



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

REPORT FOR THE FINANCE COMMITTEE

RECOMMENDATION REGARDING THE SELECTION OF FINANCIAL ADVISORY FIRMS

FEBRUARY 2015



Requested Action

- The Finance Committee approve and recommend that the Board approve the resolution for selection of financial advisory firms to perform Capital Debt Financing Advisory and Specialized Toll Road Advisory Services



Background

- The Finance Committee Co-Chairs requested the issuance of a solicitation for full and open competition seeking proposals for financial advisory services for Aviation and Dulles Corridor Enterprises to ensure that the Airports Authority follows best procurement practices and periodically re-competes its contracts
- The Board has reserved to itself the authority to select financial advisor(s) under Resolution No. 01-20 in 2001
- In October 2014 the Finance Committee concurred with the solicitation terms and evaluation criteria, including a minimum of 25% LDBE requirement
- A Request for Proposals (RFP) was issued on October 28 for two distinct scopes of services: (A) - Capital Debt Financing Advisory and (B) - Specialized Toll Road Financial Advisory



Background

- On December 1, 2014, the Airports Authority received proposals from ten firms for Scopes A and B,
 - Of the ten firms, six proposed for both Scopes A and B, of which four were LDBE firms,
 - Two firms proposed for Scope A only
 - Two firms proposed for Scope B only
- The Technical Evaluation Committee (TEC) reviewed and evaluated each of the proposals
 - Six firms were short-listed and interviewed for Scope A, of which three were LDBE firms
 - Three firms were short-listed and interviewed for Scope B, none of which were LDBE firms
- The results of the TEC's evaluation of proposals have been provided to the Finance Committee



Discussion

- Based on the TEC's scores, the following firms received the highest ratings:
 - Scope A - Capital Debt Financing Advisory
 - **Frasca & Associates, LLC**
 - Based on the evaluation, Frasca excelled in the areas of experience, qualifications of the personnel, understanding of the credit, approach to the requested services, and technical skills
 - LDBE firm
 - Scope B - Specialized Toll Road Financial Advisory
 - **Mercator Advisors LLC**
 - Based on the evaluation, Mercator was unsurpassed in its experience, demonstrated understanding of the Dulles Toll Road and TIFIA compliance needs, approach to the requested services, and technical skills



Recommendation

- The Finance Committee approve and recommend that the Board approve the resolution for selection of financial advisory firms to perform Capital Debt Financing Advisory and Specialized Toll Road Advisory Services



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY

Proposed Resolution

Selecting Firms to Provide Financial Advisory Services

WHEREAS, In October 2014, the Airports Authority issued a Request for Proposals (2014 RFP) for financial advisory services in two separate areas: (i) services to support the capital debt financing activities related to the Aviation Enterprise's Capital Construction Program and the Dulles Corridor Enterprise's Capital Investment Program (Capital Financing Advisory Services); and (ii) services to provide financial advisory services unique to the Dulles Toll Road (Specialized Toll Road Advisory Services);

WHEREAS, In December 2014, the Airports Authority received eight proposals to provide Capital Financing Advisory Services and eight proposals to provide Specialized Toll Road Advisory Services;

WHEREAS, A Technical Evaluation Committee (TEC) has reviewed and scored these 16 proposals, has interviewed short-listed offeror firms, and has recommended to the Finance Committee the selection of Frasca & Associates, LLC to provide Capital Financing Advisory Services for the Aviation and Dulles Corridor Enterprises, and Mercator Advisors LLC to provide Specialized Toll Road Advisory Services relating to the Dulles Toll Road;

WHEREAS, The Finance Committee has concurred with the TEC's recommendation and has recommended to the Board of Directors that it select Frasca & Associates, LLC and Mercator Advisors LLC to provide Capital Financing Advisory Services and Specialized Toll Road Advisory Services, respectively, to the Airports Authority; now, therefore, be it

RESOLVED, that Frasca & Associates, LLC is hereby selected as financial advisor to the Airports Authority to provide Capital Financing Advisory Services for the Aviation and Dulles Corridor Enterprises, as outlined in the 2014 RFP;

2. That Mercator Advisors LLC is hereby selected as financial advisor to the Airports Authority to provide Specialized Toll Road Advisory Services relating to the Dulles Toll Road, as outlined in the 2014 RFP; and

3. That the President and Chief Executive Officer is authorized to execute contracts with Frasca & Associates, LLC and Mercator Advisors LLC, with each contract containing terms and conditions consistent with those in the staff paper presented to the Board of Directors at its February 2015 meeting.

*For consideration by the Finance Committee and
the Board of Directors on February 18, 2015*