

**Summary of Underwriter Selection  
for the  
ExpressLanes Toll Bond Pool**

**Recommended Firms for Toll Bond Pool (in alphabetical order):**

Bank of America Merrill Lynch Barclays Citigroup Goldman Sachs
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**Members of Metro's Existing Underwriting Pool (eligible for participation as Co-Managers)**

Bank of America Merrill Lynch  
Barclays Capital Inc.  
Citigroup Global Markets Inc.  
Drexel Hamilton LLC (Disabled veteran owned firm)  
J.P. Morgan Securities LLC  
Loop Capital Markets LLC (Minority owned firm)  
Morgan Stanley  
Ramirez & Co., Inc. (Minority owned firm)  
RBC Capital Markets, LLC  
Siebert Cisneros Shank & Co., L.L.C (formerly Siebert Brandford Shank) (Minority owned firm)  
Stifel, Nicolaus & Company, Incorporated  
Wells Fargo Bank, N.A.

**Evaluation of Proposals:**

The Request for Proposals ("RFP") for ExpressLanes Toll Revenue Bond Underwriting Services was sent on December 11, 2017, to 43 firms who had previously expressed interest in serving as an underwriter on Metro's debt issuances or were known as active in the California municipal bond market. All members of Metro's existing bond underwriting pool were sent the RFP. Proposals were due on January 26, 2018. Metro received proposals from the 19 firms listed alphabetically below:

<b><u>List of Proposers</u></b>
Bank of America Merrill Lynch Barclays Cabrera Capital Markets Citigroup Fidelity Capital Markets Goldman Sachs Hutchinson Shockey Erley

Janney Montgomery Scott Jefferies J.P. Morgan Loop Capital Markets Morgan Stanley Piper Jaffray Ramirez RBC Capital Markets Siebert Cisneros Shank Stifel Nicolaus UBS Wells Fargo Securities
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Proposals were evaluated in accordance with the guidelines and the following criteria established in the RFP:

- Relevant experience of the firm (15%);
- Relevant experience of the personnel assigned to Metro's ExpressLanes (15%);
- Quality of the proposal (20%);
- Firm's understanding of Metro's ExpressLanes (20%);
- Indicative cost (10%); and
- Capabilities of the firm of underwriting and distributing toll revenue debt (especially for express lanes) (20%).

The RFP requested proposers to describe the relevant experience of their firm and personnel including experience as senior managing underwriter for express lanes and toll revenue backed debt, as well as advisory experience with project sponsors of tolled facilities utilizing the U.S. Department of Transportation TIFIA credit program. The RFP requested case studies which highlighted the firm's experience with express lanes and toll revenue backed debt. The RFP also requested references.

Additionally, the RFP included questions to determine the firm's understanding of Metro's ExpressLanes program. Responders were asked to provide specific suggestions related to:

- System financings using interfund borrowing
- The use of Measure M sales tax revenues to accelerate Metro's ExpressLanes network
- Rating agency considerations for express lanes projects
- Relevant debt structuring considerations for express lanes debt financings.

Firms were also asked to provide a detailed debt capacity analysis for Metro's existing ExpressLanes facilities.

The selection committee, made up of Metro Staff and our ExpressLanes financial advisor, Sperry Capital Inc., reviewed all proposals and scored the firms based on the evaluation criteria. Following the proposed evaluation process, the top ranked firms were shortlisted to participate in oral interviews with the selection committee. The seven shortlisted firms are listed alphabetically below:

<b>Shortlist of Proposers</b>
Bank of America Merrill Lynch
Barclays
Citigroup
Goldman Sachs
J.P. Morgan
Morgan Stanley
RBC Capital Markets

The oral interviews overseen by the selection committee consisted of a 15-minute presentation from the proposer followed by a 30-minute question and answer period. The four firms that ranked the highest after the oral interviews are being recommended for inclusion in the Toll Bond Pool.