

RESOLUTION JB 2015-3

RESOLUTION OF JOINT BOARD REGARDING PROCUREMENT OF BUSINESS INCOME INSURANCE BROKER

WHEREAS, the State of Indiana and the Commonwealth of Kentucky have jointly undertaken a project to improve cross river mobility over the Ohio River between Louisville and Southern Indiana, authorized by the Federal Highway Administration in its revised Record of Decision dated June 12, 2012 (the "Project"); and

WHEREAS, the Indiana Finance Authority ("IFA") and the Indiana Department of Transportation ("INDOT") have been authorized to participate in the Project on behalf of the State of Indiana (the "Indiana Parties") and the Kentucky Public Transportation Infrastructure Authority ("KPTIA") and the Kentucky Transportation Cabinet ("KYTC") have been authorized to participate in the Project on behalf of the Commonwealth of Kentucky (the "Kentucky Parties"); and

WHEREAS, IFA, INDOT, KPTIA, and KYTC (collectively, the "States' Parties" and each individually a "State's Party") have (together with the Louisville and Southern Indiana Bridges Authority) entered into a Bi-State Development Agreement effective December 27, 2012 (the "Development Agreement") as well as an Interlocal Cooperation Agreement for the Design, Procurement Construction, Financing, Tolling, Operation, and Maintenance for the Louisville-Southern Indiana Ohio River Bridges Project effective as of December 17, 2012 (the "Interlocal Agreement"); and

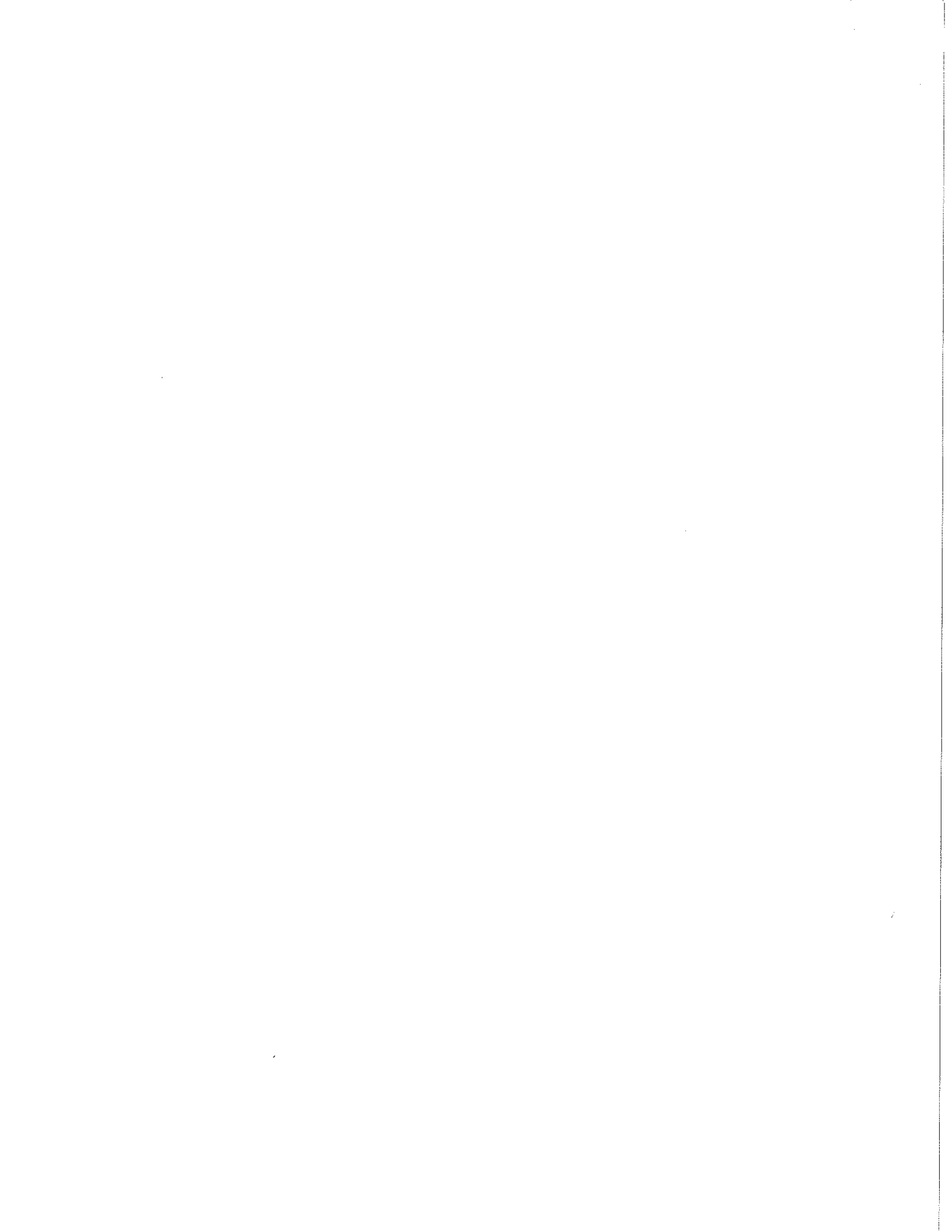
WHEREAS, the Interlocal Agreement and the Development Agreement established this Joint Board, representing the States' Parties and constituted as provided in the Interlocal Agreement and the Development Agreement; and

WHEREAS, the Joint Board has approved Bylaws to provide rules of governance for its activities, which Bylaws specify that the Joint Board may exercise the powers which have been shared by the States' Parties pursuant to resolutions of the Joint Board as further described in Section 4.2 of the Bylaws; and

WHEREAS, this Joint Board has supplemented such Bylaws by Resolution JB 2013-5 to set forth the basic understandings of the States' Parties with respect to such future authorizations, specifically with regard to authorization of procurements and other contracts for services or facilities, by specifying matters to be addressed directly or indirectly in the final approvals therefor; and

WHEREAS, this Joint Board has determined that it is necessary to procure the services of an insurance broker to assist the States' Parties in procuring and making decisions regarding the procurement of business income insurance ("BII Broker"); and

WHEREAS, this Joint Board in accordance with the requirements of its Bylaws, wishes to authorize KYTC to exercise necessary and appropriate powers delegated and shared under the



Interlocal Agreement in order to procure the services of a BII Broker for and on behalf of the Joint Board and the States' Parties; and

WHEREAS, in anticipation of the procurement process, KYTC and the Non-Contracting Parties (as defined in the Bylaws) have recommended certain proposed contract administration terms for incorporation into the BII Broker procurement documents and contract pursuant to Article VI of the Bylaws of the Joint Board.

NOW, THEREFORE, BE IT RESOLVED by this Joint Board that:

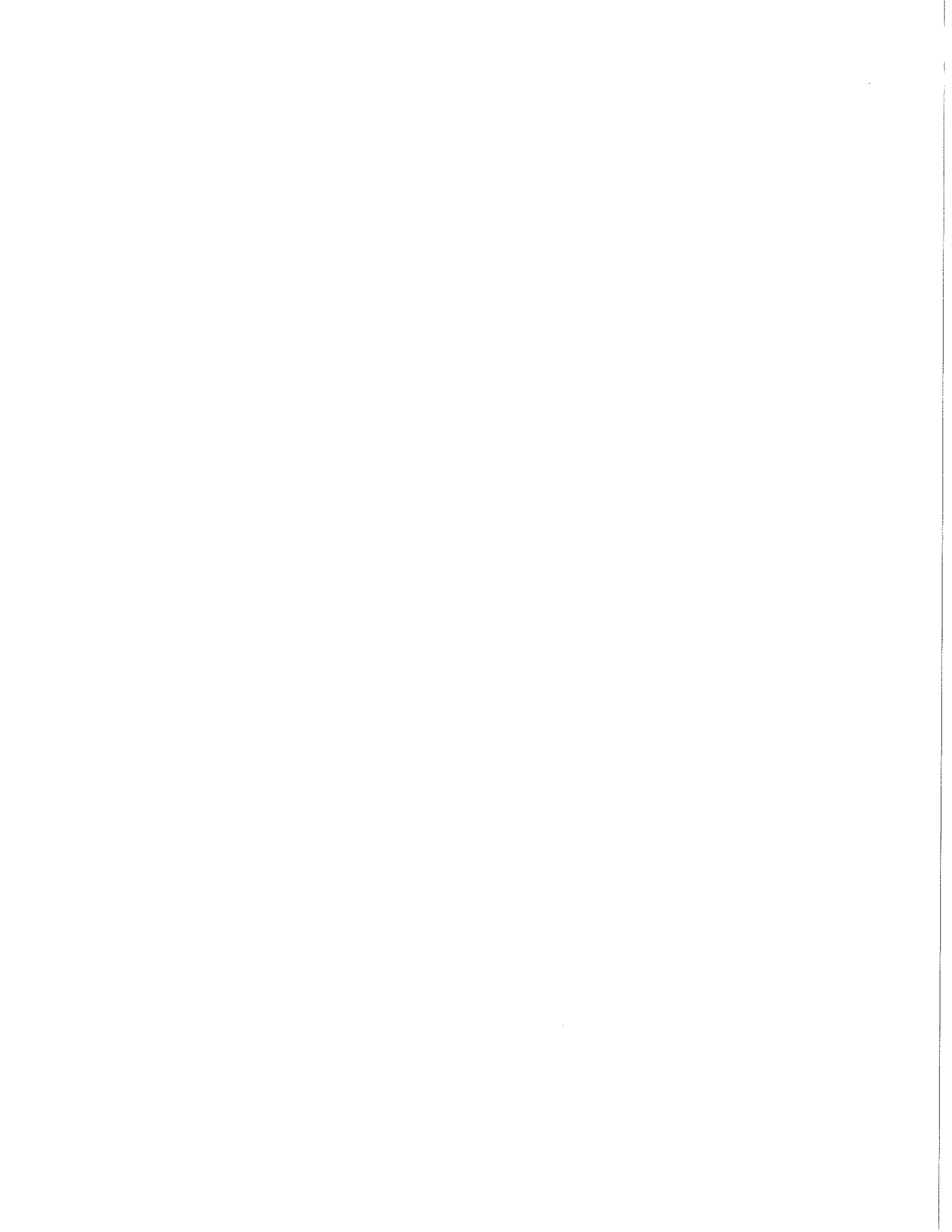
1. The Joint Board hereby authorizes KYTC, pursuant to KRS Chapter 45A (the "Statute") to undertake one or more procurements for the services of BII Broker.

2. The powers contained in the Statute are within the scope of the Interlocal Agreement and are specifically referenced in Section 7.03 thereof.

3. The KYTC is hereby authorized, with the coordination and consent of the other States' Parties, to select a preferred offeror of BII Broker services (the "Procurement") and to develop BII Broker agreement (the "Contract") for approval by the Joint Board. The Joint Board has delegated its power and authority with respect to the Contract to KYTC (the "Contracting Party") with respect to the completion of the procurement, the negotiation of the Contract, and management and administration of the Contract, in cooperation with the Non-Contracting Parties as set forth below.

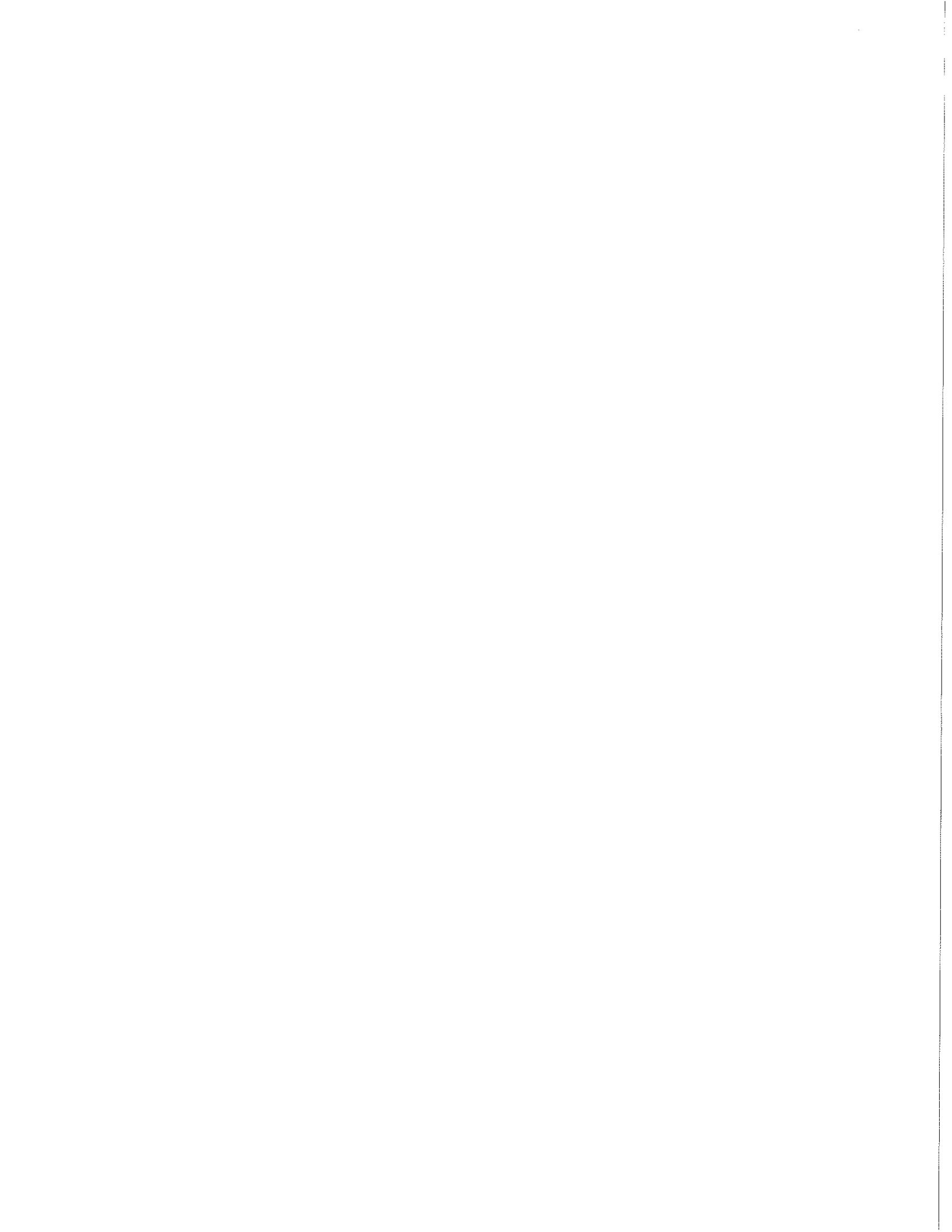
4. The Procurement and the Contract shall be administered and managed on behalf of the Joint Board and the States' Parties in conformance with the following:

- a. The Contracting Party shall administer the Contract as authorized and directed by the Joint Board. The Kentucky Parties and the Indiana Parties shall each designate a representative for a total of two representatives to work with counsel on the direction of the work of the BII Broker on behalf of the Joint Board after the Contract has been awarded.
- b. The Kentucky Parties and the Indiana Parties shall each designate an equal number of representatives to a procurement team to work with counsel and developing the request for proposals ("RFP") for the BII Broker services.
- c. The Kentucky Parties and the Indiana Parties shall each designate an equal number of representatives to a selection committee to work with counsel to review RFP responses and to make a collective recommendation of a preferred offeror to the Joint Board.
- d. Members of any of the above described committees or teams may be replaced on a temporary or permanent basis at the discretion of the Party they represent. Replacement notifications or designations will be forwarded to all



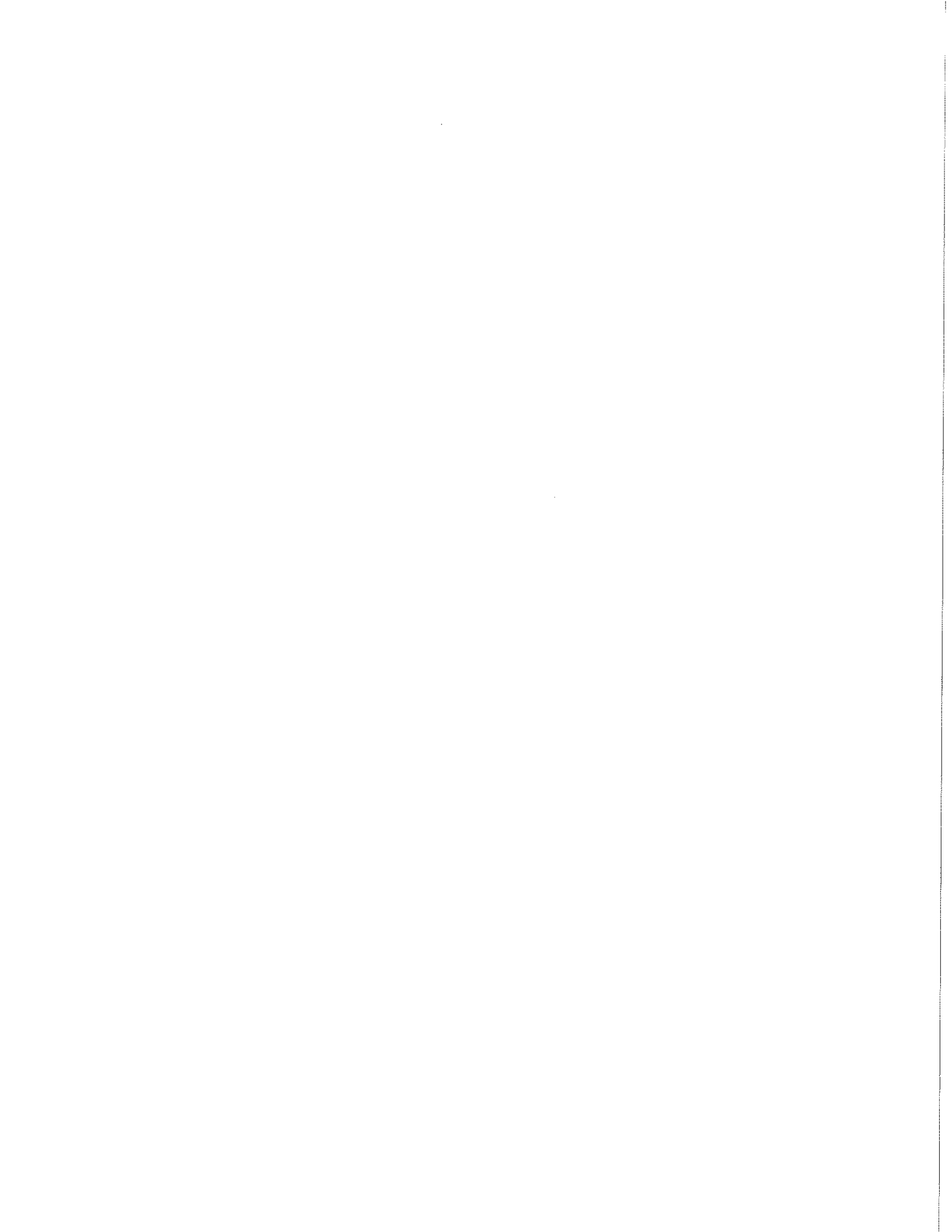
the key stake holders of the Project, including but not limited to the States' Parties' representatives, and the Joint Board and Tolling Body representatives.

- e. Payment obligations on the Contract shall be shared equally by the Indiana State's Parties and the Kentucky State's Parties, and the Contract shall provide that each State shall only be responsible for one-half of the Joint Board's financial obligations under the Contract, such terms to be accepted in writing by the selected BII Broker in the Contract.
- f. The Contracting Party shall absorb all of its cost of administering and managing the Contract. Each Non-Contracting Party shall absorb all its internal costs associated with its duties hereunder and under the Contract. Third party costs incurred by the Contracting Party with the consent of the Non-Contracting Parties shall be shared equally.
- g. The Contracting Party, in full cooperation with the Non-Contracting Parties, will agree on a reporting and management system and on a schedule as may be appropriate for the Contract in writing. In the absence of an agreement, the Contracting Party will report on a monthly basis to the designated representatives of each of the Non-Contracting Parties as to the progress and status of the Contract, which shall include a description of any material issues affecting the proper completion, the schedule for performance, or the budget. The Contracting Party shall also ensure that current status reports will be available for Joint Board Meetings and Tolling Body Meetings when requested.
- h. It is the goal of this resolution to promote and insure joint coordination, management, and communication between the BII Broker and the Contracting Party working in cooperation with the Non-Contracting Parties. To that end the Contracting Party will conduct periodic team meetings to formally coordinate, prioritize and track ongoing efforts of the BII Broker. These team meetings will be schedule with appropriate frequency to insure adequate coordination and progress of the BII Broker's work. In any instance where project related communications are necessary with only one member of the designated team, the team member privy to the communication will make every reasonable effort to relay the specifics of this communication in writing to the non participating member in a timely manner, ideally the same business day.
- i. The Contracting Party shall maintain all of the books and records relating to the Contract and shall make them available to representatives of the Non-Contracting Parties upon request.
- j. The final Contract will not be issued or executed without prior notice to, and unanimous approval of, the Non-Contracting Parties, which approval shall be



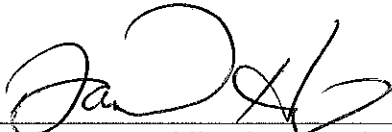
evidenced by the Non-Contracting Parties' Joint Board representatives' vote to approve the Contract.

- k. The following actions shall be the responsibility of the Contracting Party. No action or directives may be made on the Contract without the joint approval of the Non-Contracting Parties. The Contracting Parties shall not take any of the following actions without the prior notice and approval of the Non-Contracting Parties:
 - i. Invoices and contract payments on the Contract;
 - ii. Claim determinations; or
 - iii. Contract cancellation.
- l. Changes in the scope of work, schedule or cost of work under the Contract may only be approved through an official action of the Joint Board.
- m. Disputes amongst the representatives of the States' Parties as to administration of the Contract shall be submitted to the Joint Board for resolution according to the terms and conditions of the Development Agreement.
- n. The States' Parties shall have equal access to work product generated pursuant to the Contract.
- o. The States' Parties shall be named as express third party beneficiaries to the Contract.
- p. Acts or omissions of the Contracting Party that are contrary to or inconsistent with this Resolution shall be at the sole cost and responsibility of the Contracting Party.

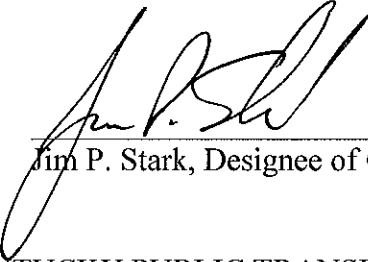


Approved this 11th day of February, 2015,

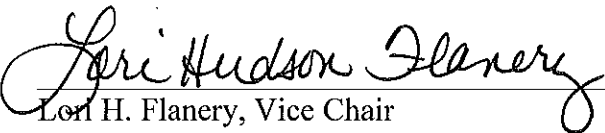
INDIANA FINANCE AUTHORITY

By: 
Daniel Huge, Public Finance Director

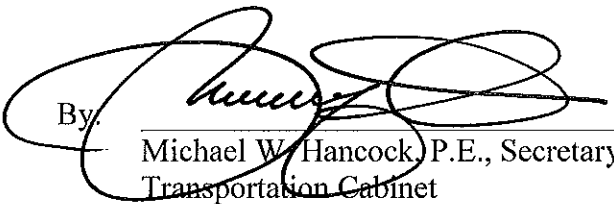
INDIANA DEPARTMENT OF
TRANSPORTATION

By: 
Jim P. Stark, Designee of Commissioner

KENTUCKY PUBLIC TRANSPORTATION
INFRASTRUCTURE AUTHORITY

By: 
Lori H. Flanery, Vice Chair

KENTUCKY TRANSPORTATION CABINET

By: 
Michael W. Hancock, P.E., Secretary of the
Transportation Cabinet

