
- Identifying preferred transaction structures by assessing all alternative structures and evaluating financial and strategic implications of each option

Assisting with implementation of a program of TDI projects at each station including performing more detailed discrete analysis on transaction opportunities, reviewing and commenting on unsolicited proposals received, and assisting with procurement strategy and execution for private sector partners on various projects

## Michigan Freeway Lighting

**Role:**

Financial Advisor

**Project size:**

N/A

**Status:**

Financial Close

**Background**

The freeway lighting system operated by MDOT in the Detroit metro region was operating at approximately 70% service level due to fiscal constraints, multiple incidents of copper theft, vandalism, and a number of operating challenges. This poor level of lighting posed safety concerns, increased risk of traffic accidents, and contributed to the decrease in the overall economic vitality in the region. At the same time, higher-efficiency LED lighting products have become significantly cheaper, which provided an opportunity to realize lifecycle cost savings.

**Approach and services**

KPMG was engaged by MDOT to explore the delivery options in support of improving the illumination service level to nearly 100%, enhance motorist safety, reduce theft/vandalism, take advantage of new higher-efficiency LED lighting technology, while addressing the Department's fiscal constraints.

As part of the work KPMG conducted a cost analysis of the existing system, evaluated multiple alternative delivery models, including a Design-Bid-Build delivery by MDOT and a Design-Build-Finance-Operate-Maintain option delivered by a private contractor. Following a rigorous Value-for-Money analysis, MDOT decided to pursue a DBFOM delivery under an availability payment mechanism. KPMG helped structure the procurement, provided drafting input to the commercial and financial terms of the public-private partnership agreement, and supported MDOT through commercial and financial close.

Deliverables included procurement options analyses, financial analyses, procurement documentation (RFQ, RFP, evaluation planning), and evaluation support.

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

[www.kpmg.com](https://www.kpmg.com)



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**Response to Request for Proposals for  
Strategic Initiatives Financial Advisory Services**

January 16, 2018

Submitted By:

Morgan Stanley

1560 Sawgrass Corporate Parkway

Suite 466

Sunrise, FL 33323

**Morgan Stanley**

January 16, 2018

Public Financial Management  
Jeremy Niedfeldt, Director  
300 South Orange Ave.  
Orlando, FL 32801

Dear Mr. Niedfeldt:

Morgan Stanley & Co. LLC (“Underwriter” or “MSCO”) is pleased to submit our response to the City of Jacksonville’s Request for Proposals for Strategic Initiatives Financial Advisory Services. MSCO has reviewed the City’s Request for Proposals and acknowledges that we are familiar with public-private partnerships of the type contemplated in the Request for Proposals. Below, we summarize the primary qualifications that we believe make MSCO fit to provide Strategic Initiatives Financial Advisory Services to the City.

**Infrastructure and PPP Practice.** MSCO is a global financial services firm and a market leader in infrastructure transactions around the world. Our municipal finance team has leveraged our expertise in infrastructure banking and project finance globally for its municipal PPP and project finance business. MSCO’s experience advising governments and concessionaires for the assessment and execution of monetization alternatives for infrastructure assets across the globe provides us with unique insights regarding key considerations and value drivers for PPP processes. The Firm has extensive experience working with clients to examine various systems, assist in defining clients’ objectives, provide valuation views, structure transactions, coordinate with bond and other counsels and advisors, and conduct orderly, competitive sale processes to achieve our clients’ goals. ***In addition to the experience outlined in the proposal, MSCO has been mandated on 3 sell-side assignments for municipal and not-for-profit related assets that expect to close in 2018 for an aggregate dollar value of approximately \$1.2 billion.***

**Infrastructure Power & Utilities M&A Franchise.** Morgan Stanley is Wall Street’s leading Power & Utilities M&A franchise with a history of landmark transactions in the space. The Firm has extensive experience across Regulated Power, Competitive Power, and Renewables. Since, 2002 the group has closed \$987 billion of M&A transactions.

**Infrastructure Debt Experience.** MSCO is a leading underwriter of infrastructure debt globally, including AMT and private activity bonds (“PABs”) in the tax-exempt bond market, as well as debt privately placed in the taxable markets. In the tax-exempt market, our consistent primary market underwriting activity, together with our secondary market trading, puts us in regular contact with all the major investors in this sector, which bolsters our understanding of their needs and knowledge about the market as conditions change. This experience and understanding will add value to our Strategic Initiatives Financial Advisory role.

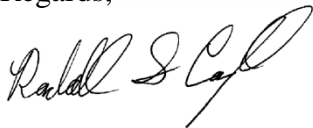
**Municipal Advisor Rule.** As part of this engagement, MSCO will not provide the City, advice concerning the structure, timing, terms, and other similar matters regarding an issuance or defeasance of municipal securities or related thereto. For purposes of this engagement, MSCO will only act as a Strategic Initiatives Financial Advisor with respect to the managing of the privatization proposal process,



negotiating terms of the related agreements and finalization of the sale terms whether in the form of a public private partnership (P3) or a true sale of an asset. Finally, our proposal should not be viewed as providing advice under the Municipal Advisory rules which are subject to the Municipal Securities Rulemaking Board (MSRB).

We appreciate the opportunity to present our proposal to perform Strategic Initiatives Financial Advisory Services. We understand the nature of the work to be performed and we commit that all work will be a priority to the Firm and the full resources of the Firm will be made available to the City. Mr. Campbell, Mr. Fraunfelder, Mr. Howard and the Morgan Stanley team will be available as needed to the staff and leadership of the City. Morgan Stanley understands the requirements of the proposal and Randy Campbell, Grant Fraunfelder, and J.W. Howard are legally authorized to contractually bind the firm. Please feel free to contact us should you have any questions regarding this proposal or require any additional information.

Regards,



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## Section 1

# Request for Proposal Response

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## Strategic Initiative Financial Advisory Team

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Morgan Stanley has assembled a highly experienced financing team that brings together veteran professionals with significant experience in infrastructure finance in the US municipal market, including complex quantitative and credit structuring. **Randy Campbell**, Executive Director and Head of the Municipal Public-Private Partnerships Group, will lead the Firm's banking coverage and serve as the primary day-to-day contacts for the City (including attending meetings). In addition, **Tony Uccellini**, Executive Director, will provide extensive expertise in the City's proposed P3 initiatives as well as serve as a day-to-day contact. **David Nastro**, Managing Director and Head of Global Power & Utility Investment Banking, and **Scott Beicke**, Managing Director, will provide public power specific investment banking expertise. **Chris Yonan**, Managing Director, will provide additional project finance experience. **J.W. Howard**, Executive Director, will attend meetings and provide support to the group as the local team member.

### Key Strategic Initiatives Advisory Team

#### *Municipal Assets*

**Randy Campbell, Executive Director (New York, NY).** Mr. Campbell is a senior banker with over 25 years of experience in municipal, corporate and P3 finance sectors. He has completed over \$15 billion of financing transactions and \$5 billion of strategic transactions in his career. Currently, he leads Morgan Stanley's P3 efforts in the municipal finance department. In this capacity, Randy leads advisory and underwriting assignments as well as maintains relationships with all relevant parties in the public-private partnership industry. His recent P3 and project financing experience include transactions for the All Aboard Florida (Brightline), New Milwaukee Arena Project, Natgasoline, the Port of Beaumont and Nassau County Wastewater. He is also currently leading the Firm's efforts as we evaluate potential concessions for a number of public sector issuers around the country. Randy is a graduate of the University of Utah and Columbia Business School.

#### *North American Investment Banking*

**Tony Uccellini, Executive Director (New York, NY).** Mr. Uccellini joined Morgan Stanley as an Associate in 2007. He has over 11 years of investment banking experience focused on providing M&A advisory services. Mr. Uccellini's recent experience includes the acquisition of Providence and Worcester by Genesee & Wyoming, the acquisition of GRail by Genesee & Wyoming, Canada Development Investment Corporation scoping study, M&A advisor to a bidding consortium on the potential acquisition of the Indiana Toll Road, M&A advisor to a bidder on the potential acquisition of the Billy Bishop Toronto City Airport, MSIP sale of Montreal Gateway Terminal to Fiera Axium Consortium, Sale of the Gaviion Holdings to Marubeni Corp, the acquisition of Safeway Canada by Empire / Sobeys, the acquisition of Western Coal by Walter Energy, and the sale of EMC Corp to Dell backed by Silver Lake Partners and Temasek. Mr. Uccellini holds a JD from Harvard Law School and a BS from Georgetown University's School of Foreign Service.

#### *Public Power Advisory*

**Scott Beicke, Managing Director (New York, NY).** Mr. Beicke is a Managing Director in the Investment Banking Division of Morgan Stanley and part of the firm's Global Power & Utility Group. Scott has worked on a range of strategic advisory and financing assignments in the conventional generation and clean energy sectors, and has covered energy-focused private equity funds, infrastructure funds and pension funds, as well as North American hybrids and independent power producers. He joined Morgan Stanley in 2004 as part of the Global Capital Markets Division, spending several years working in the Project & Structured Finance Group and Credit Advisory Group. Mr. Beicke received a B.A. in economics from Cornell University and an M.B.A. (with high honors) from the University of Chicago Graduate School of Business.

**David Nastro, Managing Director (New York, NY).** Mr. Nastro joined Morgan Stanley in 1992 and is a Managing Director and Head of the Global Power & Utility Group. The Global Power & Utility Group works with the Firm's electric, gas, water and clean energy clients on mergers and acquisitions, strategic advisory assignments and public and private capital markets transactions. He has worked in both Hong Kong and New York on a range of corporate finance and advisory assignments for domestic clients, multinational conglomerates and local governments. He has been actively involved in many of the industry's leading mergers and acquisitions, including the following transactions: the sale of ITC Holdings to Fortis, Teco Energy's sale to Emera, Duke Energy's sale of its Midwest Generation assets, Teco Energy's acquisition of New Mexico Gas, Dominion's sale of selected merchant generation assets, National Fuel Gas' defense against Activist Shareholders, Duke Energy's spin-off of Spectra Energy, RWE's acquisition of American Water Works, UIL's acquisition of Iberdrola's Gas LDCs, and the formation of Pantellos Corporation (the utility industry's B2B procurement exchange). He has also worked with several sovereign and local governments, public power and municipal utilities in evaluating privatization alternatives and other strategic assignments. David received a B.A. in Political Science (with honors) from Amherst College and a Masters degree in International Relations (with distinction) from Cambridge University. David is also a member of the Board of Directors at Water For People, serving as Treasurer and chairing the Finance Committee.

**Grant Fraunfelder, Executive Director (New York, NY).** Mr. Fraunfelder is the Head of the Public Power Group at Morgan Stanley, and has over 17 years of experience in municipal banking. Mr. Fraunfelder has worked on approximately \$30 billion of senior managed transactions for public power issuers, including Intermountain Power Agency, Nebraska Public Power District, Omaha Public Power District, Southern Minnesota Municipal Power Agency, American Municipal Power, CPS Energy, Orlando Utilities Commission, North Carolina Municipal Power Agency Number 1, Lower Colorado River Authority, Salt River Project, and Long Island Power Authority, among others. He joined Morgan Stanley in 2003 after spending four years at another national investment bank. During this time he has been dedicated solely to covering public power utilities. As Head of the Public Power Group, Mr. Fraunfelder is also closely involved in utility securitization transactions, including those for LIPA and the ongoing assignment for Los Angeles Department of Water and Power. Additionally, Grant is the Head of the Firm's Gas and Electric Prepayment Group. Prior to working in public finance, he worked for Hankin Environmental Systems, Inc. as a project manager and process engineer. Mr. Fraunfelder holds a B.S. in Chemical Engineering and a B.A. in Chemistry from Virginia Tech.

#### *Project Advisory and Infrastructure*

**Chris Yonan, Managing Director (New York, NY).** Mr. Yonan joined the firm in 2014 and is a Managing Director in Project, Commodity, and Infrastructure Finance. He advises strategic companies, private equity clients, and developers on project, infrastructure and asset-based financings in the power, renewable energy, midstream, infrastructure and transportation industries. Mr. Yonan has led a number of notable transactions across all financial markets, including equity, mezzanine, high yield/term loan b, investment grade, and bank debt. Prior to joining Morgan Stanley, Mr. Yonan was an attorney at Milbank, Tweed, Hadley and McCloy and then joined Lehman Brothers/Barclays as an investment banker in the project finance and leverage finance groups through January 2014. He received a J.D. from Georgetown University and a B.S. in Economics from Arizona State University

#### **Supporting Strategic Advisory Team**

**Jim Perry, Executive Director (Washington DC).** Mr. Perry heads Morgan Stanley's U.S. Municipal Infrastructure practice for the Southern United States and is a member of the Municipal Public-Private Partnership team. Since joining Morgan Stanley in 2008, Jim has led the structuring and execution of more than \$5Bn of tax-exempt, taxable and tax credit bond senior managed financings for issuers across the U.S., including a number of utility financings. Jim was the lead banker for the firm's most recent underwriting of All Aboard Florida (Brightline). Prior to joining Morgan Stanley, Jim served as Deputy Chief of Staff and Director of Policy for Mississippi Governor Haley Barbour where his responsibilities included development of the State

budget and issues relating to the State Bond Commission. In that role, he helped lead the State's innovative recovery programs after Hurricane Katrina, including leveraging FEMA reimbursements with other funds to expand utility infrastructure. Jim received a bachelor's degree in economics and government from the University of Virginia.

**J.W. Howard, Executive Director (Sunrise, FL).** Mr. Howard leads the firm's efforts in Florida. Mr. Howard was financial advisor to Tampa Bay Water on the P3 financing of the \$100 mm desalination facility. It's one of the few transactions done as a water P3 in the State of Florida. The effort took 4 years to transact, as it was one of the early private desalination facilities in the US. Mr. Howard was also part of the deal team for All Aboard Florida (Brightline). In addition, Mr. Howard has over \$50 billion of underwriting assignments for a wide range of Florida issuers and credits, including special revenue, special assessment, tax increment, general obligation, public power, school districts, housing, water and sewer, storm water and transportation. In his career, Mr. Howard has also senior managed deals for issuers such as West Palm Beach, Palm Beach School District, the Counties of Miami-Dade, Hillsborough, and Broward, the Cities of Miami Beach, Cape Coral, Sunrise, Riviera Beach, Boynton Beach and Delray Beach and Tampa Bay Water.

**Zachary Solomon, Vice President (New York, NY).** Mr. Solomon has 6 years of experience in municipal infrastructure and municipal P3 finance. His recent P3 and project financing experience include transactions for the All Aboard Florida (Brightline), New Milwaukee Arena Project, Natgasoline, the Port of Beaumont and Nassau County Wastewater. He is also assigned to our teams evaluating potential concessions for a number of public sector issuers around the country. Mr. Solomon also leads Morgan Stanley's US Municipal Sustainable Finance practice nationally. His Green Bond and environmental finance experience includes transactions for the City of Aurora (CO), the California Infrastructure and Economic Development Bank, the East Bay Municipal Utility District, the Contra Costa Water District, the California Department of Water Resources, the Metropolitan Water Reclamation District of Greater Chicago and the Rhode Island Infrastructure Bank among others. He is a graduate of Georgetown University.

**Taylor Custer, Analyst (New York, NY).** Mr. Custer recently joined Morgan Stanley's Public Finance Department as an Analyst in the corporate-backed utilities, municipal public-private-partnerships, and sports coverage groups. He supports clients with their analytic and deal execution needs, and he recently worked on a project finance transaction for Morgantown Energy Associates' waste coal fired cogeneration energy production facility in West Virginia. Elected to Phi Beta Kappa as a junior, Mr. Custer graduated summa cum laude from Middlebury College in 2015 with a B.A. in Political Science and Economics.

**Cowan Phan, Vice President (New York, NY).** Mr. Phan is a member of Morgan Stanley's Infrastructure Investment Banking Group and has been focusing on this sector for over six years across Asia and North America. He recently advised a bidding team on the potential acquisition of Chicago Parking Garages and an international infrastructure investor on the potential acquisition of the largest owner-operator of core parking infrastructure in the United States. Previously, Mr. Phan has also advised a bidding consortium on the potential acquisition of the Indiana Toll Road and an international consortium (comprising SNC Lavalin, Shenzhen Airport, Shandong HI-Speed Group and Friedmann Pacific Asset Management) on the acquisition of a 49% stake in Toulouse Airport. Additionally, he has developed a broad set of relevant M&A and capital markets transaction experience as advisor to: (i) a global port operator on a potential \$20+Bn merger with another similar port operator, (ii) BTS Group Infrastructure Fund in Thailand on its \$2.1Bn initial public offering, (iii) Power Sector Assets & Liabilities Management Corporation ("PSALM") in Philippines on its \$1.0Bn senior unsecured notes debut offering, (iv) KKR's \$1.2Bn acquisition and privatization of Goodpack Ltd in Singapore, (v) AirAsia X and Tiger Airways on initial public offerings in Malaysia and Singapore, respectively, and (vi) Korea Express on its \$1.75Bn sale to CJ Group. Prior to his current role, Mr. Phan spent three years covering Southeast Asia financial institutions. Mr. Phan received a BBM from Singapore Management University.



**Seth Kisch, Vice President (New York, NY).** Mr. Kisch joined the firm in 2013 and is a Vice President in Project, Commodity, and Infrastructure Finance. He advises strategic companies, private equity clients, and developers on project, infrastructure and asset-based financings in the power, renewable energy, midstream, infrastructure and transportation industries. Mr. Kisch has led a number of notable transactions across all financial markets, including equity, mezzanine, high yield/term loan b, investment grade, and bank debt. Prior to joining Morgan Stanley, Mr. Kisch was an investment banker in the Global Power & Renewables group at Credit Suisse. He received an MBA from the Wharton School at the University of Pennsylvania, and MA in International Studies from the University of Pennsylvania, and an AB in Economics from Harvard College.

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## Investigations

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Morgan Stanley & Co., LLC (“MS&Co.”) is a wholly-owned subsidiary of Morgan Stanley (“MS”), a Delaware holding company. MS files periodic reports with the Securities and Exchange Commission as required by the Securities Exchange Act of 1934, which include current descriptions of material litigation and material proceedings and investigations, if any, by governmental and/or regulatory agencies or self-regulatory organizations concerning MS and its subsidiaries, including MS&Co. As a consolidated subsidiary of MS, MS&Co. does not file its own periodic reports with the SEC. MS's SEC 10-K filings, specifically the "Legal Proceedings" sections, which describe certain developments in certain legal proceedings for the fiscal year ending December 31, 2016 and fiscal quarters ending March 31, 2017, June 30, 2017, and September 30, 2017 can be found at [https://www.morganstanley.com/about/ir/sec\\_filings.html](https://www.morganstanley.com/about/ir/sec_filings.html).

In addition to the matters described in MS's SEC filings, in the normal course of business, each of MS and MS&Co. has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions, and other litigation, arising in connection with its activities as a global diversified financial services institution. Certain of the legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. In some cases, the issuers that would otherwise be the primary defendants in such cases are bankrupt or otherwise in financial distress. Each of MS and MS&Co. is also involved, from time to time, in investigations and proceedings by governmental and/or regulatory agencies or self-regulatory organizations, certain of which may result in adverse judgments, fines or penalties. The number of these investigations and proceedings has increased in recent years with regard to many financial services institutions, including MS and MS&Co.

It is Morgan Stanley's general practice not to disclose information regarding governmental investigations, regulatory examinations, or administrative proceedings until any such investigation, examination or proceeding is concluded. At that time, the Firm will disclose material information regarding such matters on its Form 10-K and 10-Q for the relevant period.

In view of the inherent difficulty of predicting the outcome of such matters, particularly in cases in which claimants seek substantial or indeterminate damages, we cannot predict with certainty the eventual loss or range of loss related to such matters. MS is contesting liability and/or the amount of damages in each pending matter and believes, based on current knowledge, information and belief, and after consultation with counsel, that the outcome of each matter will not have a material adverse effect on the consolidated financial condition of MS, although the outcome could be material to MS's operating results for a particular future period, depending on, among other things, the level of MS's income for such period.

To the best of our knowledge, no employee of Morgan Stanley & Co. LLC involved in this financing has been the subject of any criminal proceeding, criminal investigation, or other securities investigation since January 1, 2015.

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## Fee Approach

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Morgan Stanley is not able to provide specific fee quotes as we are subject to certain non-disclosure agreements with our private clients. However, in Florida, we can provide one example where we were retained by University of Florida on the sale of the school's parking system. The transaction did not go forward, but it had a minimum fee with incentives to increase if certain value objectives were achieved and the transaction moved forward. After the Phase I analysis, it was determined that the value of the assets to be gained from a sale and the terms and conditions of the operating agreements with respect to the sale did not meet the thresholds that staff and the Board had set. The incentive fee ranged up to 1.75% the total sale price subject to a minimum and contingent upon the sale. Advisory fees will vary but generally range from 1.5% up to 4% depending on size and complexity of the assignment. The typical asset size of our advisory engagements range between \$150mm to several billion. Morgan Stanley will be open to the opportunity to discuss a specific fee proposal with the City as a particular asset is identified.

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## Firm Experience

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**Infrastructure and PPP Practice.** Morgan Stanley & Co. LLC is a global financial services firm and a market leader in infrastructure transactions around the world. Our municipal finance team has leveraged our expertise in infrastructure banking and project finance globally for its municipal PPP and project finance business. Morgan Stanley's experience advising governments and concessionaires for the assessment and execution of monetization alternatives for infrastructure assets across the globe provides us with unique insights regarding key considerations and value drivers for PPP processes. The Firm has extensive experience working with clients to examine various systems, assist in defining clients' objectives, provide valuation views, structure transactions, coordinate with bond and other counsels and advisors, and conduct orderly, competitive sale processes to achieve our clients' goals.

**Asset Valuations, Sales, and Privatizations.** Morgan Stanley is widely respected as one of the top international firms engaged in the valuation and sale of a comprehensive range of assets. The sale or privatization of an asset is a delicate and complicated process requiring precise quantitative analysis, strong negotiating skills, and a deep understanding of the assets and related market forces. In privatization transactions, our core industry groups and regional experts work with our privatization specialists to provide comprehensive advice that takes into account the different stakeholders involved in each transaction. In the infrastructure asset space in particular, Morgan Stanley is a global leader with deep industry credibility, strong relationships with significant industry participants, and a wealth of knowledge. Morgan Stanley has completed privatization transactions for numerous government clients worldwide, consisting of not only initial mandates but also follow-on advisory and financing assignments for a wide range of government infrastructure assets.

As the privatization process for an asset progresses, Morgan Stanley provides guidance on which execution strategies are best suited for the transaction. Morgan Stanley has significant experience in both public and private market executions, and is able to provide support for either. For infrastructure sale processes, Morgan Stanley focuses on developing an investor friendly process to optimize the outcome for the owner. Infrastructure investors can be aggressive in terms of bidding low expected returns and have ample capital to deploy, but are also conservative by nature and sensitive to bid costs. Morgan Stanley will provide a summary of potential investors, identifying which categories of investors (pension funds, sovereign wealth funds, etc.) are best suited for the transaction, and then identifying which investors within those categories are most active within the space. Our extensive experience in both sell-side and buy-side transactions has provided our firm with a thorough understanding of the buyer universe for a number of asset classes.

Please see the below table which details select examples of Morgan Stanley's privatizations of infrastructure assets for government clients. Additionally, case studies for our transactions with the Ohio State University and the Indiana Toll Road can also be found following the table.

### Morgan Stanley Privatization of Government Infrastructure Assets

Client		Date	Comments
HM British Government		2015-Present	Financial advisor to the British Government on potential IPO of Urenco
Victoria State Govt.	Port of Melbourne	Ongoing	Joint financial advisor on the scoping study and potential privatization of Port of Melbourne
Greek Government	Greek Port Portfolio	2015-Present	Ongoing privatization of Thessaloniki Ports (sale of Piraeus Port completed in April 2016)
Dong Energy		2016	Joint Global Coordinator and Joint Bookrunner on IPO of Dong Energy
Bidding Consortium		2015	Advised CPP/Borealis and Australia Super on the potential acquisition of Transgrid
New South Wales Government	Port of Newcastle	2014	Sole Financial Advisor to NSW on the scoping study, restructuring and privatization of Port of Newcastle
Transurban		2014	Joint Financial Advisor to Transurban and consortium partners on the acquisition of Queensland Motorways for A\$7.1Bn
New South Wales Government	Ports Botany & Kembla	2013	Sole financial advisor on the scoping study and subsequent privatization of Port Botany and Port Kembla
EnergyAustralia		2013	Sole Financial Advisor to EnergyAustralia on its acquisition of the Delta West power stations from the NSW Government
Indiana Toll Road		2013	Financial Advisor to Indiana Toll Road on its restructuring
Bidding Consortium		2012	Advisor to a bidding Consortium on the potential acquisition of concession rights for Turkish Motorways (not completed)
Ohio State University (OSU)		2012	Sole financial advisor to OSU for the privatization of its parking assets by QIC for US\$483MM
German Government		Ongoing 2012 2001	Strategic advisory on restructuring, capital structure and international operations Lead Bookrunner on 12 year benchmark bond offering Strategic advisor to the German Government on the Deutsche Bahn privatization
Nassau County	Wastewater System	2011	Sole advisor to Nassau County (NY) on the privatization of Wastewater System
City of Pittsburgh		2010	Financial advisor on privatization of Pittsburgh Parking System to JPM / LAZ for US\$452MM
Chicago Parking Meters		2010	Lead underwriter for financing of Morgan Stanley Infrastructure Partners' acquisition of concession
Queensland Rail		2010	IPO of Queensland Rail for \$4.6Bn
Commonwealth of Pennsylvania		2008	Sole M&A advisor to the Commonwealth of Pennsylvania on the privatization of the Pennsylvania Turnpike for US\$18.3Bn (transaction not completed)

## Morgan Stanley Privatization of Government Infrastructure Assets

Client		Date	Comments
Transport for London		2006	Strategic advisor on the refinancing of the London Underground
MSIP		2006	Sole Financial Advisor to Morgan Stanley Infrastructure Partners on its acquisition of Millennium Garages from the City of Chicago for \$563MM
PSA	 	2006 1999-2003	Sole financial advisor to PSA on acquisition of stake in HPH (2006) Strategic advice on privatization options, capital restructuring and credit rating advisory
NSW Government	State Forests	2003-2004	Financial advisor on scoping study on the potential private sector participation in State Forests' plantation business
	ETSA / Electran	2000	Financial Advisor to the South Australian Government on the Privatization of ETSA Power/Utilities and Electranet



**The Ohio State University Parking System.** Morgan Stanley served as exclusive financial advisor to The Ohio State University on the P3 of its campus-wide parking system, the first long-term concession of a university parking system in the United States. We were retained to assist the University with a strategic review of all University assets and identified four (parking, golf course, airport and power generation) that were not core to the University's mission. The University retained Morgan Stanley to manage the sale of a long-term concession on the largest of these assets: the parking garages and lots. During the sell-side process, Morgan Stanley conducted detailed due diligence on the System including its parking garages, IT infrastructure, employees, capital expenditure plans, operating and maintenance standards, rates and volumes studies and enforcement measures, which allowed us to structure and negotiate a beneficial concession agreement for the University. In November 2011, the University pre-qualified seven bidders to pursue the 50-year lease of the parking system, and in June 2012, the concession was awarded to a consortium comprised of QIC Private Capital and LAZ Parking for \$483MM. Throughout the transaction, we worked with the University to ensure the process was highly transparent, including working with a formal Parking Advisory Committee composed of individuals from both student and faculty groups, working with the University to provide key updates and documents on the University's process website, and being involved in numerous Town Hall discussions aimed at clarifying the process and soliciting feedback. The successful transaction highlights Morgan Stanley's ability to adapt to unique situations and meet the objectives of multiple parties involved. This transaction highlights Morgan Stanley's strength as an advisor in an infrastructure assets sale.



**Indiana Toll Road.** In 2012, Morgan Stanley was hired to serve as financial advisor for the concessionaire of Indiana Toll Road Concession Company ("ITR") on its impending restructuring of ~\$6Bn of secured debt and its swap obligations.

**Evaluation of Capital Markets Alternatives.** Morgan Stanley worked with the Company to develop a long term business plan and evaluate all of the Company's public and private capital markets alternatives, which included defining objectives of the various constituents as well as the concessionaire stakeholders, leading discussions with numerous interested parties (government, creditors, lawyers, and buyers), assisting the concessionaire in defining its key objectives, developing numerous structuring alternatives, conducting valuation analyses, and negotiating with the various parties to ensure that we were able to maximize value given the clients objectives. After several months of initial preparation, the Company and Morgan Stanley submitted an initial restructuring proposal to the Steering Committee of Lenders and the Steering Committee commenced diligence in order to evaluate ITR's restructuring alternatives.

**Creditor Negotiations Leading up to the Bankruptcy Filing.** Throughout the transaction, Morgan Stanley led negotiations with the government, creditors, counsels, consultants, and other financial advisors to ensure agreement among all parties. After several months of hard fought negotiations, the Steering Committee of Lenders agreed to support and present an out of court restructuring proposal which would have resulted in an extension in the Company's debt maturities as well as provided for equity upside for the existing lenders. While supported by the institutional lenders, much of the debt began to trade into the hands of U.S. based distressed



hedge funds which supported a more comprehensive restructuring involving a sale of the Company. The Company and its advisors, including Morgan Stanley, then commenced negotiations with the distressed hedge funds.

**Successful Sale of the Company.** The Company ultimately agreed to a pre-packaged bankruptcy which involved either (i) a sale of the Company to a third party buyer or (ii) a back-up reorganization which would allow existing equity to continue to operate ITR and retain between 4 to 7% of the equity, with the rest owned by existing creditors. Ultimately, the Company sold for ~\$5.7 Bn, implying a ~95% recovery to the creditors. This transaction highlights Morgan Stanley's strength as an advisor in an infrastructure assets sale and in creditor negotiations as well as our ability to work with a government (State of Indiana) throughout the process.

In addition to our privatization experience, please find below a case study of demonstrating Morgan Stanley's experience with a demand risk transaction.



**LaGuardia Gateway Partners.** Morgan Stanley served as an advisor to LaGuardia Gateway Partners ("LGP"), a consortium consisting of Skanska USA, Meridiam Infrastructure and Vantage Airport Group. Morgan Stanley was engaged when LaGuardia Gateway Partners ("LGP") was selected as a preferred proposer in a competitive procurement by the Port Authority of New York and New Jersey ("PANYNJ"). Morgan Stanley provided detailed analysis of US Airport financing elements including: mix of airport revenues and expenses, nature of commercial arrangements with airline tenants, nature of management service arrangements, and non-airline revenue sources. The Firm also prepared a thorough review of relevant airport finance covenants and assisted in presentation of proposed financing to bond rating agencies to obtain indicative ratings. The tax-exempt financing included \$2.26 billion Special Facilities Series 2016A (AMT) and \$150.0 million Series 2016B (Taxable) bonds. The deal was structured as a "demand risk" transaction with no availability payment from PANYNJ and represents the largest P3 transaction for an airport in the US.

**Unrivaled Power & Utilities M&A Franchise.** Morgan Stanley is Wall Street's leading Power & Utilities M&A franchise with a history of landmark transactions in the space. The Firm has extensive experience across Regulated Power, Competitive Power, and Renewables. Below, we provide case studies of two recent relevant transactions.



**Dominion Energy to Acquire SCANA Corporation (Morgan Stanley Lead Financial Advisor to SCANA).** On January 3, 2018, Dominion Energy ("Dominion") and SCANA Corporation ("SCANA") announced an agreement for the companies to combine in an all-stock transaction, in which SCANA shareholders will receive per-share consideration of 0.6690 shares of Dominion common stock, implying a 38.2% premium and implied equity value of \$7.9Bn (aggregate value of \$14.6Bn). The rationale for the transaction stemmed from the fact that the acquisition was immediately EPS accretive (increased 2017-2020 EPS CAGR to 8%+ (from 6%) and allowed Dominion to maintain 10% DPS growth through 2020. Additionally, it was credit supportive (no expected impact on Dominion's leverage or ratings target) and supports Dominion's focus on non-commodity, regulated energy infrastructure. In terms of Benefit to SCANA customers, the transaction allowed for cash payments to electric customers representing \$1.3 billion within 90 days of closing (\$1,000 for typical residential customer), reduced electric customer bills (additional 5% ongoing monthly bill reduction for average residential customer driven by refunds from Dominion and pass-through of tax reform benefits).



**Emera Acquires TECO Energy (Morgan Stanley Sole Strategic Advisor to TECO Energy).** On September 4, 2015, Emera Inc. ("Emera") announced the acquisition of TECO Energy, Inc. ("TECO Energy") for \$27.55 per share, for an implied premium of 48% and 2016 P/E multiple of 23.3x, the highest regulated utility premium and multiple paid in recent history. This also implies an equity value of \$6.5Bn (aggregate value of \$10.4Bn). Emera is a geographically diverse energy and services company headquartered in Halifax, Nova Scotia that invests in electricity generation, transmission and distribution, as well as gas transmission and utility energy services and has investments throughout northeastern North America, and in four Caribbean countries. TECO Energy's business and generation mix provide Emera

with an expanded U.S. presence in constructive regulatory jurisdictions, a new platform in growth markets, and further opportunities to supply customers with cleaner generation. Upon closing, Emera will have approximately \$20 billion in assets, making it a top 20 North American regulated utility. EPS accretion is expected in the first full year of operations (2017), growing to more than 10 percent by the third full year (2019) and the transaction provides additional support to Emera's 8 percent dividend growth target through 2019 and positions Emera to extend the dividend growth target beyond 2019. Pro forma for the Transaction, Emera expects to maintain a strong investment grade credit profile with greater than 80 percent in regulated earnings.

**P3, Project Finance and Private Activity Bond Underwriting.** Morgan Stanley is also a leading underwriter of infrastructure debt globally. In the corporate or taxable markets, Morgan Stanley is a leading underwriter of project finance debt in both the private placement and bank markets. In the municipal market, Morgan Stanley is also a leading underwriter of P3, project finance and private activity bond debt. In the tax-exempt market, our consistent primary market underwriting activity, together with our secondary market trading, puts us in regular contact with all the major investors in this sector, which bolsters our understanding of their needs and knowledge about the market as conditions change. MSCO maintains a strong presence in the PABs market, ranking fourth among underwriters with a 9.8% market share over the past three years. These transactions have been for a wide variety of PPP, transportation, project finance, corporate-backed utility, and housing clients. ***Since 2009, Morgan Stanley has senior managed \$9.55 billion and co-managed \$19.19 billion of AMT and PABs transactions.*** Our recent private activity bond experience includes project finance transactions for Fulcrum Sierra BioFuels, Morgantown Energy Associates, OCI N.V.'s Natgasoline Project (TX), the Port of Beaumont Navigation District and Jefferson Energy Companies' Jefferson Terminal Project (TX), the Indiantown Cogeneration Project (Florida), the Dulles Toll Road Project, for Chicago O'Hare International Airport, the San Francisco International Airport, the Miami International Airport, and BP Products of North America, among others. ***These engagements and examples of debt marketing and underwriting add to our qualifications of knowing the market and the value of the assets to be financed. This will be beneficial to the City and add value to the strategic advice in the process of a evaluating a P3, asset sale or long term concession agreement.***

Specific to Florida and our project finance experience, Morgan Stanley recently served as sole manager for \$600 million of Surface Transportation Facility Revenue Bonds for Brightline. We have provided a detailed case study below.



**Brightline.** On November 30, 2017, Morgan Stanley served as the sole manager for \$600 million of Surface Transportation Facility Revenue Bonds for Brightline, the first private passenger rail service developed in the US in over 100 years. The transaction marked a watershed moment in the US P3 and Private Activity Bond market, as the Company's prior \$1.75 billion private activity bond offering in 2015 (as All Aboard Florida) did not close after multiple iterations. Over the subsequent two years, Fortress Investment Group, through its subsidiary Florida East Coast Industries, continued to fund the project, while renewing its Private Activity Bond allocation from the US Department of Transportation for \$600 million. With the Company's PAB allocation expiring on December 31, 2017, Morgan Stanley was mandated to underwrite the full \$600 million of PABs by the end of the year. Morgan Stanley worked with Fortress and Brightline to develop a finance plan centered on an enhanced collateral package through the refinancing of all existing debt and freeing of all possible title, mortgage and leasehold interests on Brightline's assets. Investors were offered a collateral package that consisted of senior liens on Brightline's revenues, passenger rail easements, five sets of new Siemens rolling stock, fee-simple mortgages at the West Palm Beach and Fort Lauderdale stations, an air rights mortgage at the Miami station, as well as leasehold interests in the parking garages at each station and the West Palm Beach Running Repair Facility. The Bonds were structured as a 10-year mandatory put bond with a 29-year nominal maturity through the Florida Development Finance Corporation. Morgan Stanley actively marketed a unique short call feature to allow the Company to call the debt functionally at any point and used an intensive marketing effort to distinguish the newly structured transaction from the previous 2015 structure. Just two days after launch and around the Thanksgiving holiday,



Morgan Stanley, Fortress, and Brightline conducted an in-person roadshow in Boston, New York, Chicago, and Philadelphia and a site visit in Florida. Between the in-person roadshow and one-on-one conference calls, the Company engaged directly with over 42 investors in a two week timeframe. While initially marketed as non-rated, the transaction received a BB- from Fitch toward the end of the roadshow. Given the momentum of the transaction coming out of the roadshow, Morgan Stanley priced the Bonds the day after the site visit. Ultimately, the transaction was nearly 4 times oversubscribed with 61 different investor orders amidst a flood of supply and despite a Qualified Institutional Buyer restriction. The significant market interest resulted in Morgan Stanley tightening the pricing from the initial price guidance of 6.00% at par to 5.625% at par.

Below, we have provided additional case studies for other recent, relevant transactions.



**Fulcrum Bioenergy.** On October 12, 2017, Morgan Stanley served as senior manager on Fulcrum Sierra BioFuels's Series 2017 unrated non-recourse project financing consisting of \$44.135MM (due in 2027) sold at 5.875% @ par and \$105.865MM (due 2037) sold at 6.250% @ par. The issue was structured as a limited offering exempt from Rule 15c2-12. The project uses gasification and Fischer-Tropsch technologies to convert municipal solid waste into a low-carbon, renewable synthetic crude oil ("syncrude") that can be further processed into drop-in transportation fuels. The bond proceeds were used to fund portions of the construction of the biorefinery, the capitalized interest fund, the debt service reserve fund, and certain costs of issuance. The bonds were secured by Andeavor syncrude sales, renewable identification number credit, and California Low Carbon Fuel Standard credit revenues. Equity made up 50% of the capital structure for the Project and was provided by a number of equity and strategic partner investors. The bonds also had a secured technology performance insurance policy guaranteeing production performance at Substantial Completion. Morgan Stanley facilitated 40 conversations between Fulcrum's management team and 27 investors during the marketing period, including in-person one-on-one meetings in Boston, Chicago, New York, Philadelphia, and San Francisco.



**Natgasoline.** OCI N.V.'s Natgasoline is constructing a natural gas to methanol production facility which is expected to be completed in 3Q 2017. The Project features a conservative capital structure with only \$252.885 million of senior debt compared with \$1.52 billion of equity and sponsor subordinated loans committed. The senior debt was issued to finance a portion of the costs of the development, construction, equipping and furnishing of a methanol facility and certain infrastructure improvements to Natgasoline, which is located in Beaumont Texas. On April 20, 2016, Morgan Stanley and Citigroup committed to buy all \$252.885 million of the bonds at defined coupons, yields and call features before mailing the Limited Offering Memorandum / Official Statement. The bond offering consisted of a \$50.000 million Series 2016A, which was allowed to be resold no earlier than 30 days after the signing of the Bond Purchase Agreement, and a \$202.885 million Series 2016B, which were reoffered on April 28, 2016. Following the transaction, Consolidated Energy Limited ("CEL") purchased a 50% indirect equity ownership in Natgasoline through G2X with \$630 million in equity and an additional \$50 million made available in a Contingency Shareholder Loan. CEL is majority owned by the Proman Group, a global leader in methanol production. Strategic Financial Advisory Approach and Current Market Environment

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## Strategic Financial Advisory Approach and Current Market Environment

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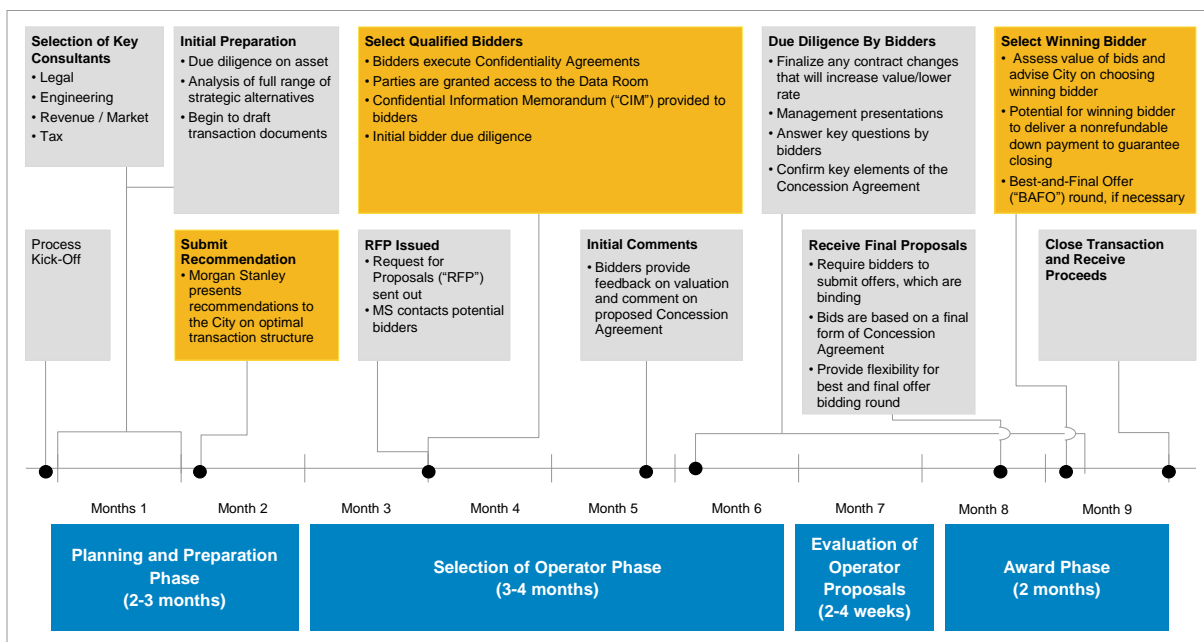
Morgan Stanley's philosophy in advising clients is to consistently leverage the best resources of the Firm in their global entirety to deliver an optimal approach for all aspects of the P3 transaction process. This is never truer than when we work on a 'Phase I' analysis for clients, which typically involves assessing a range of options and scenarios for the asset under consideration, including but not limited to pursuing a full or partial P3 (with payments upfront or via a revenue sharing mechanism), engaging an operator under a management contract and/or putting additional leverage on the asset.

Morgan Stanley has worked with governments globally and in the U.S. to evaluate strategic alternatives for assets under consideration for P3 transactions as part of a two-stage process. As evidenced by our two stage advisory experience in engagements, Morgan Stanley will approach all asset evaluations without a bias towards a pre-determined alternative.

<b>Select Stage 1 P3 Experience</b>			
<b>Asset</b>	<b>Sector</b>	<b>Stage 1 Result</b>	<b>Outcome</b>
The Ohio State University Parking System	Parking	Move Forward with P3	Successfully Closed
Indianapolis Parking System	Parking	Move Forward with Modified P3	Successfully Closed
City of Akron Wastewater System	Wastewater	Do Not Pursue P3	Determined not to be in the Broad Public Interest
Port of Portland T-6 Container Terminal	Port	Move Forward with P3	Successfully Closed
Pennsylvania Turnpike	Road	Move Forward with P3	Did not have Adequate Political Support
Indiana Lottery	Lottery	Do Not Pursue P3	Discovered Federal Limitations
University of Florida	Parking	Do Not Pursue P3	Not in School's Public Interest
Transaction Not Public	Parking	Pursue P3	2018 Expected Closing
Transaction Not Public	Parking	Pursue P3	2018 Expected Closing
Transaction Not Public	Parking	Pursue P3	2018 Expected Closing

Morgan Stanley will ensure that any P3 procurement process involves the best possible partners for the City, particularly those that have a strategic expertise with municipal assets. In addition to the leading U.S.-based infrastructure team, Morgan Stanley's global franchise provides the Firm with unparalleled relationships with infrastructure investors, contractors, and operators world-wide. Morgan Stanley will leverage these relationships and our prior P3 experience to execute a flexible P3 auction process that maximizes competitive tension amongst bidding parties. To ensure that this competitive tension translates into maximum value for the City, our proposed P3 process includes a best-and-final-offer round. As the City's advisor during Stage 2 to evaluate other potential P3 candidates, our primary goal will be to achieve the City's strategic objectives and to clearly lay out a framework for coherent decision-making. Below is the framework that we would expect to use to evaluate other projects during Stage 2.

The City should expect a receptive market to potential P3 and assets sale initiatives. Both P3 and asset sales have found to be able generate aggressive value propositions. This has been driven by the demand by operators of public assets and the investing market including infrastructure funds and the pension funds' allocation to alternative assets. The need for consistent returns and the desirable asset class of municipal assets have driven paid multiples higher. However, public policy with respect to an asset class and the desire to limit the private



sector flexibility can impact those values significantly. Listed below are some relevant points with respect to the market that the City should be aware of as it pursues its strategic initiatives.

- There was meaningful progress in the 2<sup>nd</sup> half of 2017 in the greenfield P3 space with six transactions being completed. Most notable were: \$600mm high yield financing for All Aboard Florida/Brightline (Fortress/Morgan Stanley Sole Manager), \$800mm financing for I-66 managed lanes financing in Virginia (Meridiam/Cintra), and \$200mm financing for the Denver Airport Great Hall Renovation (Ferrovia, Morgan Stanley Co-Manager).
- Progress on the brownfield P3 front remains challenging. There is very strong interest from investors for these assets, but political risk continues to be a major concern. The public debate of Westchester County Airport (NY) provides case study where the private sector valued these assets in an extremely aggressive fashion only to have political concerns void a transaction. Nassau County, NY offers a similar example where the County's efforts to privatize its wastewater system continues to confront political roadblocks.
- Interest in brownfield assets for essential services (transportation, utility, water, etc.) remains very strong and comes from both domestic and international infrastructure funds, private equity funds and strategic operators. Canadian and Australian based investors are particularly assertive in the current market. Mitigating political risk of closing and offering a good size of investment (ability for lead sponsor to invest above \$150mm (in a specific opportunity) will be critical for maximizing valuation.
- Overall market demand and interest in some assets is continuing to decline, such as parking where a handful of investors have become cautious due to concerns about ridesharing services and driverless cars that could substantially impact basic usage of parking assets.

Recommended P3 Project Evaluation Criteria		
Financial Impact	Operational Impact	Policy Impact
<ul style="list-style-type: none"> <li>Magnitude of Proceeds Available to Asset</li> <li>Needs for and Permissible Use of Proceeds (e.g., New Project, Operating Expenses, Endowment)</li> <li>Leverage Available to the Authority/Asset or a Bidder</li> <li>Equity Available to the Asset</li> </ul>	<ul style="list-style-type: none"> <li>Control</li> <li>Self-Supporting Business</li> <li>Capital Expenditures</li> <li>Environmental / Enforcement Liability</li> </ul>	<ul style="list-style-type: none"> <li>Political Will</li> <li>Appetite for Rate Increases</li> <li>Corporate Governance</li> <li>Competition</li> </ul>

Depending on the assets or the nature of the proposal the process will be tailored to the situation. Morgan Stanley is experienced in advisory services which help the client achieve a balance between value and public policy that many municipal issuer need to consider as they look to P3 or asset monetizations.

**Request for Proposals.** The Request for Proposals (“RFP”) will solicit feedback from entities potentially interested in investing in the City’s assets. In addition to obtaining feedback from the potential bidders, the RFP serves as an initial marketing document, highlighting key characteristics of the assets. The document will outline the proposed transaction, including available details on term and rate structure.

- **Asset Description:** Provides details on size, composition and technology of parking assets, as well as details on the asset’s historical financial performance and any potential expansion or construction required.
- **Investment Highlights:** Discusses attractive features of assets, such as strong historical performance, high barriers to entry, and ability for growth as they may apply.
- **Bidder Qualification Requirements and Evaluation Criteria:** Lists required information that must be submitted by responding bidders, including technical and financial capabilities.
- **RFP Submission Requirements and Procedure:** Detailed requirements for the submission of the RFP response will ensure that all potential bidders are considered objectively.

Subsequent to the RFP process, a more detailed Confidential Information Memorandum (CIM) will be prepared for qualified bidders to assemble their non-binding bids.

**Optimizing the Marketing Process.** For infrastructure sell-side transactions, Morgan Stanley focuses on developing bidder-friendly processes to optimize the outcome for the seller. Infrastructure investors can be aggressive in terms of bidding low expected returns (higher values to the seller) and have ample capital to deploy. However, infrastructure investors, in particular direct pension fund investors, are conservative by nature and sensitive to bid costs (time and resources as well as the expenses of buy-side diligence advisors).

- **Priming the Market:** Morgan Stanley will facilitate high level conversations with the buyer universe during the preparation phase, providing key messaging and logging the upcoming process with buyers so that the launch is not a surprise. Morgan Stanley will also identify and target ‘tier 1’ bidders and solicit informal feedback to help guide preparation.
- **No “White Space”:** The scope of assets included and any carve out procedures will be established early on. Similarly, key process items will be prepared and substantially completed before launch as to not lose process momentum through pauses and a form of the main transaction agreement and any required ancillary agreements will also be prepared early on. Additionally, highly detailed and credible forecasts (supported by datasets / detailed reports) will be provided by the City that covers all key assumptions that will prevent buyers from being left to their own devices.
- **Vendor Due Diligence Reports:** An effort will be made to develop and provide third party reports covering material forecast drivers (e.g. volumes / revenue and capex) as well as standard diligence areas (e.g. accounting, environmental, insurance, HR). Reliance will be given to buyers if possible.
- **Transparency and Certainty on Approval Process:** Buyers are often hesitant to deploy resources to get to a final bid if the offer approval process is unclear and there is risk of rejection of any otherwise attractive final offer. With that in mind, the Buyers will want to understand the basis on which their offer will be evaluated and to understand and deal with any required third party or other stakeholder consents or approvals as early as possible.
- **Manage Consortium Formation:** In infrastructure investment, consortium bidding is common and can improve competitive tension and the values bid. However, consortium formation and cross-buyer

discussion must be effectively managed. An appropriately-drafted confidentiality agreement is the primary device for this element of process management and Morgan Stanley will be proactively involved in consortium formation, as required and appropriate.

Potential Investors: Morgan Stanley has extensive relationships across the universe of potential buyers for many types of municipal assets. Determining the optimal amount of Investor Outreach is key to a successful process:

- **Broad vs. Narrow Outreach:** Determining the extent of outreach is dependent transaction size and the size of the equity contribution. It will also depend on the number of firms and investors in the asset's sector, industry outlook, transaction location, as well as projected demographic considerations. A broader investor outreach process will likely be desired if there is a larger transaction, numerous industry participants, and a strong industry outlook, while a narrower investor process may be desired if key considerations are not viewed as favorably.
- **Public vs. Private Outreach:** In determining whether to take a public or private approach to investor outreach, the quantity and type of stakeholders, governmental or related procurement rules, the need for public disclosure or desire to avoid publicity, and the availability of public financial information will all need to be considered. A public process is typically desired if there are numerous stakeholders, governmental procurement rules, or the need for public disclosure. If these features are less present, a more private investor outreach process could be utilized.

In addition to determining the amount and nature of potential investors, it is important to determine the type of investors to consider.

- **Strategic Investor:** These investors typically consider investments with indefinite time horizons. Accretion and dilution impact will likely be a key consideration, with specific focus on cash distributions for YieldCos and metrics such as EPS and EBITDA. They also consider synergistic value with their existing portfolio and have a preference for 100% or control investments.
- **Infrastructure Funds:** These funds prefer a time horizon of 7 – 10 years. They require an approximately 8 – 12% equity IRRs (typically pre-tax) and will also typically require some cash yield (4–6%). They are generally open to non-investment grade leverage and have a preference for 100% or control investments. Specific to utility assets, funds such as KKR, JPM Infrastructure, and Carlyle tend to show interest.

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## References

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### Morgan Stanley References

Citizens Energy Group, IN	Nassau County, NY	Florida Development Finance Corporation, FL
<b>John R. Brehm</b> <i>Chief Financial Officer</i>	<b>Steven Conkling</b> <i>Debt Manager</i>	<b>Bill Spivey</b> <i>Executive Director</i>
CEG's Acquisition of Indianapolis' Water and Wastewater System	P3 Advisory	Private Activity Bond Underwriting
1998 to Present 317-927-4450 <a href="mailto:jbrehm@citizensenergygroup.com">jbrehm@citizensenergygroup.com</a>	2012 516-571-3023 <a href="mailto:sconkling@nassaucountyny.gov">sconkling@nassaucountyny.gov</a>	2017 407-956-5695 <a href="mailto:bspivey@fdcbonds.com">bspivey@fdcbonds.com</a>

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## City Experience

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Morgan Stanley has served as a co-manager in the City's past financings. Morgan Stanley is not in the City's current underwriting pool. Morgan Stanley engaged as an underwriter with several Florida clients including cities, counties and special authorities. This includes general governmental, transportation and environmental assets.





## Appendix A

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# City of Jacksonville, Florida

*Response to Request for Proposals to  
Provide Strategic Initiatives Financial  
Advisory Services*

JANUARY 15, 2018



**RBC Capital Markets**



January 15, 2018

Joey Greive, CFA, CFP®  
City of Jacksonville  
Treasury Department  
117 W. Duval Street, Suite 300  
Jacksonville, FL 32202

Jeremy Niedfeldt  
Director, PFM Financial Advisors LLC  
Public Financial Management, Inc.  
300 South Orange Avenue, Suite 1170  
Orlando, FL 32801

**RE:** City of Jacksonville, Florida  
Response to Request for Proposals to Provide Strategic Initiatives Financial Advisory Services

Dear Mr. Greive & Mr. Niedfeldt:






On behalf of RBC Capital Markets, LLC ("RBCCM" or the "Firm"), we are pleased to present our response to The City of Jacksonville, Florida's (the "City") Request for Proposals ("RFP") to Provide Strategic Initiatives Financial Advisory Services.

**Maximizing Value on the City's Assets.** Specifically, we believe that RBCCM is uniquely positioned to advise the City on maximizing value on its various asset types including but not limited to parking, utility, transportation, and telecom assets owned by the City or its respective agencies. *For the two year period from 2015 to 2017, RBCCM ranks as the #1 Advisor by number of transactions in the InfraDeals League Table for North American Advisory, having served as Advisor for over \$18.9 billion of transactions on 25 separate deals. Combine that experience with RBCCM's #4 ranking in SDC's 2017 Municipal Underwriter Senior Managed League Tables, RBCCM is the most qualified firm to serve the City of Jacksonville's Strategic Advisory needs.*

Our Municipal Finance team has partnered with our Power, Utilities & Infrastructure ("PU&I") and Communications, Media and Entertainment ("CME") Investment Banking groups to identify potential monetization opportunities for our clients. Municipalities, similar to the City, are seeking alternative financing strategies to recapitalize their balance sheet and improve operating cash flow in the face of declining state and federal financial support.

Most recently, RBCCM Municipal Finance, and respective PU&I / CME teams served as Advisor for three distinct public sector monetizations, including a buy-side advisor role for ENGIE / Axiom's purchase of a 50 year concession to manage and operate The Ohio State University's utility system; a sell-side advisor role for DePaul University's divestiture of a student housing, conference, and classroom facility in Chicago; and a sell-side advisor role for the Lower Colorado River Authority's ("LCRA") divestiture of 77 cell towers to Vertical Bridge. The LCRA transaction marked one of the largest divestitures by a municipal client in the telecom sector. As more detailed in our proposal, LCRA selected to capitalize on the high demand for wireless infrastructure by partnering with the private sector through its sale and leaseback of these non-core tower assets. On behalf of LCRA, RBCCM conducted a two-round competitive bid process. LCRA ultimately chose to enter into exclusive negotiations with Vertical Bridge. The upfront payment paid to LCRA was an aggregate of the value of four components LCRA was able to successfully monetize; 1) a leaseback of space on the tower by LCRA and LCRA Transmission Services Corporation, 2) current 3rd party revenue and contracts, 3) lease-up potential and supply and demand metrics of the area surrounding a respective tower, and 4) value of the Revenue and Marketing Share agreement whereby LCRA and Vertical Bridge will share in the economics of lease revenue on new towers built and/or attached to transmission assets.











**Power, Utilities, and Infrastructure Investment Banking Group.** Our PU&I team has 78 dedicated professionals nationally and more than \$9.5 billion in loan commitments. The group covers two primary areas: Power/Utilities (including gas & electricity networks, regulated utilities, renewable energy, waste, and water) and Infrastructure (including roads, tunnels, bridges, parking,

 Ohio State Energy Partners Comprised of   \$1,165,000,000 50 year Concession Agreement with The Ohio State University to Manage and Operate the University's Utility System Buy Side Advisor to Engie and Axiom	 UNIVERSITY CENTER CHICAGO • LIVE • STUDY • PLAY \$201,000,000 Monetization of Student Housing, Conference Center and Classroom Facility in Chicago Sell Side Advisor to the Educational Advancement Fund	 LCRA ENERGY • WATER • COMMUNITY SERVICES Undisclosed Divestiture of 77 Cell Tower Assets to Vertical Bridge Sell Side Advisor
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ports & airports, rail, and buses). Since 2015, RBCCM ranks as the #1 Advisor by number of deals for North American Advisory. Notable transactions include advisory roles for the sale of Aerostar Airport Holdings for the Luis Muñoz Marin Airport, the acquisition of the Chicago Skyway, and a joint book-runner role for the Indiana Toll Road acquisition financing.

 <p><b>\$430,000,000</b></p> <p>Sale of 50% stake in Aerostar Airport Holdings (Luis Muñoz Marin International Airport)</p> <p>Financial Advisor to Oaktree</p>	 <p><b>Confidential</b></p> <p>Acquisition of Pocahontas Parkway Concession</p> <p>Sole Financial Advisor and Sole Placement Agent to Globalvia Inversiones S.A.U.</p>	 <p><b>\$2,836,000,000</b></p> <p>Acquisition of Chicago Skyway</p> <p>Sole Financial Advisor, Sole Placement Agent, Mandated Lead Arranger, and Lead Swap Manager to Calumet Concession Partners</p>	 <p><b>\$1,075,000,000</b></p> <p>Global Container Terminals Debt Refinancing</p> <p>Financial Advisor, Lead Left Placement Agent, and Lead Left Bookrunner</p>	 <p><b>\$4,000,000,000</b></p> <p>Intoll / 407 ETR Privatization of Intoll &amp; 10% stake in 407 ETR</p> <p>Sole Financial Advisor</p>	 <p><b>\$2,850,000,000</b></p> <p>Indiana Toll Road Acquisition Financing</p> <p>Mandated Lead Arranger, Active Joint Bookrunner and Lead Swap Manager</p>
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**Communication, Media & Entertainment Investment Banking Group.** Our CME team has 50 dedicated professionals nationally and more than \$10 billion in loan commitments. The group is divided into three specific verticals: Communications (including cable / telecom services and infrastructure), Media & Entertainment, and Services. CME is consistently ranked among the top banks in the CME sector with a market share of 5.0%. Notable transactions include Advisory roles for AMP Capital, Altice, and Uniti.

<p>The Irish Infrastructure Fund managed by</p>  <p>And Irish Life Investment Managers have acquired a 78% stake in</p>  <p><b>Undisclosed</b></p> <p>Sole Financial Advisor Pending</p>	 <p><b>Undisclosed</b></p> <p>Project Mercury</p> <p>Sole Financial Advisor Ongoing</p>	 <p><b>Undisclosed</b></p> <p>LIBERTY GLOBAL Divesting 49% in Telecommunications Services Trinidad and Tobago</p> <p>Sole Financial Advisor to Liberty Global Ongoing</p>	 <p>Acquisition by</p>  <p><b>\$93,000,000</b></p> <p>Financial Advisor to Seller October 2017</p>	 <p>has divested 77 cell tower assets to</p>  <p><b>Undisclosed</b></p> <p>Sell-Side Advisor to LCRA September 2017</p>	 <p>Acquisition by</p>  <p><b>\$700,000,000</b></p> <p>Financial Advisor to Uniti April 2017</p>
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RBCCM's PU&I and CME teams are leaders in providing investment banking services to the power, utility, infrastructure, and telecommunication industry. The City will benefit greatly from this partnership between the Municipal Finance, PU&I, and CME teams. Together, our team brings "real-time" market feedback from potential buyers that will help drive the structuring of the transaction to maximize the value of the City's assets.

**Next Steps.** We would like to work with the City to better understand what particular assets the City is considering privatizing, and any associated revenue. From this, we would be able to provide a preliminary valuation that will help guide the City to determine both a short-term and long-term strategic plan for its privatization efforts.

We appreciate the opportunity to submit a proposal, and we are hopeful that our platform credentials and thoughtfulness of approach provide sufficient merit to support consideration of an appointment as an advisor to the City.

Sincerely,



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## Disclaimer

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This proposal was prepared exclusively for the benefit of and internal use by the recipient for the purpose of considering the transaction or transactions contemplated herein. The information and any analyses contained in this proposal are taken from, or based upon, information obtained from the recipient or from publicly available sources, the completeness and accuracy of which has not been independently verified, and cannot be assured by RBCCM. The information and any analyses in these materials reflect prevailing conditions and RBCCM's views as of this date, all of which are subject to change.

RBCCM is not proposing to serve as a Municipal Underwriter. RBCCM is not acting as a Municipal Advisor, and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication.

To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results.

IRS Circular 230 Disclosure: RBCCM and its affiliates do not provide tax advice and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.

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## A. Proposing Firm and Personnel Information

### 2. Strategic Initiative Financial Advisory Team

Provide the names and backgrounds of the individuals who will be assigned to this engagement on a full-time basis. If your firm has more than one office, identify the office from which each designated individual will be operating. Clearly indicate each individual's responsibilities during the engagement and highlight the day-to-day contact person as well as the individual who will attend official meetings of the City, if requested.

As outlined in our cover letter, the team will be comprised of our Municipal Finance team, combined with specialized sell-side and divestiture expertise from both our Power, Utilities, and Infrastructure ("PU&I") Investment Banking Group; and Communications, Media, and Entertainment ("CME") Investment Banking group. **Tom Carlson, Director**, located in our St. Petersburg, Florida office, will be responsible for managing the relationship with the City on a day-to-day basis and coordinating the resources of RBCCM. He will be assisted by Municipal Finance investment bankers and asset monetization experts such as **Vanessa Eckert, Kevin Hoecker, and Christopher Good**. In addition, Mr. Carlson will be assisted by PU&I investment bankers **David Utz and Eric Berlinger**, and CME investment bankers **Sebastian Caputto and Lauren Clark**. Together, our team will ensure the best execution for the City as it contemplates how to best maximize value from the assets it chooses to monetize.

#### Coverage Team

Name / Contact Information	Relevant Experience
<b>Municipal Finance</b>	
Tom Carlson <i>Director</i>  100 2nd Avenue South Suite 800 St. Petersburg, FL 33701 (727) 895-8899 thomas.carlson@rbccm.com	Tom Carlson recently assumed lead banker responsibilities for the City of Jacksonville. Mr. Carlson has demonstrated his ability to lead manage and fulfill the Scope of Services through his more than \$8 billion of senior managed banking assignments for issuers nationwide. Mr. Carlson will serve as day-to-day contact for the City, and will coordinate the resources of the Firm, including liaising with sector specific experts in the Municipal Finance, PU&I and CME teams, attend official meetings of the City if requested, and lead overall transaction efforts. Mr. Carlson covers large issuer clients in Florida and the Southeast, and balance sheet clients nationwide. Mr. Carlson has over 17 years of municipal finance experience and has worked on some of the most complicated municipal financing structures over the past few years. For example in 2016, <b>Mr. Carlson led RBCCM's efforts with a world leading project development and construction group for a tax-exempt P3 "receivables financing" bid for a \$700 million / 7 year project for the Georgia Department of Transportation.</b> Mr. Carlson proudly served 9 years in the U.S. Navy in a variety of naval aviation assignments. He received his BS from the United States Naval Academy, his MBA from The Citadel, and a MS Finance from the University of Florida and holds FINRA Series 7 and 63 licenses.
Vanessa Eckert <i>Director</i>  777 South Figueroa Street Suite 850 Los Angeles, CA 90017 (213) 362-4132 vanessa.eckert@rbccm.com	Vanessa Eckert joined RBCCM from Jefferies and covers public utility and general governmental issuers. Ms. Eckert has over 13 years of experience and has served as the primary analytical banker on numerous municipal bond transactions, totaling nearly \$15 billion. Ms. Eckert will serve as our primary liaison with our Communication, Media & Entertainment group on all telecom monetization opportunities. <b>Ms. Eckert most recently closed on the LCRA cell tower divestiture having managed LCRA through the M&amp;A process, which included working with the client to help identify their assets, compiling data, initial modeling, coordinating bid documents and process as well document review and closing.</b> Ms. Eckert received her BA from the University of Pennsylvania and holds FINRA Series 7, 53 and 63 licenses.

<p>Kevin Hoecker <i>Director</i></p> <p>500 West Madison Street 25th Floor Chicago, IL 60661 (312) 559-3876 kevin.hoecker@rbccm.com</p>	<p>Kevin Hoecker, based in the firm's Chicago office, covers some of the largest and most complex clients in Municipal Finance. In his career Mr. Hoecker has worked at such firms as JPMorgan Investment Bank, Scott Balice Strategies (now PFM) and PNC Capital Markets. Mr. Hoecker is responsible for banking RBCCM's Midwest Region, which includes Illinois, Michigan, Indiana, Missouri, and Wisconsin. Mr. Hoecker will provide asset monetization services for unique City assets with a real estate component. <b>Mr. Hoecker most recently led the firm's University Center sell-side advisory transaction for DePaul University, the largest single student housing monetization to date.</b> Kevin has a BS Magna Cum Laude from DePaul University, attended the Graduate School of Economics at the University of Chicago and achieved an MBA with Honors from the University of Michigan. Mr. Hoecker holds FINRA Series 7, 63 and 79 securities licenses.</p>
<p>Christopher Good <i>Vice President</i></p> <p>200 Vesey Street 9<sup>th</sup> Floor New York, NY 10281 (212) 905-5886 christopher.good@rbccm.com</p>	<p>Christopher Good joined RBCCM from PNC and covers U.S. Higher Education Finance issuers. Mr. Good has over 11 years of experience and has served as the primary analytical banker on numerous municipal bond transactions, totaling nearly \$8.3 billion of senior managed deals. Mr. Good will serve in an Advisory execution role. <b>Most recently, Mr. Good served on the sell-side advisory teams for both the University Center transaction for DePaul University, and the buy-side advisory for ENGIE and Axiom's long term concession agreement for The Ohio State University's utility system.</b> Mr. Good has a special focus in the monetization of higher education infrastructure through public-private partnerships as well as hybrid financing solutions for higher education institutions, including mergers and affiliations, international partnerships and debt restructuring. Mr. Good received his BA from Miami University and an MPA in Public Finance from the University of Pennsylvania, with research focused on higher education finance. Mr. Good holds FINRA Series 7, 50, 63 and 79 licenses.</p>
Name / Contact Information	
Relevant Experience	
Power, Utilities, and Infrastructure	
<p>David Utz Managing Director – Power, Utilities &amp; Infrastructure</p> <p>200 Vesey Street 10<sup>th</sup> Floor New York, NY 10281 (212) 905-5895 david.utz@rbc.com</p>	<p>Mr. Utz joined RBCCM in 2017 after previously working at Goldman Sachs for over 15 years where he led a variety of strategic advisory assignments and financings within the Infrastructure sector. Mr. Utz will provide specific sell-side advisor services for Infrastructure assets to include roads, tunnels, bridges, parking, ports, airports, rail, and buses. <b>Select sell-side advisory experiences includes the \$2.8bn Chicago Skyway concession (and original \$1.8bn concession), the sale of partnership interests and management rights over the \$1.9bn Babcock &amp; Brown Infrastructure Fund North America, the \$245mm sale of Tishman to Aecom, and other ongoing non-public situations.</b> Within the parking sector, he has worked on the following assets: Indiana University Parking System, Indianapolis Parking System, Chicago Parking Garages, Chicago Parking Meters, New York Parking System, San Francisco Parking System, InterPark, and various other U.S. PPP parking concessions. In addition to strategic advisory experience, he worked on the \$230mm follow-up equity offering for OHL Mexico, \$850mm recapitalization of Ports America and has collectively worked on in excess of \$10bn of financings for infrastructure assets. David received a BA in Economics from DePauw University in Greencastle, Indiana, where he was a member of The Management Fellows Program for Business and Entrepreneurship. He is currently registered with FINRA with Series 7, 63, and 79 securities licenses.</p>

<p>Eric Berlinger Director – Power, Utilities &amp; Infrastructure</p> <p>200 Vesey St 10th Floor New York, NY 10281 (212) 905-5923 eric.berlinger@rbc.com</p>	<p>Mr. Berlinger joined RBCCM in 2013 after previously working at Barclays where he worked on a variety of strategic advisory assignments and financings within the Power &amp; Utilities sector. Mr. Berlinger will provide specific sell-side advisor services for Power &amp; Utility assets to include gas and electricity networks, regulated utilities, renewable energy, waste, and water. <b>Select sell-side advisory experiences includes the \$14.5bn merger of SCANA Corp. with Dominion Energy, the \$25.1bn merger of Progress Energy with Duke Energy and the sale of Talen Energy's 282 MW PA hydro generation portfolio, and other ongoing non-public situations.</b> He also has extensive experience on buy-side advisory assignments across utility (electric and gas) as well as power generation (renewables and conventional). In addition to strategic advisory experience, he has worked on multiple financing assignments for PPL Corporation, CMS Energy, Entergy, TransBay Cable, Talen Energy, and Pattern Energy along with many asset level project financings. Eric received a BS in Business and a BA in Political Science from The University of Richmond as well as his MBA from the University of Virginia's Darden School of Business. He is currently registered with FINRA with Series 79 and 63.</p>
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Name / Contact Information	Relevant Experience
<b>Communications, Media and Entertainment</b>	
<p>Sebastian Caputto <i>Director</i></p> <p>1801 California Street Suite 3850 Denver, CO 80202 (303) 778-5562 sebastian.caputto@rbccm.com</p>	<p>Sebastian Caputto, a Director in the Communications, Media and Entertainment investment banking group at RBCCM, provides mergers and acquisitions, corporate finance, and financial advisory services to clients primarily within the communications infrastructure (data centers, towers, small cell / DAS, fiber, and telecommunications providers) and media broadcasting space. Mr. Caputto will provide specific sell-side advisory services for all telecom assets. <b>Mr. Caputto served as the lead banker on the recent LCRA transaction.</b> Prior to joining RBC Capital Markets, Mr. Caputto was an Associate with J.P. Morgan in the Diversified Industrials investment banking group. Mr. Caputto received his Bachelor of Arts degree from the University of Colorado at Boulder, a Juris Doctor from Emory University, and his MBA from The University of Chicago.</p>
<p>Lauren Clark <i>Vice President</i></p> <p>200 Vesey Street 11th Floor New York, NY 10281 (212) 301-1521 lauren.clark@rbccm.com</p>	<p>Lauren Clark is a Vice President in the Communications, Media and Entertainment group at RBCCM, with four years of investment banking experience. Ms. Clark also supports clients primarily within the communications infrastructure sector (towers, small cell / DAS, fiber, broadcasting and telecommunications providers) with corporate finance, capital markets and financial advisory services. Ms. Clark will provide support to Mr. Caputto on all telecom asset monetizations. <b>Most recently, she closed the LCRA transaction alongside Mr. Caputto and Ms. Eckert.</b> Ms. Clark received her Bachelor of Arts degree from Tufts University and her MBA from NYU Stern School of Business.</p>

### 3. Investigations

Summarize any litigation, regulatory action or legal investigation involving your firm or its principals, filed or pending within the last three (3) years. Include a description of any filed or pending matters that have been resolved and the details of such resolution. Please discuss the impact this litigation would have on your ability to serve as an Advisor to the City. If the response requires an extensive list, include a summary table and reference an exhibit.

RBCCM is an indirect, wholly-owned subsidiary of Royal Bank of Canada, a large global institution subject to many different legal and regulatory requirements in the United States, Canada and other jurisdictions. Our response to this question is limited to matters involving the Municipal Markets business of RBC Capital Markets, LLC, the broker-dealer through which we conduct our municipal underwriting and financial advisory activities. From time to time, certain of RBCCM's regulators may conduct

investigations, initiate enforcement proceedings and/or enter into settlements with RBCCM with respect to issues raised in various investigations. Similarly, RBCCM is a defendant or respondent in various litigations and arbitrations that arise in the ordinary course of business. RBCCM complies fully with its regulators in all investigations and in all settlements RBCCM reaches. The Financial Industry Regulatory Authority ("FINRA"), in furtherance of its responsibilities as the securities industry's self-regulatory organization pursuant to Section 15A(i) of the Securities Exchange Act of 1934, maintains a public database on registered broker-dealers and their associated persons known as BrokerCheck (<http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/>). The information made available through BrokerCheck is derived from the Central Registration Depository (CRD®), the securities industry online registration and licensing database. Information in CRD is obtained through forms that broker-dealers, their associated persons and regulators complete as part of the securities industry registration and licensing process, and to comply with comprehensive disclosure obligations imposed by FINRA and other regulators. RBCCM generally does not disclose investigations, proceedings, litigations, arbitrations, or settlements except as required through CRD, and RBCCM makes no representations as to the existence or non-existence of any such investigations, proceedings, litigations, arbitrations, or settlements beyond what is available through CRD. To the extent material to the financial results of Royal Bank of Canada, any investigation, proceeding, litigation, arbitration, or settlement involving RBCCM also is disclosed in Royal Bank of Canada's financial statements, which may be obtained by visiting [www.rbc.com/investorrelations/](http://www.rbc.com/investorrelations/).

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#### 4. Fee Approach

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*Discuss your firm's approach to fees charged for financial advisory services contemplated by this RFP. Understanding that fee level and structure are largely transaction specific, include fee indications for a range of transaction options. The City reserves the right to negotiate any fees, expenses, or terms prior to the commencement of any transaction.*

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As discussed previously and as further highlighted in Question B2, the initial step needs to be understanding the City's goals and objectives and identifying any assets the City wishes to divest, including any revenue from these assets. With this information, RBCCM can provide a preliminary valuation. As part of RBCCM's coverage of the City, RBCCM would welcome the opportunity to begin Step 1 – Pre-Work Stage, in order to provide an initial valuation on one or more assets. ***If the City elects to sell and/or lease assets, RBCCM would like to serve as the City's sell-side advisor.*** In this capacity, we would work alongside PFM in conducting the sell-side process.

As the City has indicated in this RFP, fee level and structure are largely transaction specific. We would recommend discussing potential fees after we have had additional dialogue with the City and have a more defined roadmap based on the City's goals and objectives, as well as the type and number of assets the City wishes to divest.

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## B. Experience and Performance Information

### 1. Firm Experience

Briefly discuss your firm's experience in providing Financial and/or Investment Banking Advisory Services for local governments on complex financial transactions which are similar (but not limited) to public private partnerships or the lease, sale, and/or disposition of City assets. Please detail any such transaction in the State of Florida. Provide the specific experience of the individual(s) who will work with the City.

**Overview.** RBC Capital Markets is the broker-dealer subsidiary of Royal Bank of Canada and is headquartered in New York City. RBCCM is a full-service investment bank with over 6,500 professionals and support staff operating from 70 offices in 15 countries. RBC's credit ratings are among the highest in the municipal market. Our Municipal Finance Department is part of the Corporate and Global Investment Banking Group at RBCCM. In 2017, RBCCM was the #4 underwriter for negotiated transactions, senior managing 525 transactions totaling over \$24.08 billion.

Royal Bank of Canada is a publicly-owned, A1/AA-/AA rated, diversified global financial services company and a leading provider of financial products and services in personal and commercial banking, wealth management and trust, insurance, transaction processing, investment banking, interest rate and currency swaps, as well as a complete array of other financial products. RBC and its subsidiaries serve over 15 million corporate, governmental and individual clients through the effort of 79,000 employees in 44 countries. RBC is among the top 10 largest banks by market capitalization globally. RBC's financial strength is the result of significant prudent risk management and allows us to continue to build and support our client relationships.

**RBCCM – A Leader in the Infrastructure Business.** RBCCM's infrastructure business is a global team, fostering partnerships with clients across the world. The Firm has specific expertise in transportation, social infrastructure, utilities, fixed infrastructure, and telecom assets, and broad product offerings to facilitate transactions, all as noted below.

#### 2017 Municipal Finance Negotiated Senior Manager Rankings

Underwriting Firm	Par Amount (\$ mil)	Rank	Mkt. Share	# of Issues
Bank of America Merrill Lynch	\$41,440.0	1	13.3%	323
Citi	35,767.2	2	11.5	350
J.P. Morgan	28,632.6	3	9.2	246
<b>RBC Capital Markets</b>	<b>24,082.3</b>	<b>4</b>	<b>7.7</b>	<b>525</b>
Goldman Sachs	23,477.1	5	7.5	104
Morgan Stanley	21,209.1	6	6.8	205
Stifel Nicolaus	18,068.8	7	5.8	781
Wells Fargo	14,071.4	8	4.5	158
Barclays	13,066.6	9	4.2	107
Piper Jaffray	12,632.7	10	4.1	396
<b>Industry Total</b>	<b>\$311,426.9</b>	<b>-</b>	<b>100.0</b>	<b>6,574</b>

Source: Thomson Reuters

Negotiated: True Economics to Book Runner

Sector-Focused Expertise	InfraDeals League Tables since 2015 – North American Advisory <sup>(1)</sup>				Product Offering
<b>Transportation</b> <ul style="list-style-type: none"> <li>Roads, Tunnels &amp; Bridges</li> <li>Parking</li> <li>Ports &amp; Airports</li> <li>Light Rail, Heavy Rail &amp; Buses</li> </ul>	Rank	Company Name	Value (\$mm)	Deal Count	<b>Advisory Services</b> <ul style="list-style-type: none"> <li>Mergers &amp; Acquisitions</li> <li>Privatization</li> <li>PFI &amp; PPP</li> <li>Debt Structuring</li> <li>Bank &amp; Bond Markets</li> <li>Derivatives &amp; Risk Management</li> </ul>
<b>Social Infrastructure</b> <ul style="list-style-type: none"> <li>Agencies &amp; Not-for-Profits</li> <li>Governments &amp; Municipalities</li> <li>Government Real Estate</li> <li>Social &amp; Key Worker Housing</li> <li>Universities &amp; Student Accommodation</li> </ul>	1	Royal Bank of Canada	18,973	25	<b>Bank &amp; Bond Products</b> <ul style="list-style-type: none"> <li>Acquisition &amp; Project Finance</li> <li>Debt Underwriting &amp; Distribution</li> <li>Senior &amp; Mezzanine Debt</li> <li>Private Placements</li> <li>Equity Sourcing</li> </ul>
<b>Utilities, Midstream &amp; Environmental Services</b> <ul style="list-style-type: none"> <li>Gas &amp; Electricity Networks</li> <li>Regulated Utilities</li> <li>Renewable Energy</li> <li>Midstream</li> <li>Waste</li> <li>Water</li> </ul>	2	KPMG	14,384	20	<b>Risk Management</b> <ul style="list-style-type: none"> <li>Interest Rate</li> <li>Exchange Rate</li> <li>Inflation Rate</li> <li>Commodities Pricing</li> <li>Credit</li> </ul>
<b>Fixed Infrastructure</b> <ul style="list-style-type: none"> <li>Defense</li> <li>Education &amp; Schools</li> <li>Healthcare &amp; Hospitals</li> </ul>	3	EY	10,675	16	
	3	Barclays	10,568	16	
	5	Macquarie Capital	22,329	15	
	6	Goldman Sachs	21,029	14	
	7	Morgan Stanley	14,106	13	
	7	Evercore Partners	8,445	13	
	9	Deloitte	2,935	12	
	10	Credit Suisse	13,638	11	
Select Transactions					
<div> <b>OAKTREE AEROSTAR</b>  \$430,000,000  Sale of 100% stake in Aerostar Airport Holdings (plus further spin international airport)  Financial Advisor to Oaktree </div> <div> <b>Confidential</b>  Acquisition of Northwest Parkway  Financial Advisor to Underwriter </div> <div> <b>GLOBALVIA</b>  <b>Confidential</b>  Acquisition of Peachtree Parkway  Sole Financial Advisor and Sole Placement Agent to Globalvia (NASDAQ: GVA) </div> <div> <b>BOREALIS</b>  <b>Confidential</b>  Acquisition of Chicago Supply  Sole Financial Advisor, Sole Placement Agent, Investor, Lead Arranger, and Lead Book Manager to Boreal (NASDAQ: BORE) </div> <div> <b>INDIANA TOLL ROAD</b>  \$2,850,000,000  Indiana Toll Road Acquisition Financing  Managed: Lead Arranger, Active Joint Bookrunner and Lead Book Manager </div>					
<div> <b>Global Container Terminals</b>  \$1,075,000,000  Global Container Terminals Debt Refinancing  Financial Advisor, Lead, Joint Placement Agent, and Lead Book Manager </div> <div> <b>Confidential</b>  Acquisition of 49% int in NTR Terminals, N. America  Financial Advisor to Macquarie International Terminals, N. America </div> <div> <b>intoll ETR</b>  \$4,000,000,000  Intoll IABT ETR Privatization of intoll &amp; 10% stake in 40 ETR  Sole Financial Advisor </div> <div> <b>PORTS AMERICA</b>  \$745,000,000  Ports America Recapitalization  Financial Advisor, Lead, Joint Arranger, Bookrunner, Lead Issuing Bank and Admin. Agent </div> <div> <b>metropistas</b>  \$1,136,000  Acquisition of PR 225  Financial Advisor, Managed, Lead Arranger, Lead Book Manager </div>					

<sup>(1)</sup> Reflects January 2015 through December 2017.




**Strategic Financial Advisory Role for the City of Jacksonville, Florida.** Our Municipal Finance team has partnered with our Power, Utilities & Infrastructure ("PU&I") and Communications, Media and Entertainment ("CME") Investment Banking groups to identify potential monetization opportunities for the City of Jacksonville. Such an effort may enable the City to recapitalize its balance sheet and improve operating cash flow in the face of declining state and federal financial support. RBCCM is uniquely positioned to advise the City on maximizing value on its various asset types including but not limited to parking, utility, transportation, and telecom assets owned by the City or its respective agencies. *For the two year period from 2015 to 2017, RBCCM ranks as the #1 Advisor by number of transactions in the InfraDeals League Table for North American Advisory, having served as Advisor for over \$18.9 billion of transactions on 25 separate deals. Combine that experience with RBCCM's #4 ranking in SDC's 2017 Municipal Underwriter Senior Managed League Tables, RBCCM is the most qualified firm to serve the City of Jacksonville's Strategic Advisory needs.*

**Specific Municipal Entity Privatizations / Asset Monetization Experience.** Most recently, RBCCM Municipal Finance, and respective PU&I / CME teams served as Advisor for three distinct public sector monetizations, including a buy-side advisor role for ENGIE / Axiom's purchase of a 50 year concession to manage and operate The Ohio State University's utility system; a sell-side advisor role for DePaul University's divestiture of a student housing, conference, and classroom facility in Chicago; and a sell-side advisor role for the Lower Colorado River Authority's ("LCRA") divestiture of 77 cell towers to Vertical Bridge.

 <p><b>\$1,165,000,000</b></p> <p>50 year Concession Agreement with The Ohio State University to Manage and Operate the University's Utility System</p> <p>Buy Side Advisor to Engie and Axiom</p>	 <p><b>\$201,000,000</b></p> <p>Monetization of Student Housing, Conference Center and Classroom Facility in Chicago</p> <p>Sell Side Advisor to the Educational Advancement Fund</p>	 <p><b>Undisclosed</b></p> <p>Divestiture of 77 Cell Tower Assets to Vertical Bridge</p> <p>Sell Side Advisor</p>
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## Case Study: The Ohio State University Utility System Privatization

 On April 10th, 2017, Ohio State Energy Partners, comprised of ENGIE North America and Axiom Infrastructure, entered into a 50-year public-private partnership through a concession agreement with The Ohio State University to operate and manage OSU's Columbus campus utility system comprised of electric, steam, heating, natural gas and chilled water facilities. The total value of the concession agreement was \$1.165 billion, which included a \$1.015 billion upfront payment to the University and a \$150 million commitment to support academics in specific areas requested by students, faculty and staff, including a \$50 million Energy Advancement and Innovation Center for energy research and technology commercialization. The proceeds of the upfront payment were invested into OSU's endowment, dedicated to priorities outlined in the University's strategic plan. Areas of investment included: i) student financial aid to support access, affordability and excellence; ii) compensation enhancements for faculty and staff to support competitiveness with academic peers; iii) classrooms, research labs and performance and arts spaces across disciplines; and iv) a fund to enhance sustainability efforts, among other strategic initiatives. RBCCM acted as sole buy-side advisor to ENGIE and Axiom. RBCCM also acted as Lead Placement Agent and Ratings Advisor for a senior secured private placement notes offering to support the acquisition as well as Joint Lead Arranger on revolving credit facilities to support ongoing capital expenditures. RBCCM bankers led this transaction from the PU&I team and **Christopher Good** provided execution support on this transaction. Additional information regarding firm personnel can be found in Section A2 – Coverage Team.

The acquisition of The Ohio State University's energy infrastructure concession for \$1.165 billion represents the largest monetization of a public higher education asset to date, as well as a significant energy infrastructure financing. RBCCM's role as buy-side advisor and financing investment bank to ENGIE / Axiom Infrastructure provides a unique perspective on the viability of public sector utility infrastructure monetization.

## Case Study: University Center Chicago Asset Monetization



On July 20, 2017, RBCCM completed a unique investment banking / strategic advisory assignment for the Educational Advancement Fund (the “EAF”) – a non-profit organization jointly created by DePaul University, Roosevelt University and Columbia College Chicago for the purpose of financing, constructing, operating and maintaining the University Center Chicago (the “UCC”). UCC is a ~1,700 bed student housing, conference and retail facility in Chicago's inner loop, established for the purpose of housing students from the three academic institutions and advancing their educational mission. The UCC was financed with \$151 million in tax-exempt bonds in 2002 (ratings of Baa2 Moody's / BBB Fitch), which were subsequently restructured in 2006, and were outstanding in the amount of \$126.725 million and currently callable. RBCCM conducted extensive valuation analysis of the asset and recommended pursuing the sale process through which the UCC was monetized through a sale to a qualified investment party. RBCCM served as sell-side advisor to the Educational Advancement Fund, in partnership with the broker CB Richard Ellis. In the concession, member institutions of the EAF entered into master lease agreements for a defined number of beds, with a predetermined rate of rent increase, in exchange for the purchase price of the UCC. The Purchase price was netted against the outstanding debt, resulting in distributions to the member institutions to enhance their educational mission. In the dissolution of the debt, certain reserve funds in excess of \$20 million were also released back to the member institutions. Distributions to member institutions were utilized to reduce deferred maintenance on other campus facilities, as well as for academic programming, research and student scholarships. RBCCM's engagement included an analysis of the underlying bond documents, covenants and market conditions to determine the viability of a sale and debt defeasance, detailed work with the three member institutions to determine their objectives in a sale and participation in an ongoing master lease, preparation of offering documents and negotiations with potential counterparties. The transaction closed July 20, 2017, with a sale price of \$201 million paid to the Educational Advancement Fund. **Kevin Hoecker** led this transaction for RBCCM, supported by **Christopher Good**. Additional information regarding these personnel can be found in Section A2 – Coverage Team.

The monetization of the University Center Chicago for \$201 million represents the largest single student housing monetization to date and a unique public private partnership structure which allowed for the recapitalization of the balance sheets of DePaul University, Roosevelt University and Columbia College.

## Case Study: Lower Colorado River Authority



On September 15, 2017, Lower Colorado River Authority (“LCRA”) closed on the sale and long-term lease of 77 cell towers to Vertical Bridge Towers II, LLC (“Vertical Bridge”). LCRA provides many vital services to Texans, including delivering electricity to millions of people in Central Texas and managing the water supply and environment of the lower Colorado River basin. In the 1970s, LCRA began constructing towers on its properties to service its communication needs, including those of Lower Colorado River Authority Transmission Services Corporation (“LCRA TSC”). LCRA decided to capitalize on the high demand for wireless infrastructure by partnering with the private sector through its sale and leaseback of these non-core tower assets. LCRA trifurcated its tower portfolio into i) For Sale, ii) For-Lease Marketable, and iii) For-Lease Non-Marketable, each with separate lease agreements and terms with LCRA and LCRA TSC. This trifurcation ensured that the partnership in no way impedes the operation of LCRA's core infrastructure. In other instances, LCRA was able to fence off the tower and/or provide escort services to those towers in a sensitive area. The transaction also allows LCRA and LCRA TSC (highly rated counterparties) to continue utilizing a portion of the towers for their own communication needs. Furthermore, LCRA has entered into a revenue-sharing agreement with Vertical Bridge on the build-out and lease-up of future towers and/or equipment on existing infrastructure that will be revenue accretive to LCRA. On behalf of LCRA, RBCCM conducted a two-round competitive bid process. LCRA ultimately chose to enter into exclusive negotiations with Vertical Bridge at a tower cash flow multiple of approximately 19.0x. This upfront payment is an aggregate of the value of four components LCRA was able to successfully monetize; 1) a leaseback of space on the tower by LCRA and LCRA Transmission Services Corporation, 2) current 3rd party revenue and contracts, 3) lease-up potential and supply and demand metrics of the area surrounding a respective tower, and 4) value of the Revenue and Marketing Share agreement whereby LCRA and Vertical Bridge will share in the economics of lease revenue on new towers built and/or attached to transmission assets. **Sebastian Caputto** and **Vanessa Eckert** led this transaction and were supported by **Lauren Clark**. Additional information regarding these personnel can be found in Section A2 – Coverage Team.

*Given the nature of this particular cell tower portfolio, the resulting sales multiple exceeded what few tower precedents there were and exemplifies the high demand for wireless infrastructure.*

**RBCCM National and Global Experience.** Below are additional selected credentials for our Power, Utilities & Infrastructure business, including credentials on parking transactions, as well as Communications, Media, & Entertainment transactions.

## RBCCM | Power & Utilities Experience

### Selected Credentials

#### Recent / Relevant Sell-Side M&A Transactions

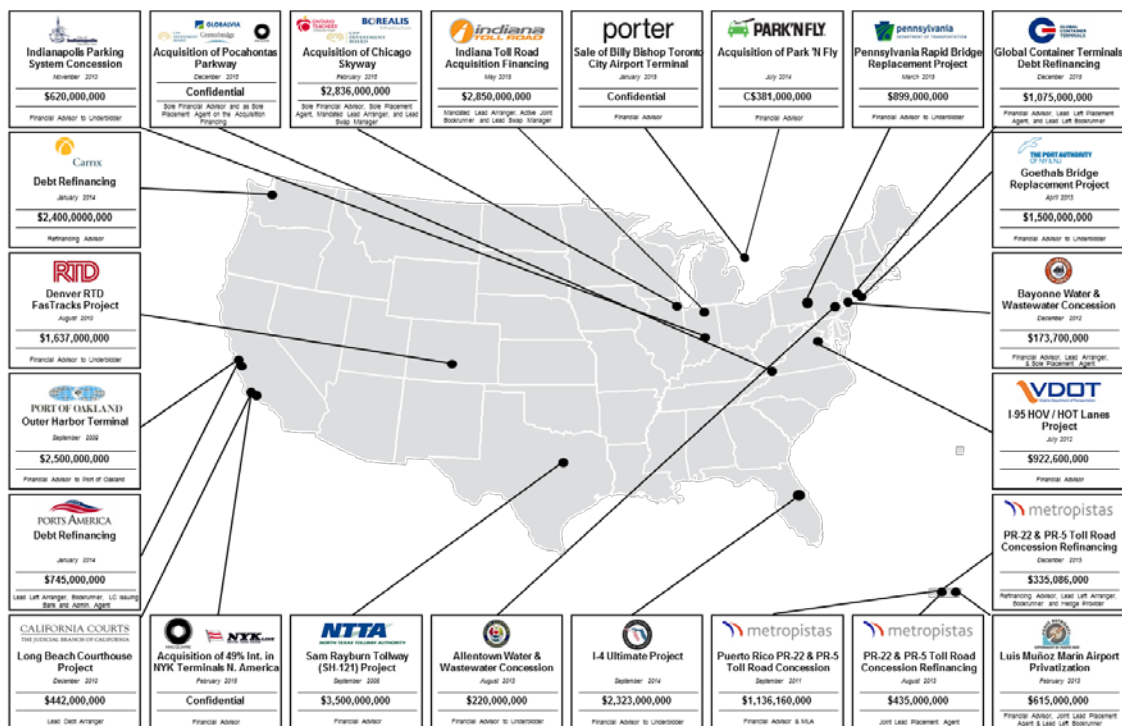
<b>Confidential</b> <b>Confidential</b> <b>Confidential</b> Sale of U.S. Rooftop Solar Portfolio Financial Advisor to Seller Ongoing	<b>NEPTUNE</b> Sale of Class B Interest In the Market Financial Advisor to Seller Ongoing	<b>XOOM</b> Sale of North American Operations In the Market Financial Advisor to Seller Ongoing	<b>Confidential</b> Sale of Non-Controlling stake in a privately held IPP <b>Confidential</b> Financial Advisor to Seller Ongoing	<b>Confidential</b> Sale of two Gas-Fired Generation Assets <b>In the Market</b> Financial Advisor to Seller Ongoing
<b>GLOBALVIA</b> Sale of Minority Stake in Pocahontas Parkway <b>Confidential</b> Sole Financial Advisor Ongoing	<b>BOREALIS GIC</b> Exclusive Financial Advisor to Borealis Infrastructure and GIC <b>\$2,410,000,000</b> Exclusive Financial Advisor to Borealis Infrastructure and GIC Terminated	<b>EVERSOURCE</b> Sale of Aquarion Water Company <b>\$1,675,000,000</b> Exclusive Financial Advisor to Macquarie December 2017	<b>OAKTREE AEROSTAR</b> Sale of 50% Interest in Aerostar Airport Holdings (LMM Int'l Airport) <b>\$430,000,000</b> Financial Advisor to Oaktree May 2017	<b>SCANA</b> SCANA Corporation to combine with Dominion Energy in a Stock-for-Stock Merger <b>\$14,600,000,000</b> Financial Advisor to SCANA Pending
<b>TALEN ENERGY</b> <b>Brookfield</b> Sale of 292 MW of Hydro Generation Assets in Pennsylvania <b>\$860,000,000</b> Financial Advisor to Talen Energy April 2016	<b>Brookfield RET Capital</b> Sale of 102 MW Wind Project in California <b>Confidential</b> Financial Advisor to Seller June 2015	<b>Metalmark Capital</b> <b>Ni America</b> Sale of Regulated Water and Wastewater Utilities <b>Confidential</b> Financial Advisor to Metalmark Capital March 2015	<b>SCANA Dominion</b> Sale of Carolina Gas Transmission Corporation to Dominion <b>\$492,900,000</b> Financial Advisor to SCANA January 2015	<b>SNC-Lavalin ALTA LINK</b> Sale of AltaLink to Berkshire Hathaway Energy <b>C\$7,200,000,000</b> Financial Advisor to SNC-Lavalin December 2014

#### Recent / Relevant Buy-Side M&A Transactions

<b>Confidential</b> Buy-Side Advisor to Consortium on Regulated Utility Acquisition <b>In the Market</b> Financial Advisor to Buyer Ongoing	<b>Confidential</b> Buy-Side Advisor on Acquisition of District Energy System <b>In the Market</b> Financial Advisor to Buyer Ongoing	<b>ENGIE AXIUM</b> 50-year Concession Agreement to Manage University Utility System <b>\$1,165,000,000</b> Exclusive Financial Advisor Lead Placement Agent, Joint Lead Arranger, Ratings Advisor July 2017
<b>DYNEGY ENGIE</b> Acquisition of 8.7 GW generation portfolio from ENGIE <b>\$3,300,000,000</b> Financial Advisor and Lead Financial Provider to Dynegy February 2017	<b>RIVER STONE TALEN</b> Acquisition of Talen Energy Corporation <b>\$5,200,000,000</b> Financial and Ratings Advisor, Lead Arranger and Joint Bookrunner December 2016	<b>POWER GROUP DYNEGY</b> Acquisition of Dynegy's 50% equity interest in Elwood Energy Facility <b>\$172,500,000</b> Exclusive Financial Advisor to J-Power November 2016
<b>ONTARIO TRUCKERS BC REALIS</b> Acquisition of Chicago Skyway <b>\$2,836,000,000</b> Sole Financial Advisor February 2016	<b>MEAG Invenergy</b> Acquisition of Minority Stake in Texas Wind Portfolio <b>Confidential</b> Financial Advisor to MEAG December 2014	<b>NORTHERN STAR TEACHERS</b> CalPERS and Harbert Management acquired 50% of Northern Star Generation from Ontario Teacher's Pension Plan <b>Confidential</b> Financial advisor to CalPERS and Harbert June 2014

## RBCCM | U.S. Infrastructure Experience

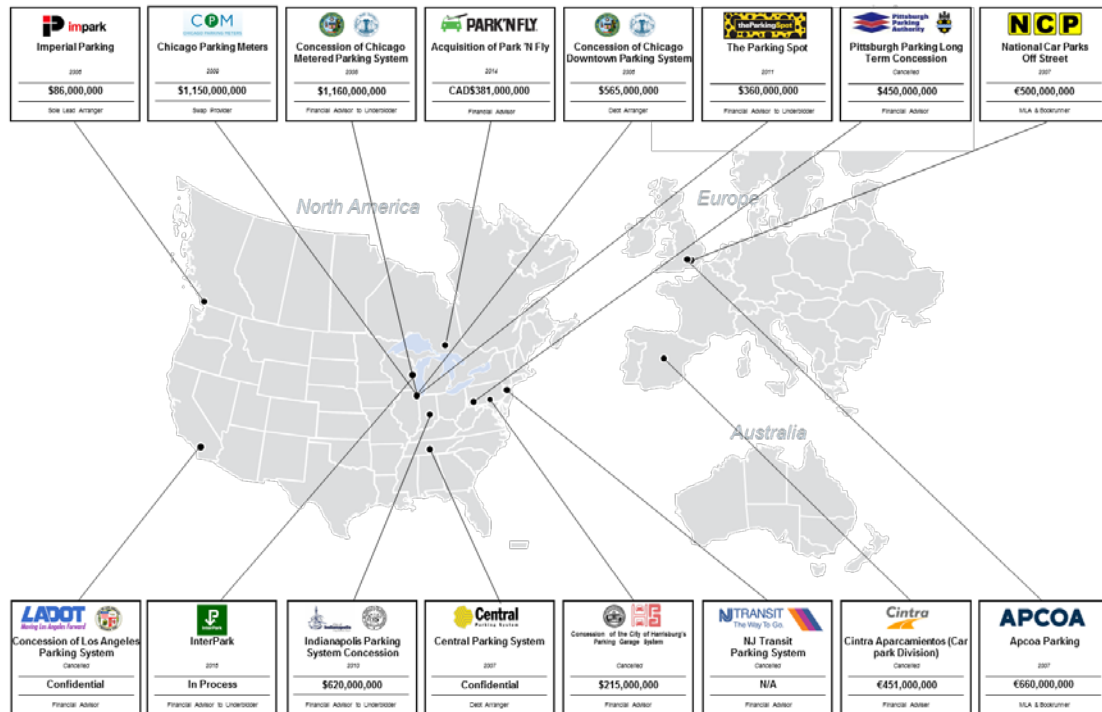
### Selected Credentials





## RBCCM | Global Parking Sector Experience

### Selected Credentials



## RBCCM | Communications Infrastructure Industry M&A Expertise

### Select Merger and Acquisition Transactions

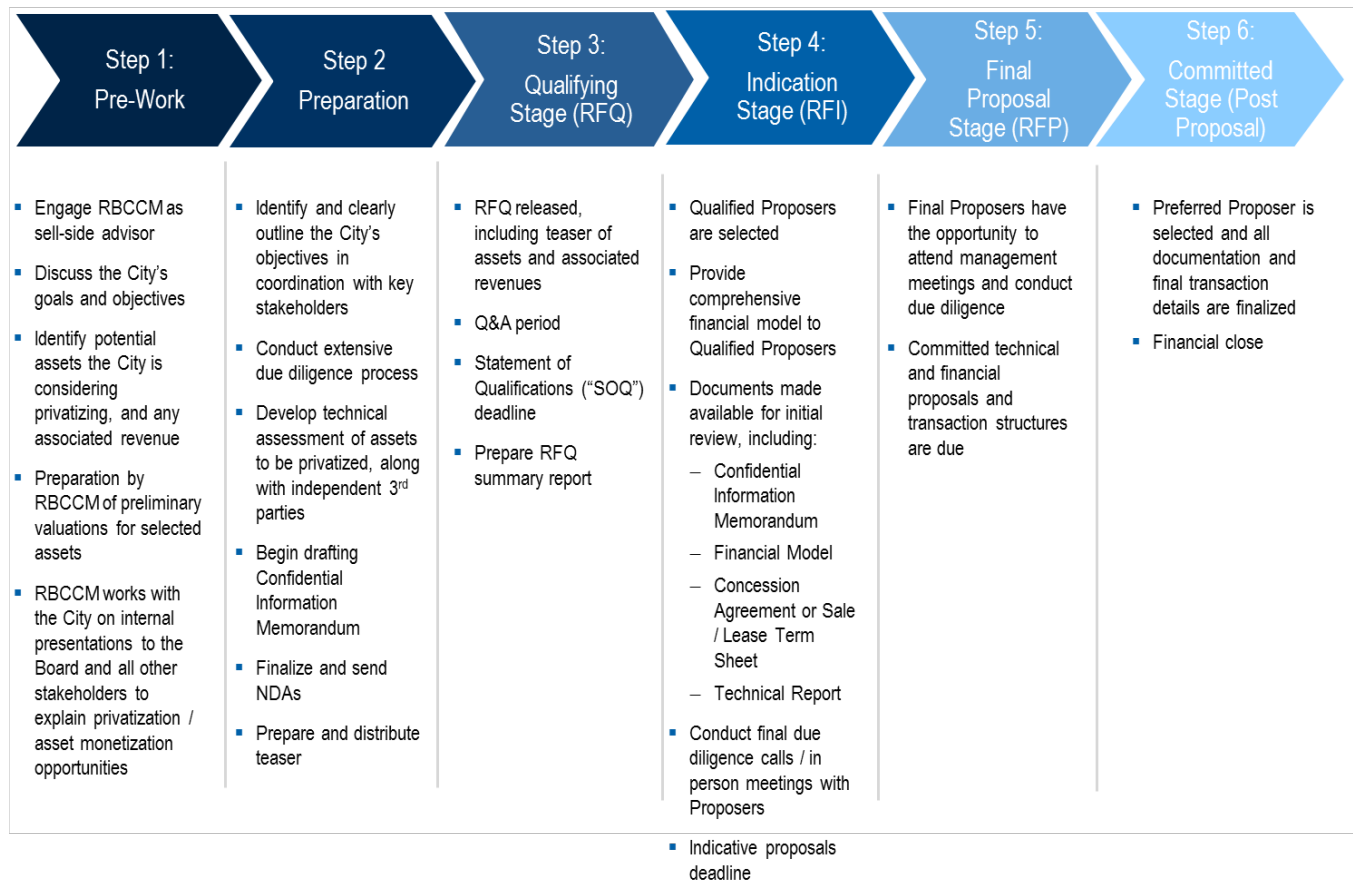
<b>Project Eclipse</b> Not Available Sell-side Advisor Pending	<b>zenium</b> Technology Partners Acquisition by CytusOne \$442,000,000 Sell-side Advisor In-Market	The Irish Infrastructure Fund managed by <b>AMPCAPITAL</b> And Irish Life Investment Managers have acquired a 78% stake in <b>enet</b> Undisclosed Sole Financial Advisor Pending	<b>altice</b> Project Mercury Undisclosed Sole Financial Advisor Ongoing	LIBERTY GLOBAL Divesting 49% in Telecommunications Services Trinidad and Tobago Undisclosed Sole Financial Advisor to Liberty Global Ongoing	<b>metronode</b> DATA CENTRES Acquisition by <b>EQUINIX</b> \$787,000,000 Financial Advisor to Seller December 2017
<b>zenium</b> Technology Partners Acquisition by <b>EQUINIX</b> \$93,000,000 Financial Advisor to Seller October 2017	<b>LCRA</b> has divested 77 cell tower assets to <b>verticalbridge</b> Undisclosed Sell-Side Advisor to LCRA September 2017	<b>southern light</b> Acquisition by <b>Uniti</b> \$700,000,000 Financial Advisor to Uniti April 2017	<b>VANTAGE</b> Acquisition by <b>digitalbridge</b> Undisclosed Financial Advisor to Seller March 2017	<b>io</b> (United Kingdom data center operating business) Acquisition by <b>EQUINIX</b> Confidential Financial Advisor to Equinix February 2017	<b>rackspace</b> Acquisition by <b>APOLLO</b> \$4,300,000,000 Financial Advisor to Apollo May 2016
<b>EQUINIX TELECOM</b> (8 European Assets) Acquisition by <b>DIGITAL REALTY</b> \$874,000,000 Sell-side Advisor to Equinix May 2016	<b>AXIA</b> Acquisition by <b>Partners Group</b> C\$272,000,000 M&A Advisor to Partners Group March 2016	<b>fibrenoire</b> Acquisition by <b>VIDEOTRON</b> C\$125,000,000 M&A Advisor to Fibrenoire January 2016	<b>windstream</b> Acquisition by <b>tierpoint</b> \$575,000,000 Sell-side Advisor to Windstream December 2015	<b>allstream</b> Acquisition by <b>zayo</b> C\$465,000,000 Financial Advisor to Zayo November 2015	<b>columbus</b> Columbus International, a diversified telecommunications company, has been acquired by <b>Cable &amp; Wireless Communications</b> \$3,025,000,000 M&A Advisor to Columbus International March 2015

Note: Communications Infrastructure includes Bandwidth Infrastructure, Internet Infrastructure and Wireless infrastructure.

## 2. Discussion of Strategic Financial Advisory Approach and Current Market Environment

Provide a discussion of your firm's approach applicable to the City's potential review and completion of strategic opportunities. Also, provide a review of the current market environment as it relates to strategic opportunities.

**RBCCM's Approach for Infrastructure Monetization.** Included below is RBCCM's Six Step Asset Monetization Approach. As the City is probably aware, asset monetization / privatization is not a one size fits all endeavor. Given the very broad nature of the City's RFP for Strategic Initiatives Financial Advisory Services, RBCCM will begin our engagement with a Pre-Work stage to better understand the City's goals and objectives, including identification of potential assets for divestiture, and providing preliminary valuations (Step 1). Once certain assets are identified for divestiture, RBCCM will transition into a Preparation Stage (Step 2), which will include extensive due diligence and technical assessments of selected assets, and preparation and distribution of a teaser. Step 3 is the Qualifying Stage which will include release of an RFQ. Step 4 is the Indication Stage, which begins once qualified proposers (purchasers/concessionaires) are selected. In this stage, detailed materials are prepared, including a comprehensive Confidential Information Memorandum and Financial Model. At the end of this stage, proposers provide indicative proposals through an RFI process. Step 5 includes the Final Proposal (RFP) Stage where final proposers submit detailed financial proposals. Step 6 culminates in the preferred proposer's selection and financial close. Depending on the type of asset to be monetized, the three step bid process can be condensed into two stages by eliminating Step 3. RBCCM will be a partner with the City and its financial advisor during the sell-side process.



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**Current Market Environment for Infrastructure Investments.** RBCCM, as a global leader in infrastructure advisory, has seen strong demand for private infrastructure investments over the last few years. As the Financial Times has noted, investments in global infrastructure assets hit a record \$413bn in 2016, a rise of 14 per cent from the prior year. Competition for assets, particularly secondary stage (already built and operating) assets in developed economies, has pushed valuations higher. Low interest rates have also contributed to higher pricing demands as leverage becomes cheaper.<sup>1</sup>

The search for low-risk infrastructure investments has led to several large investors including Brookfield Asset Management Inc. (\$14 billion fund), Global Infrastructure Partners (\$15.8 billion fund), and Blackstone (\$40 billion fund) to establish multi-billion infrastructure funds. Investors in these funds include sovereign wealth funds, pension funds, insurance companies, and asset managers. They favor secondary stage investments that deliver steady income streams.

Whereas demand for infrastructure investments has soared, global spending on infrastructure development as a percentage of GDP has declined over the last 40 years, from a peak of 28% to 24% in 2014. This decline has partly been a function of high fiscal debt levels which has reduced government spending on upkeep and enhancements. In order to support continued maintenance and further development, many cash-strapped governmental entities have sold leases or contracts on key pieces of infrastructure. In doing so, they have called on private investors to support the growing need for development and pass on the responsibility for maintaining and operating these assets. According to the Privatization Barometer, governments raised over US\$812 billion between 2012 and 2015 through privatization of assets.<sup>2</sup> In response, RBCCM has witnessed an influx of capital from private investors and institutional funds who want to participate in the stable growth and long-term contracts many of these projects offer.

**Infrastructure Investors: Investing for Income and Growth.** Infrastructure assets tend to share a number of key attributes that make them attractive for long-term investors seeking income and growth. These include:

- **Essential Assets:** Often infrastructure assets provide essential public goods or services to a community. Assets such as transportation corridors, rail links, energy and water distribution systems, airports, hospitals, schools and courthouses are essential to the sustainability and growth of an economy.
- **High Barriers to Entry:** High barriers to entry are a strategic advantage which prevent or diminish competition. Examples include government granted long-term toll road concessions and legal monopolies for water supply provision. In the case of assets such as airports and energy distribution systems, the limited availability of land, high cost of new development and planning and environmental restrictions generally preclude the economic viability of a directly competing asset.
- **Stable, Predictable Cash Flows Often Linked to Inflation:** The contracts underpinning the provision of infrastructure services tend to be long term with predictable revenue streams to match the long life and monopolistic nature of infrastructure assets. These contracts typically protect operators from the impact of inflation over the contract life by including formulas that adjust payments for inflation (e.g., availability payments on social infrastructure assets, contractual adjustments for toll roads, regulated concession adjustments for utilities).
- **Resistant to Economic Downturn:** Because of the essential nature of infrastructure assets, their monopolistic characteristics and high barriers to entry, infrastructure can be considered a classic defensive investment, generally resistant to changes in the economic cycle.
- **Very Long Operational Life:** Many infrastructure assets are hard, physical assets and, once built, exist for generations. As tangible assets that endure, infrastructure has the ability to generate cash flows over long periods of time.

These features combine to make infrastructure an attractive investment, one with predictable revenue streams that are contracted out for long periods of time and resistant to competitive threats and economic downturns.

**Drivers of North American Communications Infrastructure Demand.** In addition to general infrastructure demand for asset types such as ports, airports, and utility systems, certain asset classes such as broadband and communications infrastructure have become prime candidates for municipal asset monetization. Fixed broadband has become integral to the future of

<sup>1</sup> Financial Times, 1/23/2017

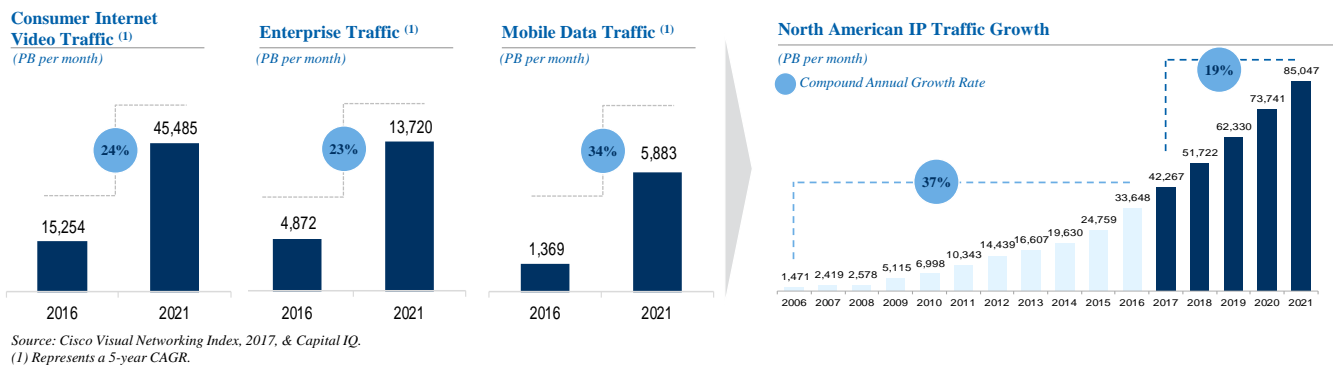
<sup>2</sup> Privatization Barometer: The PB Report 2014/2015.

communications infrastructure as the economy, society and the environment now relies heavily on the Internet and associated applications. The growth of cloud-based computing, video, mobile and social media applications, machine- to- machine connectivity, and other bandwidth-intensive applications continue to rapidly drive increasing consumption of bandwidth on a global basis.

On the commercial side, more enterprises are moving IT workloads and storage off-premise. Managed network services and high availability will be critical to support numerous, cloud-based applications across a distributed workforce. Other opportunities include specialized networks to serve specific enterprise customer verticals (healthcare, financial/trading, etc.) and ultra-secure networks that meet the needs of educational and government agencies

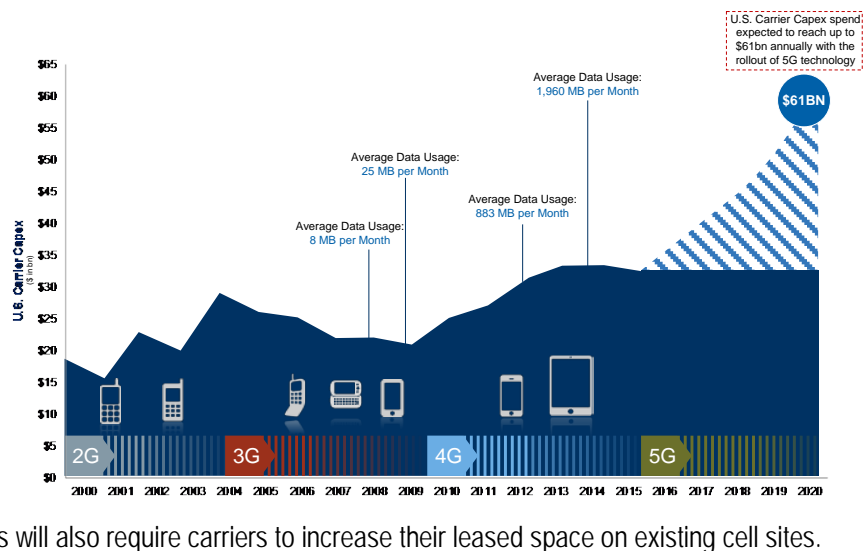
Traffic from wireless and mobile devices is expected to exceed traffic from wired devices, accounting for 63% of total IP traffic by 2021. To remain competitive, wireless service providers are making significant investments to boost network density, capacity, quality and speeds. The emergence of high bandwidth, low latency 5G technology is driving the need for more macro and small cell sites as well as other distributed network architectures to get closer to the end-user. Data produced and consumed by these users will need to be offloaded to smaller footprint base stations and data centers which will aggregate, process and store it before it is transported to more centralized locations. All of the fronthaul and backhaul between these distributed network elements will need to be connected via robust fiber infrastructure. This provides bandwidth infrastructure providers with significant fiber-to-the-tower (FTTT) and other wireless backhaul opportunities.

These numerous trends highlight the critical nature of communications infrastructure and have supported the significant deal volume and strong valuations across the sector and will need to be supported by continued investment in fiber networks, cellular towers and data centers.



## Tower Industry Trends.

The usage of wireless communications services and the expanding infrastructure required to deploy current and future generations of wireless communications technologies continues to grow in the U.S. and internationally. Based on current trends, wireless service providers will continue to invest in their networks to meet demand from their new and existing subscribers. As carriers experience network capacity constraints in certain locations, they will likely be required to deploy more equipment and new cell sites / rooftop installations to maintain their high quality of service. The rollout of 5G networks will also require carriers to increase their leased space on existing cell sites.



### 3. Marketing Approach

Describe your firm's approach to marketing strategic opportunities to potential counterparties.

Describe your approach to ensuring the City receives the best execution of any potential transaction.

**Our Approach.** As briefly mentioned above, depending on the type of asset, RBCCM would either proceed with a two-step or three-step bidding process. We believe that heightened competition will drive additional value and more favorable business terms for the City. After the Preparation Stage, we will work with the City and its financial advisor to assemble the following deliverables:

1. **Teaser.** One-to-two page summary of transaction that will be used to initiate the preliminary dialogue with the bidders, concurrently sent with NDAs.
2. **Comprehensive Financial Model.** Excel file synthesizing the portfolio of assets, lease terms (if applicable), and revenue / expenses, and open dataroom with detailed information.
3. **Comprehensive Confidential Information Memorandum ("CIM").** A document containing an overview of the transaction, detailed description of the assets, financial performance, and investment considerations.
4. **Management Presentation.** For those that advance to the RFI stage, we may recommend scheduling in-person management meetings to discuss the CIM in greater detail as well as site visits. The management presentation is also a great opportunity for the City to meet with each bidder to better understand the management team, since the transaction may be a long-term partnership between the bidder and the City.

**Example of Cell Tower / Telecom Datatape:** An example of the information included on a cell tower datatape is found below:

#### Tower Characteristics of Interest

Tower Specifications	Tenant Leases	Tower Cash Flows
<ul style="list-style-type: none"><li>▪ Site Name</li><li>▪ State</li><li>▪ MSA</li><li>▪ County</li><li>▪ Lat / Longitude</li><li>▪ Tower Type</li><li>▪ Lighting</li><li>▪ Manufacturer</li><li>▪ Year Built</li><li>▪ Tower Height</li><li>▪ Ground Elevation</li><li>▪ Number of Tenants / Capacity</li></ul>	<ul style="list-style-type: none"><li>▪ Service Type</li><li>▪ Lease Commencement</li><li>▪ Current End Date</li><li>▪ Final Term Date</li><li>▪ Renewals Remaining</li><li>▪ # of Antennas</li><li>▪ Description type</li><li>▪ Escalation Rate / Period</li><li>▪ Payment Frequency</li><li>▪ Monthly Amount</li></ul>	<ul style="list-style-type: none"><li>▪ Annual Revenue</li><li>▪ Ground Lease Expense</li><li>▪ Property Taxes (if any)</li><li>▪ O&amp;M Expenses</li></ul>

**Bid Process.** Upon receipt of the initial bids at the end of Step 4 – RFI Stage, RBCCM will compare the initial valuations / summary of terms to the City. We will work with the City to narrow down the list to a handful that would advance to the Step 5 RFP Stage – i.e., the final bid round.

As part of the Step 5 RFP Stage, proposers will have an opportunity to meet the management team as well as conduct additional due diligence on the assets (i.e., site visits). The Step 5 RFP Stage / final bid process will also include the proposers' mark-up of the Asset Purchase Agreement or Concession Agreement (legal document that governs the sale / lease of asset). This will give the City and its legal team a strong indication of issues that each proposer may have with the terms of the contract. RBCCM will review / compare the RFP bids and make a recommendation to the City. RBCCM believes a competitive bid process will greatly benefit the City in maximizing value.

**RBCCM's Expertise.** RBCCM's PU&I and CME team has long-standing relationships with the universe of bidders for potential City of Jacksonville asset monetization transactions as highlighted below. RBCCM will leverage these relationships to drive value for the City. RBCCM is ranked #7 for combined debt and equity financings (2017-2018) for power and utility financings, and #2 for combined debt and equity financings (2012-2017) in the communication sector. RBCCM's PU&I and CME teams are leaders in providing investment banking services to the power, utilities, infrastructure, and telecommunication industry.



**Valuation Models.** In addition, RBCCM will work with the City and PFM to develop valuation models, triangulating around comparables analysis on precedent transactions, and discounted cash flow analyses. Based on the information gathered during the due diligence phase, our team will have a very good handle on expected valuations ranges *before* we initiate the bid process. This, in turn, gives our team the upper hand in initiating dialogues with the bidders to drive value. RBCCM knows the market and the bidders know RBCCM is a respected player in this space.

#### 4. References

Please provide three (3) local government financing references, including name, title, telephone number, type of transaction, and the date(s) of service.

We would encourage the City to contact our references below that will each attest to our strengths in maximizing value on the respective transactions. RBCCM kindly request an opportunity to provide a courtesy notice to the referees prior to them being contacted.

##### Client References

Client	Lower Colorado River Authority	DePaul University	ENGIE
RBCCM Role	Sell-Side Advisor to LCRA for their divestiture of 77 cell towers	Sell-Side Advisor to Educational Advancement Fund on the sale of The University Center	Buy-Side Advisor to ENGIE and Axiom on concession agreement with The Ohio State University to manage and operate the University's Utility System
Name	Richard Williams	Jeffrey Bethke	John Givens
Title	Chief Financial Officer	Executive Vice President	Senior Developer
Telephone	(512) 578-3132	(312) 362-6695	(713) 636-1431
Email	richard.williams@lcra.org	jbethke@depaul.edu	john.givens@engie.com
Date(s) of Service	June 2016 - September 2017	July 2016 - July 2017	February 2015-July 2017
Relevance	One of the largest divestitures by a municipal client in the telecom sector	Largest monetization of a public higher education asset to date	Largest single student housing monetization to date



## 5. City Experience

Provide information on any previous work done with the City.

### Local Transaction Experience

RBCCM has a long history and commitment to the City of Jacksonville and Duval County. Since 1980, RBCCM has served as underwriter on 85 transactions for a par amount in excess of \$3.2 billion, including 47 transactions for over \$826.9 million as a senior manager. In addition, RBCCM served as underwriter on over 74 transactions for a par amount in excess of \$12.2 billion for the Jacksonville Electric Authority, including over \$702.3 million of transactions as senior manager since 2010.

#### RBCCM Underwriting Experience since 1980

	Jacksonville and Duval Co						Jacksonville Electric Authority					
	1980-1999		2000-2009		2010-2017		1980-1999		2000-2009		2010-2017	
	Par Amt (\$ mils)	Count	Par Amt (\$ mils)	Count	Par Amt (\$ mils)	Count	Par Amt (\$ mils)	Count	Par Amt (\$ mils)	Count	Par Amt (\$ mils)	Count
<b>All Experience</b>												
Senior Manager	\$ 498.8	28	\$ 277.6	15	\$ 51.0	4					\$ 702.7	7
Co-Manager	\$ 1,183.4	23	\$ 815.6	11	\$ 343.4	4	\$ 7,060.5	32	\$ 876.3	10	\$ 3,554.2	25
<b>Total</b>	<b>\$ 1,682.2</b>	<b>51</b>	<b>\$ 1,093.2</b>	<b>26</b>	<b>\$ 394.4</b>	<b>8</b>	<b>\$ 7,060.5</b>	<b>32</b>	<b>\$ 876.3</b>	<b>10</b>	<b>\$ 4,256.8</b>	<b>32</b>

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## **IMG Rebel-BMO Response to Request for Proposals for Strategic Initiatives Financial Advisory Services for the City of Jacksonville, Florida**

*January 16, 2018*

IMG Rebel  
1015 15th Street, NW, Suite 600  
Washington, DC 20005  
301-675-3102



## 1 COVER LETTER

January 16, 2018

Dear Mr. Jeremy Niedfeldt / PFM Financial Advisors LLC,

IMG Rebel, together with BMO Capital Markets (“BMO Capital Markets” or “BMO”), is pleased to submit this proposal to provide Strategic Initiatives Financial Advisory Services. Together, the IMG Rebel-BMO Team provides the full array of financial transaction support services, from market analyses and opportunity assessments to feasibility and valuation analyses, solicitation, evaluation and negotiation assistance. Moreover, we have provided these services in every area of public-use infrastructure, from water, waste and power utilities to transportation, social infrastructure and telecommunications. Many of these include the largest and first-of-their-kind projects in the U.S., such as the largest utility P3 and many of the largest transportation and social infrastructure P3s in the U.S. This considerable experience is complemented by BMO’s day-to-day equity, bond markets and global investor contact and transaction management for these same types of assets.

IMG Rebel Advisory, Inc. ([www.imgrebel.com](http://www.imgrebel.com)) is a leading full service financial and management advisor specializing in advancing the state of the art in infrastructure finance, management and operations. Our mission is to help clients bridge the gap between infrastructure needs and resources by focusing on innovative financing, optimized management, risk mitigation and alternative delivery. IMG Rebel has worked in more than 80 countries and served as lead advisor in the development of P3s, innovative financing, and alternative project delivery in the U.S. and globally. Among many other relevant projects, IMG Rebel is currently serving as financial transaction advisor to the Howard County, MD for the P3 procurement of a Circuit Court House and the City of San Francisco on the P3 transaction for its Fiber to the Premises initiative.

BMO Capital Markets ([www.bmocm.com](http://www.bmocm.com)) is the investment banking arm of Bank of Montreal, the eighth largest diversified financial services provider in North America. Among its many other relevant projects, BMO served as financial transaction advisor to the State of Maryland for the P3 development of the Purple Line Light Rail Project, and has served as transaction advisor to Travis County, Texas in the procurement of its civil and family courthouse facilities and to the Lower Colorado River Authority for a complex utility asset disposition transaction.

IMG Rebel and BMO have worked together on various infrastructure financing initiatives for several years, and are pleased to support Jacksonville’s initiatives. Together, we are excited about the opportunity to work with the City of Jacksonville on this important assignment.

Sincerely,



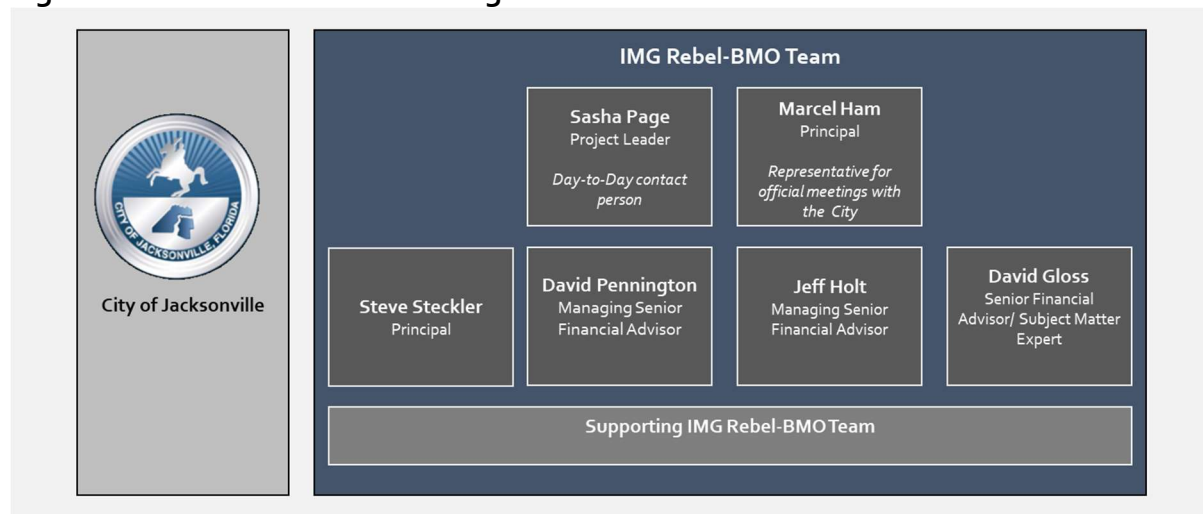
Sasha Page

## 2 STRATEGIC INITIATIVE FINANCIAL ADVISORY TEAM

### 2.1 EXPERIENCE SUMMARY

The organizational chart below and the corresponding bios in this section illustrate the core team members from IMG Rebel and BMO. The core team members each have between 10 and 30 years of project finance advisory experience in public infrastructure analysis, development, and implementation (see Appendix A for full core team CVs). As we are aware of the preliminary discussions around the potential privatization of the Jacksonville Electric Authority (JEA), we would also like to highlight our Team's deep utilities experience having served as lead advisor on several of the country's highest profile past and current water/wastewater restructurings. Additionally, BMO has performed municipal bond underwriting business extensively in the state of Florida, including a long history of underwriting and lending for the Jacksonville Electric Authority as well as to the Orlando-Orange County Expressway Authority. Both IMG Rebel and BMO's additional Florida experience as well as selected infrastructure and utility experience are highlighted in Appendix B.

**Figure 1: IMG Rebel-BMO Team Organizational Chart**



Appendix C includes bios on additional supporting team members who also have a wide skill set, which will be drawn upon based on the projects that the City of Jacksonville chooses to pursue. The depth of sectoral and functional experience of the IMG Rebel-BMO Team will provide the City with the security to pursue a wide range of projects across many sectors.

**Table 1: Team Member Experience Summary**

✓ Team member has experience in providing this service, and Team member will support these efforts during this engagement.

	Sasha Page	Marcel Ham	Steve Steckler	David Pennington	Jeff Holt	David Gloss	IMG Rebel-BMO Support Team
Build/ maintain complex financial models; audit financial models created by other parties	✓	✓	✓	✓	✓	✓	✓
Consult City on national and local dynamics affecting publicly owned asset market	✓	✓	✓	✓	✓	✓	✓
Consult city on effects of federal and local rulings and regulations on market	✓	✓	✓	✓	✓	✓	✓
Monitor City asset portfolios; recommend ways to optimize efficiency or funding/financing	✓	✓	✓	✓	✓	✓	✓
Develop long-term City asset management goals	✓	✓	✓	✓	✓	✓	✓
Evaluate project feasibility	✓	✓	✓	✓	✓	✓	✓
Analyze market appetite for certain public asset and/or transaction types	✓	✓	✓	✓	✓	✓	✓
Analysis of feasibility of innovative/complex funding and delivery approaches	✓	✓	✓	✓	✓	✓	✓
VfM analysis, risk analysis; comparison of costs risks of various delivery models	✓	✓	✓	✓	✓	✓	✓
Drafting of procurement documents (EOI, RFQ, RFP) and presentations	✓	✓	✓	✓	✓	✓	✓
Organization of procurement events (industry days, bidder presentations, bidder interviews)	✓	✓	✓	✓	✓	✓	✓
Evaluation of financial and technical submissions from bidders; creation of bid ranking model	✓	✓	✓	✓	✓	✓	✓
Estimating construction cost and O&M information	✓	✓	✓	✓	✓	✓	✓
Development of negotiation strategy; negotiation with bidders on key aspects of project agreement	✓	✓	✓	✓	✓	✓	✓
Financial Close	✓	✓	✓	✓	✓	✓	✓

*Sasha Page, IMG Rebel, Project Leader (Principal)*

**Sasha Page** is Principal at IMG Rebel, a financial advisory firm based in Washington, D.C. He has over two decades of experience advising on infrastructure finance, project development, and public-private partnerships in the U.S. and internationally for transportation, utility, and social infrastructure. Mr. Page served as a financial advisor for several U.S. transit and rail

transactions involving P3s, innovative finance, and value capture (joint development, tax increment finance, and special assessment districts). These include those in Boston (\$3B Green Line Extension value capture and positive train control implementation), Dallas (\$1.2B Cotton Belt commuter rail availability payment P3), Denver (\$160M streetcar and light rail value capture), Chapel Hill/Durham (\$1.6B light rail P3 and value capture), and Miami-Dade (multi-billion, BRT, LRT, commuter rail value capture). Mr. Page recently *co-authored* *Value Capture Financing Guide for Public Transportation Projects*, a handbook for transit and public agencies on how to optimize use of real estate value capture in realizing critical transit and other infrastructure with private partners (see: <https://www.nap.edu/download/23682>). Additionally, Mr. Page has advised on several utility engagements including serving as the finance leader in a team advising the City of Pittsburgh on restructuring, governance, and financing options for the Pittsburgh Water and Sewer Authority. Mr. Page serves as an advisor to the WIFIA program advising on two wastewater facility innovative finance transactions. He has worked on several social infrastructure projects, including advising the Texas Higher Education Coordinating Board (THECB), State of Texas oversight agency. He is also advising the Texas Facilities Commission on optimal ways for local governments to finance their facilities. Mr. Page is a registered municipal financial advisor with the Securities and Exchange Commission. During the contract, Sasha will serve as the day-to-day point of contact.

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*Marcel Ham, IMG Rebel, Principal*

**Marcel Ham** is co-founder and co-owner of IMG Rebel. He has 20 years of experience in assessing, developing, structuring and implementing innovative finance and P3 projects. Marcel has been lead transaction advisor on P3 contracts for road, rail, and social infrastructure, including the \$700M DBFOM RegioTram (the first continental European fully integrated P3 for light rail), \$400M DBFM A59 (the first continental European road infrastructure AP P3), \$900M DBFOM Dutch Ministry of Finance building (the first continental European social infrastructure AP P3). Marcel led the team that developed advanced guidelines on risk assessment and value-for-money assessment for U.S. DOT and co-authored the Model P3 Contract Guides and guide on Successful P3 Practices in the U.S. Currently, Marcel is lead financial and transaction advisor on the Howard County Court House P3 project, the Washington D.C. Daly Building P3 project and the San Francisco Broadband P3 project. During the contract, Marcel will serve as the representative for official meetings of the City.

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*Steve Steckler, IMG Rebel, Principal*

**Steve Steckler** has nearly thirty years of experience in managing P3 transactions, including many of the US's first and largest breakthrough P3s, such as the largest US water/sewer P3 transaction, the first major US airport P3 and the first US toll road P3s. All told, he has managed more than twenty infrastructure P3 processes. In addition, Mr. Steckler has advised NASA on the commercialization of space, the US Department of Energy on private financing of nuclear waste facilities, and the USDOT on the investor perspective on transportation P3s. He has also advised numerous private developers, operators and investors on port, airport, utility and waste management P3s in the US and abroad. Mr. Steckler's extensive water/sewer P3 experience includes managing the privatization of Milwaukee sewer utility, privatization of the biosolids operation for Boston, commercialization of Lee County, FL water/sewer operations, employee management for the Martin County, FL sewer system, and conversion of a major sewer authority to a private non-profit, among many others. Mr. Steckler has also led a number of

large infrastructure agency transformations and performance improvement engagements, most recently IMG's recent 4-year restructuring of the water and sewer utility in Tulsa.

*David Pennington, BMO, Managing Senior Financial Advisor (Managing Director) - Chicago*

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**David Pennington** is a Managing Director in the North American Infrastructure Banking practice at BMO Capital Markets. He has 25 years of investment banking experience, specializing in advising and structuring borrowing platforms for government, project, and corporate issuers in the utilities and infrastructure sectors. Over the past 12 years, he has co-managed the government P3 practice for the firm, including expanding the Canadian P3 practice into the U.S. Mr. Pennington has been involved in a wide range of public and private sector mandates in this time. As an advisor for state and municipal clients, Mr. Pennington has been a key advisor to Infrastructure Ontario with assignments including the Pan/Parapan Athlete's Village as well as 6 other P3 infrastructure projects in health care, transit, justice, and recreation totaling over \$5 billion in construction procurement. For the Maryland Purple Line Transit P3, Mr. Pennington served as financial and transaction advisor. As an advisor to private sector bidding consortiums, Mr. Pennington was the team leader on the Canada LRT Line, Port Mann Bridge project, the CSEC headquarters procurement, Brampton SWQ, Travis County Courthouse, St Joseph's hospital bid, the Ontario Forensic Services and Coroner's Complex and the Toronto City Centre Airport Pedestrian Tunnel.

*Jeff Holt, BMO, Managing Senior Financial Advisor (Managing Director) – New York*

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**Jeff Holt** has 39 years of investment banking experience and has spent the last 27 working with maritime port authorities, transportation infrastructure clients, and Class 1 railroads, structuring over \$24 billion in debt obligations, derivatives and other securities. He has served for many years as a senior investment banker on projects for the Ports of Long Beach, Los Angeles, Oakland, Portland, Seattle, Charleston, and for the Port Authority of New York / New Jersey. Jeff has advised numerous buy-side clients on bids for marine terminal assets and terminal operators, with assignments including advising Caisse de dépôt et placement du Québec's (CDPQ) recent formation of an investment platform with DP World and the concurrent acquisition of 45% interest in DP World's Centerm and Fairview Container Terminals. Other assignments have included advising Axiom Infrastructure on their purchase of Montreal Gateway Terminals along with Highstar's acquisition of Seagirt Terminal at the Port of Baltimore. As sell-side advisor, Jeff advised Cenovus on the divestment of the company's liquid bulk terminal in Kitimat, BC to Royal Dutch Shell and Walter Energy on the sale of their Blue Creek Terminal in Alabama. Recent rail projects have included serving as lead banker on the \$1.15 billion Florida East Coast Railway and Industries financings as well as the \$400 million All Aboard Florida financing, which financed construction of a high-speed passenger rail system in south Florida.

*David Gloss, BMO, Senior Financial Advisor (Vice President) – Chicago*

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**David Gloss** will provide transaction execution support and oversee financial modeling and analysis. He has ten years of infrastructure and public-private partnership advisory experience. Since joining BMO Capital Markets in 2011, Mr. Gloss's infrastructure financing and advisory experience has included buy-side and sell-side roles for clients including current advising the Maryland Department of Transportation on the delivery of the Purple Line Light Rail P3 Project. Additional notable experience includes the Midtown Tunnel P3 Project, Seminole State College

Altamonte Springs Campus P3 project, Maui Memorial Medical Center P3 project, Trinidad Rapid Rail Project, as well as supporting and executing lending and underwriting activities for infrastructure clients such as the City of Chicago and Orlando-Orange County Expressway Authority. Mr. Gloss' underwriting experience includes executing lending and underwriting for private and public infrastructure clients such as the City of Chicago, the State of Illinois, the Illinois Tollway, Chicago Park District, Village of Oak Lawn, the University of Illinois, Chicago Public Schools and Orlando-Orange County Expressway Authority.

### 3 INVESTIGATIONS

IMG Rebel has no history of judgements against them or pending litigation/investigations related to financial advisory services. BMO's statement related to judgements, pending litigation and investigations is included in Appendix D.

### 4 FEE APPROACH

The following table provides our not-to-exceed hourly 2018 rates. Throughout the duration of the contract, we will only adjust these not-to-exceed rates for inflation.

Labor Category	Hourly Rate
Principal/Managing Director	\$450
Director/Senior Manager/Senior Advisor	\$375
VP/Senior Associate/Manager/Associate Director	\$325
Associate/Senior Consultant	\$250
Analyst/Staff Consultant/ Program Support Specialist	\$200
Clerical/Administrative Staff	\$75

Travel costs per diem and other reimbursable expenses are not included. We are willing to consider offering all-inclusive rates, but believe that the proposed fee structure offers better value for money for the City. We are fully aware that the costs associated with advisory services on these types of transactions are a serious consideration for the City. We also understand that a small social infrastructure project requires a different fee structure than multi-billion dollar toll road. We pride ourselves in being flexible when it comes to tailoring our financial arrangement to the needs of our client and the specific project. We will be comfortable with a variety of mechanisms to structure our financial arrangement for a specific project, whether that is fixed price, success fee or any mechanism. We do want to point out that we would not recommend to apply the typical success fee structure, where the fee is tied to the size of the transaction and the closing of the deal, because that would provide us with incentives that are not necessarily aligned with the City's interests, leading to suboptimal outcomes.



## 5 FIRM EXPERIENCE

### 5.1 OVERVIEW

The IMG Rebel-BMO Team has extensive experience in P3, alternative project delivery, complex financing and lease/ sale and privatization of public assets. The section below provides a detailed overview of selected team engagements in these transaction categories.

### 5.2 QUALIFICATIONS

The table below provides an overview of recent key Team engagements, which are described further below, highlighting the key services, as described in the RFP, that the Team provided in each project. Within Appendix A, we have also included a broader discussion of Team qualifications and projects covering a broad range of sectors and services.

**Table 2: Project Services Summary**

✓ Team has completed activity in project | ☑ Team will complete activity later in project

Project and Location	Project Type			Feasibility / Valuation			Transaction Services			
	Public-Private Partnership	Asset Lease/ Sale/ Disposition	Other Complex Financial Advisory	Market Analysis	Opportunity Review	Planning	Solicitations	Evaluations	Negotiations	Award Process
Howard County Courthouse P3 (Howard County, MD)	✓			✓	✓	✓	✓	✓	☑	☑
Pittsburgh Water and Sewer Authority (Pittsburgh, PA)	✓		✓	✓	✓	✓	☑	☑	☑	☑
Lower Colorado River Authority (Austin, TX)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tulsa Metropolitan Utility Authority (Tulsa, OK)			✓	✓	✓	✓				
Maryland DOT – Purple Line (Hanover, MD)	✓			✓	✓	✓	✓	✓	✓	✓
Florida DOT – First Coast Outer Beltway (Tallahassee, FL)	✓			✓	✓	✓	✓	✓	✓	✓
Orlando Sanford Airport Terminal Concession (Orlando, FL)	✓			✓	✓	✓	✓	✓	✓	
Athlete’s Villages (Toronto, ON)	✓				✓	✓	✓	✓	✓	✓
Miami-Dade CITT Advisory (Miami, FL)	✓		✓	✓	✓	✓				

**Howard County Courthouse (2016 – Present)**

**Team Member(s):** Marcel Ham, Waiching Wong and Tayo Edun

IMG Rebel is currently serving as financial advisor and overall P3 transaction advisor for Howard County's first P3 project, a 230,000-square foot courthouse. IMG Rebel conducted a high-level value-for-money assessment of four different delivery options for the courthouse and worked with Howard County staff to educate and prepare 30 members of the County's Spending Affordability Advisory Committee to develop a recommended P3 delivery option. IMG Rebel's value-for-money analysis included a high-level risk analysis, qualitative and quantitative assessments, and financial analysis. To conduct the analysis, IMG Rebel gathered capital and operating cost information from technical advisors and built a custom financial model to show cash flows for all four delivery models. IMG Rebel has been working with County staff and the County Executive to craft an implementation plan, develop a procurement strategy, draft procurement documentation and conduct industry outreach. An industry day was held in June 2017 and an expression of interest (EOI) was released in July, and the EOI garnered responses from 9 consortia. IMG Rebel has been involved in evaluating EOI respondents, and in developing the RFP and Project Agreement. IMG Rebel will be engaged by Howard County to serve as overall transaction advisor throughout the P3 project as it progresses to negotiations and commercial and financial close.

**Pittsburgh Water and Sewer Authority (2017 – 2018)**

**Team Member(s):** Steve Steckler, Jeff George, Herb Ladley, Elisa Donadi

IMG Rebel is leading a multi-disciplinary team advising the City of Pittsburgh on the restructuring and implementation of P3s for PWSA, the City-owned authority providing water, wastewater and storm water services that has long suffered water quality issues, poor process management, lack of capital investment and mounting maintenance problems. Its current infrastructure shortfall is over \$4 billion dollars. Commencing in July 2017, IMG Rebel's Phase I work includes a thorough review of governance, management, institutional and obligations assessment; operations and systems assessment; tactical and strategic financial and legal analyses of the restructuring options; and restructuring option selection. A key element in the evaluation is the utility's suitability for sale or lease. IMG Rebel evaluated a variety of P3 options ranging from sale/lease to operations contracting, and recommended that the City dramatically alter its governance and management structure to include an independent charitable public trust and an innovative infrastructure-only P3 to address its enormous system improvement needs. Phase II, which will begin in early 2018, includes implementation of the restructuring as determined by the Mayor-appointed Blue Ribbon Panel supported by a city-wide stakeholder engagement process, to whom IMG Rebel will serve as the lead advisor.

**Lower Colorado River Authority (2011 – 2014)**

**Team Member(s):** David Pennington, Emily Hashimoto

The Lower Colorado River Authority (LCRA) hired BMO in 2011 to serve as sole sell-side advisor as it sought purchasers for its retail water and wastewater systems. LCRA successfully utilized public-to-public and public-to-private transactions as well as a mix of full asset sales, lease-to-own and operating agreements to achieve its goal of reducing its operating risk and achieving the maximum valuation possible for its collection of retail utility assets while also insuring that the new owners continued to employ best practices in the operations of the systems. The

utilization of multiple methods represents a one-of-a-kind strategic approach in the history of the U.S. infrastructure finance arena. Beginning in the early 1990s, LCRA acquired and developed more than 30 retail water and wastewater systems (many of which were struggling and under-developed). While LCRA invested around \$350 million in the acquisition and improvement of these assets, LCRA decided in late 2010 that owning these retail water and wastewater entities was no longer a core focus. To solicit the broadest array of feedback possible, BMO conducted an international and domestic investor outreach effort that included local governmental entities, international infrastructure funds, and the investor owned utilities (IOUs). BMO then helped LCRA conduct a rigorous due diligence process with a large number of finalists. The Lower Colorado River Authority project reached financial close in 2014.

#### **Tulsa Metropolitan Utility Authority (2013 – 2016)**

**Team Member(s):** Steve Steckler, Sasha Page

IMG Rebel was the prime contractor, leading a large 7-company team composed of engineering, legal and financial firms, for this \$3.5 million Comprehensive Assessment of the governance, operations, capital program and long-term business strategy for water and sewer systems with an estimated combined value of \$2.6 billion. The assessment included full-spectrum “deep-dive” evaluation of the governance and regulatory structure, management systems, key business processes, operations and maintenance efficiency, capital needs, rates modeling, and its potential value under various privatization scenarios. Alternative strategies examined and quantified include (1) a long-term lease concession of all or part of the utility; (2) contracting out of all or part of the operations; (3) outsourcing selected services; and (4) aggressive reform and reengineering of the organization with heavy emphasis on technology and business process restructuring to ensure the durability of the performance improvement. Following the Comprehensive Assessment, the TMUA board of directors chose to implement the “Aggressive Improvement” option among the alternatives examined during the Assessment. The board again chose IMG Rebel as the prime contractor to lead the implementation in an \$8 million engagement to develop new governance process, new operating reforms, a new performance management information and reporting system, new terminable support service contracts with other agencies, and an expansive new asset management program. A key component of our scope, IMG Rebel developed a first-of-its-kind (in the US) Enterprise Value Model, which will provide the City and the TMUA board with an all-encompassing balance sheet that tracks the utility’s public value.

#### **Maryland Department of Transportation, Purple Line Transit Project (2013 – 2016)**

**Team Member(s):** David Pennington, David Gloss, Emily Hashimoto

The Maryland Department of Transportation (MDOT) and Maryland Transit Administration with the Maryland Economic Development Corporation (MEDCO) have successfully procured the development and delivery of the Purple Line Light Rail Transit Project as a P3. In mid-2013, MEDCO hired BMO as financial and transaction advisor. The project is a DBFMO long-term concession with public and private funding and financing. The winning bidder was selected in 2016 and construction on the Purple Line began in 2017. Under the scope of services, BMO performed analysis to guide the policy, procurement, and financial decisions of the State of Maryland regarding topics such as RFQ and RFP drafting, RFQ and RFP evaluation criteria, technical provisions, compensation on termination, lifecycle costs analysis, and payment mechanism development. As part of these services, BMO developed a shadow bid financial

model, which was used as a baseline against bids received during the RFP stage. BMO alongside MDOT negotiated with the U.S.DOT regarding the project's TIFA loan and also worked with rating agencies to secure an indicative rating for the project, for which bonds were ultimately issued as investment grade.

### **Florida Department of Transportation (FDOT) – Long-Term Concession Advisory Services for the First Coast Outer Beltway Toll Road, Tallahassee, FL (2008 – 2009)**

**Team Member(s):** Sasha Page

FDOT sought to enter into a 50+ year concession agreement with a private consortium for a DBFMO 46-mile greenfield toll road near Jacksonville. IMG Rebel served as lead financial advisor to FDOT for this transaction. Key tasks included valuation of the concession from the private investor's perspective, advising on the content of the RFQ and RFP, assisting the FDOT selection panel to qualify and select the concessionaire, completing a value-for-money analysis, and utilizing innovative financing methods such as TIFIA credit and Private Activity Bond (PABs) financing. IMG Rebel worked directly with the legal and technical consultants to ensure that the value to the State was maximized, the concession was structured to generate maximum interest from potential concessionaires, and that risk factors were properly identified and mitigated. A comprehensive financial model, developed by IMG Rebel, was used to analyze the project from investor and public sector perspectives.

### **Development of New Private Terminal at Orlando Sanford Airport (2016 – 2017)**

**Team Member(s):** Elisa Donadi, Sasha Page

IMG Rebel assisted the Sanford Airport Authority (SAA) in the negotiation of the concession agreement for development of a new terminal under a Build-Operate-Transfer model at Orlando Sanford International Airport in 1998 and 1999. Orlando Sanford's passenger terminals were among the first and few privately-financed and operated passenger terminals in the U.S. Among other tasks, IMG Rebel developed a comprehensive financial model to assess the likely economics of the project, the lease negotiating strategy for SAA, and made critical recommendations regarding the structure and content of the lease. IMG Rebel subsequently performed three performance audits of the private operator, including one in 2016-2017. Each of these audits have resulted in changes to the private operator's business practices, including more equitable revenue sharing between SAA and the concessionaire.

### **Pan/Parapan Athlete's Village (2011)**

**Team member(s):** David Pennington

In 2011, BMO advised Infrastructure Ontario and Waterfront Ontario to accommodate the Athletes' Village during the 2015 Pan/Parapan American Games. The capex was approximately C\$700mm. The Village housed the 10,000 athletes and officials of the Games. Following the Games, the Village was converted into a range of housing developments including affordable housing and new condominiums units sold by the developer as part of Toronto's waterfront revitalization. The Province received three fully committed bids for the project. The Project reached financial close in January 2012.

### **Miami-Dade Citizens Independent Trust Transit (CITT) Advisory (2006 – Present)**

**Team Member(s):** Elisa Donadi, Sasha Page

IMG Rebel has provided a variety of financial advisory services for the development of a \$6B transit and public works program, which primarily funds Miami-Dade Transit (MDT). IMG Rebel's

on-going work, for over a decade, has been to oversee and help improve MDT's annual financial plan, which provides a blueprint of how to realize the capital program. IMG Rebel's most recent tasks have been to assess innovative funding sources in the development of new transit corridors throughout the County under the proposed \$4B "SMART Plan." These corridors utilized heavy rail, light rail and bus rapid transit and with sources focused on value capture approaches, including tax increment financing, benefit assessment districts, and other forms of transit-oriented development. Finally, IMG Rebel has assisted the Board of County Commissioners in developing legislation that will establish tax increment financing districts along many of these corridors to serve as a core funding source for these projects.

## 6 DISCUSSION OF STRATEGIC FINANCIAL ADVISORY APPROACH AND CURRENT MARKET ENVIRONMENT

### 6.1 DISCUSSION OF STRATEGIC FINANCIAL ADVISORY APPROACH

The IMG Rebel-BMO Capital Markets Team is both excited about and committed to the prospect of working together with the City of Jacksonville to achieve its goals relating to the market analysis, opportunity review, planning, solicitation, evaluation, negotiation, and award of potential alternative delivery of existing or new projects or services which are similar (but not limited) to public private partnerships or the lease, sale, and/or disposition of City assets. We can deliver strategic project assessment and delivery services that support the City's goals of building collaborations with the private sector through successful project delivery options including but not limited to P3s. Our unparalleled infrastructure and related services expertise is based upon the following strengths:

- **We have experience in implementing pathfinder P3 projects:** The IMG Rebel-BMO Team prides itself in having supported a number of public agencies in setting up their P3 programs and implementing their projects under a P3 or alternative project delivery structure; also including complex financing and lease/ sale and privatization of public assets. As such, the City of Jacksonville can benefit not only from the Team's pioneering U.S. P3 experience, but its extensive involvement in mature overseas markets. Moreover, IMG Rebel has implemented many first-of-a-kind P3 transactions as a lead transaction advisor, including the first availability payment P3 for social infrastructure in continental Europe, the first airport P3 in the U.S., the first fully integrated availability payment P3 for light rail in the world, and the first water infrastructure P3 in the world. Lessons learned from these experiences will be available to the City, but more importantly, we will bring the right mix of hands-on experience and creativity to successfully analyze, develop and implement any and all projects that the City desires to pursue which deliver value to the community.
- **We know that organizational development is crucial in the transaction implementation:** We have supported many public agencies in developing successful policies and programs and building capacity in implementation. The IMG Rebel-BMO Team also designs and provides tailor-made training and institutional capacity building programs, covering project preparation and business case structuring, transaction implementation and management, project finance and modeling.
- **We understand that every project requires extensive outreach and stakeholder engagement:** The IMG Rebel-BMO Team contributes to the successful implementation of

project development and delivery by supporting public agencies in the development and implementation of their stakeholder engagement and outreach strategies. The IMG Rebel-BMO Team promotes early and structured involvement of all relevant public stakeholders. We also develop effective outreach strategies, based on continuous and active involvement of the public across many media, providing credible, accurate and easy-to-understand information. In our public outreach efforts, we pay additional attention to addressing issues specific to innovative project delivery structures, such as early termination payments, non-compete clauses, and compensation events.

- **Our rigorous analysis serves as a robust the foundation:** The IMG Rebel-BMO Team, supported by a multi-disciplinary team of experts, assists public and private clients throughout the entire project development and transaction process, from upstream business case and VfM assessment to contractual and financial close negotiations. The Team will assist the City of Jacksonville in structuring its specific projects based on rigorous feasibility analyses and realistic business cases. Transaction support includes state-of-the-art financial modeling, commercial and financial structuring, VfM analysis, drafting of procurement documentation, proposal evaluation, coordination of competitive dialogue, support for negotiation and deal closing.
- **We understand both public and private perspectives:** The IMG Rebel-BMO Team provides advisory services to a diverse range of public agencies, including many major cities across North America, as well as states including Florida, Virginia, California, Massachusetts, and Texas, and U.S. Department of Transportation modal agencies. Importantly, a number of IMG Rebel personnel have served as public officials responsible for securing and implementing P3s—and can bring this sensitivity to their support for the City of Jacksonville. In addition, our Team has significant experience advising the private sector on transactions, including advising private consortia on more than 20 transactions. Our experience on both sides of projects provides us unique insights on how to achieve the optimal transaction environment, through an efficient process to achieve financial close.
- **We want to create value for money and contribute to expanding economic opportunities:** The IMG Rebel-BMO Team will support the City of Jacksonville in its ambition to achieve projects with commercial terms that will create jobs and expand opportunities for all residents and businesses of the City. We will practically do so by focusing on these policy objectives in the scoping and structuring of the projects and potentially by including these considerations in the evaluation criteria and incentive mechanisms. We will not only get the deal done, but will get the best deal done, delivering value for money for the people of Jacksonville.

Included in Appendix F, we summarize at a high level the steps and methodology in developing and implementing a project delivery process. The IMG Rebel-BMO Team believes that its previous experiences, particularly the recent work we have performed for the City of Pittsburgh water & sewer authority (PWSA), the Tulsa Metropolitan Utility Authority (TMUA), the Durham County Courthouse, Travis County Courthouse, and the Howard County Courthouse as well as ongoing work advising on a multitude of other infrastructure-related projects demonstrate the approach we will take in completing any transaction work plan. The IMG Rebel-BMO Team looks



forward to the opportunity to present a tailored plan to the City of Jacksonville to provide more detail and context to the proposed program.

## 6.2 DISCUSSION OF CURRENT MARKET ENVIRONMENT

Having been active in the infrastructure development and alternative delivery market for over two decades, the IMG Rebel/BMO team has rich experience in working in the current infrastructure market. Developments in a number of sectors and new financing availability make the market particularly dynamic. New developments in infrastructure sectors include:

- **Social Infrastructure:** the US social infrastructure public-private partnership (P3) transaction market has picked up, as public agencies have successfully structured both small and large transactions, including the new \$140 million (M) Howard County, MD Courthouse, the 576,000-sq. ft. Washington, D.C. Daly public safety building procurement, and the \$1.3 billion (B) University of California-Merced P3.
- **Transportation and Transit:** Availability payment (AP) arrangements are becoming common for roads and transit, such as the \$2.3B Orlando I-4 Ultimate, as P3s demonstrate lifecycle cost benefits. Furthermore, transit agencies are leveraging innovative sources, including naming rights and value capture that yield up to 30% of projects' capital costs.<sup>1</sup> Transportation network companies (TNCs), such as Uber, have create opportunities and threats, as they partner on last mile and paratransit services and compete on short-haul routes. They are reducing parking garage demand, a negative for owners but a plus for downtowns as garages redevelop, densifying cities.
- **Ports:** The Panama Canal expansion and shifting trade flows have spurred port investments and attracted investors by ports' diversified risk profile.
- **Broadband:** Governments are addressing poor local and last mile services by holding P3 processes, as Pennsylvania Turnpike and City of San Francisco are doing.

Further, it is our opinion that availability of innovative debt and equity financing sources is high. For example:

- **Innovative Finance:** The US Department of Transportation TIFIA programs and the US Environmental Protection Agency's new WIFIA program are offering advantaged interest rate and long tenors to finance highway, transit, port, airport, water projects.
- **Investors:** Over a dozen PE infrastructure funds are eager to invest in a variety of assets, including relatively standard ones, with predictable cash flows and offering attractive financing conditions including a willingness to invest in greenfield projects.

## 7 MARKETING APPROACH

Any market outreach effort for an innovative transaction will be a balance between assessing the current market environment, soliciting feedback and marketing the project. More innovative first-of-its-kind projects and structures typically require more emphasis on the assessment of the market environment and soliciting feedback. More mainstream transactions require more

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1. Please see the following co-authored by IMG Rebel staff: "Guide to Value Capture Financing for Public Transportation Projects," <https://www.nap.edu/download/23682>

emphasis on marketing, as too much focus on soliciting feedback would make bidders less confident about the capabilities of the City to develop and implement a successful project. We are well-versed to guide the City in striking the right balance. Below we describe some of the formats we would use for market outreach, varying in structure and objectives.

**Market sounding:** In very early stages of the development of strategic opportunities, preliminary market sounding can be useful, especially when the City would need an assessment of appetite for a transaction, potentially in combination with industry feedback on the structuring of the transaction. We typically conduct this in a combination of desk research a set of targeted questionnaires or interviews, as we recently did for the LaGuardia AirTrain project. The market sounding provided some relevant insights on the structuring of the project, as well as the general appetite for a project of this size and complexity.

**Request for Information (RFI):** When the City wants to gather substantive industry input on a strategic opportunity, a formal invitation for interested parties to submit their feedback can be an option. Whereas an increasing number of governments are using this instrument, the industry is not overly excited about this, because it can require a significant effort, while the potential for follow up is often unclear. Another risk of the RFI is that it could create the impression that the City does not have sufficient capacity to structure the transaction. IMG Rebel rarely recommends this instrument.

**Early Stage Industry Day or Road Show:** The IMG Rebel-BMO team has organized various early stage industry days and road shows, typically a gathering at which the government presents the initiative, vision and ideas about the structuring. These events are often also used to solicit feedback, and are therefore helpful particularly for highly innovative projects or structures. An example was the recent Industry Day for the Fiber to the Premises Initiative that IMG Rebel organized for the City of San Francisco.

**Individual meetings:** Our team often recommends to also allow for individual meetings at or immediately following the industry day, upon request by interested parties. This is often helpful because interested parties are more willing to share their ideas during individual meetings and use such meetings as an opportunity to market themselves.

As IMG Rebel has found in the San Francisco Fiber individual meetings, the public agency must be careful in taking the feedback “at face value” since in this situation, potential bidders objectives are to demonstrate their interest and too often ignore or underrepresent their true views on how they would respond to specific project constraints such as risk allocation or implementation schedules. The City of Jacksonville will benefit from the IMG Rebel-BMO Team’s experience in assessing the value and reliability of such information.

**Pre-bid meeting:** In a pre-procurement industry day or pre-bid meeting, we make sure that the emphasis is on convincingly demonstrating that the City is serious about the project and has thought carefully about the structure and how to mitigate potential risks. For instance, in the Howard County courthouse industry day last year, IMG Rebel recommended that all key Howard County policymakers and other stakeholders enthusiastically demonstrated their strong support for the process. IMG Rebel prepared a term sheet for participants of the industry day. IMG Rebel also prepared a detailed Q&A sheet and had several preparatory meetings with the

speakers at the industry day prior to the event, in order to be prepared to answer all the questions that the industry was likely to bring up, which worked out extremely well.

Managing a market outreach process takes time and commitment—including developing materials such as term sheets and prospectuses, organizing meetings; drafting and sending out information; placing advertisements; recording feedback; analyzing results; and communicating results internally and externally. It requires sending a clear signal to the market that the public client is serious about the project, has “done its homework” in terms of understanding the potential risks, and has targeted questions on which it requires feedback. The clearer the guidance on the procedures and feedback that the client expects to receive, the better the private sector will engage and respond to market outreach initiatives.

The IMG Rebel-BMO Team will work closely with the City of Jacksonville to develop a clear strategy for market outreach, likely consisting of various phases and also using different instruments. Market outreach should always be done with caution, as potential bidders will use outreach from the City not only to obtain information about the project, but also to assess the City’s ability to professionally develop, procure, and implement a successful project. An integral part of our marketing strategy will be to reach potentially interested parties through industry media. Due to our close connections with various media, we will be able to ensure that the relevant industry players will receive newsfeeds. We typically recommend developing a website where interested parties can find all relevant information about the initiative. In addition, a social media communication strategy is often a key part of the marketing strategy. Our team also uses speaking opportunities at industry events as a platform to market project opportunities. Finally, but absolutely critical in market outreach, will be direct communication with personal industry contacts that are likely to be interested. Our extensive network in the industry, across various sectors, including both domestic and international developers, investors, lenders and contractors will most certainly prove invaluable here.

The IMG Rebel-BMO Team will help ensure that the City of Jacksonville is well prepared and follows a clear and well-defined strategy prior to communicating with the market.

## 8 REFERENCES

### **BMO: Maryland Department of Transportation – Purple Line (2013 - 2016)**

*Contact:* Jodie Misiak, Director, Office of Innovative Project Delivery; *Telephone:* (410) 865-1050, *E-mail:* [jmisiak@mdot.state.md.us](mailto:jmisiak@mdot.state.md.us)

### **IMG Rebel: Howard County Courthouse (2016 - Present)**

*Contact:* Nikki Griffith, Cash and Debt Management Bureau Chief, Department of Finance  
*Telephone:* (410) 313-4063, 3430; *E-mail:* [ngriffith@howardcountymd.gov](mailto:ngriffith@howardcountymd.gov)

### **IMG Rebel: Miami Independent Citizens Trust (2006 – Present)**

*Contact:* Charles Scurr; *Telephone:* (305) 375-1357; *E-mail:* [CSCURR@miamidade.gov](mailto:CSCURR@miamidade.gov)

## Appendix A: Core Team CVs

**Sasha N. Page****PROJECT POSITION**

- Project Leader

**KEY SKILL AREAS**

- Real estate
- Social Infrastructure
- Value Capture and Real Estate
- Transit and Roads
- Aviation
- Innovative Finance
- Public-Private Partnerships
- Financial Feasibility and Financing

**EDUCATION**

- M.P.P. Harvard Kennedy School of Government
- B.A., cum laude, History, Yale University

**PROFESSIONAL HISTORY**

- George Mason University, VA, 2001 - 2016, Adjunct Professor, teaching "Infrastructure Finance"
- IMG Rebel, 1998 – present, Principal, Finance & Transport,
- Deutsche Bank, 1995 - 1998, Sr. A. Director, Project Finance
- CS First Boston, 1993 - 1995, Vice President, Public Finance
- Arthur D. Little, 1988 - 1992, Consultant, Economics Group

**YEARS OF EXPERIENCE**

- 25 Years

**EXECUTIVE SUMMARY**

Mr. Page has over two decades of experience in finance, project and real estate development, public-private partnerships (P3), and traffic and revenue (T&R) forecasting for transit, rail, toll roads, managed lanes and other transportation modes. He has advised on financings for projects in US and internationally and leads IMG Rebel's finance and transportation group.

**RELEVANT EXPERIENCE***Florida*

- **First Coast Outer Beltway, Jacksonville, FL:** Served as financial advisor to Florida Department of Transportation (FDOT) for \$1.9B Jacksonville 46-mile greenfield toll road. Key tasks included valuation of concession from private investor's perspective, request for qualifications and request for proposals drafting, selection of qualified bidders, value-for-money analysis, and structuring TIFIA credit and PABs financing.
- **Alligator Alley P3, Southern Florida:** Performed independent evaluation for FDOT of public sector comparator (PSC), evaluating project from public sector's perspective if state were to monetize asset instead of undertaking P3. Built model to verify PSC analysis.
- **FDOT P3 Policy:** Evaluated policy on when projects should be delivered with public financing and others using financing through developer under availability payment P3.
- **Florida's Turnpike Governance:** Assisted Florida's Turnpike in developing strategic business plan given large investment requirements and policymakers' deliberations about organization's governance. In first stage assessed ownership options, financing, and operations under public and private ownership. Conducted analysis of financial capacity to implement capital projects and examined trade-offs of tax-exempt, taxable debt and equity financing. Investigated how Turnpike could improve cash flow through commercial activities, including service plaza improvements, branding, advertising, fiber-optic cable leasing and real estate development. Florida Legislature acted on recommendations and converted turnpike into Florida's Turnpike Enterprise, with more flexibility to operate in business-like fashion.
- **Miami-Dade Citizens Independent Trust Transit (CITT) Advisory, Miami, FL:** For commission affiliated with Miami-Dade County, provided financial advisory services related to

development of \$6B transit and public works program, primarily funding Miami-Dade Transit (MDT). Assessed innovative funding sources in development of new transit corridors, utilizing heavy rail, light rail and bus rapid transit. These sources have focused on value capture approaches, including tax increment financing, benefit assessment districts, and other forms of transit-oriented development. Evaluated commercial real estate within ½ mile from proposed stations and evaluated how some form of value capture mechanism—such as property benefit assessment or property tax increment—could help fund a portion of project. In addition, evaluated how parking surcharge could further supplement project funding.

- **Airport Relocation and Expansion Advisory for Panama City-Bay County International Airport (PFN), Panama City, FL:** Served as financial advisor on new \$306 million (M) airport in Panama City, Florida. Engagement included developing an innovative financial plan with over dozen public and private funding sources, developing a complex financial feasibility model, assisting airport in securing \$72M in discretionary Federal Aviation Administration funds, over \$120M in Florida Department of Transportation grants, and \$45M in State Infrastructure Bank (SIB) subordinate loans, as well as assisting with rates and charges negotiations. Facilitated agreements to provide over \$96M in private funding in form of donation of 14,000 acres of property for new airport and sale of 700-acre existing airport property to developer. Transaction selected by Bond Buyer as the 2008 Southeast Deal of Year, Airport completed on time in May 2010 with new service from Southwest Airlines.
- **Financial Feasibility Analysis for St. Petersburg-Clearwater International Airport (PIE), St. Petersburg, FL:** Assisted PIE in its master plan update and financial analyses of expansions, including evaluating financial feasibility of \$200M of airside and landside improvements. Developed an FAA-approved benefit-cost analysis of extending primary runway, financial feasibility analysis of redesigning passenger terminals, and aviation demand analysis. Marketed airport to potential air carriers, analyzed potential for land development on airport-owned property, and created economic impact model of economic benefits of airport to Pinellas County.
- **Development of New Private Terminal at Orlando Sanford Airport and Private Operator Performance Audits, Sanford, FL:** Assisted Sanford Airport Authority (SAA) in negotiation of concession agreement for development of terminal under Build-Operate-Transfer model. Developed financial model to assess likely economics of project, assisted with lease negotiating strategy and made critical recommendations regarding structure and content of lease. Subsequently performed three performance audits of private operator, including in 2016-2017 with each audit resulting in changes to private operator's business practices and more equitable revenue sharing for SAA.

#### *Value Capture, Real Estate and Transit*

- **Guide to Value Capture Financing for Public Transportation Projects, Transit Cooperative Research Program, Washington, DC, 2015-2016:** Developed guide for transit agencies seeking to use value capture tools in funding and financing transit projects. Guide helps define transit-oriented development and value capture and then describes major considerations for value capture, including: real estate market, regulations, business case, financing imperatives, and multi-party cooperation. Research includes case studies of six projects, covering streetcar, light rail, commuter rail, and intercity projects and facilities. See: <https://www.nap.edu/download/23682>
- **Transbay Transit Center (TTC) Financing Advisory, San Francisco, CA, 2013:** Advised on TIFIA loan amendments to \$171M loan for \$1.589B TTC project, intermodal center for bus, light and commuter



rail transit, and high-speed rail. Loan funded from tax increments from surrounding properties, a significant example of transit value capture financing.

- **Financial Advisory for Chapel Hill – Durham Light Rail Line and Bus Improvements, GoTriangle, Durham, NC, 2012-2016:** Advised on \$1.8B planned light rail and advising on \$150M of bus and related improvements, developing comprehensive financial model to account for a variety of funding sources, including fares, parking and value capture revenues, as well as financing mechanisms, including innovative finance approaches, alternative delivery, availability payments, and private equity. Also carried out Value-for-Money (VfM) analysis, held discussions with potential third-party developers, and assisted in evaluating a variety of project delivery methods. Carried out analysis of ways to use value capture to fund five key transit stations along corridor, evaluating special assessment district and TIF mechanisms to derive value that these stations could yield assuming cooperation from local municipality d/or land owner. Also made recommendations for improving GoTriangle's fare recovery ratio and worked with leading regional forecaster on developing updated base case.
- **Green Line Extension (GLX), Boston Area, 2016:** Advised on leveraging value capture to fund portion of estimated \$300M GLX cost overrun, operated by Massachusetts Bay Transportation Authority.
- **Five Points District Streetcar Project, Denver, CO:** Advised business district on funding \$60M streetcar connecting underdeveloped neighborhood with downtown. Focused on how transportation development district, using special assessments and/or parking increments, could fund local share.
- **Seattle Department of Transportation (SDOT) Bus Rapid Transit (BRT) program funding, WA:** Advised on funding/financing options for \$400M, 7-line bus rapid transit program. Tasks included evaluating funding from value capture, naming rights, real estate taxes, local improvement districts (LIDs) and parking fee sources to complement New Starts grants. Also evaluated project delivery approaches including design-build and P3. Examined ways to leverage TIFIA innovative finance loans.
- **Financial Advisory for AirTrain, Port Authority of New York New Jersey (PANYNJ), New York City, NY:** Advised PANYNJ on development of \$1.5B elevated rail line between La Guardia International Airport (LGA) and Willets Point. Tasks included: preparing financial model to evaluate funding, project delivery, and financing alternatives; deriving optimal project delivery, comparing design-build-operate-maintain project delivery versus design-build-finance-operate-maintain approach; and evaluated how ridership incentives could benefit financing; began developer marketing-sounding.

### *Parking*

- **Virginia Universities' Parking P3s:** Advised Virginia DOT on how P3s can help Virginia agencies monetize and realize parking facilities. Evaluated cases of parking P3s at universities, municipalities, and park and ride facilities and developed estimates of P3 monetization.
- **I-66 Park and Ride P3, Virginia:** Advised Virginia DOT on how park and ride garages on I-66 totaling \$100M could be realized using P3 approaches. Assessed capital program, developed P3 financing model, evaluated bus rapid transit (BRT) service linkages, and analyzed competing facilities.

### *Bike*

- **Baltimore Bike Trail Network, Rails to Trails Conservancy (RTC):** Advising RTC on ways to fund and finance bike trail network around City of Baltimore using variety funding sources, including grants, developer contributions, tax-exempt debt and innovative finance loans.
- **US 36 Bus Rapid Transit/Managed Lanes/Bike Lanes, CO:** Advised USDOT on two loans totaling \$104M for this \$481M bus rapid transit/managed lanes/bike lanes P3 project between Denver and Boulder, CO. Carried out due diligence on project's financial plan, assessed T&R study, and evaluated construction and development plan. Evaluated equity terms of sponsor, terms of subordinated lender and negotiated downside case.

### *Social Infrastructure*

- **Texas Facilities Commission, Financial Advisory Services, Austin, TX:** Advisor to this State of Texas entity which advises local governments on using traditional and innovative financing to fund government facilities. Work includes: analyzing projects using P3 project screening methodologies; advising on ways to achieve cost savings or revenue generation, tax structures, risk allocation, and procurement strategies; assisting in development of financial models for P3 projects, including public sector comparator, return on investment calculations for full lifecycle of asset(s) and value for money analysis; assessing affordability limitations for P3 projects; and developing benchmarking of financial terms with comparable projects and assisting with negotiations for P3 projects.
- **Social Infrastructure Public-Private Partnerships in Texas:** For Texas Higher Education Coordinating Board (THECB), State of Texas oversight agency, developed guidebook entitled "Utilizing Public-Private Partnerships to Realize Core Education Assets" in order to identify new ways to help fund and deliver critical university assets through P3s. Analysis included review of: P3s, traditional and innovative delivery methods, and financing instruments. Evaluated P3 practices in selected states, including California, Virginia, New Jersey, and Florida and cases involving dormitories, energy plants, laboratories, mixed-use facilities, and entire campuses.

### *Multi-modal, Ports and Freight*

- **Port Newark Container Terminal Finance (PNCT), NJ:** Advising on \$288M PNCT improvements, addressing changes in shipping with advent of Post-Panamax vessels. Evaluating financial plan with TIFIA debt, private equity and other sources; capital improvements; and demand forecasts.
- **Gerald Desmond Bridge, Port of Long Beach (POLB):** Advised on \$325M loan to \$1.3B POLB bridge enhancing intermodal transfer. Assessed creditworthiness considering port changes, POLB's competitiveness, Panama Canal, new technology, and transportation linkages. Advised on negotiations, including TIFIA loans' ranking, coverage ratios definition of, and role of special facilities.

### *Managed Lanes and Toll Roads*

- **I-77 HOT Lanes Project Advisory, Charlotte, NC:** Advised USDOT on \$560M managed lanes loan. Involved conversion of existing highway into high occupancy toll lane, bid out as P3 by North Carolina Department of Transportation. Evaluated developer T&R forecast, financial model, and development assumptions. Advised on negotiations around integration of credit mechanism, including partial guarantee, "developer ratio adjustment mechanism" (DRAM), with financing documents.

- **I-495 Capital Beltway High Occupancy Toll (HOT) Lanes, Northern Virginia:** Served as financial advisor to USDOT to establish nation's first dynamic congestion management toll facility in Washington-metropolitan region. Supplied essential due diligence for \$1.9B project and critical review of private partner's financial plan. Analyzed capital structure, project cash flows, risks, management plan, and concession agreement. Negotiated more reasonable repayment backloading.
- **I-10 Bridge, Mobile, AL:** With USDOT's Project Finance Center, advised Alabama DOT on project development, T&R forecasting, public outreach, innovative finance, and P3 issues for \$1B bridge.
- **Parallel Thimble Shoal Tunnel Project Independent Audit, Chesapeake Bay Bridge and Tunnel District, Cape Charles, VA:** Audited \$756M project, including assessing risk of: T&R forecasts, financial plan, and procurement process/contracting. Project was financed in 2016.
- **Triangle Expressway, Raleigh-Durham NC:** Advised on financing of \$1.2B limited access highway, landmark initiative led by North Carolina Turnpike Authority to establish state's first toll facility. Supplied due diligence for \$387M TIFIA loan and review of plan of finance, which included \$270M of senior toll revenue bonds. Supported legal negotiations.
- **Colorado Transport Facilities Public-Private Partnerships Advisory, Denver, CO:** Assisted Colorado DOT refine its Public-Private Initiatives Program, including reviewing existing partnership guidelines, identifying best practices, and developing recommendations for program improvement and expanded private investment. Wrote "Innovative Finance Handbook." See: <https://www.codot.gov/programs/research/pdfs/2001/public-private-initiatives.pdf>

### *Policy*

- **Federal Highway Administration (FHWA), Office of Innovative Program Delivery, Washington, DC, Development of Model P3 Contracts:** Developed model P3 contracts, focusing on commercial and financial issues for both toll concessions and availability payment (AP) P3 contracts. Topics covered included: completion testing, availability requirements, maintenance and handback requirements, payment mechanism, insurance, contract terms, supervening events, change in law, defaults, indemnities, federal requirements, step-in rights, and intellectual property. See: [https://www.fhwa.dot.gov/ipd/p3/resources/fhwa\\_resources.aspx](https://www.fhwa.dot.gov/ipd/p3/resources/fhwa_resources.aspx). In addition, developed P3 successful practices guide focused on policy, feasibility analysis, procurement, and monitoring. See: <https://www.transportation.gov/policy-initiatives/build-america/successful-practices-p3s>.
- **USDOT FHWA Revenue Risk Sharing Whitepaper:** Co-drafted whitepaper on alternative mechanisms for US transportation agencies to share revenue risk with private developers in transportation P3s. Examined international examples and evaluated how these mechanisms could work in US, including minimum revenue guarantees, combinations of availability payment and toll risk P3s, rate of return balancing mechanisms, and innovative financing approaches.

### *Utilities*

- **Restructuring Advisory Services, Pittsburgh Water and Sewer Authority's (PWSA):** Advising City of Pittsburgh on restructuring of PWSA, City's provider of water, wastewater and storm water systems. Work includes: tactical and strategic financial and legal analyses of restructuring options; restructuring option selection and planning; and implementation.

- **Water Infrastructure Finance and Innovation Act (WIFIA) Advisory, Environmental Protection Agency (EPA), Washington, DC:** Serving as one of four financial advisors to EPA's WIFIA program, an innovative financing program for water, wastewater and flood control and management projects. Advising on two financings for combined sewer overflow wastewater treatment facilities in Midwest.
- **Landfill Project Investor Due Diligence/Restructuring, Southern California:** For private investor, provided due diligence and restructuring advice related to startup landfill project. Involved assessing technical, market, and financial feasibility of project and helping client devise strategy to optimize capital structure forward, given limited resources and large outstanding private debt.

#### REGISTRATIONS AND AFFILIATIONS

- Co-Chair, American Public Transportation Association (APTA) Real Estate Committee. Member, High-Speed Rail, Public-Private Partnership & Financial Management Committees.
- SEC and MSRB-registered municipal financial advisor.
- Member of Transportation Research Board (TRB), Revenue & Finance Committee.
- Member, Urban Land Institute.

**Marcel Ham****PROJECT POSITION**

- Principal

**KEY SKILL AREAS**

- Project Finance
- Structuring and procuring P3s
- Evaluation of financing options
- Value-for-Money assessment
- Risk analysis and risk valuation

**EDUCATION**

- University of Twente  
MSc. Public Management,  
2000, Specializations: 1)  
Infrastructure and 2) Financial  
Management

**PROFESSIONAL HISTORY**

- IMG Rebel, 2012 - present  
President
- RebelGroup Advisory, 2007 -  
2012, Managing Director
- RebelGroup Advisory, 2002 -  
2007, Senior Consultant
- Ecorys Finance, 2001 - 2002  
Financial Consultant
- Netherlands Economic  
Institute, 1999 - 2001,  
Consultant
- ING Bank, 1998 – 1999  
Trainee

**YEARS OF EXPERIENCE**

- 20 Years

**EXECUTIVE SUMMARY**

Marcel Ham is co-founder and co-owner of IMG Rebel. He has 20 years of experience in assessing, developing, structuring and implementing innovative finance and P3 projects.

Marcel has been lead transaction advisor on P3 contracts for road, rail, and social infrastructure, including the \$700M DBFOM RegioTram (the first continental European fully integrated P3 for light rail), \$400M DBFM A59 (the first continental European road infrastructure AP P3), \$900M DBFOM Dutch Ministry of Finance building (the first continental European social infrastructure AP P3).

Marcel led the team that developed advanced guidelines on risk assessment and value-for-money assessment for U.S. DOT and co-authored the Model P3 Contract Guides and guide on Successful P3 Practices in the U.S.

Currently, Marcel is lead financial and transaction advisor on the Howard County Court House P3 project, the Washington D.C. Daly Building P3 project and the San Francisco Broadband P3 project.

**RELEVANT EXPERIENCE***Social Infrastructure Feasibility & Transaction Advisory*

- **Washington D.C. Daly Building P3:** Advised the District on its first social infrastructure P3 that is the result of an unsolicited proposal. Currently developing the P3 procurement documentation and P3 agreement.
- **Howard County Courthouse P3:** Advised Howard County, MD on the structuring of a P3 for the development \$140M new circuit courthouse and structured parking facility. Conducted a Value for Money analysis and advised the County on the P3 procurement and P3 agreement. Currently leading the financial team for the procurement of the County's first P3.
- **Ministry of Finance Building P3, the Netherlands:** Advised the Ministry of Finance on the \$600M DBFOM contract for the first continental European social infrastructure P3 project. As lead transaction and financial advisor responsible for all financial and commercial elements of the P3 procurement and P3 agreement from early preparation through financial close.
- **International School Eindhoven P3, the Netherlands:** Advised the City of Eindhoven on the P3 procurement of the International School as a member of the expert team.

- **Social Infrastructure P3s, the Netherlands:** Advised the National Building Agency on the procurement of several social infrastructure P3s as member of the Selection Committee, including the first availability payment P3 contract for a detention center in continental Europe and two tax office buildings.
- **Civic Center and Sports Complex P3, Belize:** Advised the government of Belize on the preparation and procurement of a P3 Contract for management and operation of this civic center and sports complex.
- **Sports Facility and Housing P3, the Netherlands:** Advised the city of Leiden on an availability payment P3 delivery of a new sports facility in combination with a commercial revenue based large scale housing project.

#### *Rail & Transit Feasibility & Transaction Advisory*

- **LaGuardia AirTrain:** Advised PANYNJ on the new LaGuardia AirTrain. Supported risk and procurement workshops. Also contributed to the development of funding, financing and project delivery options.
- **RegioTram Light Rail P3, the Netherlands:** Advised the City of Groningen on the development of a 11-kilometer, \$700M light rail project. Conducted a Value for Money analysis and advised the City on the P3 procurement and P3 agreement for this first fully integrated availability payment P3 for light rail in the world. Led the financial team throughout the full P3 procurement.
- **Chapel Hill – Durham Light Rail, NC:** Advised the transit agency on the development of this \$1.8B light rail project. Carried out financial feasibility study and Value-for-Money (VfM) analysis. Advised the agency on project delivery methods.
- **Port Authority Bus Terminal, NY:** Elaborated innovative financing strategy and developed financial model as part of the Port Authority Bus Terminal International Design + Deliverability Competition. Evaluated sources and uses of funds, assessed potential new revenue streams (including value capture and passenger facility charges) and their bonding capacity, identified key risks and proposed risk allocation and overall P3 structure.
- **Regional Connector and Westside Subway Extension, CA:** Advised the TIFIA office on LACMTA loan application for the \$4.0B West Side / Regional Connector project in Los Angeles, CA. Carried out due diligence on project's financial plan, assessed traffic and revenue study, and evaluated construction and development plan.
- **Bus Terminal P3, Belize:** Advised the government of Belize on the development of a new national bus terminal through a P3. Conducted an initial financial feasibility study and value for money assessment. Also identified the necessary changes in the enabling environment to successfully implement this project as a P3.

#### *Other Infrastructure Feasibility & Transaction Advisory*

- **Virginia DOT 460 Audit, Petersburg-Norfolk:** Advised Virginia DOT on the US 460 project, a \$1.3B 55-mile toll road between Portsmouth and Norfolk, VA. Conducted an independent audit, including



a comprehensive risk assessment and evaluation of partial credit support provided by the Virginia Transportation Infrastructure Bank (VTIB).

- **US 36 Bus Rapid Transit/Managed Lanes, CO:** Advised on TIFIA loan for \$480M bus rapid transit/managed lanes P3 project between Denver and Boulder. Carried out due diligence on project's financial plan, assessed traffic and revenue study, and evaluated construction and development plan. Evaluated equity terms of sponsor and terms of subordinated lender. Helped negotiate an appropriate downside financing case.
- **NY Prize:** Supported Brooklyn Community Board 6 in developing a robust microgrid proposal for the NY Prize microgrid competition. Evaluated costs and benefits and identified innovative project delivery and financing options to enhance the project's overall impact.
- **San Francisco Fiber-to-the-Premises P3:** Developed the business case for a \$1.5B - \$1.9B broadband project in San Francisco. Developed a P3 structure and procurement strategy. Currently leading the transaction team for the procurement of this first-of-its-kind P3.
- **Desmond Bridge, Long Beach, CA:** Advised the TIFIA office on the loan to the Port of Long Beach for the Desmond Bridge project. Performed risk assessment and credit analysis.
- **Main Railway Station Redevelopment Program, the Netherlands:** Advised the Ministry of Spatial Development on the redevelopment of six main railways stations in the Netherlands, including Amsterdam WTC, Rotterdam Central Station, Utrecht Central Station, Arnhem Central Station, Breda Station, The Hague Central Station. Developed financial business cases and developed co-funding strategies for the national government.

#### *Knowledge Product Development and Training*

- **P3 VALUE 2.0:** Developed an FHWA delivery model comparison tool, not only including financial effects, but also economic benefits and costs.
- **Global Study on P3 Unsolicited Proposals, DC:** Advised World Bank on global trends and lessons learned on the use of unsolicited proposals.
- **FHWA Toolkit Risk Assessment and Value-for-money Assessment, DC:** Project leader on development advanced guidelines on risk assessment and Value-for-money assessment.
- **P3 model contracts guides:** Co-authored Availability Payment P3 model contract guide and Toll Concession P3 model contract guide for USDOT.
- **Successful P3 practices guide:** Co-authored the guide on successful practices in P3s for highways in the U.S.
- **Value for Money assessment and P3 procurement, AL:** Developed and delivered a 3-day training on Value for Money assessment, P3 procurement, and P3 contracts for the Alabama DOT.
- **Project finance, VA:** Developed and delivered a training on project finance for P3 projects for the Virginia DOT.

**Steve Steckler****PROJECT POSITION**

- Principal

**KEY SKILL AREAS**

- Water Utility Public-Private Partnerships
- Water Utility Finance and Management
- Performance Auditing, Reengineering and Asset Management
- Transportation Public-Private Partnerships
- P3 Structuring, Process Management and Community Outreach

**EDUCATION**

- Harvard University  
MCRP, City & Regional Planning, 1980
- DePauw University  
BA, 1978

**PROFESSIONAL HISTORY**

- IMG Rebel, 1994 - present  
Principal
- Price Waterhouse, 1987 - 1994  
Senior-Manager-In-Charge, National Infrastructure Finance Group
- President's Commission on Privatization, Senior Advisor, 1987-1988
- US Department of Transportation, 1986 - 1987  
Private Sector Initiatives Specialist, Policy Advisor

**YEARS OF EXPERIENCE**

- 30 Years

**EXECUTIVE SUMMARY**

Mr. Steckler has over 30 years of high-level experience in innovative infrastructure management, finance and public-private partnerships, particularly in water and sewer, as well as similar expertise in the other infrastructure sectors. Among other work, Mr. Steckler managed the largest US water/sewer P3, the first major US airport privatization, the first US toll road P3's, advised NASA on the commercialization of space, and advised DOE on P3's for nuclear waste management. Before joining IMG in 1994, he served as head of the national infrastructure finance group at Price Waterhouse, as a senior advisor and a primary architect of the President's Commission on Privatization, as financial advisor at US EPA, and as a senior advisor on public-private partnerships at the US DOT.

**RELEVANT EXPERIENCE**

- **Restructuring/P3 of Pittsburgh Water & Sewer Authority:** Mr. Steckler is project manager for a restructuring of Pittsburgh's \$4 billion water and sewer system via a combination of P3 and internal improvements. In Phase I (recently concluded), Mr. Steckler led a multi-disciplinary team in assessing the system's operations, asset management and suitability for a public-private partnership, including sale and lease valuation and ratepayer impact, as well as governance, infrastructure and operations analysis. IMG examined five restructuring options that included sale, lease, O&M contracting and aggressive internal operations improvement. He also managed an extensive public outreach and education campaign. Mr. Steckler worked directly with the Mayor and other City officials, and recommended that the City restructure PWSA as an independent public charitable trust and embark on an innovative 50-year infrastructure-only P3 concession while radically improving public operations. Phase II, Implementation, is currently underway.
- **Design and Implementation of the Tulsa Water Utility Enterprise Initiative:** Mr. Steckler is project manager for this six-year, \$12 million transformation (begun in 2012, concluding in 2018) of the Tulsa Metropolitan Utility Authority (water and sewer), specifically as the lead advisor for the agency's Utility Enterprise Initiative. This restructuring option was chosen after IMG completed a \$3

million Comprehensive Assessment which included every physical, operational and financial aspect of Tulsa's water and sewer utility. IMG then compared six strategic performance improvement options ranging from privatization to several levels of organizational reengineering. After the Board of Directors chose aggressive internal improvement over several privatization options, IMG assisted the TMUA in creating a Utility Enterprise Initiative designed to emulate the contractual obligations and business processes of a private enterprise. Among its many components, the UEI included aggressive process reengineering, replacement of nearly all of the utility's asset and information management systems, development of a long-term rate model, and a forward-looking performance information system and a quantified 30-year strategic financial and business plan.

- **Privatization of the Milwaukee Wastewater Collection and Treatment System:** Mr. Steckler was the project manager for privatization of Milwaukee's wastewater collection and treatment system (Milwaukee Metropolitan Sewerage District), a multi-billion-dollar regional authority. It is the largest wastewater treatment privatization in the US and one of the largest ever in the world. Mr. Steckler's work included structuring the privatization process, drafting the Request for Qualifications, Request for Proposals, and contract documents, as well as evaluation of proposals, contractor qualifications due diligence, and assistance in negotiation.
- **Performance Audit of the St. Louis Metropolitan Sewerage District:** Mr. Steckler was project manager for this major performance and organizational audit of the 7th-largest sewer authority in the country, with over 1,000 employees. The report and recommendations by IMG resulted in a major reorganization of the Board of Directors and the utility, development of performance standards and hiring of a new Executive Director.
- **Strategic Planning for the DC Water and Sewer Authority:** Mr. Steckler was project principal for two different strategic planning engagements for the Washington, DC Water and Sewer Authority. Mr. Steckler managed the project and helped plan and conduct several management and board strategic planning retreats, as well as overseeing various benchmarking and performance evaluations tasks in support of the strategic planning.
- **Valuation and Sale Assessment of the Milwaukee Water Treatment and Distribution System:** Mr. Steckler was project manager for a valuation and pre-sale feasibility assessment for what will be the largest water utility privatization sale ever in the United States.
- **Biosolids Management Improvements for Boston, MA Wastewater System:** Mr. Steckler was project manager for a contract and strategy evaluation to reduce biosolids production costs for the Massachusetts Water Resources Authority, one of the largest water and wastewater treatment authorities in the U.S.
- **Multi-Year Audit and Management Oversight of the Detroit Water and Sewer Department:** Mr. Steckler was project director for this extensive multi-year management oversight of the Detroit DWSD, on behalf of the federal judge empowered to enforce a wide-ranging consent decree. The engagement included auditing of the DWSD's capital programming, asset management, operations and maintenance, financial management and contracting. It also included the design of new capital programming processes, performance reporting systems, routine benchmarking and organizational restructuring of the utility.
- **Acquisition of Fort Bragg Military Base Water and Sewer Utilities:** Mr. Steckler was project director for financial advisory services and transaction assistance to the City of Fayetteville, NC for the

acquisition of the water and sewer utilities at Fort Bragg. The Army rated the proposal number one in its technical evaluation among the competing public and private proposals.

- **Aberdeen Red River Army Depot Water/Wastewater Privatization Support Advisory:** Mr. Steckler was project manager for providing financial advisory services to a major international water/sewer operator in its bid to take over operations of the Army depot's water and sewer operations, maintenance and long-term capital programming.
- **Design-Built-Operate PPP Feasibility Study for Jefferson Parish, Louisiana Water Utility:** Mr. Steckler was the project director for evaluating the feasibility study of developing a new treatment plant and support systems for the Jefferson Parish, Louisiana water utility.
- **Pinellas County Water and Sewer Utility Performance Audit:** Mr. Steckler was project principal for a wide-ranging and in-depth performance assessment of the Pinellas County, Florida Water and Sewer Utility.
- **Management Audit of the Hartford, CT Metropolitan District Commission:** Mr. Steckler was project director for IMG's extensive independent audit of the governance, management, internal controls and business processes of the Metropolitan District Commission, the owner-operator of Hartford, CT's regional water and sewer system.
- **Managed Competition for Martin County, FL Wastewater System:** Mr. Steckler served as project director for Martin County, Florida's solicitation, evaluation, and negotiation of private proposals for management of the county's wastewater treatment, a competition ultimately won by staff. Includes\ed evaluating current performance, developing the RFP, evaluation proposals, and assisting the county in overseeing employee compliance with their proposal.
- **Evaluation of Critical Water, Sewer, and Power Utility Security for the Washington Metropolitan Area Council of Governments:** Mr. Steckler was project manager for an extensive engagement to evaluate the federal and regional governments' anti-terrorism infrastructure security planning, terrorism threat level and consequences of a terrorist attack on the DC metro area's water, sewer, power, and transportation infrastructure systems.
- **Privatization and Deregulation of Anchorage's Public Utilities:** Project manager of an engagement for the City Assembly of Anchorage, Alaska to assess the feasibility and economic impact of privatizing and deregulating over \$1 billion worth of city-owned utilities: wastewater treatment plant and water system, telephone utility, electric power utility, and refuse collection/disposal department. The study estimated sale prices, analyzed the loss of federal tax subsidies and grants, and impacts on utility ratepayer, taxpayers, and the local economy.

**David Pennington****PROJECT POSITION**

- Managing Senior Financial Advisor

**KEY SKILL AREAS**

- Infrastructure Banking
- Investment Banking
- Project Finance
- P3 & Financial Advisory
- Payment Mechanism
- Project Lending
- Project Management and Delivery
- Infrastructure Development and Finance
- TIFIA Loan Process & Negotiation
- Rating Agency Coordination & Marketing

**EDUCATION / ADDITIONAL QUALIFICATIONS**

- Honors Business Administration degree and a Master of Business Administration degree, both from the Ivey School at the University of Western Ontario
- CFA charter holder

**YEARS OF EXPERIENCE**

- 20+ Years

**EXECUTIVE SUMMARY**

David Pennington is a Managing Director in the North American Infrastructure Banking practice at BMO Capital Markets. He has 20 years of investment banking experience, specializing in advising and structuring borrowing platforms for government, project and corporate issuers in the utilities and infrastructure sectors. Over the past 12 years he has co-managed the government P3 practice for the firm, including expanding the Canadian P3 practice into the U.S.

Mr. Pennington has been involved in a wide range of public and private sector mandates in this time. As an advisor for government clients, Mr. Pennington has been a key advisor to Infrastructure Ontario with assignments including the Windsor-Essex Parkway as well as 6 other P3 infrastructure projects in health care, transit, justice, and recreation totaling over \$5 billion in construction procurement. For the Maryland Purple Line Transit P3, Mr. Pennington is serving as financial and transaction advisor.

As an advisor to private sector bidding consortiums Mr. Pennington was the team leader on the Canada Line, Port Mann Bridge project, the CSEC headquarters procurement, St Joseph's hospital bid, the Ontario Forensic Services and Coroner's Complex and the Toronto City Centre Airport Pedestrian Tunnel.

**Relevant Experience**

- **Maryland Department of Transportation (MDOT), Maryland National Capital Purple Line Light Rail Transit Project Transaction Advisor**
- **Seminole State College, Altamonte Springs Campus Joint Development:** Financial advisor as part of a team with Jacobs Engineering under the Owner's Representative engagement for the Seminole State College Altamonte Springs Campus Joint Development P3 project.
- **Pan American Games Sports Venues and Athletes Village:** Advised IO and Waterfront Toronto throughout the procurement process to structure the project to ensure financeability. IO, Waterfront Toronto and the Ontario Realty Corporation worked with "Toronto 2015" to develop a section of West Don Lands that were home to the 10,000 athletes and officials of the 2015 Pan/Parapan American Games (Games). Following the Games, the Village is converting into a range of housing developments, including affordable housing and new

condominiums units to be sold by the developer as part of Toronto's waterfront revitalization. BMO was part of the team advising IO on the delivery of the overall project and particularly the athletes' village.

- **Eglinton Light Rail Project:** Financial Advisor to the Government of Ontario on this >C\$4 billion DBFM project in 2012.
- **Ottawa LRT, Infrastructure Ontario and the City of Ottawa** retained BMO to provide Financial Advisory Services for the Ottawa Light Rail project.
- **Driver Examination Services:** BMO Capital Markets acted as financial advisor and co-lead arranger to the preferred bidder, a consortium led by Plenary Group Canada and Serco DES, on the Driver Examination Services Project.
- **Ontario Highway Service Centers Project:** Served as Financial Advisor to the Government of Ontario in their redevelopment and reconstruction of over 20 highway service centers along 500 miles of major highways in the Province of Ontario. The project was procured as a DBFOM project for a period of 50 years.
- **Billy Bishop Airport Pedestrian Tunnel:** Financial advisor to Forum Equity Partners for the Billy Bishop Airport Pedestrian Tunnel. The tunnel is being procured by the Toronto Port Authority (TPA) as a design-build-finance-maintain project, with a 25-month construction period followed by a 20-year operating term.
- **Ohio River Bridges Project - East End Crossing:** Served as Financial Advisor to the East End Mobility Partners ("EEMP"), a consortium of SNC-Lavalin, John Laing, and Zachry Resources, on their bid for the concession to design, build, finance, operate and maintain the Ohio River Bridge – East End Crossing Project.
- **Windsor Essex Parkway:** Advised Infrastructure Ontario (IO) and MTO throughout the procurement process for the development of the project documents, financial modeling, negotiated with bidders on behalf of IO and MTO, structured interest rate protection methodology, through bid evaluation to financial close.
- **Lower Mattagami Hydroelectric Complex:** Advisor on The Lower Mattagami River Project. The project was based on providing clean, renewable electricity through adding hydro generation units at existing stations in Little Long, Harmon, and Kipling. In addition, the project will replace a fourth-generation station, Smoking Falls. In total, the project will produce approximately 440 MW of new Hydro Power without creating new dams.
- **Port Mann / Highway 1:** Served as financial advisor, Lead Arranger & Administrative Agent to Gateway Mobility Partners for the Port



Mann/Highway 1 Project. Gateway Mobility Partners is comprised of Skanska and Cintra. The agreement was for a 40-year DBFOM concession. The project is 10-lane Port Mann Bridge, 37 kilometers of highway widening from Vancouver to Langley, including 30 kilometers of new HOV lanes, and the replacement of nine highway interchanges.

- **Highway 407 East Extension, Phase II:** acted as the lead arranger on this \$1 billion DBFM Highway 407 East Extension for IO and MTO. The Highway will be a new multi-lane tolled freeway, to provide a freeway network through Durham Region. Phase II of the Highway 407 East Extension will consist of approximately 23 km of new east-west freeway from Harmony Road to Highway 35/115, and 10 kilometers of north-south freeway connecting Highway 407 and Highway 401 through Clarington (The East Durham Link, EDL).

**Jeff Holt****PROJECT POSITION**

- Managing Senior Financial Advisor

**KEY SKILL AREAS**

- Infrastructure Capital Markets
- Investment Banking
- Project Finance
- P3 & Financial Advisory
- Investor Solicitation

**EDUCATION / ADDITIONAL QUALIFICATIONS**

- BS University of Utah

**YEARS OF EXPERIENCE**

- 25+ Years

**EXECUTIVE SUMMARY**

Jeff Holt has spent the last 25 of his 35+ years in investment banking working with maritime port authorities, transportation infrastructure clients, and Class 1 railroads, structuring over \$24 billion in debt obligations, derivatives and other securities. He has served for many years as a senior investment banker on projects for the Ports of Long Beach, Los Angeles, Oakland, Portland, Seattle, Charleston, and the Port Authority of New York and New Jersey.

Jeff has advised numerous buy-side clients on bids for marine terminal assets and terminal operators, with assignments including advising Caisse de dépôt et placement du Québec's (CDPQ) recent formation of an investment platform with DP World and the concurrent acquisition of 45% interest in DP World's Centerm and Fairview Container Terminals. Other assignments have included advising Axiom Infrastructure on their purchase of Montreal Gateway Terminals, Goldman Sachs Infrastructure Partners on their minority stake in Carrix, Highstar's acquisition of Berths 21-24 at the Port of Oakland, along with Highstar's acquisition of Seagirt Terminal at the Port of Baltimore. As sell-side advisor, Jeff advised Cenovus on the divestment of the company's liquid bulk terminal in Kitimat, BC to Royal Dutch Shell and Walter Energy on the sale of their Blue Creek Terminal in Alabama.

Recent rail projects have included serving as lead banker on the \$1.15 billion Florida East Coast Railway and Industries financings as well as the \$400 million All Aboard Florida financing, which financed construction of a high-speed passenger rail system in south Florida.

Two highlights of Jeff's career were the seven year effort as the senior investment banker to the Alameda Corridor Transportation Authority on the \$2.4 billion Greenfield project financing in Los Angeles, and the financing of the Reno ReTrac Project for the City of Reno and Union Pacific Railroad. Both projects centered on building large amounts of infrastructure to speed the transit of intermodal containers through critical corridors on the US "land bridge" from Asia to the US East Coast.

**RELEVANT EXPERIENCE**

- Caisse de depot et placement du Quebec's formation of an investment platform with DP World and concurrent acquisition of 45% interest in DP World's Centerm and Fairview Contain Terminals.
- Axiom Infrastructure purchase of Montreal Gateway Terminals
- Goldman Sachs Infrastructure Partners' minority stake in Carrix

- Highstar's acquisition of Berths 21-24 at the Port of Oakland
- Cenovus on divestment of company's liquid bulk terminal in Kitimat, BC

**David Gloss****PROJECT POSITION**

- Senior Financial Advisor / Subject Matter Expert

**KEY SKILL AREAS**

- Infrastructure Capital Markets
- Investment Banking
- Project Finance
- P3 & Financial Advisory
- Concession Strategy Expertise
- Performance Specifications

**EDUCATION / ADDITIONAL QUALIFICATIONS**

- MBA from University of Chicago Booth School of Business
- Master of Planning degree from the University of Southern California
- Bachelor of Science in Civil Engineering from the University of Notre Dame
- License Professional Engineer in the State of Illinois

**YEARS OF EXPERIENCE**

- 10+ Years

**EXECUTIVE SUMMARY**

- David Gloss will provide transaction execution support and oversee financial modelling and analysis. He has ten years of infrastructure and public-private partnership advisory experience. Since joining BMO Capital Markets in 2011, Mr. Gloss' infrastructure financing and advisory experience has included buy-side and sell-side roles for clients including current advising the Maryland Department of Transportation on the delivery of the Purple Line Light Rail P3 Project.
- Additional notable experience includes the Midtown Tunnel P3 Project, Seminole State College Altamonte Springs Campus P3 project, Maui Memorial Medical Center P3 project, Trinidad Rapid Rail Project, as well as supporting and executing lending and underwriting activities for infrastructure clients such as the City of Chicago and Orlando-Orange County Expressway Authority.
- Prior to joining BMO, Mr. Gloss worked for a multinational infrastructure services company with transportation sector clients, among others, performing financial modeling and analysis for large scale infrastructure projects.
- Relevant Experience
- **Maryland Department of Transportation (MDOT), Maryland National Capital Purple Line Light Rail Transit Project Transaction Advisor**
- **Seminole State College, Altamonte Springs Campus Joint Development**, financial advisor as part of a team with Jacobs Engineering under the Owner's Representative engagement for the Seminole State College Altamonte Springs Campus Joint Development P3 project.
- **Ohio River Bridges Project - East End Crossing, served as Financial Advisor to the East End Mobility Partners ("EEMP")**, a consortium of SNC-Lavalin, John Laing, and Zachry Resources, on their bid for the concession to design, build, finance, operate and maintain the Ohio River Bridge – East End Crossing Project.
- **Goethals Bridge Replacement Project**, supported BMO role of underwriter to the Macquarie/Kiewit consortium. NYNJ Link engaged BMO to serve as Co-Senior Managing Underwriter on \$457m of Private Activity Bonds for the project. NYNJ Link is owned by Macquarie Infrastructure Real Assets and Kiewit Development

Company. In such role, BMO analyzed the financial model, which incorporated the debt financing, equity, and a TIFIA loan. Bond structuring was performed based on market conditions and the TIFIA loan structure. BMO also analyzed lender documents including the Direct Agreement between the US DOT and investors as well as TIFIA loan documents as due diligence in the underwriting process.

- **Midtown Tunnel P3 Project,** The Virginia Department of Transportation and Elizabeth River Crossings (Macquarie/Skanska) entered into a 58-year P3 to design, build, finance, operate, maintain, and toll the Elizabeth River Crossing. BMO served as co-senior managing underwriter for the transaction and assisted the client in the marketing period, including roadshow, investor call, and site visit activities for this BBB- AMT project financing. The Midtown-Tunnel Project financing included a TIFIA loan in the amount of \$422 million. BMO analyzed the financial model, which incorporated the debt financing, equity, and USDOT TIFIA Loan.
- **Presidio Parkway P3,** BMO served as Mandated Lead Arranger for Presidio Parkway in San Francisco, CA. The new parkway will replace Doyle Drive, the current access highway onto the Golden Gate Bridge from the South. Golden Link Concessionaire (Hochtief/Meridiam) and Caltrans entered into a DBFMO contract, where GLC will operate and maintain the Parkway for 30-years post-construction and receive operating payments from Caltrans. The Presidio Parkway Project financing included a TIFIA loan in the amount of \$150 million. BMO was the Prime contractor.

## I SUPPORTING TEAM RESUMES



**Wim Verdouw****PROJECT POSITION**

- Senior Financial Advisor

**KEY SKILL AREAS**

- Infrastructure Development & Structuring
- Financial Modeling
- Financial Analysis
- Project Finance
- Public-Private Partnerships
- Cost-Benefit Analysis
- Risk Analysis

**EDUCATION**

- Delft University of Technology MSc. Civil Engineering (cum laude), 2005
- Delft University of Technology BSc. Civil Engineering, 2003
- London School of Economics and Political Science BSc. Economics, 2014

**PROFESSIONAL HISTORY**

- IMG Rebel, 2014 - present Manager
- Green Ventures, 2011 - 2014 Financial Advisor
- United Nations, 2005 - 2010 Water Sector Specialist

**YEARS OF EXPERIENCE**

- 12 Years

**EXECUTIVE SUMMARY**

Wim has a combined background in economics and engineering with over 12 years of experience in financial analysis, project development and project implementation in the transportation infrastructure, energy and water sectors. He leverages his experience renewable from public and private sector infrastructure projects in the US, Africa and Asia to advise clients on critical infrastructure financing aspects and project structuring, in particular for public-private partnerships. Before joining IMG Rebel, Wim worked as a financial advisor to a renewable energy project developer in Nepal and as a water sector specialist for the United Nations in Africa.

**RELEVANT EXPERIENCE***Transportation Infrastructure*

- **I-10 Project:** Advising TIFIA on a \$204M loan to the San Bernardino County Transportation Authority for the widening of the I-10, conversion of existing HOV lanes, and construction of new lanes to create two tolled express lanes in both directions for over 10 miles. Evaluate financial terms, identify key risks, conduct sensitivity analysis, and help structure the loan.
- **MBTA PTC Project:** Advised TIFIA and RIFF on two loans totaling \$382M to the Massachusetts Bay Transportation Authority for a \$517M Positive Train Control program across its commuter rail system to prevent train accidents. Evaluated sales tax revenue projections and state guarantees, financial terms, and key risks in order to structure the overall financing.
- **LaGuardia AirTrain:** Advised PANYNJ on developing a funding/financing and project delivery strategy of the new LaGuardia AirTrain. Led risk and procurement workshops, evaluated a range of funding options including farebox, passenger facility charges, grants, pickup & dropoff fees, developed financial model, and conducted sensitivity analysis. Evaluated and compared fiscal impact of design-build-operate-maintain delivery model to design-build-finance-operate-maintain.
- **I-15 Express Lane Project:** Advised TIFIA on a \$157M loan to the Riverside County Transportation Commission for the construction of 14.6 miles managed lanes. Evaluated traffic and revenue

projections, financial terms, identified key risks, conducted sensitivity analysis, and helped structure the loan.

- **Port Authority Bus Terminal:** Elaborated innovative financing strategy and developed financial model as part of the Port Authority Bus Terminal International Design + Deliverability Competition. Evaluated sources and uses of funds, assessed potential new revenue streams (including value capture and passenger facility charges) and their bonding capacity, identified key risks and proposed risk allocation and overall P3 structure.
- **Port Newark Container Terminal:** Advising TIFIA on a \$92M loan to the privately owned and operated Port Newark Container Terminal. Evaluate proposed terms, financial plan, revenue and cost projections, identify key risks, conduct sensitivity analysis, and help structure the loan.
- **CTA Rail Cars:** Advised TIFIA on a \$256M loan for the Chicago Transit Authority to finance purchase of 189 new rail cars. Carried out due diligence on project's financial plan, assessed farebox revenues and operating expenses, conducted sensitivity analysis of key variables in forecasts and financial projections.
- **Parallel Thimble Shoal Tunnel:** Conducted audit of the Parallel Thimble Shoal Tunnel Project to ensure it complies with the Virginia Public-Private Transportation Act. The audit focused on procurement of the Design-Build contract, geotechnical risks, T&R forecast, and the financial plan, identifying and quantifying key risks for the Chesapeake Bay Bridge and Tunnel District.
- **CTA Your New Blue:** Advised TIFIA on a \$120M loan for the Chicago Transit Authority to finance upgrades to the Blue Line. Carried out due diligence on project's financial plan, assessed farebox revenues and operating expenses, conducted sensitivity analysis of key variables in forecasts.
- **North Carolina I-77 Toll Road:** Advised TIFIA on a \$189M loan for the I-77 Managed Lane project in North Carolina. Carried out due diligence on project's financial plan, assessed T&R study, and evaluated construction and development plan. Conducted risk assessment of key variables in toll revenue forecasts and financial projections.
- **Project Delivery Benefit-Cost Analysis:** Developed a project delivery benefit-cost analysis framework for FHWA to help agencies compare costs and benefits of P3 project delivery to conventional project delivery. A key deliverable was a user-friendly financial model (P3-VALUE 2.0), which includes a detailed risk assessment and full financing structure and allows users to analyze both availability payment transactions and toll concessions.
- **Revenue Risk Sharing White Paper for P3s:** Co-drafted a white paper for FHWA on alternative mechanisms for US transportation agencies to share revenue risk with private developers in P3s, ranging from availability payment to full revenue risk transfer to concessionaires. The white paper examines international case studies and evaluates how these mechanisms could work in the US context. Key mechanisms include minimum revenue guarantees, combinations of availability payment and toll risk P3s, and innovative financing approaches.
- **Virginia P3 Parking:** Advised VDOT on ways to leverage public-private partnerships to monetize existing and develop new parking facilities for Virginia universities, park and ride locations, and government buildings. Developed case studies on parking privatization options, resulting in identification of best privatization practices, basic asset valuation model and procurement strategies.
- **Cape Verde Transshipment Port:** Analyzed financing options for the Cape Verde Ministry of Finance (MOF) regarding the development of a \$400M transshipment port. Evaluated various public-private

partnership structures under which the concessionaire would receive port dues, handling fees and/or availability payments, potentially reducing the MOF's exposure.

### *Renewable Energy*

- **Puerto Rico Solar Project:** Developed financial model and performed preliminary financial and technical due diligence for a U.S. hedge fund on a utility-scale solar power project in Puerto Rico, identifying key risks, financing strategy and exit opportunities.
- **NY Prize:** Supported Brooklyn Community Board 6 in developing a robust microgrid proposal for the NY Prize microgrid competition. Evaluated costs and benefits and identified innovative project delivery and financing options to enhance the project's overall impact.
- **Kali Gandaki Koban Hydropower Project:** Advised renewable energy developer on project structuring for 180MW run-of-river hydropower project in Nepal. Developed financial model, performed financial sensitivity analysis and drafted documentation to engage lenders and underwriters. Led \$300M debt finance raising efforts from commercial and multilateral development banks and political risk insurance providers.
- **Diamer-Bhasha Dam Hydropower Project:** Developed innovative financing and contracting strategy for the \$14B 4.5GW multipurpose Diamer Bhasha Dam Hydropower Project in Pakistan. The financing strategy is grounded in a detailed risk analysis, efficient risk allocation and extensive market sounding. It makes optimal use of available public resources while leveraging private capital, resulting in a low overall tariff for end users.

### *Water*

- **Financing Mechanism Study for Mono Basin Authority:** Performed a diagnosis of the Mono Basin Authority's (MBA) financing needs and proposed mechanisms for the sustainable medium- and long-term financing of the MBA's operating and investment budgets. The Mono River Basin is a transboundary river system that extends between Togo and Benin.
- **Funding Study for Congo River Basin Agency:** Assessed existing funding model for the Commission Internationale du Bassin Congo-Oubangui-Sangha (CICOS) by analyzing expenses, identifying funding sources, assessing financial management systems and evaluating financial risks. Evaluated funding options by determining long term funding requirements, analyzing sustainable funding models, culminating in a recommended funding option & required accompanying measures.
- **Madagascar Large-Scale Piped Water Transfer Study:** Carried out a high-level desk study to assess technical and financial feasibility of a large-scale piped water transfer from water abundant zones in South East Madagascar to drought-prone areas in South Madagascar to identify potential solutions to recurrent water and food scarcity.

### **PUBLICATIONS**

- Page, S.; Verdouw, W; Ham, M; Helwig, J (December 2016): Revenue Risk Sharing for Highway Public-Private Partnership Concessions, U.S. Department of Transportation, Federal Highway Administration

- Verdouw, W.; Uzsoki, D.; Dominguez Ordonez, D. (2015): Currency Risk in Project Finance, International Institute for Sustainable Development, [www.iisd.org/publications/currency-risk-project-finance](http://www.iisd.org/publications/currency-risk-project-finance)
- Verdouw, W. (2015): Sharing Risk and Revenues from PPPs: Perspectives from current practice in the road sector, International Institute for Sustainable Development, [www.iisd.org/publications/sharing-risk-and-revenues-ppps-perspectives-current-practice-road-sector](http://www.iisd.org/publications/sharing-risk-and-revenues-ppps-perspectives-current-practice-road-sector)
- Verdouw, W. (2015): The Private Financing Component in Public-Private Partnerships, International Institute for Sustainable Development, [www.iisd.org/publications/private-financing-component-public-private-partnerships](http://www.iisd.org/publications/private-financing-component-public-private-partnerships)

**Waiching Wong****PROJECT POSITION**

- Project Manager

**KEY SKILL AREAS**

- Strategic Planning / Execution
- Project Management / Delivery
- Transaction Advisory
- Business Process Analysis and Improvement
- Infrastructure Development
- Urban Planning

**EDUCATION**

- Cornell University  
M.R.P City and Regional Planning, 2009
- University of California Berkeley  
B.A. Political Economy, 2004

**PROFESSIONAL HISTORY**

- IMG Rebel, 2016 - present  
Manager
- Booz Allen Hamilton, 2012 - 2016  
Associate
- District Department of  
Transportation, 2011 - 2012  
Transportation Planner
- District of Columbia, 2009 - 2011  
Capital City Fellow

**LANGUAGE**

- English, native

**YEARS OF EXPERIENCE**

- 10 Years

**EXECUTIVE SUMMARY**

Waiching Wong brings over ten years of experience in strategic planning, project implementation, transaction advisory, and risk management related to critical infrastructure delivery and public private partnerships in various sectors, including transit, technology, and social infrastructure. She provides clients with insight and strategies for improving organizations, including business process improvements, key performance measures, and structural reforms. Her background includes project management, establishing, managing public-private partnerships, and policy analysis. Prior to IMG Rebel, Ms. Wong worked as a strategic management consultant for Fortune 500 companies and the U.S. Federal Government.

**RELEVANT EXPERIENCE**

- **Daly Building P3:** Advising the District of Columbia on its P3 project to design, renovate, finance, and maintain a historic building that currently serves as the headquarters for the Metropolitan Police Department. Engagement includes strategic advisory on project scope, schedule, financing options, P3 structure, solicitation documents, market engagement, and project evaluation.
- **San Francisco Fiber-to-the-Premises Broadband P3:** Advising the City on its P3 project to provide broadband service to San Franciscans, particularly analyzing options for the P3 structure. Worked with the City to understand possible revenue streams, user fees, and risks to project implementation. Currently advising the City as it launches its P3 procurement process, including strategic planning, market sounding, engagement with the industry, and drafting solicitation documents.
- **Howard County Courthouse P3:** On team advising Howard County, MD on a P3 to design, build, partially finance, operate and maintain a new 230,000 sq ft circuit courthouse and structured parking facility. Conducted a qualitative delivery options analysis that helped Howard County staff successfully reach a decision on the structure of the P3, and obtain support from both legislators and the County Executive. Advised the County on the procurement process, and timeline

as it executes its first P3. Assisted with drafting solicitation documents, proposal evaluation, and the overall transaction.

- **Confidential Client:** Leading funding and financing strategy development for a design competition regarding the redevelopment of a large intermodal bus terminal. Funding and financing solutions identified include innovative P3 structures, value capture with tax increment financing, asset monetization and passenger fees.
- **City of Seattle:** Advising the City of Seattle on implementation of seven bus rapid transit corridors by developing multiple funding and financing scenarios. Scenarios include use of value capture, public private partnerships, federal financing, and a local tax levy. Conducted a high-level delivery model analysis (P3s) and analysis of how TIFIA can be used for the project.
- **Green Line Extension (GLX), Boston:** Advised the University of Wisconsin, Madison State Smart Transportation Initiative, on identifying ways to fund the financial plan gap for the estimated \$2.3B, five-mile GLX light rail extension in suburban Boston. Analyzed the use of value capture mechanisms, including tax increment finance, as a key method to make up the local communities' share—Cambridge, Medford and Somerville. The team's work was incorporated in the negotiations between the communities and the Commonwealth of Massachusetts.
- **Confidential Automotive Manufacturer:** Developed a benchmarking study/ competitive analysis on vehicle development processes, innovative partnerships, supplier strategies and internal operational improvements for a top automotive OEM.
- **Washington DC Streetcar:** Staff lead for the establishment of a public-private partnership to design, build, maintain, operate and finance a 22-mile streetcar system by managing work products of external consultants and providing policy recommendations to the agency director and other senior officials.
- **PRESTO Ticketing Strategic Consulting:** Provided strategic consulting to senior management at PRESTO, the electronic payment system used in Greater Toronto, Hamilton, and Ottawa, Canada. Work included advice during their reorganization, including staffing recommendations, and work flow analysis.
- **11th Street Bridge GARVEE Bond Issuance:** Assisted with the issuance of \$81.7 million bond for the construction of transportation infrastructure projects. Coordinated multiple stakeholders, applied and interpreted federal transportation policies, developed budget, and project information to aid in bringing the project to market. The bonds were successfully issued and brought to market in 2011.
- **Walter Reed Medical Center Real Estate Transfer:** Analyzed financial plans, site plans, land use plans and redevelopment strategies for the largest Federal Base Realignment and Closure (BRAC) transfer in Washington DC.
- **Value Capture Finance for Transit Guide:** Co-authored the "Guide to Value Capture Financing for Public Transportation Projects," including major case studies of Portland and Kansas City streetcar systems that leverage value capture to fund and finance their projects. The guide is commissioned by the Transit Cooperative Research Program, and available for download: <http://www.trb.org/TCRP/Blurbs/175203.aspx>



- **US High Speed Rail Projects in the North East:** Provided subject matter expertise and directed the work of engineering and cost analysis experts for the US Federal Railroad Administration in relation to high speed rail projects that received federal grant funding.
- **Dallas Area Rapid Transit (DART):** Advised Dallas Area Rapid Transit on Federal financing options and project structuring for a planned 67-mile commuter rail line. Advised on the strategy for applying and securing federal financing including guidance on how to approach the application process, and information needed regarding project scope and financials.
- **Railroad Rehabilitation & Improvement Financing Program:** Conducted analysis of a federal rail infrastructure credit program and its business processes, provided Division Chief with recommendations to improve the creditworthiness of the program.
- **Audit of Chesapeake Bay Bridge Tunnel:** Audited procurement of Parallel Thimble Shoal Tunnel Project to ensure it complies with the Virginia Public-Private Transportation Act focusing on 1) design-build contract, including detailed risk analysis, 2) T&R forecast, and 3) financial plan.
- **Site Redevelopment Analysis:** Conducted financial analysis and site plan reviews for the Office of the Deputy Mayor in Washington DC. Projects included a large-scale retail project (Lincoln Retail Center) and a mixed-use affordable housing project (Northwest One). Work included analysis of redevelopment strategies and analysis of parcel transfers.
- **P3 Best Practices:** Served as a main author of a best practices primer for public private partnerships in the U.S. Provided direction for document, authored sections, conducted interviews with stakeholders and supported roundtables at conferences.

#### Publications

- Successful Practices for P3s, A review of what works when delivering transportation via public-private partnerships. March 2016, U.S. Department of Transportation, Build America Transportation Investment Center
- Guide to Value Capture Financing for Public Transportation Projects: Transit Cooperative Research Program, Research Report 190. Transportation Research Board, 2016.

**Herb Ladley****PROJECT POSITION**

- Financial Advisor

**KEY SKILL AREAS**

- Infrastructure Development & Structuring
- Financial Analysis
- Project Finance
- Project Economics
- Public-Private Partnerships
- Cost-Benefit Analysis
- Risk Analysis

**EDUCATION**

- Macquarie University  
Masters of Applied Finance, 2016
- University of Virginia  
Bachelor of Arts, 2008

**PROFESSIONAL HISTORY**

- IMG Rebel, 2017 - present  
Manager
- Mizuho Bank, 2015 - 2017  
Assistant Vice President
- Ernst & Young, 2012 - 2015  
Manager
- Castalia, 2010-2011  
Research Associate

**YEARS OF EXPERIENCE**

- 10 Years

**EXECUTIVE SUMMARY**

Herb has ten years of experience in infrastructure finance and economics, particularly in transport and water sectors. He has experience at every stage of the project lifecycle from upstream policy to financial close. On the upstream side, he has led analysis of policy and enabling framework, sector strategies and masterplans, and project prioritization and market studies for new projects. He has helped clients with project feasibility analysis, including cost-benefit analysis, business case development, PPP options analysis and technology options analysis. He also has extensive experience on the downstream delivery and financing of major projects, including procurement and contracting strategies, tendering and bid evaluation, market sounding and marketing, and financing strategy.

**RELEVANT EXPERIENCE***Transport*

- **High Desert Corridor Funding and Financing Strategy:** Advised the High Desert Corridor Joint Powers Authority (JPA) on a funding and financing strategy for the proposed \$1.7 billion high speed rail project between Palmdale and Victorville, California. The strategy supports the JPA's application for \$1 billion in grant funding to the State of California.
- **Kuala Lumpur-Singapore High Speed Rail:** Advised the Japanese bidding consortium for the \$20 billion rail project. Led market-sounding process on behalf of consortium members, and developed innovative financing options and financial model for the project.
- **Malaysia Long Term Transport Plan:** Worked closely with the Malaysian Prime Minister's Department to develop a long-term investment strategy for the country, including capital planning and policy reform across all transport sub-sectors.
- **Northwest Rail Link PPP Project:** Advised Government of New South Wales, Australia on procurement of an \$8 billion urban rapid transit project for Sydney's northwestern suburbs. Developed project's "commercial principals" and wrote output specifications forming the Terms of Reference for the PPP.
- **Iskandar BRT Iskandar Bus Rapid Transit PPP:** Advised the Iskandar Regional Development Authority (IRDA), a regional authority for the growing economic corridor on the Singapore-

Malaysia border, on developing a bus rapid transit project to support the region's urbanization. Created a business case for a PPP, which included building a project financial model, and PPP options assessment.

- **New South Wales Long Term Transport Master Plan:** Seconded to the Government of New South Wales, Australia, to draft a Long-Term Transport Master Plan to define and prioritize transport investment over a 20-year period. Drafted most key sections of the plan and led several analytical workstreams which led to the long-term recommendations on transport policy and project funding.
- **Review of State Infrastructure Plans, Infrastructure Australia:** Reviewed the quality and consistency of the infrastructure planning process in Australian states, on behalf of Infrastructure Australia, the federal infrastructure funding body. The analysis informed allocation of federal infrastructure funding.
- **PPP for Freight Infrastructure Upgrades:** Analyzed the viability of a PPP to construct and maintain the infrastructure upgrades on the Hume Highway in Australia. Developed a financial model for the potential project and recommending potential payment and revenue models.
- **Vietnam National Expressways Financing Plan:** Analyzed the relevance of various modes of expressway financing, including public-private partnerships, bank loans, and sovereign and municipal debt, and proposed a best-practice breakdown of funding sources among these options for Vietnam's long-term expressway development plan.
- **Cost-Benefit Analysis for Intermodal Freight Terminal:** Analyzed how a proposed North Island, New Zealand intermodal terminal would impact the economic case for the proposed Waikato Expressway, which would run adjacent to the terminal. Developed a financial and economic model for the Waikato expressway to quantify the net economic benefits of the "package" terminal-expressway investment.

### *Water*

- **Ho Chi Minh City Unsolicited Waste Water Treatment Plant:** Led the development of the first unsolicited proposal for a waste water treatment plant in Ho Chi Minh City. Developed financial model for the project and assisted in ongoing negotiations between the client (a major international water company) and Ho Chi Minh City Government.
- **Indonesian Non-Revenue Water Concession:** Led the scoping of the first municipal non-revenue water concession in Indonesia for an Asian water company operating internationally. Facilitated introduction of the client to the Indonesian municipality, and advised on building cash flow model and contractual terms for the contract still under negotiation.
- **Restructuring of South Africa Water Sector:** Reviewed the financial performance and mandate of water sector institutions, and developing an improved sector structure. Determined the optimal number, scale, and type of institutions in the water sector, including a National Water Resource Infrastructure Agency, catchment management agencies, water user associations, and regional bulk water infrastructure agencies.
- **Franchising Contract Model for Indian Water Sector:** Developed a franchising model to improve performance of India's Urban Local Bodies in delivering water and sanitation services. This included

a business model, including a subsidy and financing plan, for the groundbreaking PPP model for water services in medium-sized Indian towns.

- **Performance Audit for the Water Resource Management and Environment Sector Institutions:** Assessed water resource and environmental institutions in the Bangladeshi portion of the Ganges-Brahmaputra river basin. Analyzed the financial performance of water resources management institutions, recommending a strategy to privatize IT functions and technical inputs as a way to improve sector outcomes.
- **Pittsburg Water and Sewer Authority (PWSA) Reform Options:** Currently working with the city of Pittsburg, USA to evaluate reform options for its underperforming water distribution utility. Preparing a full financial model of the utility to evaluate the value-for-money offered by each potential reform option.
- **Case Study on Innovative Private Financing Models in the Water Sector in Mexico:** Wrote a case study for Mexico's National Water Commission (Comisión Nacional del Agua or CONAGUA), on innovative private financing models being used in the Mexican water sector.

#### *Telecom*

- **Telstra Net Cost of Universal Service Obligation Modelling:** Developed the first financial model to calculate the net cost of the universal service obligation in Australia, estimating the annual cost to be between \$200 million and \$500 million. The model was used in negotiations between the Government and Telstra over the initial value for the universal service subsidy.

#### *Public Accommodation*

- **PPP for Senior High School rollout in the Philippines:** Advised the Government of the Philippines on the construction of hundreds of new high schools in all parts of the Country. Undertook a market sounding with banks and major construction firms in the Philippines; conducted demand analysis to understand the market size for a PPP; and examined aspects of the Philippines budgeting and land acquisition process.
- **Thailand Health-Sector PPP Analysis:** Advised the Thailand Ministry of Health on potential options for a pioneering health-sector PPP, including options for shared public-private accommodation and outcome-based service provision.

#### *Energy*

- **Five Indian Waste-to-Energy Plants:** Undertook transaction due diligence for a major Japanese investor in five waste-to-energy plants, including detailed contractual and financial due diligence.
- **Multiple International Sub-Sea Electricity Transmission Projects:** Advised a major Japanese industrial conglomerate on its investment in multiple international HVDC sub-sea transmission lines. Undertook complex negotiations with multiple Governments concerning right of way issues, structuring offtake agreements and tolling payment mechanisms.
- **Design of Private Equity Fund of Funds for Clean Energy:** Identified viable clean energy companies and projects in Southeast Asia seeking private equity, and undertook a market sizing for such projects to inform the initial scaling for a Private Equity Fund of Funds by IFC.

- **Tannguh Train 3 Expansion Project:** Analyzed Indonesian financial regulations and recommended a compliant offshore borrowing structure for an LNG production project in Indonesia.
- **Sustainable Energy Framework for Barbados:** Analyzed the financial viability of emerging renewable energy technologies for Barbados, as part of a Sustainable Energy Framework for the country.
- **Revitalization of the Power Sector and Private Sector Participation in São Tomé e Príncipe:** Analyzed the technical performance of the electricity sector in Tomé e Príncipe, and benchmarked that performance against similar island countries.

#### *Other*

- **Progress Review of Infrastructure PPP Project Developer:** Evaluated the performance of InfraCo Africa and recommend potential improvements to its procedures. Assessed the relevance, effectiveness, efficiency, and sustainability of the InfraCo program, focusing on the value-for-money offered by InfraCo compared to similar donor-led initiatives to support private investment in infrastructure.

**Jeff George****PROJECT POSITION**

- Subject Matter Expert

**KEY SKILL AREAS**

- Resource Management
- Water and Wastewater Infrastructure Development
- Circular Economy
- Client & Stakeholder Engagement / Communication
- Public Private Partnerships
- Project Management

**EDUCATION**

- Columbia University Sustainability Essentials Training, 2014
- U. of Massachusetts Amherst Master Regional Planning, 1981
- Miami University B.A. Environmental Design, 1978

**PROFESSIONAL HISTORY**

- IMG Rebel, 2014 - present Senior Associate
- Covanta, 2012 - 2014 EfW Business Manager
- Covanta UK, 2008 - 2012 Director - Market Development
- Covanta, 1994 - 2008
- Consumat Systems, 1987 - 1994
- City of Fitchburg (MA) Planning Office, 1981 - 1987

**YEARS OF EXPERIENCE**

- Over 30 Years

**EXECUTIVE SUMMARY**

Jeff is a Senior Associate at IMG Rebel and is responsible for growing the company's presence within the utilities, sustainability and resiliency practice in the US. His primary focus is on water/wastewater and solid waste infrastructure development, together with broader urban resiliency challenges. Prior to this, Jeff worked for nearly 20 years with Covanta Energy, the largest developer of energy-from-waste facilities in the US. For four of those years (2008-2012) Jeff was based in Covanta's rapidly growing European office located in the greater Birmingham (UK) area and served as a key member of the company's Business Development and Marketing / Communications team. Jeff began his career in the public sector as a City Planner, working for seven years with local government in the greater Boston area addressing the challenges of urban planning in a decaying industrial environment. Throughout his career, Jeff has had a wealth of domestic and international waste management experience, and has worked on a variety of energy, waste, and water-related projects in the US, Europe, Latin America and the Middle East.

**RELEVANT EXPERIENCE**

- **PWSA Water Utility Restructuring:** Serving as Assistant Engagement Manager for Technical Services in the restructuring of the Pittsburgh Water and Sewer Authority (PWSA) where IMG Rebel is assessing a variety of privatization options under a two-phase contract that will address issues of failing infrastructure due to lack of capital investment, poor governance, and overwhelming long-term debt.
- **Chiclayo Landfill Development:** Serving as solid waste expert on development of sanitary landfill in Chiclayo, Peru where IMG Rebel is assessing project delivery options with a particular focus on Peru's recently enacted PPP legislation.
- **Michigan Recycle by Design:** Lead advisor in the implementation of an innovative recycling infrastructure design challenge for the state of Michigan; the goal of which is to achieve the Governor's initiative of doubling the state's recycling rate over a two-year period. The Recycle by Design Challenge is designed to incentivize and accelerate the development and implementation of innovative strategies to increase recycling across Michigan through the development of meaningful long lasting public private partnerships.



- **Red Hook Microgrid:** Supporting a proposed community microgrid in the Red Hook neighborhood of Brooklyn, NY; hard hit by the devastation resulting from Hurricane Sandy in 2012, with a particular focus on an anaerobic digestion component looking at food waste as fuel for power generation.
- **Wastewater Concession Development:** Key member of small concessionaire team tasked with developing both greenfield and brownfield wastewater privatization opportunities in Latin America and the Middle East.
- **Wastewater Filtration Product Line Management:** Directly managed company start-up efforts in marketing, designing, supplying and installing DualSand® tertiary filtration systems to municipal and commercial/industrial client base for potable water, wastewater and desalination applications. Firmly established DualSand® technology as leader in small/mid-scale tertiary wastewater filtration within NYC's Catskills/Delaware watershed district; critical to NYCDEP securing its ongoing EPA Filtration Avoidance Determination.
- **New York Energy from Waste Power Plant Oversight:** Responsible for business-side operations at two energy-from-waste (EfW) power plants located in metro-NYC region with a combined asset value of \$400MM-plus. Maintained oversight responsibility of combined \$29MM annual operating budget focused on reducing overall operating costs while maximizing value per dollar spent for both company and clients.
- **Community Liaison for Energy from Waste Power Plants:** Point person for community liaison and stakeholder engagement on both sensitive environmental issues and social outreach covering four EfW facilities in metro-NYC region. Worked directly with the public; community partners; local, regional, and state government officials and NGOs to implement innovative community education and environmental awareness programs.
- **Energy from Waste Service Agreement:** Negotiated add-on to existing 30-year Service Agreement with EfW client for non-ferrous processing system that will increase projected free cash flow by \$22MM over the life of the project.
- **United Kingdom Energy from Waste Advisory:** Core member of small HQ corporate team relocated to UK to quickly place new business entity in pursuit of UK-based energy-from-waste project opportunities; focused on firmly establishing corporate name recognition in a very competitive foreign market. Worked closely with local PR agencies and other vendors; quickly elevating Covanta to "top competitor" status. Efforts resulted in securing planning and environment permits for energy-from-waste facilities with a cumulative asset value approaching £1B.

## PUBLICATIONS

- Jeffrey George and Kerrin O'Brien (co-authors). "Moving The Needle in Michigan" published in Resource Recycling magazine; October 2015.
- Jeffrey George (lead author) and David Massingham. "Moving Towards a Sustainable UK in an Environment of Austerity: Can We Wait Until the Midnight Hour?" Paper No. NAWTEC19-5410; ASME Proceedings: 19th Annual North American Waste-to-Energy Conference; Lancaster, PA; May 2011.

**Elisa Donadi****PROJECT POSITION**

- Financial Advisor

**KEY SKILL AREAS**

- Market Analysis
- Data Analysis and Interpretation
- Analytical Research and Reporting
- Cost Benefit Analysis
- Benchmarking
- Feasibility Studies

**EDUCATION**

- Johns Hopkins University  
M.A. International Economics,  
2015
- Universidad Metropolitana,  
Caracas, Venezuela  
B.A. Business Economics,  
2011

**PROFESSIONAL HISTORY**

- IMG Rebel, 2015 - present  
Consultant
- Inter-American Development  
Bank, 2014  
Consultant
- British American Tobacco,  
2011-2013  
Management Trainee &  
Insights Executive
- Municipality of Sucre, 2010  
Economic Consultant

**YEARS OF EXPERIENCE**

- 6 Years

**EXECUTIVE SUMMARY**

Elisa Donadi specializes in developing state-of-the-art financial models to build funding and financing structures for infrastructure projects and PPP delivery models. Miss Donadi has conducted advisory work for clients including the Citizens Independent Transportation Trust (CITT); Washington Metropolitan Area Transit Authority (WMATA); Federal Highways Administration (FHWA); St. Louis, Missouri's Transit Agency (Metro); and the San Antonio Airport System (SAAS).

**RELEVANT EXPERIENCE**

- **Civic Center and Sports Complex P3, Belize:** Advised the government of Belize on the preparation, procurement, and development of evaluation criteria for a P3 contract for management and operation of civic center and sports complex.
- **Bus Terminal P3, Belize:** Advised the government of Belize on the development of a new national bus terminal through a P3. Conducted an initial financial feasibility study and value for money assessment. Also identified the necessary changes in the enabling environment to successfully implement this project as a P3.
- **Ministry of Finance, Belize:** Conducted initial financial feasibility study and value for money assessment for a new Ministry of Finance Building. Assessed different funding and financing mechanisms for the project.
- **Ridership forecast for Washington Metropolitan Area Transit Authority (WMATA):** Currently assessing and reviewing the 24-month ridership econometric forecast of the bus and metro system for WMATA.
- **Ridership Econometric Model, St. Louis, Missouri's Transit Agency (Metro):** Developed an econometric model to identify the regional and national trends on ridership decrease.
- **Value Capture Studies, Miami Citizens Independent Transportation Trust (CITT):** Developed financial models to estimate the financial capacity from real estate value capture, focusing on forecasting the bonding capacity and future revenues when applying value capture techniques for Miami-Dade County for \$6 billion SMART Plan.
- **Excel-based Funding Tool, Miami Citizens Independent Transportation Trust (CITT):** Developed dynamic Excel-based

funding tool that facilitates the understanding of funding and financing options for policy and decision makers.

- **Proforma Review, Miami Citizens Independent Transportation Trust:** Reviewed the Proforma of the Department of Transit and Public Works (DTPW). The analysis and the resulting report aimed to guarantee transparency and best practices for the DTPW, and identified potential funding sources for the development and construction of new transit corridors.
- **Risk Assessment Training, World Bank:** Drafted high-level presentation for training about P3s and risk assessment for Training Modules for Integrated Urban Water Management (IUGWM) to the World Bank Group.
- **Cases Studies for Unsolicited Proposals, World Bank:** Crafted cases studies for Colombia, Chile, Peru and Italy for developing a Model P3 Policy Framework for Unsolicited Proposals for the World Bank Group
- **Risk Sharing Mechanisms White Paper for the Federal Highway Administration Office:** Developed case studies on Latin American risk sharing mechanism for the U.S. Department of Transportation (U.S. DOT) Federal Highway Administration (FHWA)
- **Benchmarking and Performance Audit, Orlando Sanford Airport Authority:** Carried out a benchmarking exercise, performance audit, and review of financial arrangements of two P3 terminal operating concessions for the Sanford Airport Authority
- **Benchmarking and Market analysis, San Antonio Airport System (SAAS):** Carried out a comprehensive financial and operational benchmarking exercise for the SAAS of 25 airports of similar size, enplanements per year, and services to those of the airport authority.
- **Development of Training Modules for Integrated Urban Water Management, World Bank:** Developed cases studies and drafted best practices training modules for international PPP in urban water projects.
- **PPP Americas Conference 2017, Inter-American Development Bank:** Designed panel discussions and facilitated meetings across internal departments of the Inter-American Development Bank to discuss new ideas for the Bank to present at a conference on how governments can collaborate with the private sector and leverage finance to build sustainable infrastructure. Drafted working papers and final report of the PPP Americas Conference.
- **PPP Workshop, Millennium Challenge Cooptation and Inter-American Development Bank:** Designed, developed, and disseminated P3 workshop for public officials in Central America.
- **Rate Impact Evaluation Model, Pittsburgh Water and Sewer Authority:** Designed and developed rate structure and evaluated its impact for clients under five different delivery models including P3.
- **Consolidated Rental Car Facility (CONRAC) Feasibility Analysis, Port Authority of New York and New Jersey:** Developed financial model for feasibility analysis and rate impact for La Guardia Airport CONRAC.
- **Decentralization of Subnational Finance, Inter-American Development Bank:** Designed impact evaluation measures for financial performance of decentralized subnational governments in Ecuador.

- **Impact Evaluation Plan Progres, Municipality of Sucre, Venezuela:** Designed indicators and performed impact evaluation of publicly owned infrastructure projects.

**Tayo Edun****PROJECT POSITION**

- Financial Advisor

**KEY SKILL AREAS**

- Financial Feasibility Analysis
- Project Finance
- P3 Payment Mechanism
- P3 Strategy

**EDUCATION**

- Tuck School of Business at Dartmouth, MBA, 2015
- Johns Hopkins University, MA International Development and International Economics, 2015
- Duke University, BA Economics and Public Policy, 2008

**PROFESSIONAL HISTORY**

- IMG Rebel, 2017-present Senior Consultant
- Commonwealth of Massachusetts, 2015-2017 Consultant, Innovative Finance
- Public Private Partnership Initiative, 2014-2015 Associate
- Teach For America, 2009-2012 Head of Department

**LANGUAGE**

- English, fluent
- Spanish, conversational

**YEARS OF EXPERIENCE**

- 5 Years

**EXECUTIVE SUMMARY**

A Financial Analyst in IMG Rebel's Washington, D.C. office, Mr. Edun has 6 years of public sector experience and has worked in the infrastructure, social impact, and education fields. He has experience drafting payment mechanism details, developing and maintaining advanced financial models, conducting cost-benefit analyses, and negotiating P3 contracts. He has worked on a wide range of projects for a diverse set of clients – including the Federal Government, several municipal agencies and the Commonwealth of Massachusetts, as well as private sector organizations in Africa, Eastern Europe, and Latin America.

**RELEVANT EXPERIENCE**

- **High Desert Corridor Funding and Financing Strategy:** Advised the High Desert Corridor Joint Powers Authority (JPA) on a funding and financing strategy for the proposed \$1.7 billion high speed rail project between Palmdale and Victorville, California. The strategy supports the JPA's application for \$1 billion in grant funding to the State of California. Modeled potential funding and financing sources and repayment. Analyzed California property tax laws and evaluated commercial and residential real estate within ½ mile from proposed stations and determined how some form of value capture mechanism—such as a special assessment district or tax increment financing—could help fund a portion of the project.
- **Howard County Courthouse:** Supporting Howard County, Maryland with its first P3 project, and the second courthouse P3 project in the United States. Supported public-side financial modeling. Evaluated financial responses to Courthouse Expression of Interest. Drafted payment mechanism and managed team of construction experts, lawyers, courthouse users and County employees to further develop Payment Mechanism and deductions regime prior to negotiations with bidders. Created financial model to determine optimal milestone payment.
- **Port Authority of New York and New Jersey:** Advised Port Authority on funding for an air access transit project. Benchmarked construction cost assumptions against similar national and regional projects and determined likely range for capital costs. Used projected capital costs to estimate funding gap, and analyzed realism of considered approaches to closing funding gap including: federal and local grants, consumer and vendor fees (PFCs, CFCs, TFCs), and parking revenue. Analyzed the financial feasibility of potential Consolidated Rental Car Facility (CONRAC) and parking

garage based on construction costs and possible revenue sources under conventional and P3 delivery methods.

- **MBTA Positive Train Control:** Advising TIFIA on \$228M RRIF loan and \$162M TIFIA loan for \$493M project.
- **I-10 Corridor Project:** Advising TIFIA on \$204M loan for \$625M San Bernardino County Transportation Authority I-10 Corridor project.
- **Massachusetts Social Impact Bond Program:** Created financial models and cost-benefit analyses that drive payment terms for specialized public finance products. Advised Commonwealth of Massachusetts on financing approach and contract provisions for \$50m in innovative finance contracts.
- **Zoo Market:** Advised large municipality in Asia on strategy for revitalization of 1.2 million ft<sup>2</sup> complex. Created list of 15 relevant case studies, drafted and presented the 3 cases that were most pertinent based on client goals, project redevelopment stage, and asset type. Taught sustainability and infrastructure case studies to graduate students and professionals; explained key financial modeling and qualitative techniques required to assess projects and increase likelihood of success.
- **Broadband Internet Service Provider:** Recreated profitability model for one of Africa's three largest telecommunications firms and convinced finance team that firm was likely to face losses over next five years under existing strategy. Revised projections and recommended cost saving measures based on analysis.



**Emily Hashimoto****PROJECT POSITION**

- Senior Financial Advisor / Subject Matter Expert

**KEY SKILL AREAS**

- Infrastructure Capital Markets
- Investment Banking
- Project Finance
- P3 & Financial Advisory
- Project Lending
- Concession Strategy Expertise
- Performance Specifications
- Infrastructure Development and Finance

**EDUCATION / ADDITIONAL QUALIFICATIONS**

- Claremont McKenna College

**YEARS OF EXPERIENCE**

- 8+ Years

**EXECUTIVE SUMMARY**

Emily Hashimoto is a Vice President at BMO Capital Markets in the Power, Energy & Infrastructure Group. She has built broad M&A advisory and financing transaction experience across transportation, energy, utilities, and social infrastructure sectors. Emily's advisory and financing experience includes Axiom Infrastructure's acquisition of Montreal Gateway Terminals, Instar AGF on the fund's successful bid for the Billy Bishop (Toronto City) Airport, Walter Energy's sale of Blue Creek Terminal, in addition to assignments including the Goethals Bridge Replacement Project and All Aboard Florida. Prior to joining BMO Capital Markets in 2011, Emily was an Associate in RBC Capital Markets' Investment Banking group. Before that she worked as an Analyst with Shattuck Hammond Partners, a healthcare advisory firm.

**RELEVANT EXPERIENCE**

- Montreal Gateway Terminals
- Goethals Bridge Replacement Project
- All Aboard Florida



## Appendix B

## Relevant Selection of IMG Rebel-BMO Team Qualifications and JEA-Specific Experience

Client Engagement (Team Member)	Project Description
	<b>Utilities:</b> water/wastewater, energy efficiency, street lighting, renewable energy, waste management and recycling
<b>Pittsburgh Water and Sewer Authority</b> (IMG Rebel)	IMG Rebel is leading a multi-disciplinary team advising the City of Pittsburgh on the restructuring and implementation of P3s for PWSA, the City-owned authority providing water, wastewater and storm water services that has long suffered water quality issues, poor process management, lack of capital investment and mounting maintenance problems. Its current infrastructure shortfall is over \$4 billion dollars. Commencing in July 2017, IMG Rebel's Phase I work includes a thorough review of governance, management, institutional and obligations assessment; operations and systems assessment; tactical and strategic financial and legal analyses of the restructuring options; and restructuring option selection. A key element in the evaluation is the utility's suitability for sale or lease. IMG Rebel evaluated a variety of P3 options ranging from sale/lease to operations contracting, and recommended that the City dramatically alter its governance and management structure to include an independent charitable public trust and an innovative infrastructure-only P3 to address its enormous system improvement needs. Phase II, which will begin in early 2018, includes implementation of the restructuring as determined by the Mayor-appointed Blue Ribbon Panel supported by a city-wide stakeholder engagement process, to whom IMG Rebel will serve as the lead advisor.
<b>Tulsa Metropolitan Utility Authority</b> (IMG Rebel)	IMG Rebel was the prime contractor, leading a large 7-company team composed of engineering, legal and financial firms, for this \$3.5 million Comprehensive Assessment of the governance, operations, capital program and long-term business strategy for water and sewer systems with an estimated combined value of \$2.6 billion. The assessment included full-spectrum "deep-dive" evaluation of the governance and regulatory structure, management systems, key business processes, operations and maintenance efficiency, capital needs, rates modeling, and its potential value under various privatization scenarios. Alternative

	<p>strategies examined and quantified include (1) a long-term lease concession of all or part of the utility; (2) contracting out of all or part of the operations; (3) outsourcing selected services; and (4) aggressive reform and reengineering of the organization with heavy emphasis on technology and business process restructuring to ensure the durability of the performance improvement. Following the Comprehensive Assessment, the TMUA board of directors chose to implement the “Aggressive Improvement” option among the alternatives examined during the Assessment. The board again chose IMG Rebel as the prime contractor to lead the implementation in an \$8 million engagement to develop new governance process, new operating reforms, a new performance management information and reporting system, new terminable support service contracts with other agencies, and an expansive new asset management program. The performance management system in particular is comprised of board and management reporting protocols, operating process optimization software, new business intelligence tools and dashboards, and long-term utility rate reduction programs. The asset management system included selection, procurement, and implementation of an advanced utility-wide computerized maintenance systems, strategic asset management system (SAMS) software, and organizational changes necessary to incorporate asset management best practices into routine capital planning and budgeting processes. Finally, IMG Rebel developed a first-of-its-kind (in the US) Enterprise Value Model, which has provided the City and the TMUA board with an all-encompassing balance sheet that tracks the utility’s public value.</p>
<p><b>Lower Colorado River Authority</b> <i>(BMO Capital Markets)</i></p>	<p>The Lower Colorado River Authority (LCRA) hired BMO in 2011 to serve as sole sell-side advisor as it sought purchasers for its retail water and wastewater systems. LCRA successfully utilized public-to-public and public-to-private transactions as well as a mix of full asset sales, lease-to-own and operating agreements to achieve its goal of reducing its operating risk and achieving the maximum valuation possible for its collection of retail utility assets while also insuring that the new owners continued to employ best practices in the operations of the systems. The utilization of multiple methods represents a one-of-a-kind strategic approach in the history of the U.S. infrastructure finance arena. LCRA is one of the largest water districts in the U.S. Beginning in the early 1990s, LCRA acquired and developed more than 30 retail water and wastewater systems (many of which were struggling and</p>

	<p>under-developed). While LCRA invested around \$350 million in the acquisition and improvement of these assets, LCRA decided in late 2010 that owning these retail water and wastewater entities was no longer a core focus. To solicit the broadest array of feedback possible, BMO conducted an international and domestic investor outreach effort that included local governmental entities, international infrastructure funds, and the investor owned utilities (IOUs). Nearly 100 firms or entities were contacted during the process and offered the opportunity to sign a Confidentiality Agreement developed by BMO. BMO then helped LCRA conduct a rigorous due diligence process with a large number of finalists. The Lower Colorado River Authority project reached financial close in 2014.</p>
<p><b>Detroit Public Lighting Department</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel conducted a detailed analysis of the city's Public Lighting Department (PLD) system to identify and prioritize potential savings and revenue enhancements, implement immediate savings opportunities, assist the department with building public and stakeholder consensus, and develop a detailed plan for long-term savings. IMG Rebel began by lending the PLD an executive manager under IMG Rebel's employ to shadow the existing management staff, adding another perspective to the department's functionality.</p>
<p><b>City of Worcester, MA</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel was hired as a "sell side" advisor by the City of Worcester to assist them on the leasing and monetization of certain municipal infrastructure assets including the city's parking portfolio, certain transportation facilities, street lighting, wastewater plant, and potentially other city assets. IMG rebel will initially prepare an asset valuation and then perform as the City's procurement advisor to structure and prepare RFQ/RFP's and concession documents as well as negotiate agreements for those assets approved by the City Council that will maximize upfront lease payments, while assuring improved long-term asset management. This engagement has begun for the City's parking assets.</p>
<p><b>Milwaukee Metropolitan Sewerage District Operations Public-Private Partnership</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel structured and executed the competition process for a 10-year, \$350 million O&amp;M contract – the largest wastewater treatment privatization in U.S. history. So successful was the contract (reducing O&amp;M costs by 38%) that the MMSD has continued the P3 since its inception. This innovative, long-term performance-based contract remains the largest water P3 in the nation, and the first municipal utility of its size to be successfully outsourced. Services included treatment plant and collection system operation, deep tunnel storage system for stormwater</p>

	<p>CSO control, and biosolids processing and marketing. IMG Rebel developed the RFQ and the RFP, interfaced on behalf of the mayor with the utility's labor unions and the Milwaukee City Council, developed the proposal evaluation and scoring methodology, evaluated the proposals, and assisted in negotiating the operating agreement. This contract guaranteed ratepayers savings of \$145.8 million over its initial term; actual savings turned out to be even higher, and the contract continues. Moreover, the entire P3 process – from release of the RFQ to the signing of the final performance-based contract (the first large US municipal utility to do so) – was accomplished in less than 9 months.</p>
<p><b>Performance Evaluation and Management of Competition Process for Privatization of the Lee County, FL Wastewater/Water System</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel advised Lee County (including Fort Myers), Florida on the solicitation, evaluation, and negotiation of proposals for contract management of the county's water supply, wastewater treatment, and solid waste systems. The engagement included evaluating current performance, developing requests for proposal, evaluation and scoring of proposals (including the financial capability of the proposers) and assisting the county in negotiating performance standards, monitoring/reporting standards, and fees.</p>
<p><b>City of Winnipeg Wastewater P3</b> <i>(BMO Capital Markets)</i></p>	<p>BMO Capital Markets acted as financial and capital markets advisor to Black &amp; Veatch for a bid for the City of Winnipeg wastewater P3 project. The city was seeking a strategic partner in order to reduce cost overruns and sewage-treatment projects. The availability payment project was contemplated as a design, build, finance, and maintain contract for \$661 million worth of upgrades to the City's sewage-treatment plants. The project was ultimately cancelled as a P3. Three shortlisted bidding teams included Black &amp; Veatch, CH2M Hill, and Veolia Environment.</p>
<p><b>New Britain, CT Department of Public Works</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel assisted the City of New Britain by developing an economic analysis for its Christian Lane Waste Transfer Station. IMG Rebel developed a detailed business plan that analyzed the feasibility for redeveloping the existing waste transfer station site. The services included conducting a market survey, examining permitting issues with the State DEP and building a financial model that examined various construction and operational options. In addition to the economic analysis, IMG Rebel also developed an RFP for procuring the various options defined by the City for the future use of the station. Included in the procurement services were the evaluation of the proposals and the development of an economic model that examined a</p>



	variety of funding sources and fees to support the construction and operation of the facility under various scenarios.
	<b>Facilities and Real Estate:</b> Justice facilities, administrative buildings, residential properties, sports & leisure facilities
<b>Howard County Courthouse</b> <i>(IMG Rebel)</i>	<p>IMG Rebel is currently serving as financial advisor and overall P3 transaction advisor for Howard County's first P3 project, a 230,000-square foot courthouse. IMG Rebel conducted a high-level value-for-money assessment of four different delivery options for the courthouse and worked with Howard County staff to educate and prepare 30 members of the County's Spending Affordability Advisory Committee to develop a recommended P3 delivery option. IMG Rebel's value-for-money analysis included a high-level risk analysis, qualitative and quantitative assessments, and financial analysis. To conduct the analysis, IMG Rebel gathered capital and operating cost information from technical advisors and built a custom financial model to show cash flows for all four delivery models. IMG Rebel has been working with County staff and the County Executive to craft an implementation plan, develop a procurement strategy, draft procurement documentation and conduct industry outreach. An industry day was held in June 2017 and an expression of interest (EOI) was released in July, and the EOI garnered responses from 9 consortia. IMG Rebel has been involved in evaluating EOI respondents, and in developing the RFP and Project Agreement. IMG Rebel will be engaged by Howard County to serve as overall transaction advisor throughout the P3 project as it progresses to negotiations and commercial and financial close.</p>
<b>Waterloo, Ontario Regional Courthouse</b> <i>(BMO Capital Markets)</i>	<p>The Waterloo Regional Courthouse was procured as a DBFM under Ontario's AFP program and included an approximately 3-year construction and 30 year maintenance period. At 7 stories high and 420,000 square feet, the new courthouse will have the space to accommodate 38 judicial rooms, comprised of 30 courtrooms and eight conference settlement rooms. It will be designed with capacity for expansion and internal flexibility to ensure maximum usefulness throughout its lifetime. The project will have enhanced accommodation for interpretation, including one jury room permanently equipped for simultaneous interpretation and three portable interpretation booths. As lead arranger, BMO's role was to act both as a lender and underwriter for the entire facility. BMO was involved during the bidding process and provided feedback to the bidder on the covenants of the transactions, the requirements for the lender's technical and</p>

	<p>legal advisor, and through that process directed the required project's concession agreement amendments to assure an optimal financing structure. BMO also provided swap facilities to the concessionaire.</p>
<p><b>Daly Building P3 Transaction and Financial Advisor</b> <i>(IMG Rebel)</i></p>	<p>IMG Rebel is advising the District of Columbia on its first P3 transaction that is based off of an unsolicited proposal to design, renovate, finance, operate, and maintain a 450,000-square foot, historic building that is currently the headquarters for the city police department. As the District's P3 transaction and financial advisor, IMG Rebel is working with the District to organize the unsolicited P3 procurement process, craft the RFQ, and structure pre-procurement market engagement. In addition, IMG Rebel will be conducting the financial analysis for the project, and the value-for-money assessment of delivery options.</p>
<p><b>Travis County, TX Civil and Family Courthouse</b> <i>(BMO Capital Markets)</i></p>	<p>BMO served as financial transaction advisor to Travis County in regard to the development of the Travis County Civil and Family Courthouse. BMO worked in conjunction with the technical advisor, URS, and was selected through a competitive process to replace Travis County's prior advisors. Travis County performed a feasibility analysis for P3 delivery options for a new \$350 million civil and family courthouse in 2011. The project is a mixed-used development covering an entire city block in the heart of downtown Austin, Texas. This project will address current needs and is expandable to 510,500 square feet of gross space to meet the growth projection through 2035. The multi-story courthouse includes: Civil Courts; Courts Administration Offices; District and County Clerk; Office of Child and Parental Representation; Law Library; Dispute Resolution Center; Sheriff - Transport and Staging; Building Support and Amenities; Associate Judges Court Support; and District Attorney. Parking Facilities include a 538 parking space allocation specific for the Court, and an additional 1,200 parking spaces for Commercial/Retail. Commercial/Retail development will be a multi-story tower structure of 450,000 square feet. The project is on a fast-track schedule with an opening date of late 2016. Travis County sought options that met their agreed-upon evaluation criteria, were legally permissible, physically possible and financially feasible. In 2014, BMO was engaged as financial transaction advisor as part of a URS team (the project's technical advisor) for the courthouse procurement and assisted Travis County in finalizing the project delivery approach. Travis County is delivering the project as design-build (DB) and BMO's advisory scope of work included:</p>

	<ul style="list-style-type: none"> <li>• Analysis of previous work products created by the previous advisor;</li> <li>• Meeting with Travis County staff and Travis County Commissioner's Court;</li> <li>• Refining and finalizing procurement option analysis for the four specified project delivery methods: design-bid-build (DBB); DB; construction manager at risk (CMAR); and DBFMO;</li> <li>• Presenting a summary of pros and cons of each delivery method; and</li> <li>• Assisting Travis County Commissioner's Court, as required, in final project delivery method(s).</li> </ul> <p>As part of this work, BMO updated and revisited prior evaluations of the physical and financial procurement delivery options and determined three procurement options that were deemed feasible: DBB; DB; and DBFMO. BMO reviewed prior real estate advisory work and analyzed the County's appetite for alternative physical possibilities for the site. DB and DBFMO options both had the ability to provide value-for-money when compared to DBB. BMO also provided review of prior analyses of the qualitative benefits of the options and determined both DB and DBFMO were attractive compared to DBB approach. Ultimately, the County chose to pursue a DB delivery method for the project and use public financing solution.</p>
<b>Pan/Parapan Athlete's Village</b> <i>(BMO Capital Markets)</i>	<p>In 2011, BMO advised Infrastructure Ontario and Waterfront Ontario to accommodate the Athletes' Village during the 2015 Pan/Parapan American Games. The capex was approximately C\$700mm. The Village housed the 10,000 athletes and officials of the Games. Following the Games, the Village was converted into a range of housing developments including affordable housing and new condominiums units sold by the developer as part of Toronto's waterfront revitalization. The Province received three fully committed bids for the project. The Project reached financial close in January 2012.</p>
<b>Toronto South Detention Centre</b> <i>(BMO Capital)</i>	<p>The Toronto South Detention Center was procured as a DBFMO under Ontario's AFP program to replace the Toronto municipal jail and included a 35-month construction and 30-year maintenance period. The facility included a 1,650-bed maximum-security facility for adult inmates, including those with special need as well as is a facility to accommodate those serving primarily weekend sentences. As lead arranger, BMO's role was to act both as a lender and as a primary bank for the entire</p>


	<p>process. BMO was involved in the early stages of the transaction and provided feedback to the Bidder on the covenants of the transactions, the requirements for the lender's technical advisor, and key edits or amendments on the form of the project's concession agreement to minimize the cost of the financing. As part of the process, BMO was also a swap counterparty for the loan.</p>
	<p><b>Transportation:</b> roads, railroads, public transport, parking, ports, airports, bridges, tunnels</p>
<p><b>Miami – Dade Citizens Independent Transit Trust</b> (IMG Rebel)</p>	<p>IMG Rebel has provided a variety of financial advisory services related to the development of a \$6B transit and public works program, which primarily funds Miami-Dade Transit (MDT). IMG Rebel's most recent tasks have been to assess innovative funding sources in the development of new transit corridors throughout the County, utilizing heavy rail, light rail and bus rapid transit. These sources have focused on value capture approaches, including tax increment financing, benefit assessment districts, and other forms of transit-oriented development.</p> <p>In the second study, IMG Rebel applied a similar methodology for a BRT/future light rail transit (LRT) project along Miami's 27th Avenue. The study took into account the different types of BRT stations that are planned along the route and the impact of development certain underutilized commercial and industrial properties on the proposed \$500M facility. Currently IMG Rebel is evaluating the following four additional corridors: 1) the 836 corridor, possibly with a commuter rail line; 2) the Northeast Corridor, that will have commuter rail service along the new "Brightline" intercity rail corridor line from Miami to Orlando, 3) the Kendall Corridor, possibly with a bus rapid transit line, and 4) the extension of the Metromover, the automated people mover, in the Brickell neighborhood.</p>
<p><b>Florida Department of Transportation (FDOT) – Long-Term Concession Advisory Services for the First Coast Outer Beltway Toll Road</b> (IMG Rebel)</p>	<p>FDOT sought to enter into a 50+ year concession agreement with a private consortium for a DBFMO 46-mile greenfield toll road near Jacksonville. IMG Rebel served as lead financial advisor to FDOT for this transaction. Key tasks included valuation of the concession from the private investor's perspective, advising on the content of the RFQ and RFP, assisting the FDOT selection panel to qualify and select the concessionaire, completing a value-for-money analysis, and utilizing innovative financing methods such as TIFIA credit and Private Activity Bond (PABs) financing. IMG Rebel worked directly with the legal and technical consultants to ensure that the value to the State was maximized,</p>

	the concession was structured to generate maximum interest from potential concessionaires, and that risk factors were properly identified and mitigated. A comprehensive financial model, developed by IMG Rebel, was used to analyze the project from investor and public sector perspectives.
<b>City of Waterbury, CT Parking</b> <i>(IMG Rebel)</i>	IMG Rebel evaluated the parking system and developed a plan for reengineering city-wide parking. The recommendation included outsourcing the operations, for which IMG Rebel developed performance specifications and managed the outsourcing procurement process. This project necessitated the modeling of various financial implications, including consideration of such factors as ticketing and collections, delinquencies, personnel salaries and benefits, and facilities maintenance for the city's various garages, surface lots, and on-street parking. In addition, IMG Rebel served as procurement advisor, assisting the city in evaluating four specific parking vendors (Ampco, LAZ, MMA and Central).
<b>Dallas Area Rapid Transit (DART)</b> <i>(IMG Rebel)</i>	IMG Rebel was retained by DART to develop a funding plan for the \$1.5B Cotton Belt Rail line from the northern Dallas region to downtown Fort Worth. IMG Rebel developed a detailed financial model to analyze a variety of funding and financing approaches including sales taxes, vehicle registration fees, and transit-oriented development. IMG Rebel also evaluated a P3 model with an availability payment approach assuming design, construction, and long-term operations would be outsourced. The model allowed for sensitivities on a variety of factors, including construction, operating, financial costs, revenues, and the cost of equity and assumptions based on studies regarding capital expenses, operating expenses, ridership, system revenues, etc. Further, the model assumed a complex financial structure that took into account the necessary funding source draw downs, the cost of equity, various levels of tranching debt, and system and non-system revenues over the course of the 50-year model. The senior and subordinated debt was modeled according to assumptions based on federal programs such as the Railroad Rehabilitation Improvement Fund (RRIF) and U.S. DOT's Transportation Infrastructure Finance and Innovation Act (TIFIA). Besides analyzing the P3 option, IMG Rebel also used a public-sector comparator (PSC) to understand the P3 as compared to a more traditional public ownership/operations approach. This Value-for-Money analysis used relevant cost and revenue assumptions based on historical data/experience

	(increased capital costs, lower ridership revenues, greater O&M costs, etc.).
<b>Development of New Private Terminal at Orlando Sanford Airport</b> <i>(IMG Rebel)</i>	IMG Rebel assisted the Sanford Airport Authority (SAA) in the negotiation of the concession agreement for development of a new terminal under a Build-Operate-Transfer model at Orlando Sanford International Airport in 1998 and 1999. Orlando Sanford's passenger terminals were among the first and few privately-financed and operated passenger terminals in the U.S. Among other tasks, IMG Rebel developed a comprehensive financial model to assess the likely economics of the project, the lease negotiating strategy for SAA, and made critical recommendations regarding the structure and content of the lease. IMG Rebel subsequently performed three performance audits of the private operator, including one in 2016-2017. Each of these audits have resulted in changes to the private operator's business practices, including more equitable revenue sharing between SAA and the concessionaire.
<b>Maryland Department of Transportation, Purple Line Transit Project</b> <i>(BMO Capital Markets)</i>	The Maryland Department of Transportation "MDOT) and Maryland Transit Administration with the Maryland Economic Development Corporation (MEDCO) are pursuing the development and delivery of the Purple Line Light Rail Transit Project as a P3. In mid-2013, MEDCO hired BMO as financial and transaction advisor. The project will take the form of a DBFMO long-term concession with public and private funding and financing. The winning bidder was selected in 2016 and construction on the Purple Line began in 2017. Under the scope of services, BMO performed analysis to guide the policy, procurement, and financial decisions of the State of Maryland regarding topics such as RFQ and RFP drafting, RFQ and RFP evaluation criteria, technical provisions, compensation on termination, lifecycle costs analysis, and payment mechanism development. As part of these services, BMO developed a shadow bid financial model, which was used as a baseline against bids received during the RFP stage.
<b>Florida DOT – Public-Private Partnership (P3) Financial Consulting Advisory Pool</b> <i>(IMG Rebel)</i>	IMG Rebel was a member of a pool of financial consultants retained by FDOT to provide P3 advisory services related to various state projects on a task-by-task basis. As part of this pool, IMG Rebel advised FDOT on the \$1.9B First Coast Outer Beltway (FCOB) project. Key tasks include valuation of the concession from the private investor's perspective, advising on the content of request for qualifications (RFQ) and request for proposals (RFP), assisting the FDOT selection panel to qualify and select the concessionaire, completing a value-for-money



	analysis, and developing innovative financial concepts. IMG Rebel worked directly with the legal and technical consultants to ensure that the value to the State is maximized, the concession is structured to generate maximum interest from potential concessionaires, and that risk factors are properly identified and mitigated. A comprehensive financial model, developed by IMG Rebel, was used to analyze the project from investor and public sector perspectives.
<b>Seattle Department of Transportation Bus Rapid Transit</b> <i>(IMG Rebel)</i>	IMG Rebel is advising Seattle Department of Transportation (SDOT) on funding/financing options for \$400M, 7-line bus rapid transit program. Evaluating value capture, naming rights, real estate tax, parking fee options to complement new starts or small starts grant application. Also examining ways to leverage TIFIA innovative finance loans and alternative project delivery options.
<b>Port Authority of New York/New Jersey</b> <i>(IMG Rebel)</i>	Financial Advisory for AirTrain, Port Authority of New York New Jersey, New York City, NY: IMG Rebel is advising the Port Authority of New York New Jersey (PANYNJ) on the development of a \$1.5B 2.2-mile elevated rail line (the AirTrain) between La Guardia International Airport (LGA) and Willets Point, in Flushing Queens. The AirTrain is designed to provide improved ground transportation access to LGA as it will connect to the Metropolitan Transportation Authority's number 7 subway line and the Long Island Railroad commuter rail line, as well as remote parking and a new consolidated rental car facility (CONRAC) at Willets point. IMG Rebel's scope includes: 1) evaluating similar transit access projects around the world; 2) leading workshops in risk assessment and project delivery; 3) preparing a comprehensive financial model to evaluate funding, project delivery, and financing alternatives; 4) working with the PANYNJ staff and technical consultants to derive the optimal project delivery and financing approach. IMG Rebel's recent work has focused on evaluating how design-build-operate-maintain project delivery, financed exclusively on the PANYNJ's balance sheet compares to a design-build-finance-operate-maintain approach, shifting some construction and performance risk to a third party. IMG Rebel has also evaluated how some ridership incentives could benefit the financing and has begun a marketing-sounding effort with potential private developers. IMG Rebel is also evaluating how risk transfer issues can be addressed given tight schedules.
<b>Florida Department of Transportation –</b>	IMG Rebel performed an independent evaluation of the public-sector comparator analysis for the proposed Alligator Alley P3.

<b>Alligator Alley Public Sector Comparator (PSC) Review</b> <i>(IMG Rebel)</i>	<p>This project involved independently evaluating the project from the public sector’s perspective if the state were to monetize the asset itself instead of undertaking a P3/concession. As part of this engagement, the IMG Rebel reviewed key documents, interviewed key personnel and consultants, performed independent research, and built a validation model to verify the PSC analysis.</p>
<b>Go Triangle Transit Authority</b> <i>(IMG Rebel)</i>	<p>GoTriangle (Triangle Transit Authority), Durham, NC – Financial Analysis and Advisory for Chapel Hill – Durham Light Rail Line and Bus Improvements: IMG Rebel is advising GoTriangle on its \$1.8B planned light rail line between Chapel Hill and Durham, NC. It is further advising on \$150M of bus and related improvements provided by GoTriangle. IMG Rebel has developed a comprehensive financial model to account for a variety of funding sources, including fares, parking and value capture revenues, as well as financing mechanisms, including innovative finance approaches, alternative delivery, availability payments, and private equity. IMG Rebel also carried out a Value-for-Money (VfM) analysis, held discussions with potential third-party developers, and assisted GoTriangle in evaluating a variety of project delivery methods, including design-bid-build, design-build, construction management at risk, design-build-finance-operate-maintain. IMG Rebel carried out an analysis of ways to use value capture to fund five key transit stations along the corridor. It evaluated special assessment district and TIF mechanisms to derive a value that these stations could yield assuming cooperation from the local municipality and/or land owner. Then IMG Rebel applied only a portion of this value in the financial plan for the light rail project, accounting for financial markets’ concerns about real estate-related financing risks. Furthermore, the IMG Rebel team assessed and made recommendations for improving the GoTriangle’s fare recovery ratio. It also worked with a leading regional forecaster on developing updated base case and downside “P80” case forecasts for sales taxes, vehicle registration fees, and rental car revenues that will support the project.</p>
	<p><b><u>Social Infrastructure:</u></b> hospitals, schools, universities, community centers, housing</p>
<b>Seminole State College, Altamonte Springs</b>	<p>In 2015, BMO was awarded the role of financial advisor as part of a team with Jacobs Engineering under the Owner’s Representative engagement for the Seminole State College</p>

<b>Campus Joint Development</b> <i>(BMO Capital Markets)</i>	<p>Altamonte Springs Campus Joint Development P3 project. As part of the school's master plan, the Altamonte Springs Campus development includes alternative delivery method for multi-use buildings including expanded higher education facilities as well as retail and office space and shared civil works. Seminole State College is the 15th largest college in the United States.</p>
<b>Texas Social Infrastructure P3s</b> <i>(IMG Rebel)</i>	<p>For the Texas Higher Education Coordinating Board (THECB), a State of Texas oversight agency, IMG Rebel developed a guidebook entitled "Utilizing Public-Private Partnerships to Realize Core Education Assets" in order to identify new ways to help fund and deliver critical university assets through P3s. The analysis included a review of: P3s, traditional and innovative delivery methods, and financing instruments. It evaluated P3 practices in selected states, including California, Virginia, New Jersey, and Florida and cases involving dormitories, energy plants, laboratories, mixed-use facilities, and entire campuses.</p>
<b>San Francisco Broadband Network</b> <i>(IMG Rebel)</i>	<p>IMG Rebel, along with its partner, CTC Technology &amp; Energy is advising the City and County of San Francisco on the development of a broadband network throughout the City of San Francisco. The project scope features ubiquitous fiber-to-the-premises, serving all residents and businesses of San Francisco. IMG Rebel analyzed options for organizing this first-of-its-kind project, including innovative ways to structure the project into two P3s in order to accurately reflect the risk profile of the project. IMG Rebel led the analysis on the business case for each of the P3 options based on engineering and technical analysis completed by CTC Technology &amp; Energy. A comprehensive report on the technical and commercial feasibility of the project, including recommended P3 options, was published at the end of Phase 1 of this project. Currently, IMG Rebel is leading Phase 2, under which the City and County of San Francisco has begun market sounding, further refine the project, and launch procurement of the P3s.</p>
<b>North Bay Ontario Hospital (including Secure Mental Health Accommodation)</b> <i>(BMO Capital Markets)</i>	<p>BMO served as financial advisor to Infrastructure Ontario for the North Bay Hospital. BMO's role included financial advisory, bidder procurement, and concession negotiation. This was part of BMO's inaugural advisory assignment for Infrastructure Ontario that included the Durham Courthouse transaction. The 720,000-square-foot facility includes a state-of-the-art acute care hospital and a modern mental health facility, which includes secure accommodation facilities including 52 forensic psychiatry beds. The CAD\$552 million project was developed and built through a P3 contract between Plenary Group's Plenary Health</p>

	<p>division, IO and the North Bay Regional Health Centre. PCL Constructors was the general contractor on the project, with Johnson Controls Inc. providing additional services. Under the P3 contract, Plenary Health will maintain the new facility for 30 years after completion. BMO's Financial Advisory scope included:</p> <ul style="list-style-type: none"> <li>• Development of the project documents including the RFP and project's concession agreement;</li> <li>• Financial modeling;</li> <li>• Prepared presentations / memos to IO and hospital as needed;</li> <li>• Met and negotiated with bidders on behalf of IO and hospital;</li> <li>• Structured interest rate protection methodology; and</li> <li>• Bid evaluation support.</li> </ul> <p>Additionally, BMO provided recommendations to the hospital and IO on financial matters, which included financial evaluation schemes, lenders direct agreement, compensation on termination, supervening events, refinancing, and risk transfer strategy in general. BMO also developed a shadow bid that was used to forecast project costs and test the financial impact of various structuring decisions. Finally, BMO provided briefing material (presentations and/or memos) to the sponsors on various financial issues as required.</p>
<b>Eindhoven International School - The Netherlands</b> <i>(IMG Rebel)</i>	<p>IMG Rebel was appointed as lead financial advisor to the municipality of Eindhoven for the DBFMO procurement of accommodation for Eindhoven International School. IMG Rebel was responsible for all financial aspects of the procurement and for ensuring value-for-money for the municipality. IMG Rebel developed many ways to enhance affordability, as this was the main concern of the municipality of Eindhoven in this project. Special attention was also given to reducing transaction costs as this was a growing concern in the European P3 market. Other responsibilities of IMG Rebel included development and implementation of the procurement strategy and documents, development of payment mechanism, risk allocation and other key components of the P3 agreement, negotiations and bid evaluation.</p> <p>IMG Rebel's services included the following roles:</p> <ul style="list-style-type: none"> <li>• Advised on all financial aspects of the DBFMO contract, such as the payment mechanism, indexation, and the like.</li> <li>• Advised on all financial aspects of the DBFMO guidelines.</li> </ul>

	<ul style="list-style-type: none"> <li>• Provided suggestions on innovative constructions requirements for reducing transaction costs for relatively small DBFMO projects.</li> <li>• Developed a public sector comparator (PSC), an instrument for evaluating private bids on financial aspects.</li> </ul>
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### Specific Jacksonville Energy Authority (JEA) Experience

BMO Capital Markets remains active in the public power issuance market in Canada as well as independent power producer debt markets in the United States including the JEA.

 <p><b>\$2.7 billion</b> Jacksonville Electric Authority* All Credits Tax-Exempt &amp; Taxable Bonds 2011 - 2014</p>	 <p><b>\$148 million</b> Jacksonville Electric Authority* Remarketing Provider &amp; LOC/SBPA Provider</p>	 <p><b>C\$500 million</b> Lower Mattagami River Project Revolving Credit Facility Co-Lead Arranger, Joint Bookrunner &amp; Administrative Agent August 2015</p>	 <p><b>C\$1.5 billion</b> Convertible Debentures Joint Bookrunner August 2017</p>	 <p><b>C\$2.8 billion</b> Secondary Offering of Common Shares Joint Bookrunner May 2017</p>
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### **Balance Sheet Support & Active Syndicate Member**

- BMO has historically supported JEA balance sheet:
  - In June 2013, BMO responded to serve as Lead Arranger for a \$75 million Syndicated Revolving Line of Credit
  - BMO previously served as remarketing agent and SBPA provider for \$37.2 million Electric System Subordinate Lien Series 2000F-1 Bonds
  - BMO previously served as remarketing agent and SBPA provider for \$30.9 million Electric System Subordinate Lien Series 2000A Bonds.
- BMO historically supported JEA on transactions after being included in the underwriting team in 2011
  - After September 2011, BMO served as co-manager on approximately \$2.7 billion of transactions for all JEA credits
  - During this time, BMO submitted orders of over \$183 million, which far exceeded our liability
- BMO has historically provided JEA financing ideas and refunding updates and is responsive to JEA's financing needs
  - In March 2013, BMO provided market and refunding updates for each of JEA's credits to the JEA finance team

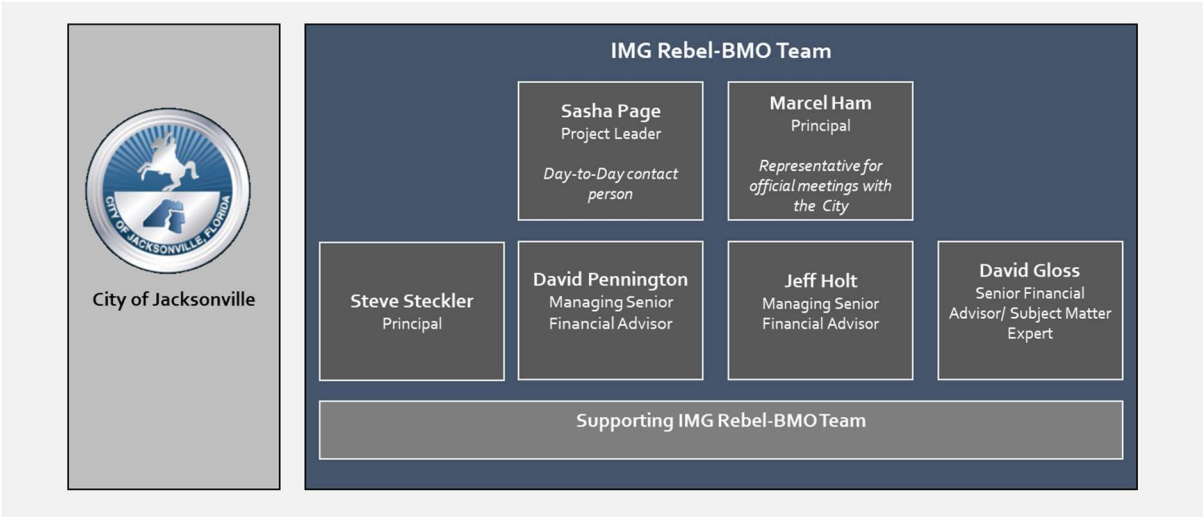
- In November 2011, BMO presented refunding opportunities for each of JEA's credits, described potential impact of financial regulations, including Dodd-Frank and Basel III, and discussed hedging opportunities.
  - In October 2011, BMO responded to a request to serve as remarketing agent and liquidity facility provider for \$73 million Electric System Subordinate Lien Series 2000B or \$125 million 2000F Bonds. BMO was invited to support \$75 million of 2000F-1 Bonds
  - In June 2011, BMO submitted a proposal to serve as underwriter in JEA's 5-year underwriting pool commitment and BMO was invited to serve as Co-Manager for the term
  - In March 2011, BMO submitted a proposal to serve as remarketing agent and liquidity facility provider for \$52 million Electric System Revenue Series Three 2008C-3 Bonds
  - In July 2010, BMO responded to a request to serve as remarketing agent and liquidity facility provider for \$75 million Water & Sewer System Revenue Series 2008A-2 Bonds, \$75.4 million Electric System Subordinated Revenue Series 2000A Bonds, or \$66 million Electric System Subordinated Revenue Series 2001C Bonds. BMO was invited to support JEA's 2000A Bonds
  - In July 2009, BMO provided JEA with an overview of our firm's banking and underwriting capabilities and illustrated opportunities related to Build America Bonds
- BMO Sales Performance Summary
    - BMO served as a co-manager on \$2.7 billion of JEA transactions since 2011
    - BMO has had liabilities in the range of 3.33% to 4.00%, which translates to \$103 million
    - BMO has submitted orders of more than \$183 million since 2011 to support JEA transactions across all credits
  - BMO Performance on JEA Transactions Since 2011

Sale Date	Series	Issue Description	Par Amount (\$000)	Liability (%)	Liability (\$000)	Orders (\$000)	Allotments (\$000)
3/6/2014	Series 2014A	Bulk Power Supply System Revenue Bonds (Scherer)	72,460	3.50%	2,536	1,125	-
1/16/2014	Series Three & 2014A	Electric System & Sub Rev Bonds	287,920	3.50%	10,077	11,215	625
8/14/2013	Ser Three 2013 C & D	Electric Sys & Sub Revenue Bonds	197,165	4.00%	7,887	750	450
7/26/2013	2013 Series B	Water & Sewer System Rev Bonds	29,710	4.00%	1,188	-	-
7/26/2013	2013 Series A	Water & Sewer Sys & Sub Rev Bonds	173,925	4.00%	6,957	7,050	300
6/7/2013	2013 Series A	District Energy Sys Ref Rev Bonds	43,330	3.33%	1,443	5,220	1,065
4/26/2013	Series Three 2013 B & C	Electric Sys Revenue & Subordinate Bonds	96,225	4.00%	3,849	14,950	200
1/25/2013	Series Three 2013 A & B	Electric Sys & Subordinate Revenue Bonds	203,255	4.00%	8,130	8,355	-
1/18/2013	2013 Series A	Electric System Subordinate Rev Bonds	59,330	3.33%	1,976	6,000	-
8/21/2012	Issue 2 Series 25	St. Johns River Power Park Sys Ref Rev Bonds	85,135	4.00%	3,405	5,000	-
8/2/2012	Series Three 2012 B	Electric System Revenue Bonds	140,640	4.00%	5,626	5,625	1,270
7/30/2012	2012 Series B	Electric System Subordinate Rev Bonds	109,605	4.00%	4,384	19,780	750
7/18/2012	2012 Series B	Water & Sewer Sys Subordinate & Rev Bonds	178,365	4.00%	7,135	7,500	1,500
7/16/2012	Issue 3 Series Six	St. Johns River Power Park Revenue Bonds	121,475	4.00%	4,859	28,530	250
1/26/2012	2012 Series A	Water & Sewer Sys Rev & Subordinate Bonds	354,875	3.50%	12,421	12,485	2,250
1/17/2012	2012 Series A & Three	Electric System Subordinate Rev Bonds	174,880	3.50%	6,121	20,195	1,100
9/20/2011	Issue 2 Series 23 & 24	St. Johns River Power Park Refunding Rev Bonds	365,410	4.00%	15,000	30,000	-



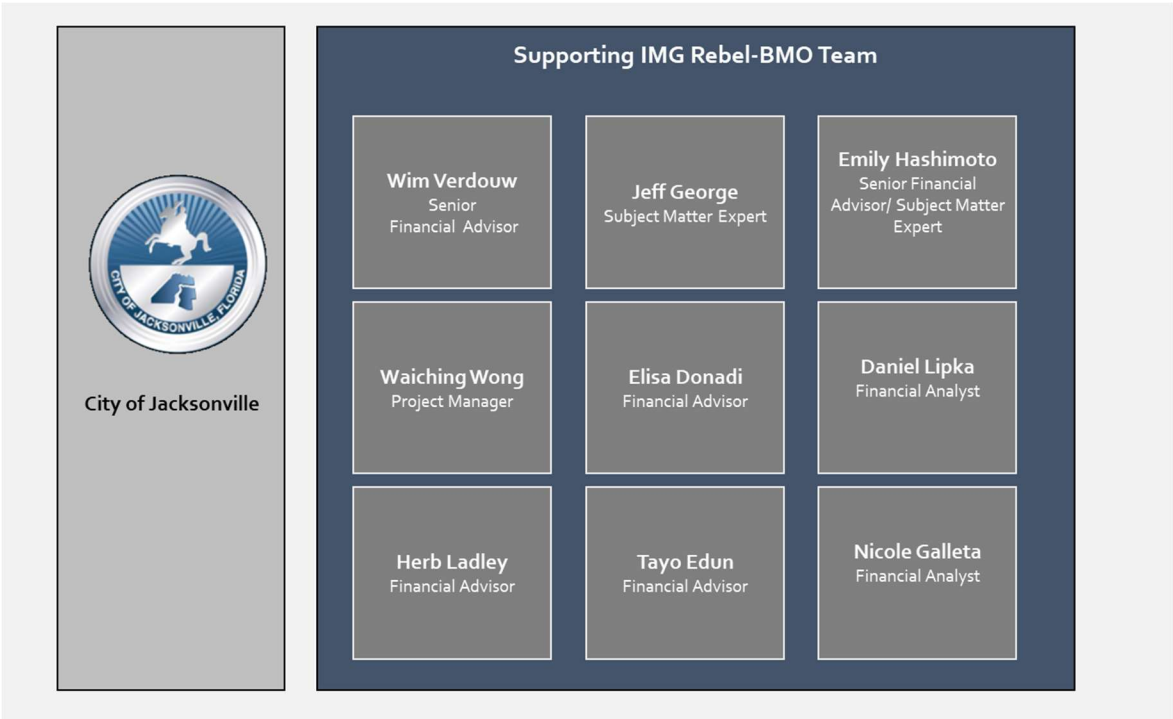
Appendix C: Supporting Team Bios

I.A Core Team Member Organizational Chart



Core team member profiles are described further in the main body of our Team response in section 2.1.

I.B Supporting Team Member Organizational Chart



## IMG Rebel

### **Wim Verdouw, IMG Rebel, Senior Financial Advisor (Manager)**

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**Wim Verdouw** is a Manager at IMG Rebel with a combined background in finance and engineering and over 12 years of experience in financial analysis, project development and project implementation. Mr. Verdouw will support the project through research, analysis, and evaluation to provide recommendations on innovative financing methods to support projects. Mr. Verdouw leverages his past work on public and private sector infrastructure projects in the US, Asia, and Africa to advise clients on critical infrastructure financing aspects and project structuring, in particular for public-private partnerships (P3s). Among other things, Mr. Verdouw has advised the USDOT's Transportation Infrastructure Finance and Innovation Act (TIFIA) program on various large infrastructure transactions for a total combined loan value of over \$1 billion, ranging from transit, to highways, to ports projects. He also developed an innovative financing strategy as part of the Port Authority of New York and New Jersey Bus Terminal International Design + Deliverability Competition for one of the winning teams. Prior to joining IMG Rebel, Mr. Verdouw worked for a developer in Nepal, leading the debt raising efforts for a large hydropower project.

### **Waiching Wong, IMG Rebel, Project Manager (Manager)**

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**Waiching Wong** is a Manager at IMG Rebel, and brings over nine years of experience in strategic planning, project implementation and risk management related to critical infrastructure delivery and public private partnerships. She provides clients with insight, analysis and strategies for funding and financing transportation projects. Her background includes multi-modal transportation planning, project management, project finance, establishing and managing public-private partnerships, and policy analysis. Ms. Wong has worked as a local transportation planner, and a management consultant for Fortune 500 companies and the U.S. Federal Government.

### **Herb Ladley, IMG Rebel, Financial Advisor (Manager)**

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**Herb Ladley** is a Manager at IMG Rebel and has ten years of experience in infrastructure finance and economics, with a particular focus in the transport sector. He has experience at every stage of the project lifecycle from upstream policy to financial close. Herb recently advised the Japan Rail consortium on Japan's forthcoming bid for the \$20 billion Singapore-Kuala Lumpur High Speed Rail project. He also advised the state government of New South Wales, Australia on the \$6 billion Northwest Rail Link P3, the largest transit P3 in the country's history. He has extensive experience developing transport sector strategies and masterplans, to ensure that new transport projects achieve maximum benefit through multi-modal integration and transit-oriented development. In terms of upstream project development, he has helped clients with project feasibility analysis, cost-benefit analysis, business case development, PPP options analysis and technology options analysis.

**Jeff George, IMG Rebel, Subject Matter Expert (Senior Associate)**

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**Jeff George** is a Senior Associate with IMG and a primary member of the company's utilities, sustainability and resiliency practice. His primary focus is on water/wastewater and solid waste infrastructure development, together with broader urban resiliency challenges. Prior to IMG, Mr. George served as a key member of Covanta's water company start-up and was involved with a number of water/wastewater P3 opportunities in Latin America, Europe, and the Middle East. He also worked for nearly 20 years with Covanta Energy, the largest developer of energy-from-waste facilities in the US. For four of those years (2008-2012) Mr. George was based in Covanta's rapidly growing European office located in the greater Birmingham, UK area. Mr. George began his career in the public sector as a city planner outside of Boston focused on the rehabilitation of an aged and decrepit water delivery system including the development of a long-term Capital Improvement Program. He holds a graduate degree in regional planning from University of Massachusetts and a BA in Environmental Design from Miami University.

**Elisa Donadi, IMG Rebel, Financial Advisor (Senior Consultant)**

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**Elisa Donadi** is a financial consultant at IMG Rebel. Miss Donadi has over six years of experience providing market analysis, developing evaluation criteria, and assessing pre-feasibility and feasibility studies for a wide range of infrastructure projects including transit, water, social infrastructure, and aviation. Miss Donadi has conducted state-of-the-art benchmarking studies for the San Antonio Airport System (SAAS), Orlando Sanford International Airport; St. Louis, Missouri's Transit Agency (Metro); Recently, Miss Donadi developed a financial model that evaluates the impact of water rate structures for the Pittsburgh Water and Sewer Authority: PWSA. Currently, she is advising the government of Belize in the pre-feasibility and feasibility analysis on three infrastructure projects in social infrastructure and transportation. Miss Donadi has conducted advisory work for clients including the Citizens Independent Transportation Trust (CITT); Washington Metropolitan Area Transit Authority (WMATA); Federal Highways Administration (FHWA); Port Authority of New York and New Jersey (PANYNJ); and San Antonio Airport System (SAAS).

**Tayo Edun, IMG Rebel, Financial Advisor (Senior Consultant)**

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**Tayo Edun** is a Senior Consultant at IMG Rebel. He has over five years of experience. At IMG Rebel, Mr. Edun performs financial analysis for a wide range of transit and social infrastructure projects. He is currently conducting the financial analysis for a courthouse P3 transaction in Maryland helping to develop the payment mechanism that will incentivize and penalize the private developer to perform optimally. He has also analyzed the feasibility of a rail link to LaGuardia airport and several ancillary facilities, including parking facility, under conventional and P3 delivery models. In a previous role as an advisor for the Commonwealth of Massachusetts, he created financial models and cost-benefit analyses that drove payment terms for specialized public finance products and advised the government on fair pricing for outcomes based on measurable savings from interventions. Additionally, in 2014 Mr. Edun developed a profitability model for one of Africa's three largest telecommunications firms and tested assumptions on data usage drivers, determining that costs were likely to grow between 20% and 50% faster than stated in the company's internal projections. Based on this finding, Mr. Edun and his team revised the company's projections and provided recommendations to help them reduce costs.

**BMO Capital Markets****Emily Hashimoto, BMO, Senior Financial Advisor (Vice President) – New York**

**Emily Hashimoto** is a Vice President at BMO Capital Markets in the Power, Energy & Infrastructure Group. She has built broad M&A advisory and financing transaction experience across transportation, energy, utilities, and social infrastructure sectors. Emily's advisory and financing experience includes Axiom Infrastructure's acquisition of Montreal Gateway Terminals, Instar AGF on the fund's successful bid for the Billy Bishop (Toronto City) Airport, Walter Energy's sale of Blue Creek Terminal, in addition to assignments including the Goethals Bridge Replacement Project and All Aboard Florida. Prior to joining BMO Capital Markets in 2011, Emily was an Associate in RBC Capital Markets' Investment Banking group. Before that she worked as an Analyst with Shattuck Hammond Partners, a healthcare advisory firm.

**Daniel Lipka, BMO, Financial Analyst (Analyst) – New York**

Daniel's notable Infrastructure financial advisory experience includes financial modeling and analytical support for BMO's buy-side financial advisory role for the Miami Beach LRT Project and similarly for the Connecticut Waste-to-Energy for a shortlisted bidding consortium. Dan graduated with high honors from the University of Notre Dame's Mendoza College of Business and has completed CFA Level 1.

**Nicole Galletta, BMO, Financial Analyst (Analyst) – New York**

Nicole Galletta is an Analyst at BMO Capital Markets in the Power, Energy & Infrastructure Group. She has two years of investment banking experience working across transportation and social infrastructure advisory transactions. Recent assignments include CDPQ's acquisition of 45% interest in DP World's Centerm and Fairview Container Terminals, in addition to multiple ongoing North American transportation infrastructure transactions. She graduated from the University of Notre Dame in 2016, where she studied Accounting & Environmental Science.

## Appendix E: Additional References

### **IMG Rebel – San Francisco Broadband (Social Infrastructure P3 Transaction)**

*Contact:* Jay Nath, Chief Innovation Officer, San Francisco

*Telephone:* (415) 830-5175, *E-mail:* jay.nath@sfgov.org

*Dates of Service:* 2017 - Present

\*Note that IMG Rebel is lead financial advisor, working as a subcontractor to CTC Technology & Energy. *CTC Contact:* Joanne Hovis, President, jhovis@ctcnet.us

### **BMO – Infrastructure Ontario (Numerous transactions including Pan Am Athlete's Village, Ottawa LRT, Windsor-Essex Parkway, MTO Service Centers and Eglinton LRT)**

*Contact:* John McKendrick, Senior Vice President, Infrastructure Ontario

*Telephone:* 416-325-8389, *Email:* john.mckendrick@infrastructureontario.ca

*Dates of Service:* 2011 – 2014

### **BMO- Travis County Civil and Family Courthouse Project (Social Infrastructure DB Transaction)**

*Contact:* Belinda Powell, Strategic Resource Planning Manager, Travis County

*Telephone:* 512-854-9506, *E-mail:* belinda.powell@co.travis.tx.us

*Dates of Service:* 2013 – 2014

## Appendix D: Team Disclosures

### Pending Litigation:

BMO Capital Markets Corp., in the ordinary course of business, is called upon to respond to inquiries or is the subject of in connection with investigations by federal or state regulators or securities industry self-regulatory organizations. BMO Capital Markets Corp. is named as a defendant or respondent in various litigations that arise in the ordinary course of conducting a national brokerage and investment banking business. However, to the best of our knowledge and belief, there has not been any material litigation against BMO Capital Markets Corp. nor any litigation related to the provision of services contemplated by this Request for Proposals.

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## Appendix F: Sample Marketing Strategy and Industry Day Marketing Materials

### Sample Marketing Strategy

Key Steps	Methodology (Actions and Deliverables) and Prior Experience
<b>Phase 1: Process Advisory and Financial Analysis</b>	
<b>Review of Existing/Future Needs</b>  Initial review and assessment of project/service needs identified by the City of Jacksonville and its advisor, PFM Financial.	<ul style="list-style-type: none"> <li>✓ Review and comment on current financial analyses and related assumptions, including but not limited to existing VfM</li> <li>✓ Review available cost and revenue data and other information and make recommendations on data necessary for project development and delivery financial models</li> </ul>
<b>Initial Financial Risk Models</b>  Development of initial risk and financial model	<ul style="list-style-type: none"> <li>✓ Work with the City and its advisors to understand their objectives for the project/service delivery (fiscal, risk transfer, social, political)</li> <li>✓ Develop project transaction financial model for initial financial concept discussion and high-level structuring considerations</li> </ul>
<b>Funding Options Analysis</b>  Preliminary views on the affordability of the project and financeability options of the project on the basis of the preliminary project budget	<ul style="list-style-type: none"> <li>✓ Provide update on market conditions including trends in recent P3s</li> <li>✓ Develop a flexible framework to assess and track risk transfer objectives, market preferences and cost impacts</li> <li>✓ Provide recommendations and feedback throughout</li> <li>✓ Provide general financial advice and assistance in developing feasible structuring, financing and payment options for the project</li> </ul>

<p><b>Innovative Funding Evaluation</b></p> <p>Review and comment on any federal and state alternative funding programs that may be available for the project</p>	<ul style="list-style-type: none"> <li>✓ Work with City's team to review the current status of public funding</li> <li>✓ BMO-IMG Rebel Team is highly experienced in federal, state, and local funding and will perform a review of the project's alternative funding options</li> </ul>
<p><b>Comparable Project Analysis</b></p> <p>Research comparable projects within North America as well as internationally, specifically related to financeability, structuring and payment options, risk management and mitigation, payment mechanism and other finance-related provisions. Identify significant metrics to develop benchmarking analysis.</p>	<ul style="list-style-type: none"> <li>✓ All of our analysis and recommendations will incorporate our knowledge of market comparables</li> <li>✓ The City will have access to our market information as required</li> <li>✓ Our Team's experience from an extensive project infrastructure data base covering transportation (road, light rail, air, bridges/tunnels), water &amp; sewer, energy, urban resiliency, social, and public real estate, among others are readily available for use on the project</li> <li>✓ IMG Rebel's Sasha Page and Marcel Ham have developed a P3 best practices guide for the U.S. federal government, and their expertise in this area is immediately available on this assignment</li> </ul>
<p><b>Compare Alternative Procurement Method and Determine Most Appropriate</b></p> <p>After running thorough analysis of project procurement under P3 delivery through the previously defined steps, evaluate efficacy of P3 delivery against other innovative options and determine most appropriate</p>	<ul style="list-style-type: none"> <li>✓ Draw upon P3 advisory experience and understanding of the successes or shortcomings of previous P3 projects to evaluate if market conditions and project components are optimal for P3 delivery and/or other innovative options</li> <li>✓ As demonstrated by the outcome of the Travis County Family and Civil Courthouse P3 financial advisory work and the Tulsa Metropolitan Utility Authority, we bring no preconceived notions to our advisory. In the case of Travis County, the County ultimately advanced the project under a more traditional procurement methodology based on political and policy goals at that time. In Tulsa, a decision was ultimately made to proceed with an aggressive internal restructuring that gained the support of the City, TMUA employees, and the public</li> </ul>

<p><b>Payment Mechanism Development</b></p> <p>Develop a payment mechanism, including, but not limited to: the timing and amounts of milestone payments during construction, the sizing and structuring of penalties and deductions to align interests between the service provider and the City, the sizing of both short-term and long-term private capital and the structure of the payments to be used during the concession term (operations)</p>	<ul style="list-style-type: none"> <li>✓ Structure and size penalty and deduction mechanisms, such that the contractor makes the right decisions (in line with the 'tickle-hurt-kill' principle)</li> <li>✓ Identify the key performance indicators that require a financial incentive</li> <li>✓ Stress-test the proposed payment mechanisms by taking the perspective of service provider</li> <li>✓ Balance between short-term and long-term private capital a function of market capacity, risk transfer objective and project cost objectives</li> <li>✓ Assess impact of milestone payments during construction on risk transfer</li> <li>✓ Assess revenue and the feasibility of the project's net present value (NPV) of cash flows</li> <li>✓ Experience from past P3 transactions will serve as a starting point for analyzing optimal timing and amount of milestone payments for the transaction</li> </ul>
<p><b>Risk Allocation Analysis</b></p> <p>Comment on and providing expert advice on the financial risks retained and possible mitigation strategies from a Public Sector perspective. This will include providing insight on the optimal allocation of risks between the public and private Sector Partners from a VfM and financeability of the project perspective. The financial advisor will also be required to comment on uncertainties as they relate to the stranded risks at the special purpose vehicle ("SPV") level and the value of the cost of transferring these risks to the private sector</p>	<ul style="list-style-type: none"> <li>✓ Provide guidance, advice and assistance in drafting the RFP and project's concession agreement</li> <li>✓ Provide advice based on a strong understanding of North American market precedents and financial analysis performed in previous projects with both public sector and private sector clients</li> <li>✓ Structuring the transaction is all about risks. Risk allocation is not just about the party that is best able to manage the risk, but also requires: <ul style="list-style-type: none"> <li>○ An assessment of marketability for sponsors, sub-contractors, and finance institutions</li> <li>○ Structuring of incentives (sharing in the cost consequences of a risk creates an incentive)</li> <li>○ Ensuring a holistic approach that limits exceptions, so that risks do not "fall through the cracks".</li> </ul> </li> <li>✓ The IMGR/BMO Team is very familiar with various concession agreement structures and key provisions that impact financing, particularly supervening events (relief events and compensation event clauses),</li> </ul>

	<p>compensation on termination, refinancing, payment mechanism, and City's step-in and termination rights</p> <ul style="list-style-type: none"> <li>✓ IMG Rebel's Sasha Page, Marcel Ham, and Wim Verdouw have recently developed availability payment P3 model contract guide for the U.S. federal government, and bring experience from various U.S. and international concession agreements</li> </ul>
<p><b>Financial Terms Analysis</b></p> <p>Provide recommendations regarding the important financing terms and conditions that will need to be considered when developing the Project's financial structure</p>	<ul style="list-style-type: none"> <li>✓ The IMGR/BMO Team will work closely with taxable and tax-exempt capital market teams, as well as loan products group to evaluate all funding options</li> <li>✓ The Team is familiar with the terms and conditions that bidders focus on and will work with the City to provide a balanced structure that protects them while ensuring financeability</li> </ul>
<p><b>Phase 2: Performance Specifications and Solicitation</b></p>	
<p><b>Project Document Structuring</b></p> <p>Assist in developing the RFP and project's concession agreement and identify any potential issues from a financial structuring perspective. General investment banking advice related to the development of project specific documents including the RFP, project's concession agreement and related schedules, including innovative recommendations to improve the structure, marketability or value of the transaction</p>	<ul style="list-style-type: none"> <li>✓ Contribute to developing initial structure and documents, including the RFP and Project Agreement based on existing templates and view of current markets</li> <li>✓ Refine project documents through discussions and feedback from internal and external stakeholders as well as prospective bidders in conjunction with analysis of various structuring alternatives</li> <li>✓ The IMGR/BMO Team has in-depth knowledge of various financing solutions in the bank and bond markets which we'll utilize to review and assess bidder proposals</li> </ul>

<p><b>RFP Risk Analysis</b></p> <p>Work with the City to ensure that financial implications related to the project are identified and appropriately addressed, and structure alternatives to optimize value to the Sponsors</p>	<ul style="list-style-type: none"> <li>✓ Identify the risk / cost implications of financial structuring decisions to the City</li> <li>✓ Use financial modeling used to back-up any conclusions / recommendations</li> </ul>
<p><b>Risk Transfer Evaluation</b></p> <p>Assess/quantify the value of transferring the benefits of P3 provisions such as supervening events, step-in rights, compensation on termination, payment mechanism, change in law, performance regime, etc.</p>	<ul style="list-style-type: none"> <li>✓ While difficult to assign costs to any one structuring decision, we can provide guidance based on understanding of investors as to likely costs / benefits of various structures</li> <li>✓ We have extensive experience in helping the public sector structure P3 transactions</li> </ul>
<p><b>Finalize of Bid Evaluation Criteria</b></p> <p>Contribute to the RFQ and RFP evaluation framework to be used by the City and its advisor for assessing proposals</p>	<ul style="list-style-type: none"> <li>✓ Develop transparent bid evaluation mechanism, reflecting the key City's objectives, stimulating competition and allowing for bidders' creativity</li> <li>✓ Stress-test the evaluation methodology from the perspective of bidders and financiers in order to avoid unintended bidding behavior</li> <li>✓ The IMGR/BMO Team has experience handling alternative technical concepts (ATCs) and also developed "best-value" evaluation criteria, and will pay attention to these issues to encourage private sector innovation and reduce the City's costs</li> </ul>
<p><b>Finalize Project Timeline and Solicitations Process</b></p> <p>RFQ Stage -&gt; Short List -&gt; RFP Out -&gt; Bids in -&gt; Commercial Close -&gt; Financial Close</p>	<ul style="list-style-type: none"> <li>✓ Establish deadlines for the full procurement process, including but not limited to: issuing RFQ, receiving submissions of qualifications ("SOQ"), issuing RFP,</li> </ul>

	<p>receiving final proposals, commercial close and financial close</p> <ul style="list-style-type: none"> <li>✓ Establish a solicitation process that is efficient and transparent to reduce transaction costs and challenges to the solicitation process</li> <li>✓ If needed, evolve policy on maximum number of shortlisted bidders in each stage, and payment of stipends to bidders</li> </ul>
<p><b>Formal Transaction Marketing</b></p> <p>Present the transaction to select groups</p>	<ul style="list-style-type: none"> <li>✓ Issue project teasers and other marketing documents to potential bidders to build anticipation for the project</li> <li>✓ Conduct road shows and question-and-answer (Q&amp;A) sessions to generate market appetite</li> </ul>
<p><b>Bidder Market Analysis</b></p> <p>Assess the universe of potential bidders, developers, construction companies, and operators</p>	<ul style="list-style-type: none"> <li>✓ Present lists of potentially interested bidders across various groups, including but not limited to: developers, design and construction companies, and infrastructure equity funds</li> </ul>
<p><b>Issue RFQ</b></p> <p>Distribute and post a request for qualifications ("RFQ") to the P3 industry</p>	<ul style="list-style-type: none"> <li>✓ Finalize RFQ document and release to the market with formal instructions for submission and evaluation</li> </ul>
<p><b>Issue RFP</b></p> <p>Issue request for proposals ("RFP") to the qualified bidders</p>	<ul style="list-style-type: none"> <li>✓ Finalize RFP documents and release to the qualified bidders – including but not limited to: Instruction to Proposers and a first draft of the project's concession agreement</li> <li>✓ Work with the City's legal counsel to develop draft project's concession agreement</li> <li>✓ Circulate draft project's concession agreement to qualified bidders for comment in the interest of minimizing post-selection negotiation</li> </ul>



Phase 3: Evaluations	
<b>Evaluate SOQs</b>  Receive SOQs under the RFQ from bidding consortia	<ul style="list-style-type: none"> <li>✓ Apply the RFQ evaluation criteria carefully to each bid received which meets the requirements</li> <li>✓ Narrow down potential bidders selectively based on relevant experience, knowledge of the project, design concept, and financial capability</li> </ul>
<b>Shortlist Top Proposers</b>  Select the most qualified bidding groups	<ul style="list-style-type: none"> <li>✓ Finalize the list of most qualified bidders and announce the qualified bidders to be invited to the RFP stage</li> </ul>
<b>Receive Proposals</b>  Receive complete technical and financial solutions from proposing groups on the designated date and time	<ul style="list-style-type: none"> <li>✓ Receive proposals on the due date with the level of technical and financial commitment determined in previous stages</li> </ul>
<b>Proposal Evaluation</b>  Activities will include but not be limited to: review of Bidder financial models, credit term sheets, draft heads of terms agreements, financing plans and overall submission. Advice will be provided to the evaluation team, as requested	<ul style="list-style-type: none"> <li>✓ Participate in evaluation committees at City's request</li> <li>✓ Provide vetted and extensively used modeling templates, customized for the Project</li> <li>✓ Provide Model refined throughout process based on changes to structure and market conditions</li> <li>✓ Provide an analysis of each proposal, especially with respect to financing structure and present a comparison across the proposals as well as commonly used financing structures</li> <li>✓ Provide advice on attractiveness of proposals with recommendations supported by analysis</li> <li>✓ We have extensive experience in assisting with bid evaluations, both in developing the evaluation criteria and framework and in conducting evaluations</li> <li>✓ The IMGR/BMO Team has experienced financial and analytical support and have conducted similar analyses in the past</li> </ul>

Phase 4: Negotiations	
<b>RFP Comments &amp; Negotiations</b>  Negotiate RFP and project's concession agreement comments through an organized submission protocol	<ul style="list-style-type: none"> <li>✓ Organize a series of form RFP and project's concession agreement comment submission templates and deadlines</li> <li>✓ Evaluate each comment submitted by the Qualified Bidders and evaluate the reasonableness of the comment and the position of the City</li> <li>✓ Recommend commercial response to each of the comments to the City</li> </ul>
<b>Proposer Meetings</b>  Together with the City attend one-on-one meetings and provide advice/input as to validity of bidder comments	<ul style="list-style-type: none"> <li>✓ Attend all project meetings and advise the City throughout the process</li> <li>✓ Analyze and validate bidder comments</li> </ul>
<b>Rating Agency Support</b>  Perform an initial project and structure presentation to rating agencies to introduce the deal in early stages, and prepare them for the upcoming bidders and their associated tree requests.	<ul style="list-style-type: none"> <li>✓ Prepare initial presentation for major rating agencies to introduce the transaction to them at early stages</li> <li>✓ Receive any early feedback from a ratings perspective which may be important in structuring the RFP and project documents</li> </ul>
Phase 5: Award Process and Financial Close Delivery	
<b>Finalize Documents</b>  Provide expert project finance advisory support and advice throughout negotiation processes, where required, by assisting the City and its advisor in analyzing bids, negotiating a project agreement and other documents with bidders or	<ul style="list-style-type: none"> <li>✓ The IMGR/BMO Team has negotiated on behalf of scores of public agencies on a number of past projects and will work with the Sponsor to develop negotiation positioning and strategy to achieve desired outcomes</li> <li>✓ Our insight into both public sector and private sector objectives will allow us to act as effective mediators to bridge gaps between different positions</li> </ul>

other stakeholders, and closing the transaction	
<b>Announce Preferred Proposer</b>  Select the winning bid group based the most value for the City, design characteristics, construction plan and finance plan	<ul style="list-style-type: none"> <li>✓ Announce the qualified proposer determined to have the highest evaluation score based on quantitative and qualitative factors</li> </ul>
<b>Commercial Close</b>  Execute project documents and related drop-down agreements	<ul style="list-style-type: none"> <li>✓ Execute final commercial documents</li> </ul>
<b>Financial Close</b>  Assist the City with the financial close requirements. This includes among other things the development of the financial close rate set protocol, assistance with the dry runs and live runs leading up to financial close and review of the lending documents and other financial documents put forward by the qualified bidder. Execute financial documents.	<ul style="list-style-type: none"> <li>✓ The IMGR/BMO Team has assisted in the development of numerous P3 closing protocols including rate setting</li> <li>✓ Our bond and swap desks have been involved in rate setting for P3 projects in the past and will continue to be available to do so for the project</li> <li>✓ Execute transaction documents</li> <li>✓ Issue notice-to-proceed for construction</li> <li>✓ The IMGR/BMO Team has experience in closing multiple transactions, including those with public bonds, commercial bank debt, and private equity and debt</li> </ul>
<b>Additional Services</b>	
<b>Post-Transaction</b>  Support City in post transaction market analysis and initial financial management	<ul style="list-style-type: none"> <li>✓ Provide expertise with public and private funding and financing partners and instruments, including e.g., private activity bonds, private equity, taxable bonds, private bank financing and tax issues</li> <li>✓ After financial close, be available to provide market data and updates on any project bonds and assist in</li> </ul>

	<div>any post-transaction financial management, including any required follow up analysis</div> <div>✓ Assist with the transition to the contract management phase including through training sessions</div>
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**Sample Marketing Materials**

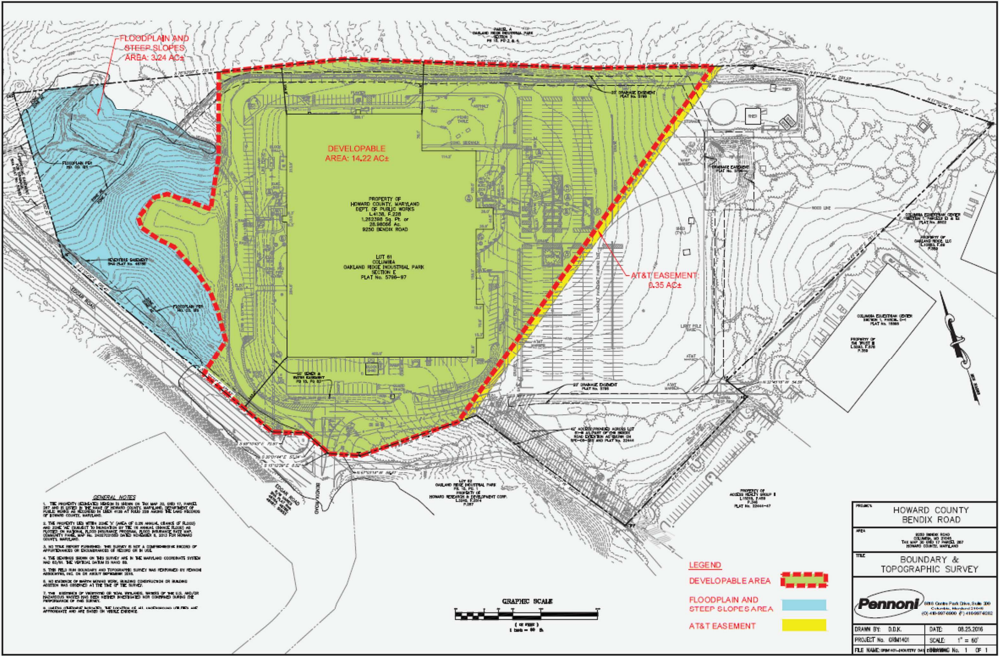
**Sample Request for Information / Industry Day**

Below we show a sample brochure created for an industry day for the Howard County Courthouse P3 transaction. The brochure was created in conjunction with the client.



**HOWARD COUNTY CIRCUIT COURTHOUSE**  
**PUBLIC-PRIVATE PARTNERSHIP (P3) PROJECT**

**A MODERN  
COURTHOUSE  
SERVING JUSTICE  
TODAY AND  
TOMORROW**



For more information, e-mail: [HowardCourthouse@HowardCountyMD.gov](mailto:HowardCourthouse@HowardCountyMD.gov) or visit: [HowardCountyMD.gov/HowardCourthouse](http://HowardCountyMD.gov/HowardCourthouse)



## PROJECT DESCRIPTION

Howard County is pursuing a public-private partnership (P3) to deliver a modern courthouse to accommodate the needs of an expanding and diverse population. The new Circuit Courthouse will be 230,000 gross square feet, LEED Silver certified, and equipped with additional courtrooms and space for jury and staff. The building will be accompanied by a structured parking facility with 600 spaces and the ability to expand to 1,100 spaces.



## PROJECT MILESTONES AND TIMELINE

In 2016, a Circuit Courthouse Program of Requirements and master plan were established for a new Howard County Circuit Courthouse following necessary project research and analysis by the Spending Affordability Advisory Committee, a group comprised of Howard County citizens, organizations and government officials. In January 2017, the approval of Resolution No. 27-2017 confirmed support of the project from the Howard County Council and County Executive. To date, bond issuance has been approved to cover anticipated milestone payments, as well as procurement and preparatory costs. Additionally, financial, legal and technical advisors have been contracted.

## PROJECT VISION

The current Circuit Courthouse of Howard County is 174 years old and cannot accommodate a cost-effective expansion. It is overcrowded, lacking in modern security provisions and not suitable for technology improvements. Howard County is committed to building a modern and secure circuit courthouse to meet current and future judicial requirements expected in the decades that lie ahead.

## KEY PROCUREMENT STEPS

**Request for Expressions of Interest (July 2017)**

- Top three ranked teams participate in the Request for Proposal Process

**Request for Proposals (Fall 2017)**

- Dialogue with the top three shortlisted bidders will be used to further develop the RFP
- Equal Business Opportunity subcontracting goal of 10%
- Data Room will be online upon RFP release date

**Proposal Responses**

- Competitive selection expected by Q3 of 2018
- County Council approve multi-year contract consistent with the County Charter



Rockville District Courthouse  
Rockville, Maryland



Worcester Trial Court  
Worcester, Massachusetts

## PUBLIC - PRIVATE PARTNERSHIP

A private consortium selected through competitive bidding will design, build, partially finance and maintain and operate the facilities under a long-term contract. Howard County has determined that a hybrid financing solution consisting of a combination of public financing and private financing is advantageous for this project.

Within this financing structure, Howard County expects to commit both a milestone payment upon substantial completion and availability payments over the 30-year project term.



## CIRCUIT COURT HOWARD COUNTY

For more information, e-mail: [HowardCourthouse@HowardCountyMD.gov](mailto:HowardCourthouse@HowardCountyMD.gov) or visit: [HowardCountyMD.gov/HowardCourthouse](http://HowardCountyMD.gov/HowardCourthouse)