

KENTUCKY INFRASTRUCTURE AUTHORITY BC/SMU RFP FY 22 & FY 23

Questions & Answers

Request for Proposals (“RFP”) to Serve as Senior Managing Underwriter to the Kentucky Infrastructure Authority During Fiscal Year 2022-2023

1. What is the status and amount of federal capitalization grants that have been awarded but not matched as of March 25, 2021?

ANSWER: All awarded capitalization grants have state match appropriations.

2. Are match obligations issued by the State Property and Building Commission repaid by SRF revenues or sources other than the SRF?

ANSWER: State match bonds are repaid through the General Fund.

3. To guide responses to RFP inquiry II.A.4., can KIA summarize consultation and planning services it might or expects to require during the contract period?

ANSWER: KIA elects to leave this question open ended.

4. As of March 25, 2021 or the most recent available data, what is the amount of outstanding loan/draw commitments outstanding anticipated to be drawn to borrowers through July 1, 2022?

ANSWER: We estimate to draw approximately \$100 million to \$124.5 million within the time frame of 15 months, depending on the pace of the committed projects.

Fund A - \$80 million

Fund B - \$2.5 million

Fund C - \$2 million

Fund F - \$40 million

5. Are borrowers authorized to prepay at their discretion? If yes, how many loans and how much loan principal has been prepaid since January 1, 2018?

ANSWER: Funds A, B and F borrowers may prepay loans at any time without penalty. 35 loans totaling \$73 million have been prepaid since January 1, 2018.

6. Can KIA circulate or post the most recent SRF related loan cash flows in Excel or another format?

ANSWER: KIA chooses not to publish this information.

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7. To facilitate responses to RFP inquiry IV.1 (rating status), have any of the rating agencies conducted a recent rating surveillance? If yes and available for distribution, can KIA circulate or post the results?

ANSWER: The rating agencies routinely conduct their ongoing surveillance. The ratings have not changed as a result of their due diligence.

8. To guide responses to RFP inquiry IV.2. (expected investors and spreads), does KIA and/or OFM have preferences for future bond order priorities for future KIA SRF issues?

ANSWER: Orders priorities are retail, national retail, institutional, and member.

9. To guide responses to RFP inquiries III.2. (“what distinguishes your firm other underwriting firms”) and IV.2. (KIA’s reception in primary and secondary markets), can KIA circulate or post the post-pricing information for bond orders and bonds allocations by underwriter for SRF (Fund A & F) Series 2010A, 2012A, Series 2015A, 2016A, and 2018A?

ANSWER: Orders and allocations by underwriter are not available for these issues.

10. The table below includes underwriter assignments for KIA’s SRF (Fund A & F) issues since Series 2010A. To guide responses to RFP inquiry IV. 3. (market perception of KIA), does KIA and/or OFM expect similar syndicates for number, location, and assignments of underwriters for future KIA SRF issues?

Series	Senior	Co-Senior	Co-Managers (Alphabetical Order)
2010A	Morgan Stanley	n/a	Bank of America, Citi, Edward Jones, First Kentucky, Hilliard Lyons, Morgan Keegan, PNC, Ross Sinclair, Sterne Agree, Stifel
2012A	Morgan Stanley	n/a	Edward Jones, First Kentucky, Hilliard Lyons, Morgan Keegan, PNC, Ross Sinclair, Sterne Agree, Stifel
2015A	Morgan Stanley	n/a	Hilliard Lyons, PNC, Raymond James
2016A	Morgan Stanley	n/a	Hilliard Lyons, PNC, Raymond James
2018A	Morgan Stanley	n/a	Baird, First Kentucky, FTN, Hilliard Lyons, Raymond James, Ross Sinclair

ANSWER: Yes.

**Request for Proposals (“RFP”) to Serve as
Bond Counsel to the
Kentucky Infrastructure Authority
During Fiscal Year 2022-2023**

No questions submitted as of 3/25/21.

THE DEADLINE TO SUBMIT QUESTIONS IS THURSDAY, MARCH 25, 2021 AT 12:00 PM (ET).