

**NOTE: Only firms which have been prequalified by the Office of Financial Management to provide bond counsel services to the Kentucky Asset/Liability Commission for Fiscal Years 2022 and 2023 may submit a response to this Request for Proposals.**

March 7, 2022

**RE: Request for Proposals ("RFP") to Serve as Bond Counsel to the Kentucky Asset/Liability Commission during Fiscal Years 2023 and 2024.**

The Office of Financial Management ("OFM") of the Finance and Administration Cabinet of the Commonwealth of Kentucky, on behalf of the Kentucky Asset/Liability Commission ("Commission"), is requesting proposals from prequalified firms to provide bond counsel services to the Commission beginning July 1, 2022 through June 30, 2024.

Pursuant to KRS 45A.850, the Commission seeks to hire one **(1) bond counsel firm** to provide bond counsel services to the Commission over a period of twenty-four (24) months. The firm chosen pursuant to this RFP will be contracted for a period of twenty-four (24) months to complete selected financings by the Commission for Fiscal Years 2023 and 2024. **OFM will have the option to extend the contract of the bond counsel firm, on the same terms and conditions, for an additional twenty-four (24) month period.** All firm selections will be determined based upon the final rankings of this RFP.

The Commission annually evaluates the effectiveness of issuing a General Fund supported Tax and Revenue Anticipation Notes ("TRANs"), and currently does not anticipate issuing Grant Anticipation Revenue Vehicles ("GARVEEs") (supported by Federal Highway Trust Fund appropriations), or Funding Notes during the engagement period. The Commission may issue General Fund supported Project Notes, primarily in the form of Bond Anticipation Notes ("BANs"), to fund authorized projects supported by General Fund, Agency Fund or Road Fund appropriations. The Commission may also consider utilizing a line of credit during the engagement period to provide interim funding for a variety of General Fund or Road Fund projects depending on funding needs and timing.

The 2021 General Assembly authorized debt financing for projects totaling \$455.35 million for various capital initiatives of the Commonwealth. Of the total authorizations, \$99.5 million is General Fund supported and \$357 million is supported by Agency Fund appropriations. No new Road Fund supported projects were authorized. A portion of the Agency Fund authorizations have been permanently financed.

Additionally, there are over \$662 million of appropriation-supported bond projects, previously authorized by the General Assembly, that have not been permanently financed: \$323.27 million are General Fund supported, \$276.4 million are Agency Fund supported, and \$62.5 million are Road Fund supported.

Depending on the funding needs of the existing capital project authorizations, the Commission may wish to establish one or more interim borrowing programs to provide short-term financing for authorized projects, including commercial bank loans. Currently, the Commission does not have any active trust indentures for BANs and may decide to create one

or more new trust indentures for the purpose of providing interim financing for the Commonwealth's capital programs through the issuance of Project Notes. It is anticipated that, depending on fund source, the State Property and Buildings Commission, Turnpike Authority or the respective University will ultimately issue permanent bonds to refund any BANs, if any. The Commission could issue permanent notes depending upon the nature of the project and the credit.

The timing of note issues will depend on project needs and market conditions. While the Commonwealth has authorized capital projects to be funded by the issuance of debt, there is no assurance by OFM or the Commission that any of the transactions contemplated in this RFP will be completed during the contract period.

The primary objectives of the Commission are to:

1. Provide interim and/or permanent financing for capital projects as necessary;
2. Provide low cost funding alternatives;
3. Minimize budgetary process complications;
4. Maximize administrative flexibility with minimal effort.

The transactions will proceed under the direction of OFM, which serves as staff to the Commission. The issues will require the approval of the Commission, the State Property and Buildings Commission, and the Capital Projects and Bond Oversight Committee of the Legislative Research Commission prior to the sale dates, if any.

### **Description of Services Sought**

The firm selected to provide bond counsel services to the Commission will be working with OFM and underwriting firms that have been selected in a similar fashion as the bond counsel firm. The firm selected to perform bond counsel services will be responsible for the oversight of the entire bond issue(s). These duties include, but are not limited to, providing legal opinions and legal advice related to debt structuring and disclosure, reviewing preliminary and final official statements, coordinating the sale and closing of the securities, identifying tax issues including arbitrage regulations and ongoing status of project tax exemption, consulting with the Commission, the trustee and the Commonwealth, providing information as requested to the rating agencies, overseeing of printed bond certificates, preparing timely advertisements (notices of sale), drafting and circulating required issuance documents for approval, and assisting with compliance of any continuing disclosure requirements (which does include any work related to prior bonds). Any fees incurred will be payable only upon successful closing of the bond issue.

### **GENERAL INFORMATION**

The Commission was created by the General Assembly under KRS 56.860-869 to develop policies and strategies to minimize the impact of fluctuating interest rates on the Commonwealth's interest-sensitive assets and interest-sensitive liabilities. The Commission is authorized to issue TRANs, Project Notes and Funding Notes. TRANs are to be used for the purpose of providing monies to discharge expenditure demands in anticipation of revenues and taxes to be collected during the fiscal year. Project Notes are to be used for authorized

projects upon request of the Finance and Administration Cabinet, to be repaid through financing agreements or alternative agreements. Funding Notes are to be used for the purpose of funding obligations payable under KRS 161.550(2) and KRS 161.553(2), or judgments against the Commonwealth or any state agency. OFM, which is in the Finance and Administration Cabinet, serves as staff to the Commission.

The Kentucky Asset/Liability Commission is composed of five members, each serving in an *ex officio* capacity. The members are as follows: the Secretary of the Finance and Administration Cabinet, who acts as Chairperson; the Attorney General; the State Treasurer; the State Budget Director; and the State Controller as follows:

Holly M. Johnson	Secretary of the Finance and Administration Cabinet, Chairperson
Daniel Cameron	Attorney General
Allison J. Ball	State Treasurer
John Hicks	State Budget Director
Ed C. Ross	State Controller

The Secretary to the Commission is Ryan Barrow, the Executive Director of OFM.

### **Debt Service Appropriation Process**

The budget process normally begins in August prior to the start of each new biennium. Each cabinet and agency prepare a budget request for the upcoming biennium, which is submitted to the Office of the State Budget Director (“OSBD”). Each cabinet and agency requests the amount of new debt service dollars required to support new or expansion projects to be funded via the debt issuance process. Road Fund supported debt service for all existing notes and/or bonds is requested by the Transportation Cabinet. Debt service for new projects is estimated using a debt service template which provides rate assumptions for 7-, 10-, and 20-year bonds issued on a tax-exempt or taxable basis. The OSBD further refines the cabinet and agency budget requests into the Governor’s Executive Budget Request, which is then presented to the General Assembly.

### **Required Components of Proposal**

**Each response to the RFP must include and address the following items. Failure to comply with the requirements of the RFP will result in the firm's response not being evaluated by the Selection Committee (See Selection and Notification).**

## **I. Disclosure**

1. Certify that there has been no material change to any of the statements and certifications made by the firm in its response to the Request for Qualifications, Section II, Disclosure, issued by OFM on January 13, 2021. In the event there has been a material change, please specify the nature of the change and the impact of the change on the firm and its ability to provide the desired services.
2. Detail any criminal investigation, indictment, prosecution or other proceeding that has ever been brought against your firm (provide attachment if necessary). Also, describe any civil litigation pending or concluded within the last three years against your firm that would impair the firm's ability to provide the requested services (provide attachments if necessary). Also, describe the nature of any conflicts of interest that you believe may exist or arise.
3. Disclose any potential conflicts of interest with representing the Commonwealth in this matter, including any potential conflicts of interest of employees assigned to this project and potential conflicts with any Commission members. The Commonwealth reserves the unqualified right to disqualify an entity or cancel any contract for any potential conflict of interest issues raised initially and/or during the life of any contract awarded.

## **II. Qualifications**

### **1. Relevant Experience of the Firm**

- A. Briefly describe the history and organization of the firm and its municipal finance law department.
- B. Provide a discussion of relevant bond counsel experience of the firm with municipal financings similar to those proposed by the Commission. Please provide a listing of relevant transactions and indicate your firm's involvement and the date of each.
- C. Provide a discussion of relevant bond counsel experience of the firm in the area of Kentucky law, particularly statutes or case law related to the issuance of Commission Notes.
- D. OFM would like to move to a paperless bond transaction and have all bond documents executed electronically. Provide a discussion of the legality, issues and process of digital bond closings and transcripts, this would include bond documents sent electronically to signatories in DocuSign (or similar software).

**2. Relevant Experience and Qualifications of the Representatives of the Firm**

- A. Provide a discussion of the experience, qualifications, and availability of the firm's representatives who would work on the Commission's issues. Provide the names and resumes of all individuals who would be assigned to work with the Commission and identify the lead counsel. Specifically address the firm's intent regarding who would be assigned to be the contact for the Commission should the lead counsel be unable or unavailable to serve the Commission for any reason. Additionally, provide a statement as to the availability and willingness of the firm to perform analyses and prepare opinions concerning tax-related issues, establishing the Trust Indenture, Bond Resolution, Letter of Credit, Liquidity Facility and other legal services on a timely basis during the contract period which may not be directly related to the debt issuance process. Please note that any changes made to legal counsel assigned to the Commission must be approved by OFM.
- B. Provide specific references of experience with similar issuers for the firm and lead counsel. Include names, addresses, and telephone numbers.

**3. Legal Issues That May Impact the Issuance of Debt by the Commission**

- A. Project Note/BAN Issues

The Commission has previously issued Project Notes for General Fund, Road Fund, Agency Fund, and Federal Highway Trust Fund projects.

Currently, the Commission does not have any active trust indentures for General Fund, Road Fund, or Agency Fund BANs. Depending upon the size and timing of additional capital project authorizations from the General Assembly, the Commission may require one or more new trust indentures for the purpose of providing interim financing for the Commonwealth's capital programs through the issuance of Project Notes or may consider some form of a line of credit or bank loan. It is anticipated that, depending on the funding source, the State Property and Buildings Commission, the Turnpike Authority of Kentucky, or the respective State University would issue permanent bonds to refund any BANs or line of credit/bank loan issued by the Commission.

Please discuss any recent legal developments that may impact the sizing and sale of Project Note issuances.

B. TRAN Issues

While a TRAN has not been issued in the Commonwealth since 2019, the most recent TRAN transactions were executed on a negotiated basis as fixed rate notes to mature within the applicable fiscal year. The Commission utilizes a statistical based model with typically five to eight years of historical data to project future cash flow deficits. Historically, the majority of the TRANs have been swapped back to a variable rate in order to better match corresponding assets.

Please discuss any recent legal developments that may impact the sizing and sale of a TRAN, including an associated interest rate swap.

C. Other Legal Issues

Please identify or discuss any further legal issues (e.g. tax law changes, refunding options or pension disclosure) pertaining to any recent regulations or developments that your firm believes may have a material impact on the issuance of debt by the Commission.

D. Post-Issuance Compliance Implementation

Please discuss any specific guidance your firm may have for issuers on post-issuance compliance. Please provide discussion/suggestions on the best, most efficient way to implement procedures regarding post issuance compliance for the Internal Revenue Service for ongoing tracking and documentation of capital projects financed with tax-exempt bond proceeds. Please indicate your firm's willingness to work with OFM staff regarding post-issuance compliance.

### III. Fee Proposal

Provide a fee proposal (Attachment C) for work to be performed during the contract period. Bond counsel fees will be paid only upon completion and closing of a note issue. Provide one (1) fee proposal on a per \$1,000 bond basis inclusive of all expenses which shall include copying, faxing, mailing (excluding overnight delivery), telephone, transcripts (loose), travel and other out-of-pocket expenses. The Commission will pay, with written proof, invoices for advertising notices of sale, overnight delivery, and bound and CD-ROM transcripts. The Commission will provide **minimum** compensation of \$15,000 per issuance and **maximum** compensation of \$125,000 per issuance. For purposes of your firm's proposal, assume the Commission will complete one (1) GARVEE Project Note transaction for \$50 million, one (1) Project Note BAN transaction for \$125 million, one (1) Project Note Line of Credit/Bank Loan for \$125 million, and one (1) TRAN transaction for \$400 million. For BANs, Lines of Credit and TRANs, please provide a one-time flat (\$) fee as well for the creation of each new respective trust indenture.

Multiple series of notes (i.e., Tax-Exempt, AMT, Taxable) issued simultaneously under a single trust indenture are considered to be a single issuance by the Commission. No variations from a per \$1,000 bond fee (except where flat fee proposals are requested), including graduated scales or divergent minimum or maximum fees, will be accepted.

**The fee proposal must be submitted on Attachment C in a separate e-mail. Failure to adhere to these requirements will result in disqualification of the response.**

### **Reservation of Rights**

OFM and the Commission reserve the right to:

1. Review and approve any change in significant staff members involved in the financing, as well as the right to discharge the firm promptly based upon such personnel changes or inability to provide access to key staff members.
2. Reject any and all proposals with cause, including failure to disclose material information.
3. Reject all proposals and seek new proposals when such procedure is reasonably in the best interest of the Commission.
4. Make investigations regarding qualifications of any or all respondents as the Selection Committee deems necessary.
5. Request and receive such additional information as the Selection Committee may reasonably require. Failure to comply with such a request will result in disqualification.
6. Waive minor irregularities in the RFP process.
7. Make all submitted proposals and any attached materials available for Open Records requests pursuant to KRS 61.870.

### **Liability**

The Commission and OFM shall not be liable for:

1. Any costs incurred by the proposing firm in the preparation of any proposal.
2. Any costs incurred by the proposing firm in connection with any interview or negotiation relating to this RFP (i.e travel, accommodations, etc.).
3. Any disclosure, whether by negligence or otherwise, of any material or information in any form submitted by any proposing firm in response to this RFP.

## **Questions**

All questions and requests for information concerning this RFP must be submitted by e-mail to the address below by **1:00 p.m. ET on Monday, March 14, 2022**. Any questions submitted, and answers, may be distributed to all pre-qualified firms at the discretion of the Selection Committee. Please note that questions submitted after the deadline will not receive a response.

## **Submission of Proposals**

In total, submission of proposals must be below 55 pages (one sided) of materials including attachments.

Only electronic submission materials will be accepted and must be received no later than **1:00 p.m. ET on Monday, March 28, 2022**. The Commonwealth email servers filter attachments that approach 10 MB, so proposals under that limit may be submitted to the email address below:

Office of Financial Management  
Selection Committee  
Kentucky Asset/Liability Commission Bond Counsel RFP  
200 Mero St, 5<sup>th</sup> Floor  
Frankfort, KY 40622  
Phone: (502) 564-2924  
E-mail: [Debt.OFM@ky.gov](mailto:Debt.OFM@ky.gov)

**NOTE: It is recommended that receipt of all submissions be confirmed by the submitter. Proposals received after the stated deadline will NOT be accepted.**

## **Scoring, Selection and Notification**

The Selection Committee established pursuant to KRS 45A.843 will be composed of five (5) OFM staff (voting and including a majority of merit employees) and one merit employee of the State Auditor of Public Accounts (nonvoting). **Proposals will be evaluated pursuant to the evaluation criteria outlined on Attachment A.** The Selection Committee will make a recommendation for selection pursuant to KRS 45A.840 to 45A.870, KRS 45A.877 to 45A.879, and KRS 45A.490 to 45A.494. The scoring of proposals is subject to a reciprocal preference for a Kentucky resident bidder and preference for a Qualified Bidder. (See Attachment D for KRS 45A.490 to 45A.494 “Kentucky Preference Laws”.)

The Kentucky Revised Statutes and Kentucky Administrative Regulations referenced in the RFP may be found at <http://legislature.ky.gov>.

## **Proprietary Information**

The RFP specifies the required components and general content of proposals submitted in response to the RFP. **The Finance and Administration Cabinet will not disclose any portions of the proposals prior to Contract Award to anyone outside the Finance and Administration Cabinet, representatives of the agency for whose benefit the contract**



**is proposed, representatives of the Federal Government, if required, and the members of the evaluation committee.** After a Contract is awarded in whole or in part, the Commonwealth shall have the right to duplicate, use, or disclose all proposal data submitted by firms in response to this RFP as a matter of public record. Although the Commonwealth recognizes the firm's possible interest in preserving selected data which may be part of a proposal, the Commonwealth must treat such information as provided by the Kentucky Open Records Act, KRS 61.870 et sequitur, which allows for exemptions as provided in KRS 61.870(1)(c).

Pursuant to KRS 61.870(1)(c), informational areas which normally might be considered proprietary shall be limited to **individual personnel data, customer references, selected financial data, formulae, and financial audits** which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas that a firm declares proprietary in nature and not available for public disclosure, **the firm shall declare in the Disclosure (See "Required Components of the Proposal," Section I, Subsection D) the inclusion of proprietary information and shall noticeably label as proprietary each sheet containing such information.** The Cabinet will make all reasonable efforts to maintain the confidentiality of any information provided by the firm, which is identified by the firm as proprietary, provided such designation is reasonable, and subject to the order of the Attorney General or any court directing the Cabinet to release such information.

#### **Contact with Selection Committee Members**

Please note that any contact made by the firm with any member of the Selection Committee from the date of issuance of the RFP until an award of a contract is required to be disclosed by such committee member to the entire committee and will become a part of the permanent file for this selection process which is subject to "open records requests" pursuant to Kentucky Open Record laws.

The Office of Financial Management respectfully solicits the submission of a proposal by your firm.

Attachment A: Evaluation Criteria

Attachment B: Evaluation Form

Attachment C: Fee Proposal

Attachment D: Kentucky Preference Laws

**ATTACHMENT A**

**EVALUATION CRITERIA**  
**Kentucky Asset/Liability Commission Request for Proposals**  
**Bond Counsel**  
**FY 2023-24**

<b><u>Evaluation Criteria</u></b>	<b><u>Weight</u></b>
1. Relevant Experience of the Firm	20%
2. Relevant Experience and Qualifications of the Firm's Representatives	35%
3. Legal Issues	25%
4. Fee Proposal	<u>20%</u>
 TOTAL	 100%

**ATTACHMENT B**

**EVALUATION FORM**

**Kentucky Asset/Liability Commission Request for Proposals**

**Bond Counsel**

**FY 2023-2024**

FIRM: \_\_\_\_\_

REVIEWER: \_\_\_\_\_

DISCLOSURE: \_\_\_\_\_ Yes \_\_\_\_\_ No

- 1. RELEVANT FIRM EXPERIENCE** - (Qualifications, recent similar transactions, firm organization)

Score (20 points possible): \_\_\_\_\_

Notes \_\_\_\_\_

- 2. RELEVANT EXPERIENCE AND QUALIFICATIONS OF FIRM REPRESENTATIVES** (Number of staff available, background, individual experience on similar transactions, identification of principal contact, specific firm references)

Score (35 points possible): \_\_\_\_\_

Notes \_\_\_\_\_

- 3. LEGAL ISSUES** - (Depth and quality of discussion, demonstration of understanding of the Commission's programs)

Score (25 points possible): \_\_\_\_\_

Notes \_\_\_\_\_

Total Score\*: \_\_\_\_\_

\* Scores for fee proposals will be uniformly assigned by the Committee Chairperson.

# ATTACHMENT C

## FEE PROPOSAL FORM Kentucky Asset/Liability Commission Request for Proposals Bond Counsel FY 2023-24

### BOND COUNSEL FEE (Price Per \$1,000 Bond)

Provide a fee inclusive of all expenses including copying, faxing, mailing\*, telephone, travel and other out-of-pocket expenses. The per bond fee quoted will be applicable to all financings completed during the contract period subject to the minimum and maximum fees stated below.

Minimum fee per issuance = \$ 15,000

Maximum fee per issuance = \$ 125,000

For purposes of your firm's proposal, assume the Commission will complete A) one (1) GARVEE Project Note transaction for \$50 million, B) one (1) Project Note BAN transaction for \$125 million, C) one (1) Line of Credit/Bank Loan for \$125 million, and D) one (1) TRAN transaction for \$400 million.

Multiple series of notes (i.e., Tax-Exempt, AMT, Taxable) issued simultaneously under a single trust indenture are considered to be a single issuance by the Commission. No variations from a per \$1,000 bond fee (except where flat fee proposals are requested), including graduated scales or divergent minimum or maximum fees, will be accepted. There can be no assurance that any transaction will be completed during the contract period.

**A) (5pts)**

Project Note (GARVEE) Per Bond Fee x 50,000 = \_\_\_\_\_

**B) (5pts total) \*\***

1.) Project Note (BAN) Per Bond Fee x 125,000 = \_\_\_\_\_ (2.5 pts)

2.) One-time flat (\$) fee for creation of a new trust indenture = \_\_\_\_\_ (2.5pts)

**C) (5pts total) \*\***

1.) Project Note (Line of Credit/Bank Loan) Per Bond Fee x 125,000 = \_\_\_\_\_ (2.5pts)

2.) One-time flat (\$) fee for creation of trust indenture for Line of Credit = \_\_\_\_\_ (2.5pts)

**D) (5pts total)**

1.) TRAN Per Bond Fee x 400,000 = \_\_\_\_\_ (2.5 pts)

2.) One-time flat (\$) fee for creation of a new trust indenture = \_\_\_\_\_ (2.5pts)

\*\*\*Interest Rate Swap Opinion Fee \_\_\_\_\_

\* The Commission will reimburse counsel for necessary overnight mail expenses, advertising notice of sale, and for the cost of final transcripts in addition to the quoted fee.

\*\* The referenced Notes are to be General Fund supported. The Commission reserves the right to negotiate fees for Road Fund and Agency Fund supported Notes, if applicable.

\*\*\* This component does not affect this section's scoring. The Commission has outstanding swaps that may need to be unwound at a future date and has therefore requested a flat fee quote be provided.

\_\_\_\_\_  
SIGNED

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME OF FIRM:

**[This Fee Proposal Must Be Submitted in a Separate E-mail.]**

## ATTACHMENT D

### Kentucky Preference Laws (KRS 45A.490-494)

The scoring of bids/proposals is subject to Reciprocal preference for Kentucky resident bidders and Preferences for a Qualified Bidder. Vendors not claiming resident bidder or qualified bidder status need not submit the corresponding affidavit.

#### Reciprocal preference for Kentucky resident bidders

##### **KRS 45A.490 Definitions for KRS 45A.490 to 45A.494.**

As used in KRS 45A.490 to 45A.494:

- (1) "Contract" means any agreement of a public agency, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item; and
- (2) "Public agency" has the same meaning as in KRS 61.805.

##### **KRS 45A.492 Legislative declarations.**

The General Assembly declares:

- (1) A public purpose of the Commonwealth is served by providing preference to Kentucky residents in contracts by public agencies; and
- (2) Providing preference to Kentucky residents equalizes the competition with other states that provide preference to their residents.

##### **KRS 45A.494 Reciprocal preference to be given by public agencies to resident bidders -- List of states -- Administrative regulations.**

- (1) Prior to a contract being awarded to the lowest responsible and responsive bidder on a contract by a public agency, a resident bidder of the Commonwealth shall be given a preference against a nonresident bidder registered in any state that gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidder.
- (2) A resident bidder is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:
  - (a) Is authorized to transact business in the Commonwealth; and
  - (b) Has for one (1) year prior to and through the date of the advertisement, filed Kentucky corporate income taxes, made payments to the Kentucky unemployment insurance fund established in KRS 341.490, and maintained a Kentucky workers' compensation policy in effect.
- (3) A nonresident bidder is an individual, partnership, association, corporation, or other business entity that does not meet the requirements of subsection (2) of this section.
- (4) If a procurement determination results in a tie between a resident bidder and a nonresident bidder, preference shall be given to the resident bidder.
- (5) This section shall apply to all contracts funded or controlled in whole or in part by a public agency.

(6) The Finance and Administration Cabinet shall maintain a list of states that give to or require a preference for their own resident bidders, including details of the preference given to such bidders, to be used by public agencies in determining resident bidder preferences. The cabinet shall also promulgate administrative regulations in accordance with KRS Chapter 13A establishing the procedure by which the preferences required by this section shall be given.

(7) The preference for resident bidders shall not be given if the preference conflicts with federal law.

(8) Any public agency soliciting or advertising for bids for contracts shall make KRS 45A.490 to 45A.494 part of the solicitation or advertisement for bids.

The reciprocal preference as described in KRS 45A.490-494 above shall be applied in accordance with 200 KAR 5:400.

### **Determining the residency of a bidder for purposes of applying a reciprocal preference**

Any individual, partnership, association, corporation, or other business entity claiming resident bidder status shall submit along with its response the attached Required Affidavit for Bidders, Offerors, and Contractors Claiming Resident Bidder Status. The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

A nonresident bidder shall submit, along with its response, its certificate of authority to transact business in the Commonwealth as filed with the Commonwealth of Kentucky, Secretary of State. The location of the principal office identified therein shall be deemed the state of residency for that bidder. If the bidder is not required by law to obtain said certificate, the state of residency for that bidder shall be deemed to be that which is identified in its mailing address as provided in its bid.

### **REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING RESIDENT BIDDER STATUS**

**FOR BIDS AND CONTRACTS IN GENERAL:**

The bidder or offeror hereby swears and affirms under penalty of perjury that, in accordance with KRS 45A.494(2), the entity bidding is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:

1. Is authorized to transact business in the Commonwealth;
2. Has for one year prior to and through the date of advertisement
  - a. Filed Kentucky income taxes;
  - b. Made payments to the Kentucky unemployment insurance fund established in KRS 341.49; and
  - c. Maintained a Kentucky workers' compensation policy in effect.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

\_\_\_\_\_  
Signature Printed Name

\_\_\_\_\_  
Title Date

Company Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Subscribed and sworn to before me by \_\_\_\_\_  
(Affiant) (Title)

of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
(Company Name)

\_\_\_\_\_  
Notary Public

[seal of notary]

My commission expires: \_\_\_\_\_