

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Establishing Two Pools of Underwriting Services Firms and Authorizing the Appointment of Underwriters for the Issuance of Bonds

WHEREAS, the Ohio Turnpike and Infrastructure Commission (“Commission”) is, by virtue of Chapter 5537 of the Ohio Revised Code (the “Act”), authorized and empowered, among other things, to issue Bonds of the State for the purpose of paying costs of (i) constructing any one or more Turnpike Projects, (ii) constructing any one or more Infrastructure Projects and (iii) refunding any Commission Bonds outstanding from time to time; and

WHEREAS, on June 21, 2024, the Commission issued a Request for Qualifications (“RFQ”) to solicit proposals from investment banking firms to serve as either senior managing or co-managing underwriter on one or more potential transactions (the “Underwriting Services”); and

WHEREAS, barring any unforeseen developments, the Commission does not anticipate borrowing for new projects in the near term; and

WHEREAS, depending on market conditions, the Commission may determine to issue additional Bonds to refund certain of its currently outstanding Bonds. Such bond issues would either generate significant economic savings; optimize the Commission’s aggregate annual debt service curve; or serve some other policy objective; and

WHEREAS, investment banks play a key role in the Commission’s financing team, acting as underwriters to assist in the structuring, marketing and distributing bonds; the banks’ market reach, access, and understanding of investor preferences provide a direct benefit to the Commission in the form of wide distribution and an efficient cost of borrowing; and

WHEREAS, twenty seven (27) proposals were received that expressed an interest in providing Underwriting Services, which were reviewed by an Evaluation Committee consisting of the Chief Financial Officer, the Comptroller, and the Commission’s Financial Advisor (PFM Financial Advisors LLC), which, after review and discussion, recommends prequalifying a selection of investment banking firms for two pools of underwriting services firms: 1) to serve as senior managing, co-senior managing underwriters, and/or co-manager underwriters (“Senior Manager Pool”), and 2) to serve solely as co-managing underwriters (“Co-Manager Pool”) (collectively, “Underwriting Pools”), for a term of five (5) years commencing on October 1, 2024 and expiring on September 30, 2029; and

WHEREAS, the Evaluation Committee has submitted a recommendation to the Commission for the selection of a Senior Manager Pool to be comprised of the following four (4) underwriting firms: 1) BofA Securities, Inc.; 2) Loop Capital Markets LLC; 3) Morgan Stanley & Co. LLC; and 4) Wells Fargo Bank, N.A., under the terms and conditions set forth in this resolution and the RFQ; and

WHEREAS, the Evaluation Committee submitted a recommendation to the Commission for the selection of a Co-Manager Pool to be comprised of the following two (2) underwriting firms: 1) Fifth Third Securities, Inc.; and 2) Huntington Securities Inc., dba Huntington Capital Markets; under the terms and conditions set forth in this resolution and the RFQ; and

WHEREAS, creation of the Underwriting Pools shall not be construed as a guarantee that services will be required for any specific transaction; and

WHEREAS, one or more underwriting firms may be selected for each or all the transactions, but there is no assurance that if selected for one of the transactions the firm will be selected for any of the other transactions; and

WHEREAS, should the need arise to solicit proposals for underwriters for a specific transaction, the Commission may authorize the Executive Director to select and appoint one or more of the prequalified investment banking firms from among the Underwriting Pools using requests for proposals pursuant to the requirements of the RFQ; and

WHEREAS, expenditures incurred by the Commission for the Underwriting Services will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary to select these six (6) firms prequalified to provide the Underwriting Services; and

WHEREAS, costs associated with utilizing Underwriting Services of one or more of the investment banks in the proposed Underwriting Pools will be incurred when a Commission approved financing transaction is required and will be paid out as a cost of issuance from the bond proceeds; and

WHEREAS, the Director of Contracts Administration advises that (i) the Statements of Qualifications described above were solicited on the basis of the same terms and conditions with respect to all RFQ respondents and potential respondents and (ii) due and full consideration has been given to the Statements of Qualifications received, the respondents' qualifications and their capabilities to perform the required services; and

WHEREAS, the Executive Director has reviewed the Evaluation Team's recommendations for the Senior Manager Pool and Co-Manager Pool and recommends that such Pools be established containing the recommended firms.

WHEREAS, the Commission has duly considered said recommendations;

NOW, THEREFORE, BE IT

RESOLVED, that the Commission hereby accepts and approves the recommendation for the Senior Manager Pool, and directs that the Senior Manager Pool be established containing the following underwriter firms: 1) BofA Securities, Inc.; 2) Loop Capital Markets LLC; 3) Morgan Stanley & Co. LLC; and 4) Wells Fargo Bank, N.A., for a term of five (5) years commencing on October 1, 2024 and expiring on September 30, 2029; and

FURTHER RESOLVED, the Commission hereby authorizes that firms designated as members of the Senior Manager Pool may be designated as Senior Manager, Co-Senior Manager, or Co-Manager at the Executive Director and CFO's sole discretion in consultation with the Commission's Financial Advisor, on a per transaction basis; and

FURTHER RESOLVED, the Commission hereby accepts and approves the recommendation for the Co-Manager Pool and directs that the Co-Manager Pool be established containing the following underwriter firms: 1) Fifth Third Securities, Inc.; and 2) Huntington Securities Inc., dba Huntington Capital Markets, for a term of five (5) years commencing on October 1, 2024, and expiring on September 30, 2029; and

FURTHER RESOLVED, the Commission hereby authorizes that firms designated as members of the Co-Manager Pool may be designated as Co-Managers only, at the Executive Director and CFO's sole discretion in consultation with the Commission's Financial Advisor, on a per transaction basis; and

FURTHER RESOLVED, that the Executive Director and CFO, in consultation with the Commission's Financial Advisor, are authorized to select and contract with firms from the Underwriter Pools to provide Underwriting Services to the Commission in connection with the issuance of Bonds, who's issuance has to be authorized by further resolution of the Commission, to pay costs of Turnpike Projects and/or to refund certain of the Commission's outstanding Bonds; and

FURTHER RESOLVED, that as used in this Resolution, including its recitals, "Bonds", "Turnpike Project" and "Infrastructure Project" have the meanings given in Section 5537.01 of the Revised Code; and

FURTHER RESOLVED, that the Commission's Executive Director and CFO are authorized and directed to notify the aforesaid firms that they have been selected and appointed to the applicable Underwriting Pool in accordance with the Commission's Request for Qualifications and the responses thereto, and to take any and all further action necessary to carry out the terms thereof.

(Resolution No. 96-2024 adopted September 16, 2024)