



REQUEST FOR INFORMATION

RFI Issuance Date: September 13, 2011

Project: Louisville-Southern Indiana Ohio River Bridges Project

Issuing Agency: Louisville and Southern Indiana Bridges Authority
305 N. Hurstbourne Parkway
Suite 175
Louisville, Kentucky 40223

RFI Closing Date: September 30, 2011

I. INTRODUCTION

The Louisville and Southern Indiana Bridges Authority (the “Authority”) is issuing this Request for Information (“RFI”) in order to elicit responses to the questions presented in this document in connection with the Louisville-Southern Indiana Ohio River Bridges Project (the “Project”). Together with its advisory team, the Authority is presently engaged in the process of conducting an options analysis in order to evaluate the potential of various delivery approaches—an exercise that will aid in the eventual selection of the delivery model for the Project.

The purpose of this RFI is to generate responsive information that may help the Authority and its advisors confirm and/or refine certain assumptions in connection with planning for and structuring the procurement process for the Project. This RFI is intended solely to obtain such information to assist the Authority on an administrative level. The Authority will consider responses to this RFI in connection with the evaluation of delivery options and the further development of a financial plan for the Project.

However, this RFI does not constitute a Request for Qualifications (“RFQ”), a Request for Proposals (“RFP”), or other solicitation, nor does it constitute the commencement of any other type of procurement process for to the Project. Moreover, it does not represent a commitment to issue an RFQ or an RFP in the future. Therefore, respondents choosing to respond to this RFI will not, merely by virtue of submitting such a response, be deemed to be “bidders” on the Project in any sense, and no such respondent will have any preference, special designation, advantage or disadvantage whatsoever in any subsequent procurement process related to the Project.

II. BACKGROUND

The Project. The Louisville-Southern Indiana Ohio River Bridges Project is a major national transportation project that is intended to address long-term, cross-river

transportation needs in Louisville, Kentucky and Southern Indiana. It is presently one of the largest transportation projects in the United States and, when completed, will result in safer travel, less congestion and improved access to destinations in the region. The Project is comprised of six sections that form three distinct elements: (A) the reconstruction of the Kennedy Interchange, where I-64, I-65 and I-71 converge near downtown Louisville; (B) a new downtown bridge just east of the existing Kennedy Bridge (I-65), along with the related approach in Indiana; and (C) a new East End Bridge located about eight miles from downtown that will connect the Gene Snyder Freeway (KY 841) to the Lee Hamilton Highway (IN 265), along with related approaches in Kentucky and Indiana. This latter element of the Project will complete the I-265 corridor in the eastern portion of the greater metropolitan area.¹

The Authority. The Authority was established under Kentucky Revised Statutes (“KRS”) Section 175B.030 (the “Bi-State Authority Statute”) for the purpose of financing, constructing and operating the Project.² Since its organizational meeting held on February 2, 2010, the Authority has been focused on its primary task of delivering a financial plan for the Project. On March 25, 2010, Kentucky Governor Steve Beshear signed into law Senate Joint Resolution 169, pursuant to which the Kentucky General Assembly ratified the formation of the Authority in accordance with the requirements of the Bi-State Authority Statute.

The Authority is comprised of Indiana and Kentucky citizens from various professional backgrounds who have a demonstrated record of leadership and community service. There are 14 members: seven appointed by Indiana Governor Mitch Daniels, three appointed by Kentucky Governor Steve Beshear, and four appointed by former Louisville Mayor Jerry Abramson.³ The day-to-day work of the Authority is managed by a full-time Executive Director.

Since its formation, the Authority has, among other things:

- (i) adopted a strategy for accomplishing its mission to deliver the Project,
- (ii) achieved a number of key milestones toward the development of a financial plan for the Project,
- (iii) established and maintained a formal dialogue with the private sector to gain an understanding of possible approaches to project delivery that would be expected to result in significant schedule acceleration and cost savings, and

¹ For more on the Project, see www.kyinbridges.com.

² For more on the Authority, see www.bridgesauthority.com.

³ The Honorable Greg Fischer took office as Mayor of Louisville in January 2011, succeeding Mayor Abramson.

(iv) worked side-by-side with the Bi-State Management Team⁴ to advance essential Project development activities, such as the commencement of a Supplemental Environmental Impact Statement (“SEIS”) process to evaluate certain changes to the Project.⁵

The Authority and the Bi-State Management Team are now working on parallel tracks to design the procurement process and to complete the SEIS process, so that the Project can be brought to market as rapidly as possible.

III. INSTRUCTIONS FOR RESPONSES

The questions to which the Authority is seeking responsive information are set forth below in Section IV. While there is no page limit, respondents should be as concise as possible, and should make every effort not to exceed eight (8) pages in total. Responses should demonstrate an understanding of, and express clearly the respondent’s perspective on, the issues involved with a given question. However, a respondent need not feel compelled to provide a response to each and every question.

The Authority is not requesting a proposal, detailed plans, marketing materials, budgetary information or proprietary information in response to this RFI.

Prospective respondents that anticipate responding to this RFI should so indicate that intention as soon as possible by providing basic contact information via e-mail to Angela Nichols at anichols@indot.in.gov.

Respondents should submit their responses as follows:

- (a) If elected by the respondent, an **electronic version** of the written response (in .pdf format) may be sent via e-mail to Angela Nichols at anichols@indot.in.gov; OR
- (b) **An original and four (4) copies of the written response** may be delivered (making sure that permanent bindings are not used) to:

Louisville and Southern Indiana Bridges Authority
305 N. Hurstbourne Parkway
Suite 175
Louisville, Kentucky 40223

⁴ The Bi-State Management Team refers to the state sponsors, KYTC and INDOT, in partnership with the Federal Highway Administration. The BSMT is responsible for providing direction to the general engineering consultant, Community Transportation Solutions with respect to development activities for the Project.

⁵ For more information on these proposed changes, see www.kyinbridges.com/project-newsroom/2011-06-cost-saving-alternatives.aspx.

Responses shall be submitted by **4:00 p.m. Eastern time on Friday, September 30, 2011**. Responses should include the name and address of the respondent and the phrase “Bridges Authority Request for Information Response” clearly indicated either in the Subject line of the e-mail accompanying the electronic version of the response or on the outside of a sealed envelope containing the paper copies of the written response.

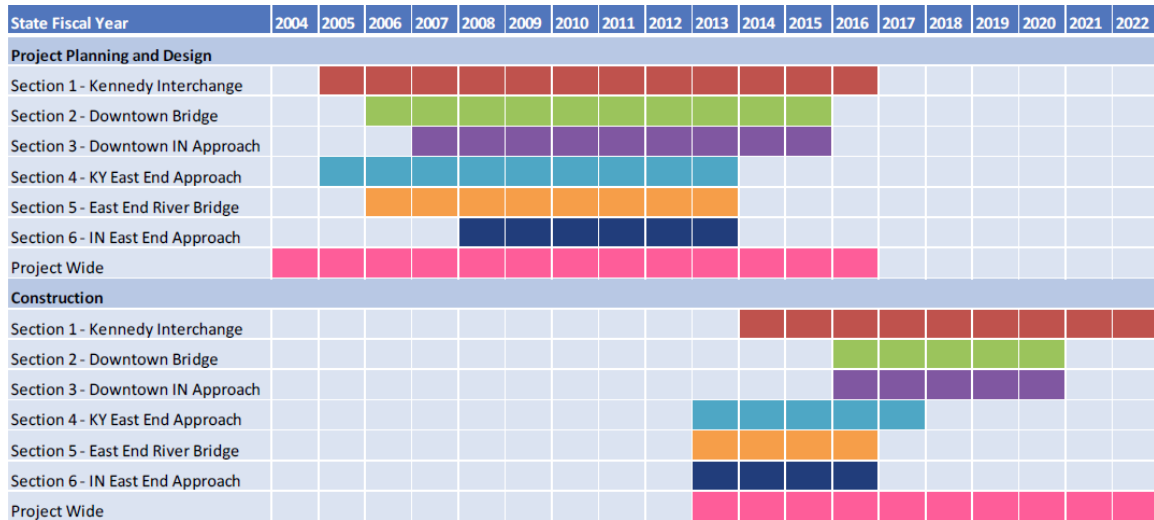
Respondents should feel free to call Angela Nichols of the Indiana Department of Transportation at 812-282-7493 (ext. 227) for additional information.

The Authority plans to evaluate the responses and complete its evaluation of potential delivery models by the time of its regular meeting on October 6, 2011.

IV. QUESTIONS PRESENTED

Project Delivery Alternatives

1. Please review the current project implementation schedule (below), which assumes a traditional design-bid-build delivery approach. If the entire Project were procured under a single design/build contract, please identify the schedule savings that might be achieved in total and by Project section. Provide as much detail as possible on how you envision those savings could be achieved.



Based on fiscal year (e.g., FY 2013 begins in July 2012)

2. The Authority is evaluating possible delivery options for the Project, including a design/build approach and variations of a concession approach (either an availability payment or toll revenue concession). In the eventual procurement based on the preferred delivery option, the Authority expects to initiate the process via a Request for Qualifications, leading to a short list of qualified bidders. Please indicate, for each of the above project delivery approaches, what the appropriate number of short-

listed qualified bid teams would be for you to maintain competitive interest in the Project.

3. The Authority may consider procuring an early works package for certain critical path elements through a design/bid/build contract, with an option to assign that contract to the successful bidder on the design/build or concession contract that would be procured afterwards. Please comment on this approach, including potential cost, risk and schedule impacts. If possible, identify any specific provisions that should be included under this approach to ensure that the entire Project can be completed effectively.
4. The Authority is considering a design/build/finance delivery approach, wherein the contractor would receive performance-based milestone payments during construction for a substantial portion of total project costs. The contractor would finance the remaining costs during construction and would then receive a take-out payment upon meeting all completion criteria. Under such an approach, please comment on the following:
 - What would constitute appropriate milestones for partial payments during construction? Examples might include: completion of 100% design, completion of specific project elements (please offer suggestions of which elements would be appropriate), opening to traffic of discrete segments of the Project (again, please offer suggestions), other?
 - For the final take-out payment, how should the completion trigger be defined?
5. KYTC and INDOT, as the state sponsors of the Project, are currently working with the FHWA to evaluate the impacts of tolling to assist in funding the project; to evaluate cost-saving changes in the design of the Selected Alternative to minimize the amount of toll based revenue needed; and to update information and data where necessary to address changes to the project and the affected environment since the approval of the 2003 FEIS/ROD. The process of preparing a Supplemental Environmental Impact Statement (SEIS) was initiated earlier this year. In the event that a Record of Decision has not yet been obtained through such SEIS process by the time a Request for Proposals process commences, and assuming that your team had, by that time, been selected as a short-listed qualified bidder, what impact would the ongoing SEIS process have on your competitive interest in the Project?

Operations and Maintenance Alternatives

6. The Authority is evaluating the possibility of including long term (e.g., 35+ years) maintenance services as part of the project procurement. Specifically for the *maintenance* aspects of the Project, please describe what opportunities this approach might present for:

- Greater efficiency and reduced costs
 - Reduced overall risk for the Project
 - More holistic approach to Project design
7. Does your answer to the previous question change if maintenance services were to be separately contracted under a shorter term agreement (i.e., no more than 15 years)? Please describe what the differences would be.

Lifecycle Cost and Schedule Responsibility

8. If the Project is procured as a long-term concession, should the Authority consider allocating all responsibility for lifecycle costs to the concessionaire? What are the benefits and drawbacks of such an approach relative to the Authority's retaining those obligations?

Project Risks

9. Please respond to each of the following questions on the basis that the Project may take any of the following delivery approaches: (a) design/build; (b) design/build/finance; (c) availability payment; and (d) toll revenue concession. How will lenders view project delivery risks related to the Project? What types of guarantees and assurances will lenders expect from developers/ concessionaires? How important are payment and performance bonds versus other forms of completion assurances in order to secure attractive lender commitments?

Additional Considerations

10. What additional issues should the Authority consider with regard to Project Delivery selection? Term of contract? Procurement process? Other?

V. AUTHORITY'S RIGHTS RESERVED; PUBLIC INFORMATION

The Authority reserves all rights available to it under federal and state law. Respondents to this RFI are hereby notified that the information, documentation, and any specific content or approaches included in the RFI responses may be used to assist the Authority, in cooperation with the state sponsors, in the preparation of any resulting solicitation of proposals for the Project. Therefore, respondents should refrain from submitting any copyrighted material or any information that the respondent may consider to be proprietary or confidential. ***The Authority is not requesting a proposal, detailed plans, marketing materials budgetary information or proprietary information in response to this RFI.***

Ownership of all data, material, and documentation originated and submitted to the Authority pursuant to the RFI shall, upon being received by the Authority, belong

exclusively to the Authority and shall not be returnable to the respondent. Furthermore, all such data, material and documentation shall be subject to public inspection in accordance with the Kentucky Open Records Law (KRS 61.870 *et seq.*) and the Indiana Public Records Act (IC 5-14-3 *et seq.*).

Again, this RFI is ***not*** a solicitation of proposals, nor does it constitute the commencement of any sort of procurement process whatsoever related to the Project. The intent of this RFI is only to seek responsive information to the questions presented. Responses will not be considered to be a bid or proposal of any kind, binding or otherwise, and any respondents choosing to respond to this RFI will not, merely by virtue of submitting such a response, be deemed to be “bidders” on the Project in any sense. Moreover, no such respondent will have any preference, special designation, advantage or disadvantage whatsoever in any subsequent procurement process related to the Project.

Submission of a response to this RFI will not be a pre-requisite to participating in any resulting procurement process for the Project.

Unsolicited proposals for advancement of the Project or any other project will not be accepted and will be returned to sender.

Under no circumstances shall the Authority, the Commonwealth of Kentucky, the State of Indiana, or any other public agencies or instrumentalities of Kentucky or Indiana be liable for, or be responsible for reimbursing, the costs incurred by respondents to this RFI, whether or not the Authority and the state sponsors, in their sole discretion, ultimately choose to issue a Request for Proposals for the procurement of the Project.