REQUEST FOR PROPOSALS FOR

Compliance Reporting and Investor Relations

Treasury Management Department
Pennsylvania Turnpike Commission

RFP 04-110-2997

October 5, 2004
REQUEST FOR PROPOSALS FOR

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PART I

GENERAL INFORMATION FOR CONTRACTORS

I-1. Purpose. This request for proposals (RFP) provides interested contractors with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for Compliance Reporting and Investor Relations.

I-2. Issuing Office. This RFP has been issued for the Commission by Nikolaus Grieshaber, Director of Treasury Management, P.O. Box 67676, Harrisburg, PA 17106-7676, (717) 939-9551 ext. 2421; fax no. (717) 986-8754, ngriesha@patturnpike.com. The Issuing Office is the sole point of contact in the Commission for this RFP.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Commission desires to obtain a comprehensive web-based solution to assist it with disseminating information according to Trust Indenture requirements, comply with the Securities and Exchange Commission (SEC) rule 15c2-12 requiring distribution of certain information to Nationally Recognized Municipal Securities Information Repositories (NRMSIRs) and establishing an investor relations program for municipal bond investors. Please refer to the work statement contained in Part IV for further information and a detailed description of the services to be provided.

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a Lump Sum Contract and will contain the Standard Contract Terms and Conditions shown in Appendix A. The Commission may in its sole discretion undertake negotiations with contractors whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing contractors.

I-7. Sub Contracting. Any use of subcontractors by a contractor must be identified in the quote. During the contract period use of any subcontractors by the selected contractor, that were not previously identified in the quote, must be approved in writing by the Commission prior to any work being done.

A firm that responds to this solicitation as a prime may not be included as a designated sub consultant to another firm that responds to the same solicitation. Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved. This does not preclude a firm from being set forth as a designated sub consultant to more than one prime consultant responding to the project advertisement.

I-8. Incurring Costs. The Commission is not liable for any costs incurred by contractors prior to issuance of a contract.
I-9. **Questions.** Written questions should be submitted to the Issuing Office at the address indicated above to be received no later than **October 19, 2004.** All questions and written answers will be issued as an addendum to and become part of this RFP.

I-10. **Addenda to the RFP.** If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be issued to all contractors who received the original RFP or posted to the web site under the original RFP document.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to assure the RFP complies with any changes in the published advertisement.

I-11. **Response Date.** To be considered, proposals should arrive at the **Contract Administration Department, Attention: George Hatalowich** on or before **2:00PM November 2, 2004.** Contractors mailing proposals should allow sufficient mail delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commission office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open, unless the Commission otherwise notifies the contractors. The time for submission of proposals shall remain the same.

I-12. **Proposals.** To be considered, contractors should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in 5 copies to the Contract Administration Department. The contractor will make no other distribution of proposals. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the contractor to its provisions and include the contractor’s Federal Identification Number. For this RFP, the proposal must remain valid for at least 60 days. Moreover, the contents of the proposal of the selected contractor will become contractual obligations if a contract is entered into.

Each and every contractor submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the Commission’s address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the contractor chooses to attempt to provide such written notice by telefax transmission, the Commission shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a contractor or its authorized representative, provided its identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification that complies with the requirements of this RFP.

I-13. **Economy of Preparation.** Proposals should be prepared simply and economically, providing a straightforward, concise description of the contractor’s ability to meet the requirements of the RFP.
I-14. **Discussions for Clarification.** Contractors who submit proposals may be required to make an oral or written clarification of their proposals to the Commission to ensure thorough mutual understanding and contractor responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-15. **Best and Final Offers.** To obtain best and final offers from contractors whose proposals are determined by the Commission, in its sole discretion, to be reasonably susceptible of being selected for award, the Commission may (a) enter into discussions; (b) schedule oral presentations; and (c) request revised proposals.

I-16. **Prime Contractor Responsibilities.** The selected contractor will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected contractor to be the sole point of contact with regard to contractual matters.

I-17. **Proposal Contents.** Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. If a contract is executed, however, the successful proposal submitted in response to this RFP shall be subject to disclosure. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission’s option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing contractors at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

I-18. **Debriefing Conferences.** Contractors whose proposals are not selected will be notified of the name of the selected contractor and will be given the opportunity to be debriefed, at the Contractor’s request. The Issuing Office will schedule the time and location of the debriefing. The contractor will not be compared with other contractors, other than the position of its proposal in relation to all other proposals for each criterion for selection.

I-19. **News Releases.** News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. **Commission Participation.** Unless specifically noted in this section, contractors must provide all services to complete the identified work.

I-21. **Cost Submittal.** The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal. **Failure to meet this requirement may result in disqualification of the proposal.**

I-22. **Term of Contract.** The term of the contract will commence on the Effective Date (as defined below) and will end one year from the Effective Date. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.
I-23. **Contractor’s Representations and Authorizations.** Each contractor by submitting its proposal understands, represents, and acknowledges that:

a. All information provided by, and representations made by, the contractor in the proposal is material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.

b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other contractor or potential contractor.

c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a contractor or potential contractor, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this RFP.

d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.

f. To the best knowledge of the person signing the proposal for the contractor, the contractor, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the contractor in its proposal.

g. To the best of the knowledge of the person signing the proposal for the contractor and except as otherwise disclosed by the contractor in its proposal, the contractor has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the contractor that is owed to the Commonwealth.

h. The contractor is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the contractor cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.

i. The contractor has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.
j. Each contractor, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers’ compensation liabilities.
PART II

INFORMATION REQUIRED FROM CONTRACTORS

Contractor proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Sections II-1 through II-7 hereof; (ii) Cost Submittal, in response to Section II-8 hereof.

The Commission reserves the right to request additional information which, in the Commission’s opinion, is necessary to assure that the contractor’s competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the contract.

The Commission may make such investigations as deemed necessary to determine the ability of the contractor to perform the work, and the contractor shall furnish to the Commission all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such contractor fails to satisfy the Commission that such contractor is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. **Statement of the Problem.** State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. **Management Summary.** Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. **Work Plan.** Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach.

II-4. **Prior Experience.** Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. **Personnel.** Include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Indicate the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.
II-6. **Training.** If appropriate, indicate recommended training of Commission personnel. Include the personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-7. **Objections and Additions to Standard Contract Terms and Conditions.** Contractor will identify which, if any, of the terms and conditions contained in Appendix A it objects to and what additional terms and conditions contractor requires. Contractor’s failure to object or to request additions will result in its waiving its right to do so later, but the Commission may consider late objections and additional requests if it is in the best interest of the Commission to do so.

II-8. **Cost Submittal.** The information requested in this section shall constitute your cost submittal. **This portion of the proposal should be bound and sealed separately from the remainder of the proposal.** The total cost you are proposing must be broken down into the following components:

**Compliance Reporting**

**Summary:**

a. Set-up fee for existing issues  
b. Ongoing annual filing fee  
c. Total Fees

**Detail:**

A detailed report should be prepared that includes the following information by outstanding bond issue:

a. Issue name  
b. Date issued  
c. Par amount  
d. Set up fee  
e. Annual filing fee

**Investor Relations**

Description of fees associated with an investor relations program.

**Only work satisfactorily performed after execution of a written contract, after the contractor’s receipt of a notice to proceed from the Commission and after the contract term has begun will be reimbursed.**
PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal should be 
(a) timely received from a contractor; (b) properly signed by the contractor; and (c) formatted such that 
all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposals will be reviewed and evaluated by a committee of qualified personnel selected by the 
Commission. This committee will recommend for selection the proposal that most closely meets the 
requirements of the RFP and satisfies Commission needs. Award will only be made to a contractor 
determined to be responsible in accordance with Commonwealth Management Directive 215.9, 
Contractor Responsibility Program.

III-3. The following areas of consideration will be used in making the selection:

   a. Understanding the Problem. This refers to the contractor’s understanding of the 
      Commission needs that generated the RFP, of the Commission’s objectives in asking for the services or 
      undertaking the study, and of the nature and scope of the work involved. Specific attention will be 
      devoted to the consultant’s ability to provide some of the following services:

      1. Review the historical information on file at each information repository and on the 
         Commission’s website.
      2. Make appropriate notifications of historical filings to each information repository.
      3. Establish an automated tickler system with reporting due dates.
      4. Establish a unique web site for all issuer’s investor relations and compliance information 
         filings.
      5. Disseminate and provide receipt of all filings of ongoing periodic financial information, 
         material event notices, any irrevocable failure to file notices, press releases, management 
         discussions, and other data to all information repositories when and if provided by the 
         Commission.

   b. Contractor Qualifications. This refers to the ability of the contractor to meet the terms 
      of the RFP, especially the time constraint and the quality, relevancy, and recency of studies and projects 
      completed by the contractor. This also includes the contractor’s financial ability to undertake a project 
      of this size.

   c. Personnel Qualifications. This refers to the competence of professional personnel who 
      would be assigned to the job by the contractor. Qualifications of professional personnel will be 
      measured by experience and education, with particular reference to experience on studies/services 
      similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project 
      manager.

   d. Soundness of Approach. Emphasis here is on the techniques for collecting and 
      analyzing data, sequence and relationships of major steps, and methods for managing the study/service. 
      Of equal importance is whether the technical approach is completely responsive to all written 
      specifications and requirements contained in the RFP and if it appears to meet Commission objectives.
e. **Cost.** While this area may be weighted heavily, it will not normally be the deciding factor in the selection process.
PART IV
WORK STATEMENT

IV-1. Objectives.

The Pennsylvania Turnpike Commission is seeking the services of a consultant to assist it with continuing disclosure obligations under the Securities and Exchange Commission’s Rule 15c2-12. Contract services will include a comprehensive electronic reporting system capable of collecting, managing, filing and posting annual information, material event notices and notices of non-compliance to the Authority, to Nationally Recognized Municipal Securities Information Repositories and/or to the Municipal Securities Rulemaking Board as required.

IV-2. Requirements.

The Consultant shall provide the following services in its role as Disclosure Dissemination Agent for the Pennsylvania Turnpike Commission.

- Web-based compliance reporting system that assists the Commission in filing and archiving the annual disclosure information required by the Securities and Exchange Commission.
- Even and timely dissemination of annual material event financial disclosures to Nationally Recognized Municipal Securities Information Repositories (NRMSIRs), State Information Depositories (SIDs), and the Municipal Securities Rulemaking Board (MSRB) for the life of the bond.
- Automatic attachment of the full title of the bond and the nine-digit CUSIP number.
- Operating data templates.
- Proof of filing with electronic receipt retention.
- Automated 30- and 15-day disclosure reporting reminders.
- Archiving of disclosure information over the life of the issue.
- A five-year “look back” certification process.
- A password-protected Investor Communication Center with a secured site to post continuing disclosure information.
- Secured Web site to post continuing financial disclosure information for public viewing.
IV-3. Tasks.

The following describes some of the tasks or work steps into which the project has been divided by preliminary Commission analysis.

- For new Commission financing: technical support to develop appropriate disclosure templates, assure timely filings as required by Rule 15c2-12 and the Continuing Disclosure Agreement (CDA), maintaining proof of all such filings and posting all filed information on a website accessible to investors and other interested parties.

- For existing Commission financing: establish a comprehensive information database that includes a history of past filings and contains all future filings. The service provider must assume responsibility for ensuring that all required future filings are made on behalf of the Commission as required by Rule 15c2-12 and the CDA.

- The information identified in the first two requirements is to be made available electronically through the Commission’s website and easily searchable by CUSIP number. This website may also include other information of interest to investors and by hyperlinked to other websites. It is the Commission’s intent to archive historical documents such as audited financial statements, Comprehensive Annual Financial Reports (CAFRs), continuing disclosure filings and Official Statements.
APPENDIX A

AGREEMENT

This AGREEMENT is made this ______________ day of ________________, 2004, between the Pennsylvania Turnpike Commission (“COMMISSION”), an instrumentality of the Commonwealth of Pennsylvania, with principal offices at Middletown, Pennsylvania (mailing address: P. O. Box 67676, Harrisburg, PA 17106-7676; physical address: 700 Eisenhower Blvd, Middletown, PA 17057),

AND

_____________ (“CONTRACTOR”), [insert the legal status of CONTRACTOR such as a Pennsylvania (or foreign) corporation (or partnership, LLC, LLP, etc.)], with its principal office at [insert address]

WITNESSETH:

WHEREAS, the COMMISSION desires to . . . [describe the specific PTC purposes, goals, assumptions, underlying facts, or contractor's representations that are the basis of the bargain, etc.]

WHEREAS, by Act No. 211 of the General Assembly of the Commonwealth of Pennsylvania, approved May 21, 1937, and its amendments, the COMMISSION is authorized and empowered to enter into a contract with CONTRACTOR;

WHEREAS, the COMMISSION desires to retain the services of CONTRACTOR upon the following terms; and

NOW, THEREFORE, in consideration of these mutual covenants, and intending to be legally bound, the parties agree as follows:

Definitions

This section is for terms that have a special meaning for this agreement or that are used in a way different from everyday or common usage.

Contractor’s Scope of Work

[There should be a document that specifies what we expect from the Contractor (such as deliverables; schedules and deadlines; representations or warranties; conditions or covenants; location of the work; use of specific persons; standards of performance; insurance requirements). This document must be made part of the Agreement (either as an exhibit which is attached or by referring to it in the Agreement without attaching it)].

The CONTRACTOR will perform the work described in [identify the document/RFP#] dated [date], titled [title] and the CONTRACTOR’S proposal dated [date]. This document is [SELECT ONE: attached as Exhibit _ and made a part of this Agreement OR made part of this Agreement by reference].
Commission’s Responsibilities

The COMMISSION shall furnish the CONTRACTOR access to key personnel, relevant documents, and adequate workspace for completing the work.

Compensation

For the work, services, and material as defined in this Agreement, the CONTRACTOR shall be paid ____________ and __/100 DOLLARS ($__________). [Specify whether the compensation method is hourly, cost reimbursement, lump sum, etc.]

Duration of Agreement [and Renewal]

The term of this Agreement is [term]. The term may be extended for [number] additional years by a writing signed by both parties.

Termination

Either party may terminate this agreement at any time upon thirty- (30) calendar days written notice. If this notice is given, the CONTRACTOR shall be paid only for the services already rendered upon the date of the notice and for the services rendered to the date of termination, subject to all provisions of this agreement. The notice will be effective on the date of receipt. The right to cancel may be exercised as to the entire project, or as to any particular phase or phases, part or parts, and upon one or upon several occasions, but any termination may not be revoked except upon written consent of the parties through a supplemental agreement to this agreement.

Assignment and Delegation

The CONTRACTOR may not transfer, assign, or delegate any terms of this contract, in whole or in part, without prior written permission from the COMMISSION.

The CONTRACTOR shall not engage the services of any person or persons now employed by the Commission except with the COMMISSION's approval.

Governing Law

This agreement will be interpreted according to the laws of the Commonwealth of Pennsylvania.

Observance of Laws

The CONTRACTOR agrees to observe all relevant federal, state, and local laws and to obtain in its name all necessary permits and licenses.
Dispute Resolution

All questions or disputes regarding any matter involving this contract or its breach shall be referred to the Board of Claims as provided in 72 P.S. § 4651. If the Board of Claims either refuses or lacks jurisdiction, these questions or disputes shall proceed as provided in 42 C.S.A. § 7301 et seq. (Statutory Arbitration). The panel of arbitrators will consist of a representative of each of the parties and a third party chosen by the representatives, or if the representatives are unable to choose, by the American Arbitration Association.

Indemnification

The CONTRACTOR shall be responsible for all damage to life and property due to negligence or other tortuous acts, errors, and omissions arising from or related to the work of this Agreement. The CONTRACTOR shall indemnify and hold harmless the COMMISSION, the COMMISSION's officers, and the COMMISSION's employees from any claim or liability of any type or nature arising from or related to the work of the CONTRACTOR or that of the CONTRACTOR's employees or subcontractors or the presence of these persons or individuals on the COMMISSION's premises.

Contractor Provisions

The Contractor Integrity and Contractor Responsibility Provisions are attached as an exhibit and made a part of this agreement.

Entire Agreement

This Agreement, together with any writings either attached as exhibits or incorporated by reference, constitutes the entire understanding between the parties and there are no other oral or extrinsic understandings of any kind between the parties.

Modification

This agreement may be modified only by a writing signed by both parties.
IN WITNESS WHEREOF, the Pennsylvania Turnpike Commission and [Contractor’s Name] have executed this Agreement by their duly authorized officers and affixed their respective official and corporate seals on the date written above.

ATTEST: PENNSYLVANIA TURNPIKE COMMISSION

______________________________
Rebecca R. Troup
Assistant Secretary-Treasurer

______________________________
Mitchell Rubin
Chairman

APPROVED AS TO FORM AND LEGALITY:

______________________________
Albert C. Peters II
Assistant Chief Counsel

ATTEST: [CONTRACTOR’S NAME]

Signature________________________

Signature________________________

Name____________________________

Name____________________________

Title____________________________

Title____________________________

Federal Tax ID. No. _____________