

Proposal for Strategic Initiatives Financial Advisory Services

City of Jacksonville, Florida



January 16, 2018











January 16, 2018

Mike Weinstein
Director of Finance Department
City of Jacksonville Department of Finance
117 West Duval Street, Suite 375
Jacksonville, FL 32202

Dear Mr. Weinstein,

Goldman Sachs & Co. LLC (“Goldman Sachs”) is pleased to submit our response to the City of Jacksonville, Florida’s (the “City”) Request for Proposals for Strategic Initiatives Financial Advisory Services. The type of assignments contemplated in this RFP is a core part of Goldman Sachs’ public finance business. Leveraging financing structures used in other parts of the world, Goldman Sachs led the introduction of public-private partnerships to the US market in government advisory roles for the Chicago Skyway and Indiana Toll Road in the mid-2000s. Since then, Goldman Sachs has worked on dozens of assignments, including new and existing projects across asset classes and across the country, as buy-side advisor, sell-side advisor, underwriter, and investor. In particular, advising governments on these strategic initiatives is at the heart of our investment banking business, within which our public finance group sits, where we are the perennial leader in sell-side M&A across the globe.

Select Rankings	Select Projects			
#1 Sell-side M&A since 2010 #1 Power & Utility M&A since 2010 #1 Water Utility M&A since 1998 #1 Public Power Underwriter since 1990 #2 Port Underwriter 2000-Present 140+ Water & Sewer Deals since 2000* 120+ Airport Deals since 2000*	 2010 \$2.6bn Denver RTD Eagle Financial Advisor	 2013 / 2012 \$2.7bn / \$2.2bn LBJ/NTE Advisor	 2012 \$146m Water System Acquisition Financing	 2016 \$2.9bn Advisor for Chicago Skyway Sale
	 2016 Sell-side Advisor for Asset Sale	 Ongoing TBD Sole Sell-side Advisor Terminal Project	 2009 \$389m Sole Arranger for I-4 Project	 2012 \$615m Bid Team Advisor San Juan Airport

Source: Deal Point Data, D-Logic, Thomson SDC, Press Releases, Company Filings
*Senior Managed deals only

Combined with our extensive experience with the City and within the State, we believe Goldman Sachs is well suited to serve the City as a Strategic Initiatives Advisor. Some highlights of our credentials are listed below.

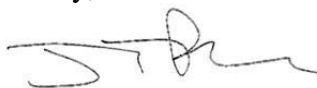
- Track Record of Successful Projects for Municipal Clients:** The Goldman Sachs team brings a deep understanding of the P3 processes and a record of successful execution. Select P3 transactions in which we have served as financial advisor, structuring agent or underwriter

include JetBlue JFK T6 / T7 (ongoing), RTD Eagle P3 Project, LBJ Express, Seagirt Marine Terminal, North Tarrant Express, SH130, I-4 Connector, I-77 HOT Lanes, Capital Beltway, Indiana Toll Road, and Chicago Skyway. Notably this experience includes some of the few successfully closed asset monetization transactions for municipal clients.

- **Global Leader in Sell-Side Transactions:** In addition to our specific US public finance expertise, our industry leading sell-side franchise provides the breadth and experience to source a broad range of interested investors to increase competitive tension and deliver value to the City. This expertise exists across a broad range of asset classes, including airports, toll roads, utilities, power, water and wastewater, renewables and real-estate projects across the globe. PSI is located within Goldman Sachs' Investment Banking Division, providing seamless access and integration between the expertise working with municipal clients in PSI and the industry leading sell-side and M&A practice in Investment Banking.
- **Commitment to the City of Jacksonville and the State of Florida:** We consider the City, along with its agencies, among our most important public sector clients. We are proud to have served as senior manager on 10 financings totaling \$2.3bn since 2010 for the City and its agencies. We have also invested heavily in the State, with over \$12.8 billion of senior managed experience since 2010 including innovative transactions such as summer league stadiums in Lakeland and West Palm Beach, serving as structuring agent and lead arranger on the Orlando City SC stadium, senior manager on the \$693 million Miami-Dade County Aviation Revenue Refunding Bonds (AMT & Taxable), advisor and lead arranger to the Orlando Magic on its arena financing, senior manager on the City of Orlando's Magic arena financing, and senior manager on \$139 taxable and tax-exempt bonds for the new stadium for Tampa Bay Lightning. Furthermore, Goldman Sachs maintains two offices and over 110 employees in the State of Florida.

We believe this proposal highlights our qualifications and thorough approach, which are important indicators of how well positioned we are to serve the City. Please do not hesitate to contact Justin Goldstein at (917-343-1802) or Chris Elmore at (212-357-2991) should you have any questions.

Sincerely,



Tim Romer
Managing Director, Jacksonville Team Oversight



Justin Goldstein
Vice President, Jacksonville Team Leader



Chris Elmore
Vice President, Jacksonville Strategic Initiatives Team Leader

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Any information and/or analysis contemplated by this material is provided by Goldman Sachs & Co. LLC (“Goldman Sachs”) in our capacity as a potential financial advisor to the City of Jacksonville, Florida (the “City”) in connection with the Request for Proposals for Strategic Initiatives Financial Advisory Services. Goldman Sachs’ response to this RFP is being provided pursuant to the exemption from the definition of municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934 (the “Act”)) for responses to requests for proposals or qualifications. Goldman Sachs’ response to this RFP is premised on the assumptions that (i) the City does not anticipate issuing securities (whether through the City, another governmental entity or a conduit issuer) with respect to the financing of any transaction contemplated by this RFP and (ii) the City has engaged, and will rely on an independent registered municipal advisor, in connection with any municipal financial products and the issuance of any municipal securities with respect to the financing of any transaction contemplated by this RFP. Note that the Goldman Sachs is not seeking to be, and would not be engaged as, a municipal advisor (as defined in Section 15B of the Act) in connection with the matters contemplated by this RFP and will rely on the exemption set forth in Section 15Ba1-1(d)(3)(vi) of the Act. See our disclosures below and Appendix B for other activities that Goldman Sachs may be engaged in during the course of this assignment.

As you know, Goldman Sachs is a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment banking, commercial banking and financial advisory services, investment management, principal investment, financial planning, benefits counseling, risk management, hedging, financing, brokerage activities and other financial and non-financial activities and services for various persons and entities. In the ordinary course of these activities and services, Goldman Sachs and its affiliates may at any time make or hold long or short positions and investments, as well as actively trade or effect transactions, in equity, debt and other securities (or related derivative securities) and financial instruments (including bank loans and other obligations) for their own account and for the accounts of their customers. Such investment and securities activities may involve securities and instruments of the City, as well as of other entities and persons and their affiliates which may (i) be involved in transactions arising from or relating to the engagement contemplated by this letter, (ii) be customers or competitors of the City, or (iii) have other relationships with the City. In addition, Goldman Sachs and its affiliates may provide investment banking, commercial banking, underwriting and financial advisory services to such other entities and persons. Goldman Sachs and its affiliates may also co-invest with, make direct investments in, and invest or co-invest client monies in or with funds or other investment vehicles managed by other parties, and such funds or other investment vehicles may trade or make investments in securities of the City or such other entities. The engagement contemplated by this letter may have a direct or indirect impact on the investments, securities or instruments referred to in this paragraph. Although Goldman Sachs in the course of such other activities and relationships may acquire information about the transaction contemplated by this letter or other entities and persons which may be the subject of the engagement contemplated by this letter, Goldman Sachs shall have no obligation to disclose such information, or the fact that Goldman Sachs is in possession of such information, to the City or to use such information on the City’s behalf.

Goldman Sachs does not provide accounting, tax, regulatory or legal advice.

Nothing in Goldman Sachs's response to this RFP is an expressed nor an implied commitment by Goldman Sachs to act in any capacity contemplated by this RFP or our response thereto. Any such commitment to perform the services contemplated in our response to this RFP shall only be set forth in a separate agreement.

A2. Strategic Initiative Financial Advisory Team

Provide the names and backgrounds of the individuals who will be assigned to this engagement on a full-time basis. If your firm has more than one office, identify the office from which each designated individual will be operating. Clearly indicate each individual's responsibilities during the engagement and highlight the day-to-day contact person as well as the individual who will attend official meetings of the City, if requested.

The Goldman Sachs' Team brings a wealth of experience in the public-private partnership, concession, public sector, and project finance space, drawing knowledge and insight from some of the largest, most complex M&A transactions and financings to date.

The Goldman Sachs professionals assigned to the City bring tremendous regional, sector and product experience. Our team will be overseen **Timothy Romer**, *Managing Director* and head of our public-private partnership business in the US. Tim will be a core member of our Jacksonville team on any strategic initiatives assignment, including day-to-day involvement and ensuring the full resources of the firm are brought into the assignment as needed.

Justin Goldstein, *Vice President*, leads our southeastern coverage and heads our Jacksonville team will continue to be the City's day-to-day team lead for Goldman Sachs. **Chris Elmore**, *Vice President*, is a senior member of our transportation and public private partnership team and will join the team on a day-to-day basis for any strategic assignment. **Sameera Gadiyaram**, *Associate*, and **John Finn**, *Analyst*, will provide day-to-day analytical and execution support.

This core team will be supported by **Greg Carey**, *Managing Director Chairman of Public Sector & Infrastructure Banking & Co-Head of US P3*, providing leadership and oversight and will ensure the full resources of the firm are available to the City and oversee future deal execution in addition to help drive investor discussions. Additionally, **Brian Bolster**, *Managing Director and Global Co-Head of Infrastructure* and **Joel Mossberg**, *Vice President* will provide additional leadership for global M&A experience and connectivity to investors globally.

For each specific asset class, the transaction team will be built-out to include sector expertise for a specific asset from both the PSI team (with municipal client expertise) and corporate Investment Banking (with additional M&A expertise and deep connectivity with the universe of potential investors). For example, if the City were to explore a lease or sale of Jacksonville International Airport ("JAX") or JAXPORT, the team would be supplemented by **Paul Bloom**, *Vice President, head of US Port and Airport*

Financing and **Kyle Vinson**, *Vice President* from the PSI team who have deep experience in both financing and strategic transactions for airports and ports. Additionally, **Ed Wittig**, *Managing Director, Airline Coverage* would join the team and assist with understanding key value drivers that may impact carrier tenants (since under the Airport Privatization Pilot Program, 65% of the operating carriers would need to approve any lease and sale of JAX). For the exploration of any Water assets, **Andrew Prindle**, *Vice President* and **Chris Higgins**, *Vice President* in PSI would join the team along with **Peter Ying**, *Managing Director* of the Water coverage team within the Natural Resources group. If any Power assets were to be considered for sale, **Jill Toporek**, *Managing Director* and **Yamini Kalidindi**, *Vice President* from PSI would assist along with **Alan Liu**, *Managing Director* of the Power coverage team within the Natural Resources group. Finally, for the potential sale of any real estate assets **Marvin Markus**, *Managing Director* and **Ben Herbst**, *Vice President* from PSI would assist along with **Andy Jonas**, *Managing Director* of the Real Estate Group.

In addition to the core execution teams, the City will have seamless access to financing experts across markets that may be utilized by potential investors. **Ed Droesch**, *Managing Director and Head of the Municipal Syndicate* and **Bervan Yeh**, *Managing Director* will manage and advise on the marketing, structuring and pricing of any tax-exempt/taxable municipal debt. **Eric Meyers**, *Managing Director, Private Placement Origination and Syndication* would advise on any taxable USPP / 144A transactions, and **JP Boudrias**, *Managing Director, Structured Finance* would advise on any project finance/ bank loan financing. This expertise will help develop transaction structures that will provide investors access to debt capital, ultimately increasing proceeds to the City.

The City will also be supported by **Arthur Miller**, *Managing Director*, providing tax and regulatory expertise, and **Michael Borys**, *Vice President*, providing quantitative expertise. **Stacy Lingamfelter**, *Vice President*, will focus on credit advisory.

Full resumes and contact information can be found in Appendix A. "City of Jacksonville Team Resumes".

Experienced, Coordinated Team Focused on Delivering Results for the City



**Goldman Sachs & Co. LLC
City of Jacksonville Advisory Team**

Core Jacksonville Execution Team

Tim Romer
Team Oversight
Managing Director
Los Angeles

Justin Goldstein
Jacksonville Day-to-Day Lead
Vice President
New York

Chris Elmore
Strategic Transaction Day-to-Day Lead
Vice President
New York

Sameera Gadiyaram
Day-to-Day Transaction Support
Associate
New York

John Finn
Day-to-Day Transaction Support
Analyst
New York

Functional Area / Asset Class

	P3 Leadership	Airports & Ports	Water	Power	Real Estate
Public Sector & Infrastructure	Greg Carey Managing Director New York	Paul Bloom Vice President Seattle	Andrew Prindle Vice President Los Angeles	Jill Toporek Managing Director New York	Marvin Markus Managing Director New York
		Kyle Vinson Vice President San Francisco	Chris Higgins Vice President Los Angeles	Yamini Kalidindi Vice President New York	Ben Herbst Vice President New York
Investment Banking Coverage & Execution	Brian Bolster Managing Director New York	Ed Witting Managing Director New York	Peter Ying Managing Director New York	Alan Liu Vice President New York	Andy Jonas Managing Director New York
	Joel Mossberg Vice President New York				
Financing Experience	Ed Drosch Managing Director New York	JP Boudrias Managing Director New York	Structuring / Credit	Arthur Miller Managing Director New York	
	Bervan Yeh Managing Director New York	Eric Meyers Managing Director New York		Michael Borys Vice President New York	Stacy Lingamfelter Vice President New York

A3. Investigations

Summarize any litigation, regulatory action or legal investigation involving your firm or its principals, filed or pending within the last three (3) years. Include a description of any filed or pending matters that have been resolved and the details of such resolution. Please discuss the impact this litigation would have on your ability to serve as an Advisor to the City. If the response requires an extensive list, include a summary table and reference an exhibit.

Please see Appendix C “Investigations” for more detail regarding litigation.

A4. Fee Approach

Discuss your firm’s approach to fees charged for financial advisory services contemplated by this RFP. Understanding that fee level and structure are largely transaction specific, include fee indications for a range of transaction options. The City reserves the right to negotiate any fees, expenses, or terms prior to the commencement of any transaction.

Goldman Sachs is pleased to provide our firm’s approach to fees charged for financial advisory services as contemplated by this RFP. As stated earlier, the Goldman Sachs PSI Group is uniquely able to combine more traditional sell-side M&A P3 Advisory with our robust public sector expertise to deliver a comprehensive solution to achieve the City’s strategic initiatives. We also can successfully execute across a wide range of financing outcomes with proven relevant prior experience.

We propose that our fees cover two different types of services and outcomes - a “M&A and P3 Viability Studies” and “Transactional Success Fee Structure”.

“M&A and P3 Viability Studies” contemplates an assignment whereby the City would like to evaluate a variety of assets and projects for potential transaction feasibility. This would consist of market analysis, strategic review of potential monetization or private development of City assets or project, value for money analysis, and identifying which, if any, assets or projects may be attractive to proceed to an auction / sale / lease or concession process. We will work closely with the City and the City’s advisor, PFM, during this time in order to efficiently evaluate the viable strategic opportunities available to the City. Given the exploratory work of “M&A and P3 Viability Studies”, and since no specific transactions would be known at the outset, we would charge a

retainer fee of \$20,000-75,000 per month (depending on scope and complexity of the requested analysis) for an agreed upon period of time with cancellation rights. The outcome of this process may or may not result in an actual transaction. If the City elects to move forward with a specific transaction as a result of the study, Goldman Sachs would be offered a right of first refusal to provide the needed advisory services to run the transaction process at which time the below “Transactional Success Fee Structure” would apply.

In some situations, there may be no need for a Feasibility Study or the City may elect to go directly to execute a transactions. If the City has identified a specific project or asset it would like to move forward with a potential M&A sale or P3 auction/RFP process, we would propose a “Transactional Success Fee Structure” approach, under which we would charge a success driven fee payable only upon the success financial close of the selected process. The amount of the Success Fee would depend on the level of complexity as well as the size of the enterprise value of the transaction. As with all of Goldman Sachs’ sell-side advisory work, the success fee approach encourages incentive alignment towards the successful completion of the proposed transaction – where our fee is directly tied to your success – and that our fee is tied to delivering higher value to the City.

M&A and P3 Viability Studies		
Proposed Fee		Scope
<ul style="list-style-type: none"> Monthly retainer of \$20,000 -75,000 per month depending on complexity and time 	<ul style="list-style-type: none"> Evaluate strategic opportunities available to the City In place until start of Phase II 	
Transactional Success Fee Structure		
Enterprise Value	Proposed Fee	Scope
<ul style="list-style-type: none"> \$0-500mm 	<ul style="list-style-type: none"> 1.25 - 1.50% of Enterprise or P3 Value, \$3mm floor 	<ul style="list-style-type: none"> Initiated upon the City’s selection of transaction to pursue Success Fee only applies when City’s asset is sold
<ul style="list-style-type: none"> \$501 -1,000mm 	<ul style="list-style-type: none"> 1.00 - 1.25% of Enterprise or P3 Value 	
<ul style="list-style-type: none"> \$1,001-3,000mm 	<ul style="list-style-type: none"> 0.85 - 1.00% of Enterprise or P3 Value 	
<ul style="list-style-type: none"> \$3,001+mm 	<ul style="list-style-type: none"> 0.63 - 0.85% of Enterprise or P3 Value 	

Note: Actual fee will depend on asset type, type of sale, complexity of sale process, etc.

B1. Firm Experience

Briefly discuss your firm's experience in providing Financial and/or Investment Banking Advisory Services for local governments on complex financial transactions which are similar (but not limited) to public private partnerships or the lease, sale, and/or disposition of City assets. Please detail any such transaction in the State of Florida. Provide the specific experience of the individual(s) who will work with the City.

Goldman Sachs offers both the #1 Ranked Overall M&A franchise and relevant expertise working with municipal entities. Our deep experience advising state and local government clients on complex financial transactions, P3's and asset monetization processes stems from a variety of successful transactions that balance the needs of a public entities with the demands of the classic M&A or corporate market place. Uniquely, in addition to (1) providing advisory services to state and local governments, we also (2) actively advise private bidders on US P3 and infrastructure buy-side transactions, (3) provide traditional government underwriting services, (4) provide financing (underwriting and lending) commitments for buy-side transactions and (5) manage an infrastructure investing fund through our West Street Infrastructure Partners affiliate. This

breadth of activity across the infrastructure space provides insights that can help us drive value for any process we undertake with the City. Understanding not only the relevant investors, but having experience developing full buy-side processes will allow us to advise the City on how to run a process to increase value and/or achieve additional policy goals given our nuanced understanding of how specific bidders may approach a transaction. Similarly, our understanding of financing markets and alternatives will help ensure transaction structures are conducive to financing, allowing bidders to receive higher levels and/or lower cost financing, ultimately driving higher value to the City. Please find summary of transactions for state and local governments set forth below, along with potential relevance to Jacksonville.

Transaction	Date	Size	GS Role	Sector	Jacksonville Team	Overview / Relevance
Sell-side Opportunity	Ongoing	TBD	Sell-side Advisor	Utility	Tim Romer Paul Bloom	Goldman Sachs is currently working as sell-side advisor on the sale of a municipal-owned electric utility.
Nashville Transit	Ongoing	~\$5.4bn	Advisor to Nashville	Mass Transit	Chris Elmore Justin Goldstein	Assisted Nashville to develop financial plan for potential mass transit expansion program.
MTA Hudson Rail Yards Monetization	2017	\$1.05bn	Underwriter to MTA	Real Estate (Ground Lease) Monetization	Chris Elmore	Developed and executed on structure to monetize 99-year Ground Leases on the MTA Hudson Rail Yards.
Chicago Transit Authority	2012-2016	~\$4-6bn	Lead Advisor to CTA	Mass Transit	Greg Carey Chris Elmore	Assisted CTA in analysis and consideration of various potential project delivery and financing alternatives for RPM program, ultimately selecting DB delivery for the project.
Denver RTD Eagle P3 Project	2007-2010	\$2.6bn	Lead Advisor to RTD	Mass Transit	Tim Romer Chris Elmore	Lead P3 advisor to Denver RTD for the Eagle P3 Project. Successfully navigated combination of DBFOM P3 procurement, FFGA process, EA process, the financial crisis and navigating complex stakeholder engagement to ultimately close the first DBFOM availability payment P3 for U.S. mass transit.
Los Angeles Department of Water and Power	2008-2016	N/A	Financial Advisor to LADWP	Utilities	Tim Romer	Sell-side advisor to LADWP and analyzed M&A opportunities related to its coal-fired generation and other opportunities.
LBJ Expressway	2010	\$2.7bn	Advisor to TxDOT	Toll Roads	Greg Carey	Sell-side advisor on \$2.7bn HOT lane transaction. Developed Comprehensive Development Agreement conducive to PABs financing.
NTE Express	2010	\$2.2bn	Advisor to TxDOT	Toll Roads	Greg Carey	Sell-side advisor on \$2.2bn HOT lane transaction. Comprehensive Development Agreement conducive to PABs financing.
Indiana Toll Road	2006	\$3.8bn	Advisor to State of Indiana	Toll Roads	Greg Carey	Lead P3 advisor to the State of Indiana on a 75-year toll road concession lease.
Chicago Skyway	2005	\$1.8bn	Advisor to City of Chicago	Toll Roads	Greg Carey	Advisor to the City on its 99-year toll road concession lease. The transaction resulted in \$1.8bn for city projects and shifted operational risk out of the City's hands.

In addition to the specific expertise outlined above working with state and local governments, below is additional recent relevant infrastructure advisory or financing transactions that provide specific expertise that will assist the City in potential strategic

transactions. As shown in our experience, we are particularly well equipped to assist cities and local governments with (1) asset monetization / disposition / sale transactions and (2) new build transactions.

Transaction	Date	Size	GS Role	Sector	Jacksonville Team	Overview / Relevance
JetBlue JFK T6/7	Ongoing	TBD	Sole Advisor to JetBlue	Airports	Chris Elmore Paul Bloom Kyle Vinson	Ongoing sell-side advisor to JetBlue to select development partner for T6/7 at JFK.
Orlando MLS	Ongoing	\$120mm	Lead Arranger and Structuring Agent	Stadiums	Greg Carey	Florida "P3" project financing.
Chicago Skyway	2016	\$2.9bn	Sell-Side Advisor to Cintra / Macquarie	Toll Roads	Greg Carey Chris Elmore	Sell-Side advisor to Cintra/Macquarie for the Chicago Skyway. Recent sell-side transaction shows ability to deliver value for US infrastructure assets.
Florida I-4 Ultimate	2014	\$2.9bn	Advisor and Underwriter to Unsuccessful Bid Team	Roads	Justin Goldstein Chris Elmore	Experience advising on Florida P3 transaction
Allentown Water & Sewer Monetization	2013	\$307mm	Sole Underwriter to Lehigh County Authority	Water	Chris Elmore	Underwriting for "public-public" asset monetization transaction that provided highest value to Allentown, and preserved tax-exemption.
LMM Airport	2012	\$615mm	Advisor to Unsuccessful Bid Team	Airports	Greg Carey Paul Bloom	Buy-side experience on US Airport monetization transactions.
Chicago Midway Airport	2008 (did not close)	\$2.5bn	Advisor to Unsuccessful Bid Team	Airports	Greg Carey Paul Bloom	Buy-side experience on US Airport monetization transactions.
Florida I-4 Connector	2009	\$389mm	Arranger to Archer Western	Roads	Justin Goldstein Chris Elmore	Developed financing structure and arranged bank loan for Florida I-4 Connector.
Mid-Bay Bridge Authority	1991-Today	\$741mm	Underwriter to Mid-Bay Bridge Authority	Roads	Greg Carey Chris Elmore	Underwriter for initial project-finance delivery of Mid-Bay Bridge Authority and ongoing restructuring and underwriting work. Experience with Project Finance in Florida and coordination with FDOT

In addition to our extensive experience in advising government entities in complex and strategic transactions and work on US infrastructure, Goldman Sachs has consistently performed well in the M&A league table, achieving a #1 league table ranking every year since 1999. As described more herein, this dominating presence in M&A advisory work will allow the City to draw on both industry leading M&A process execution that has a track record of achieving higher premiums than other banks, as well as ability to access a wide range of investors to increase

participation and ultimately drive competitive tension and value for the City. Since 2010, our clients on public sell side transactions greater than \$1bn achieved a 36% premium, versus only 28% premium for other advisors.

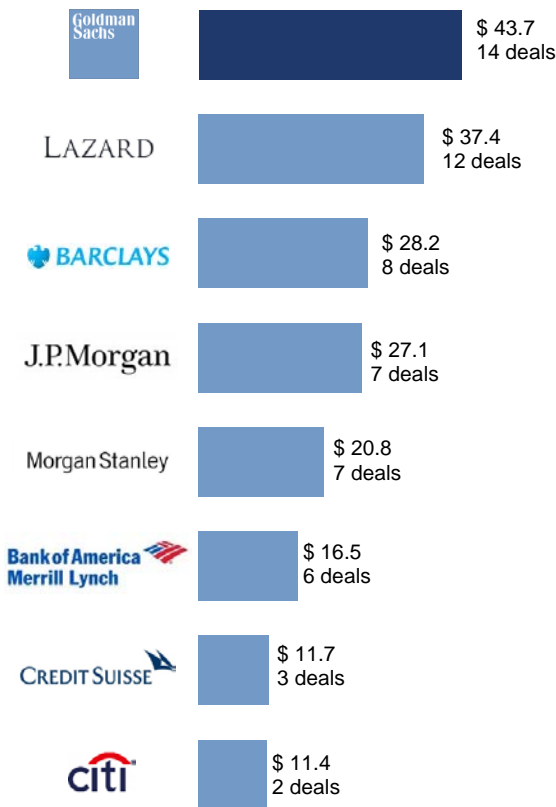
In Appendix E "Case Studies" we provide four relevant public sell-side case studies that detail the depth of our approach and ability to assist our public sector clients in optimizing the value of their infrastructure assets.

Global M&A (1999-1H 2018)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	1999-2017
Goldman Sachs	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Morgan Stanley	3	2	3	4	3	5	2	2	2	6	2	2	2	2	3	3	2	2	2	2
JP Morgan	4	6	4	2	4	3	3	3	3	2	3	3	3	3	2	4	3	4	3	3
BAML	2	4	2	6	2	4	4	5	4	4	5	7	5	5	4	2	4	3	5	4
Citi	9	5	6	3	5	2	5	4	5	3	4	8	6	4	8	5	5	5	4	5
Credit Suisse	5	3	5	5	9	11	8	6	7	8	5	4	4	6	9	9	7	6	7	6
UBS	6	8	8	10	7	10	6	7	6	6	7	6	10	7	6	10	11	9	11	7
Deutsche Bank	10	12	7	8	8	7	7	8	8	7	9	5	8	8	7	8	9	10	12	8
Barclays	12	11	13	12	10	9	10	10	9	9	9	10	7	4	5	6	8	7	6	9
Lazard	7	9	10	7	6	6	9	9	12	10	8	9	10	10	10	7	6	8	8	10

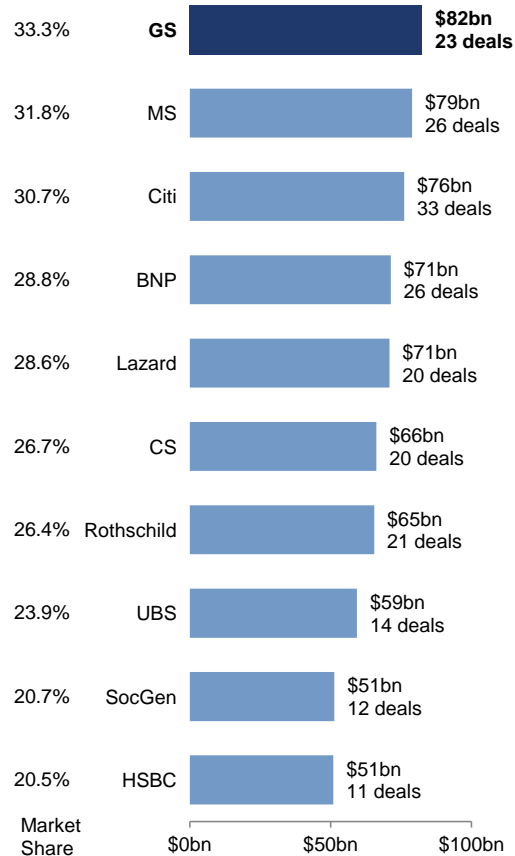
Source: Thomson Reuters and Dealogic. 2008 and 2009 excludes government rescues.

**Power & Utilities M&A Advisory Since 2010:
Transaction Equity Value (\$bn)**



Source: Deal Point Data and company press releases

**Global Infrastructure
>\$500mm (2010-2017)**



Source: Company announcements, RNS and MergerMarket. League table data based on announced deals from Thomson SDC as of 31-Aug-2017, deals greater than \$500mm.

B2. Discussion of Strategic Financial Advisory Approach and Current Market Environment

Provide a discussion of your firm’s approach applicable to the City’s potential review and completion of strategic opportunities. Also, provide a review of the current market environment as it relates to strategic opportunities.

APPROACH TO STRATEGIC OPPORTUNITIES

Goldman Sachs looks forward to the opportunity to partner with the City to identify and evaluate delivery options for various projects and ultimately assist in a M&A, P3 procurement or other asset monetization / disposition. We will bring the direct experience and expertise outlined herein to assist the City in successfully delivering projects. When we work with our clients, we strive to provide comprehensive service and analysis, and view our role as the “quarterback” managing the full range of processes to drive towards success. Importantly, for any strategic advisory assignment, we work closely with our clients to first understand your core goals and objectives, work to develop a transaction process and framework to achieve those goals, and then run a tightly controlled competitive process to deliver on the

transactions. Below are some capabilities we would bring to the City:

- Modeling:** Given our direct experience in serving as financial advisor for P3 bid teams and sell-side M&A processes, we have the in-house expertise to develop bid models that fully incorporate all elements that would be included by the bid teams given our expertise in serving in that role. Many other advisors may have experience in building shadow bid models and reviewing buy-side bid models, but do not have the in-house expertise on the team with developing true bid models. This provides the ability to assist in evaluating potential value drivers and impacts of transaction structures that the City may elect to utilize. Analyzing the trade-offs directly with the City prior to launching any process allows the City to approach the market with conviction and speed – which both ultimately

increase competitive tension and ultimately increase value.

- **Deep Expertise Across Key Sectors:** As described above, Goldman’s approach is to field deep teams comprised of infrastructure, P3 and financing market experience, but we also incorporate subject matter experts to ensure sector specific knowledge and insights are incorporated into our work.
- **Understanding Financing Alternatives:** Our presence as an active participant in the US tax-exempt market, USPP market, bank loan market and with federal government-funded loans will allow us to provide the City with real-time feedback on available financing products for potential bid teams, and up to date pricing information for bidder financing. This direct knowledge will assist us in selecting alternatives and executing value-for-money analysis without relying on bid teams or other third parties for market information and current developments in available products.

Additionally, we have a history of going above and beyond to assist our governmental clients in executing M&A, P3 projects, including:

- **Presentations to DRCOG:** For the Denver RTD Eagle P3 Project, *Tim Romer* presented the project and approach to the Denver Regional Council of Governments (“DRCOG”) as part of their Annual Program Evaluation process. Assisting RTD in stakeholder outreach and education ultimately helped ensure buy-in from across the region for delivery methods and sequencing of projects.
- **Presentations to LADWP:** As part of our work with the Los Angeles Department of Water and Power NGS Project, *Timer Romer* worked closely with LADWP over the course of the eight year engagement to educate staff via numerous presentations on ways to increase value whilst providing consistent service to customers. This transaction demonstrates Goldman Sachs’ continued leadership in assisting municipal utilities in meeting their public policy and financial goals.
- **Presentations to City of Chicago:** As a part of our work with CTA for the RPM project, *Chris Elmore* participated in discussions with the City of Chicago on evaluating financing alternatives and

streams, and importantly describing the P3 process for mass transit and how it differed from other type of P3 (such as the Chicago Skyway monetization). This process ultimately resulted in identifying the Transit TIF approach to finance the project.

- **Coordinating with Federal Stakeholders:** For the Eagle P3 Project, we worked closely with RTD and FTA to help educate FTA (Both Region 8 and DC) on the DBFOM delivery model, the changes to the risk profile to FTA, and how the FFGA process would interface with the P3 Procurement process. In the event the City chose to pursue a lease or sale of JAX airport, we would work with the City and its advisors to coordinate application to the FAA for entry into the Airport Privatization Pilot Program (“APPP”). Entry into the program will lay the groundwork for a successful transaction. If managed correctly, timing of entry into the APPP could be used to create market excitement and increase competition, but if not tightly managed, it could create market confusion (such as is occurring with the STL process). Thus, we would work to integrate the process for required Federal, State and local approvals with the transaction schedule to create a seamless face to the market.

CURRENT MARKET DYNAMIC

A confluence of market events has created one of the most attractive times to pursue a lease or sale of infrastructure assets. The combination of (1) significant fundraising focused on US infrastructure, (2) limited supply of infrastructure assets (particularly “core” infrastructure such as airports, ports, toll roads and water utilities) available for tender, and (3) low interest rates and attractive terms from bank lenders and credit markets (tax-exempt and taxable USPP), has created an environment of high valuations for infrastructure assets. As shown in the table below, Infrastructure funds have had substantial funds over the past 10 years. We believe funds’ allocations to infrastructure are expected to increase further with a continued strong investor desire to deploy capital. Notably, there have been several funds over the past two years have raised multi-billion dollar infrastructure focused funds, as seen below.

While there is significant supply of funds, there has also been a scarcity of assets available to purchase, which has led to investors looking to diversify away

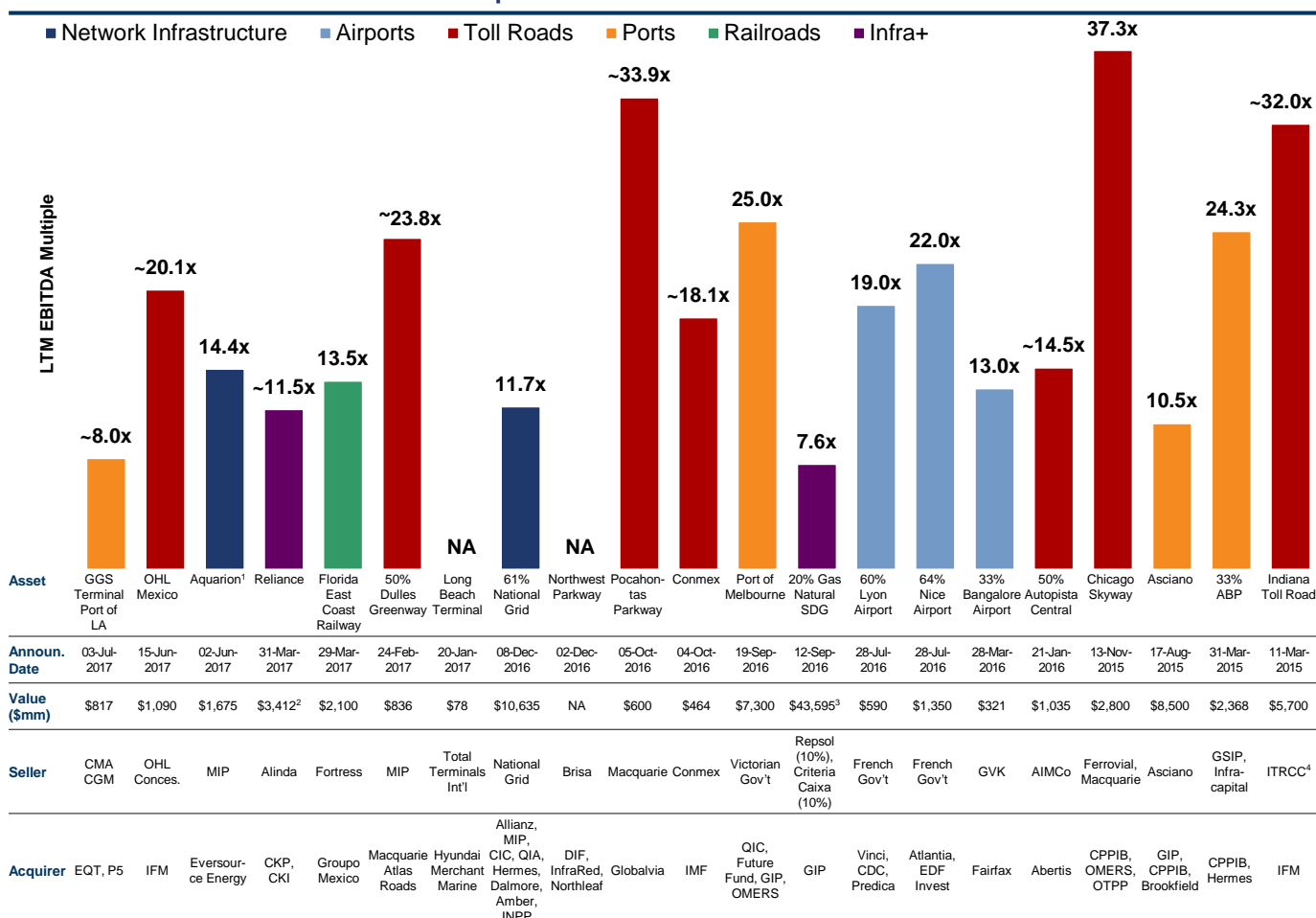
from where they normally would have focused (geography, asset class, etc.). Funds have become increasingly open to unconventional investments in order to earn worthwhile returns, obtain a first mover advantage over its competitors and obtain diversity in its overall portfolio. To this end, we have seen attractive multiples being paid on recent transactions as seen below. Given the dynamic that has forced investors to move outside of their comfort zone and beyond “core” infrastructure, any opportunity to invest in a core asset (such as an airport) would drive significant interest. For example, we understand that multiple teams have lined up advisors and have prepared for a potential STL process, even though the

City of Saint Louis has not even determined if it will run a process or what advisors it may retain as the sell-side advisor. This level of excitement has contributed to the EBITDA multiples shown below:

As mentioned above, there is a strong appetite and significant competition for infrastructure assets in today’s market. This dynamic coupled with the increasing risk appetite of investors has increased valuations and compressed their future returns. High quality assets in desired sectors have seen 7-9% IRR for acquirers while assets with higher risk (e.g. counterparty risk, untested sector, construction risk) typically have seen 9-11%+ IRRs.

Fund	Size (\$bn)	Year
GIP Global Infrastructure Fund III	\$15.8	2016
Brookfield Infrastructure Fund III	14.0	2016
ArcLight Energy Partners Fund VI	5.6	2015
EQT Infrastructure III	4.2	2017
Antin Infrastructure Partners III	3.8	2016
Stonepeak Infrastructure Partners II	3.5	2015
ISQ Global Infrastructure Fund	3.0	2015

Multiples Paid in Recent Transactions



Source: Preqin, Merger Markets, Capital IQ, Company Filings. Notes: 1 Aquarion EBITDA multiple based upon 2016A EBITDA. 2 Based on a CAD/USD exchange ratio of 0.74.3 Based on a EUR/USD exchange ratio of 1.122. 4 ITRCC acquired following Ch11 bankruptcy.

B3. Marketing Approach

- Describe your firm’s approach to marketing strategic opportunities to potential counterparties.
- Describe your approach to ensuring the City receives the best execution of any potential transaction.

APPROACH TO MARKETING

Goldman Sachs’ approach to marketing for strategic opportunities is designed to (1) maximize participation of well qualified bidders to drive competitive tension and (2) provide marketing and diligence information to allow for aggressive and informed bids. To achieve this, we undertake a three pronged approach:

- Identify potential investors
- Provide outreach to generate buyer participation
- Execute strategic marketing plan as a part of the lease / sale process (as described in more detail below)

IDENTIFYING POTENTIAL INVESTORS

Goldman Sachs has various avenues we will utilize to identify a broad universe of potential investors. This will include a full spectrum of strategic investors, and a range of financial investors from US and Canadian pension funds active in infrastructure investment, sovereign wealth funds, infrastructure funds, private equity funds with infrastructure allocations, and pension / insurance companies. In order to identify a broad universe of potential investors, we will utilize

the expertise of the individuals on the Jacksonville team along with our global coverage footprint.

- **Identify active participants in the US P3 market.** *Chris Elmore* along with *Tim Romer and Greg Carey* work closely with many of the active buy-side participants in the US market, and can identify potential investors for specific potential assets.
- **Identify potential global buyer base.** The team utilize the expertise of *Brian Bolster* and *Joel Mossberg* who work with infrastructure funds and strategic operators globally to identify additional potential investors. Since 2016, we can identify additional investors who have participated in similar transactions.

These avenues will allow us to develop a robust list of potential investors for initial outreach. A summary of core potential investors are provided below – though for each transaction we would undertake a full process of buyer identification to customize the buyer list for the specific asset, as well as for changes in investment mandates or preferences for specific investors based on ongoing dialogue GS has with active market participants.

List of Potential Investors	
US / CND PENSION FUNDS	<p>Observations</p> <ul style="list-style-type: none"> ■ Very competitive cost of capital ■ Borealis, CDPQ, CPPIB, PSP and OTTP all have the capacity to write checks >\$500m <p>KEY PLAYERS</p>
INFR A FUNDS**	<p>Observations</p> <ul style="list-style-type: none"> ■ Strong level of interest across asset classes ■ Range of focus from brownfield asset monetization’s to new-build greenfield
SOVEREIGN WEALTH FUNDS	<p>Observations</p> <ul style="list-style-type: none"> ■ Very competitive cost of capital ■ Potential CFIUS considerations depending on asset class <p>KEY PLAYERS</p>
INT’L PENSION / INSURANCE / INFR A	<p>Observations</p> <ul style="list-style-type: none"> ■ Larger funds have the capacity to bid alone ■ Smaller funds are likely to play passive roles in consortium bids

*Includes select US-domiciled infra funds, of size, with international parents.



- Many have the capacity to bid alone, though may also team up with other investors from table above depending on size of transaction

STRATEGIC PLAYERS	Observations	Airports	Water	Utility / Power

OUTREACH TO INVESTORS AND INVESTOR PARTICIPATION

One key advantage of the integration of PSI within Investment Banking is our ability to coordinate with our global footprint of coverage bankers and relationships for initial outreach and distribution of teaser materials. Once the potential buyer list is identified, we will reach out to coverage bankers globally for them to distribute a marketing “teaser” to the best contact at the potential clients. This approach ensures that the relevant CEO, CFO, Development Director or Portfolio Manager receives the teaser, and given the close relationships we have with investors globally, that they also focus on this potential asset. For example, during the JetBlue process, in addition to distributing the initial teaser to active US investors, we engaged coverage bankers globally in Europe and Asia to further expand the potential universe of participants in the process. Finally, we will provide the teaser to our Financial and Strategic Investors Group who have strong relationships with private equity funds globally to ensure that group distributes the teaser to additional universe of potentially interested clients.

MARKETING PLAN

The marketing plan for any asset is generally divided into three primary categories of marketing materials:

- Initial teaser

- Confidential Information Memorandum (“CIM”)
- Data Room

Each of these marketing materials are generally aligned with the multi-step execution process described below. The initial teaser includes high level asset information to generate excitement in the bidder community and to encourage participation in the process.

Once initial investors have been identified and executed an NDA, they would receive the CIM, which would include all of the key relevant information to assist investors in their diligence of the asset and encouraging their participation in the process. In some ways a CIM is similar to a disclosure document the City may prepare for a bond issuance, though the focus of a CIM is more on marketing the asset versus a precise legal description of the transaction. The CIM will usually allow investors to understand the asset in detail, and will be developed to highlight the strengths of the investment opportunity of the specific asset the City would be looking to sell / divest or lease.

Finally, we would provide a data room with extensive diligence information that would allow the bidders to fully develop their valuation models. Frequently the data room will include as much information as possible on the asset, including historical financials,

any material contracts, asset condition reports, projections, any regulatory constraints, as well as any key transaction documents. The sooner the bid teams have access to a complete and detailed data room, the faster they can work to develop bids, and allows the City to maintain competitive tension between the teams.

APPROACH TO EXECUTION

Our core approach to running any sell-side M&A process is to maximize interest and participation from potential bidders, and run a quick and efficient process to quickly deliver value to the City. This is spread generally through five stages summarized below:

- Preparatory Stage
- Buyer Identification and Outreach
- Round 1 Bidding
- Round 2 Bidding
- Financial Close

PREPARATORY STAGE

During the Preparatory Stage, we would work closely with the City to evaluate the potential transaction and develop the proposed transaction structure to the greatest extent possible prior to public announcement (or at least formal announcement of the process – we recognize given FL Sunshine statutes the level of confidential preparatory work may be more limited than for non-governmental processes). Importantly, we believe that performing internal analysis around value drivers, transaction structure, and obtaining required approvals before approaching the market allows the City to retain control of the information flow and process – ultimately maintaining competitive tension and driving higher value.

Initial work in the preparatory stage would include developing a full buy-side model to assist in determining key interplay between value and potential value drivers, which include:

- Lease / concession term or full sale
- Transaction structure
- Key performance requirements
- Offtake / counterparty agreements

For example, for a monetization of the JAX airport, the structure of the airline use agreements will have a large driver on value. By negotiating those

agreements prior to launching the transaction (and including those in the data room) will not only allow the City to understand potential value, but also expedite the process. Additionally, given that airline approval is required for the APPP, “pre-wiring” the airline approvals through negotiating the lease will allow for a quick seamless bid process, and one that shows to bid teams there is limited if any risk of non-approval of the bids, encouraging broader and more aggressive participation.

In addition to evaluating key value drivers, we would also use the preparatory stage to identify any required approvals, and to the extent possible receive all of those prior to launch, or to be able to clearly articulate the plan and process to quickly receive additional approvals if not received prior to approaching the market. Notably after many high-profile potential P3 transactions were subject to approval after the receipt of bids from a political body, we would encourage if not receiving explicit approval parameters (for example the City Council would approve any bid that is compliant with operating standards and generates at least \$Xmm in proceeds), that the City Council at least approves the launch of the process to show commitment from the City to the process.

BUYER IDENTIFICATION AND OUTREACH

After establishing a robust understanding of the various elements of the transaction during the Preparatory Stage, Goldman Sachs would focus on creating an extensive buyer universe for the transaction tailored to asset for sale. Goldman Sachs has access to and experience with many types of investors, most relevant to the City being Infrastructure Funds, Pension Funds, Sovereign Wealth Funds and Strategic Buyers in the Infrastructure space. During the buyer outreach stage, Goldman Sachs would work the City to identify and contact a broad range of potential investors to increase participation in any sale process. Goldman Sachs would work with management to prepare a Confidential Information Memorandum (“CIM”) to share with a finalized investors list during the First Round.

ROUND 1

During the ~4-8 week First Round, the City would work with Goldman to engage with those on a potential investors list, providing to those qualified investors a CIM, financial model, and any third-party reports generated by consultants. Offering chances for minimal Q&A will allow the City and Goldman to

control the information sent to investors whilst also assessing the investors through interaction. Goldman would contact each buyer with a highly tailored “talk sheet” to generate / assess interest in the transaction. Fast execution of a first round with bidders increases competitive tension, and allows selectivity going in to the Second Round.

ROUND 2

With City review and approval, Goldman Sachs would provide transaction opportunity details for each buyer, supplying the appropriate level of information to maximize price and minimize issues during negotiations. Goldman Sachs would maintain a data room of the requisite asset(s) information as provided by the City and increase engagement between the bidders and the City through management Q&A. While increasing exposure to the City, Goldman would foster a competitive environment between bidders and facilitate buyer diligence process such that bidders are able to obtain the committed financing needed for the transaction.



FINANCIAL CLOSE

Once a bidder is selected, the team would move to finalize the PSA and other legal documents required to achieve a quick close.

Goldman Sachs’ experience with Chicago Skyway best highlights the flexibility and efficiency of our suggested approach. As per the case study we discuss in Question B2, a credible highlight of the process was Goldman Sachs’ ability to maintain the level of diligence and Q&A provided to bidders at the start as well as the consistent updates to the City of Chicago to ensure transparency while managing confidentiality in the investor community. Additionally, Goldman Sachs’ relationship with the buyer universe and understanding of the buyer universe’s behavior coupled with cross collaboration between various teams at Goldman lead to an efficient process with maximum value for the City of Chicago.

B4. References

Please provide three (3) local government financing references, including name, title, telephone number, type of transaction, and the date(s) of service.

 <p>City of Nashville</p>	 <p>Los Angeles Department of Water and Power</p>	 <p>Port of Portland - Airport</p>
<p>Richard Riebeling <i>Chief Operating Officer</i> Tel: (615) 862-6151 Email: richard.riebeling@nashville.gov</p> <p>Transaction Type: Financial Advisory Dates of Service: 2008-Present</p>	<p>Mario Ignacio <i>Treasurer</i> Tel: 213-367-0690 Email: mario.ignacio@ladwp.com</p> <p>Transaction Type: Financial Advisory & Financings Dates of Service: 2003-Present</p>	<p>Vince Granato <i>COO</i> Tel: (503) 415-6059 Email : vince.granato@portofportland.com</p> <p>Transaction Type: Airport/Port Strategic Financings Dates of Service: 1994-Present</p>

B5. City Experience

Provide information on any previous work done with the City.

Through years of coverage, Goldman Sachs has gained a deep understanding of the City of Jacksonville. In each of our interactions, Goldman Sachs has sought to demonstrate to the City our commitment to providing timely market insights and creative financial solutions. For an important role, such as the one being contemplated by this RFP, it is

critical to select an investment bank that can integrate a strong working knowledge of the City into the analysis. Below highlights the extensive and constructive history of Goldman Sachs and the City of Jacksonville since 2010:

Sale Date	City of Jacksonville Entity	Issue Amount (\$ in mm)	GS Role	Sale Date	City of Jacksonville Entity	Issue Amount (\$ in mm)	GS Role
1/14/2010	Jacksonville Electric Authority	\$ 153	Co-Manager	1/18/2013	Jacksonville Electric Authority	59	Co-Manager
3/10/2010	Jacksonville Electric Authority	64	Co-Manager	1/25/2013	Jacksonville Electric Authority	203	Lead
3/18/2010	Jacksonville Electric Authority	48	Co-Manager	4/26/2013	Jacksonville Electric Authority	96	Co-Manager
7/15/2010	Jacksonville Electric Authority	81	Co-Manager	6/7/2013	Jacksonville Electric Authority	43	Co-Manager
7/21/2010	Jacksonville Electric Authority	221	Co-Manager	7/26/2013	Jacksonville Electric Authority	204	Co-Manager
9/30/2010	Jacksonville Electric Authority	294	Lead	8/14/2013	Jacksonville Electric Authority	197	Co-Manager
10/21/2010	Jacksonville Electric Authority	123	Co-Manager	1/16/2014	Jacksonville Electric Authority	288	Co-Manager
9/20/2011	Jacksonville Electric Authority	365	Co-Manager	3/6/2014	Jacksonville Electric Authority	72	Co-Manager
9/20/2011	Jacksonville Electric Authority	365	Co-Manager	5/15/2014	Jacksonville Electric Authority	89	Co-Manager
1/17/2012	Jacksonville Electric Authority	175	Co-Manager	6/5/2014	Jacksonville Electric Authority	64	Co-Manager
1/26/2012	Jacksonville Electric Authority	355	Lead	6/26/2014	Jacksonville Electric Authority	300	Co-Manager
3/22/2012	Jacksonville City-Florida	209	Lead	10/30/2014	Jacksonville City-Florida	100	Lead
3/22/2012	Jacksonville City-Florida	280	Lead	2/26/2015	Jacksonville Electric Authority	83	Lead
7/16/2012	Jacksonville Electric Authority	121	Co-Manager	4/29/2015	Jacksonville Electric Authority	73	Co-Manager
7/18/2012	Jacksonville Electric Authority	178	Co-Manager	7/8/2015	Jacksonville Electric Authority	42	Co-Manager
7/30/2012	Jacksonville Electric Authority	110	Co-Manager	2/1/2017	Jacksonville Electric Authority	90	Co-Manager
8/1/2012	Jacksonville City-Florida	115	Lead	8/23/2017	Jacksonville City-Florida	144	Co-Manager
8/2/2012	Jacksonville Electric Authority	141	Co-Manager	12/13/2017	Jacksonville Electric Authority	437	Co-Manager
8/21/2012	Jacksonville Electric Authority	85	Co-Manager	12/14/2017	Jacksonville Electric Authority	384	Lead
11/16/2012	Jacksonville City-Florida	230	Lead	Total		\$ 6,686	

Appendix A. City of Jacksonville Team Resumes

TEAM LEADERSHIP AND OVERSIGHT

Timothy Romer, Managing Director, Head of West Region Public Sector and Infrastructure Banking
Tel: (310) 407-5886
e-mail: timothy.romer@gs.com

Mr. Romer joined Goldman Sachs in 2003, became a Managing Director in 2005, and was promoted to Head of West Region Public Sector and Infrastructure Banking in 2011. Mr. Romer offers over 27 years of experience in project, government, and municipal finance. Prior to joining Goldman Sachs, Mr. Romer served as Co-Head and Managing Director of Merrill Lynch's western region public finance group.

Mr. Romer provides a deep and diverse background in government and project finance and has completed over \$75 billion of projects and working capital needs for large and small infrastructure, government and quasi-government projects, public/private ventures, and specialty credit financings throughout the West region. The types of financings have included fixed rate, variable rate, swaps, swaptions, forward bonds, senior/subordinate liens, asset-backed securities, refundings, lease/lease back, and cash flow financings. Mr. Romer also brings a wealth of experience working directly with a variety of types of municipal issuers including with Metropolitan, LADWP, State of California, City of San Diego, BATA, Port of Los Angeles, Denver Public School, Denver RTD, County of San Bernardino, LAUSD, and the City of Sacramento among many others. He has also been very active on the P3 and municipal M&A sector, having executed his first P3 in 2003 and closing on over \$15bn of P3 financing and advisory transactions.

Mr. Romer earned a BS in Industrial Engineering from Stanford University and an MBA, with honors, from the Wharton School at the University of Pennsylvania.

JACKSONVILLE COVERAGE

Justin Goldstein, Vice President, Public Sector and Infrastructure Banking
Tel: (917) 343-1802
e-mail: justin.goldstein@gs.com

Mr. Goldstein has 16 years of experience in municipal finance and covers general governmental, energy and transportation clients across the Southern and Southwest regions. Mr. Goldstein's transaction

experience includes a wide range of issuer types from transportation (rail, mass transit, highway, toll road, and airport), to energy (cooperative, generation, and transmission), to general governmental issues (general obligation, water and sewer, and lease revenue). Mr. Goldstein has extensive experience in the City of Jacksonville, including multiple transaction as senior and co-manager for the City and JEA totaling over \$6 billion since 2010. Some of Mr. Goldstein's other relevant experience includes senior managed transactions throughout Florida including Florida Citizens, Florida Hurricane Catastrophe Fund, City of Orlando, City of Lakeland, Palm Beach County.

TRANSPORTATION P3

Chris Elmore, Vice President, Public Sector and Infrastructure Banking
Tel: (212) 357-2991
e-mail: chris.elmore@gs.com

Mr. Elmore joined Goldman Sachs' Public Sector and Infrastructure Banking Group full time in July 2008. Chris focuses on the firm's transportation clients, project financings, and P3 transactions. He has significant experience working on P3 and advisory transactions for the Chicago Transit City, Denver RTD Eagle P3 Project, US-36 Phase 2 Managed Lanes, Seagirt Marine Terminal, Port of Oakland Outer Harbor Terminal, and New York MTA / Triborough Bridge and Tunnel City, among others. Chris has worked on senior managed transportation and project finance transactions for: San Joaquin Hills and Foothill/Eastern Transportation Corridor Agency, San Francisco 49ers, Capital Beltway, Denver RTD, New York MTA / Triborough Bridge and Tunnel City, Washington Metropolitan Area Transit City, Amtrak, Lehigh County City, Houston Metro, Mid-Bay Bridge City, Dormitory City of the State of New York, and Denver International Airport, among others. To date Chris has worked on over \$10 billion of senior managed financings for infrastructure projects.

Mr. Elmore provides transit, transportation and P3 expertise, with an additional focus on federal transportation programs, initiatives and legislation, including National Infrastructure Bank, TIFIA and RRIF programs.

Mr. Elmore graduated from Stanford University with a BS in Mathematical and Computational Sciences.

P3 / PROJECT FINANCE LEADERSHIP

Greg Carey, Managing Director, Chairman of Public Sector and Infrastructure Banking
Head of P3 and Project Finance Group
Tel: (212) 902-4316
e-mail: gregory.carey@gs.com

Mr. Carey has over 30 years of extensive infrastructure and project finance expertise and experience. Before joining the firm in 2004, Mr. Carey was the head of the Transportation and Infrastructure Group at Citigroup, where he focused on large, complex infrastructure financings. He continues this effort now at Goldman Sachs with a focus on innovative financings for clients in the municipal market, ranging from revenue bond credits, stand-alone project financings for large toll roads, ports and sports facilities to heavily negotiated public-private partnerships across the country.

Throughout his career, Mr. Carey has served as lead manager on over \$140 billion of transactions. A common hurdle that many of these transactions face is finding the appropriate allocation of risk and negotiating the deal terms in a way that makes the deal beneficial to all parties involved. In every transaction that Mr. Carey is engaged on, he is keenly focused on working with all parties, including multiple issuers, private companies that raise capital through conduit issuers in the tax-exempt market, federal officials (including TIFIA loans) and rating agencies to structure a deal uniformly viewed as a success.

Since 1988, Mr. Carey has served as lead account manager and close advisor to the Suffolk County Water City (SCWA), overseeing their debt restructuring and indenture changes in 1988, the introduction of the City's note program and subordinate lien in 1992 and 1993, ratings agency upgrades in 2005 and 2008, and a \$100 million Build America Bond issuance in 2009. Since 2005, Goldman Sachs has advised SCWA on 15 transactions, totaling over \$900 million.

He has also served as sell-side P3 advisor to TxDOT for numerous CDA projects including the \$4 billion LBJ 635 express lane corridor P3 project in North Texas, \$2 billion NTE project bidding process and evaluation, \$4 billion SH-161 TxDOT Toll Equity Loan Agreement, and the SH-130 project which raised \$1.4 billion in total funding.

Mr. Carey's other P3 and project financing clients have included Capital Beltway Funding Corporation of Virginia, Central Texas Regional Mobility City, Highway 407, Texas Turnpike City, Skyway Concession Company LLC, Central Texas Turnpike System, Florida Turnpike, Oklahoma Turnpike, New Jersey Turnpike, Mid-Bay Bridge City, Harris County Toll Road City, Osceola Parkway, Ports America Chesapeake, FDOT / I-4 and the San Joaquin & Foothill-Eastern Toll transactions.

Additionally, Mr. Carey provided senior team oversight for the \$2.1 billion Denver Regional Transportation District ("RTD") Eagle P3. He oversaw the Goldman Sachs team which ran the procurement process for the project, which was the first availability payment transit project to reach financial close in the U.S. Among other efforts, the Goldman Sachs team assisted RTD in receiving a \$280 million TIFIA loan to finance a portion of the upfront construction payments made by RTD to the concessionaire.

In 2013, he also served as underwriter for the Lehigh County City to finance its acquisition of the lease and concession for the Allentown Water & Sewer System. In 2015, Mr. Carey led the GS team as exclusive financial advisor to Ferrovial and Macquarie in the 2016 sale of Skyway Concession Company LLC for \$2.9bn. The transaction achieved an implied LTM EBITDA multiple of 37.3x, one of the highest toll road transaction multiples in recent times.

Mr. Carey earned an AB in Economics from Harvard College in 1983.

HEAD OF PORTS AND AIRPORTS

Paul Bloom, Vice President, Public Sector and Infrastructure Banking
Tel: (310) 407-5590
e-mail: paul.bloom@gs.com

Before joining Goldman Sachs in 1994, Mr. Bloom worked for the Portland Development Commission, the City of New York and the Port of Seattle, where he managed all aspects of the Port's capital planning and financing program and the Port's investment banking relationships. Since his investment banking career began in 1994, Mr. Bloom has focused on the west region and the transportation and energy sectors and has served as lead banker to a wide variety of clients, including the States of Alaska, Washington and Oregon, the cities of Anchorage, Portland and Seattle, the Alaska Energy City, the University of

Washington, the Washington State Convention Center and Sound Transit and Tri-Met (the Seattle and Portland Transit Agencies). Since 2009, Mr. Bloom has led the firm's Public Sector Airport and Ports focus group, driving our strategy in this sector, serving as a resource to regional bankers across the US and leading or being integrally involved in our coverage of key clients. Mr. Bloom has led deals for airports in Denver, Portland, Seattle, Houston, St. Louis, Los Angeles, and Sacramento, among others. Mr. Bloom has also been involved in a number of Airport and Port sector P3's and project financings including the Seagirt Marine Terminal, Terminal 18 at the Port of Seattle and participating in the Goldman bidding team for the LGA P3 redevelopment.

Mr. Bloom's financing experience includes senior managing fixed rate new money and refunding issues, variable rate issues, commercial paper, certificates of participation, lease revenue bonds, PFC and CFC financings, project financings, P3 concessions, forward delivery bonds and interest rate swaps. He is also a specialist in developing new credit structures at airports and ports, getting them successfully rated, and having led inaugural bond transactions and issuances of PFC bonds for Portland and Seattle, and having assisted in implementing and selling financings with major indenture changes in Oakland, LA, Portland, and Seattle.

Mr. Bloom received a BS from Willamette University in 1986 and an MBA from Columbia University in 1988.

ADDITIONAL AIRPORT COVERAGE

Kyle Vinson, Vice President,
Public Sector and Infrastructure Banking
Tel: (415) 393-7755
e-mail: kyle.vinson@gs.com

Kyle joined the Public Sector and Infrastructure Banking Department in September 2009, bringing with him two years of experience at a national public financial advisory firm. Kyle covers a range of transportation, utility and general government clients throughout the West Region as well as assisting the firm's national airport coverage efforts. He has previously worked with clients including the San Francisco International Airport, the City of San Jose and the San Jose International Airport, the Port of Portland, the Port of Seattle, the Houston Airport System, Santa Clara Valley Transportation Authority, the Bay Area Toll Authority, the Los Angeles County

MTA, the Contra Costa Transportation Authority, and Energy Northwest, among others. Most recently, he helped lead San Francisco Airport's \$888 million issuance in September 2016 and Alaska Airport's \$176 million issuance in January 2016.

Kyle earned a Bachelor of Arts in History from Pomona College.

TEAM MEMBERS

Sameera Gadiyaram, Associate,
Public Sector and Infrastructure Banking
Tel: (212) 357-5184
e-mail: sameera.gadiyaram@gs.com

Ms. Gadiyaram joined the Public Sector and Infrastructure Group at Goldman Sachs in 2016. Her experience includes 5+ years in private sector advisory for the energy and industrials industries. She provides analytical and quantitative support to senior bankers in the Infrastructure and P3 and Project Finance groups.

Ms. Gadiyaram graduated from the University of Virginia, McIntire School of Commerce with a B.S. in Commerce with concentrations in Accounting and Finance.

John Finn, Analyst,
Public Sector and Infrastructure Banking
Tel: (212) 357-5493
e-mail: john.m.finn@gs.com

Mr. Finn joined the Public Sector and Infrastructure Group at Goldman Sachs in 2017 after working for 7 months as a Summer Analyst in 2016. He provides analytical and deal execution support to the senior bankers focusing on the firm's P3, Transportation and Sports Clients.

Mr. Finn graduated from Northeastern University with a B.S. in Business Administration with concentrations in Finance and Accounting.

POWER COVERAGE (PSI)

Jill Toporek, Managing Director,
Public Sector and Infrastructure Banking
Tel: (212) 902-5184
e-mail: jill.toporek@gs.com

Ms. Toporek is the head of our Public Sector and Infrastructure Municipal Utilities Group and serves on the PSI Operating Committee. She joined Goldman Sachs in 1988 and is an expert in the

municipal utilities sector, specializing in complex credits and the structuring and marketing of new utility projects to investors. In addition, over the last five years Ms. Toporek worked closely with Lehigh County Authority on their acquisition of the Allentown Water and Sewer Concession and various other municipal utilities on confidential strategic assignments which included the valuation of generation and transmission assets.

Ms. Toporek was the recipient of the 2008 and 2013 Bond Buyer “Deal of the Year” Awards for her work with the MJMEUC and Lehigh County Authority as well as the SMITH’s Research & Gradings “2010 All-Star Deal of the Year” for her work on the MEAG Power Plant Vogtle financing. Ms. Toporek also has strong experience in municipal credit analysis.

Prior to joining Goldman Sachs, she worked at Moody’s Investors Service in New York. Ms. Toporek received a BA from the University of Rochester and an MBA from the University of Chicago Graduate School of Business.

WATER COVERAGE (PSI)

Andrew Prindle, Vice President,
Public Sector and Infrastructure Banking
Tel: (310) 407-5834
e-mail: andrew.prindle@gs.com

Andrew joined Goldman, Sachs’ Public Sector and Infrastructure Group in 2004. During this time, he has focused on complex project financings for a variety of sectors including, water, energy, transportation, military housing, and general infrastructure. His relevant experience includes senior managed and innovative financings for Chicago Transit Authority, Sound Transit, Denver RTD, Colorado DOT, Bay Area Toll Authority, Riverside County Transportation Commission, Foothill/Eastern Transportation Corridor Agency, San Joaquin Hills Transportation Corridor Agency, OCTA, LACMTA, San Bernardino Regional Transportation, and over \$10 billion in financings for other municipal entities.

Andrew graduated from the University of California, Santa Barbara with a Bachelor of Science in physics.

Chris Higgins, Vice President,
Public Sector and Infrastructure Banking
Tel: (310) 407-5937
e-mail: christopher.higgins@gs.com

Mr. Higgins has over 18 years experience in municipal finance and has worked with many local water and wastewater issuers to help them meet their financing needs. His experience includes financing for the Bay Area Water Supply and Conservation Agency and for Metropolitan Water District of Southern California, California Department of Water Resources, West Basin Municipal Water District, Irvine Ranch Water District, Imperial Irrigation District, San Diego County Water Authority, and East Bay MUD. Mr. Higgins’ additional relevant experience includes financings for California issuers such as Silicon Valley Power, the City of San Jose, LADWP and Northern California Power Agency.

Mr. Higgins earned a B.A. in Business Administration from the University of Washington.

ADDITIONAL TEAM SUPPORT

Arthur Miller, Managing Director
Tax & Structuring Expert
Tel: (212) 902-6491
e-mail: arthur.miller@gs.com

Arthur is a structuring expert. Formerly a tax lawyer at Mudge Rose Guthrie Alexander & Ferdon, Arthur has been with the Firm since 1985 and is considered one of the leading specialists in arbitrage, rebate and advance refundings, as well as in tax law and tax reform. He has served as Chairman of the American Bar Association’s Task Force on Advance Refundings, and on the Bond Market Association’s Market and Public Policy Analysis Committee. In addition, he is part of the PREPA team and has served on an advisory committee to the U.S. Treasury to help simplify the arbitrage and rebate rules.

Arthur is a graduate of New York University School of Law (LLM Taxation), Duke University School of Law (JD), University of North Carolina (MA History), and Princeton University (AB).

Michael Borys, Vice President
Structuring Expert
Tel: (212) 902-6471
e-mail: michael.borys@gs.com

Mr. Borys has more than 32 years of experience in the municipal finance business. Mr. Borys is the Department's specialist in the technically complex aspects of municipal transactions, including securitizations, advance refundings, new product development, modeling of structured financings and debt structuring including the use of derivative products. With a broad range of experience in the municipal market and having structured several billion dollars in municipal financings, Mr. Borys is an expert in the development of new financing strategies and structures, and in the development of financial models.

Mr. Borys received a BS and an MBA from the State University of New York at Albany.

Stacy Lingamfelter, Vice President

Public Finance Credit Expert

Tel: (212) 855-0816

e-mail: stacy.lingamfelter@gs.com

Stacy Lingamfelter joined Goldman Sachs in 2005 from Moody's Investors Service's Public Finance Group. Her experience with Moody's includes working with numerous public entities in the Northeast. Since joining the firm, she has advised several large issuers including the Los Angeles Department of Water and Power, the Commonwealth of Kentucky, and the Commonwealth of Puerto Rico.

Stacy earned a Bachelor of Arts in Economics and International Relations from Tufts University. She also attended the University of Chicago, receiving both a Master of Public Policy and an MBA from the Booth School of Business

Appendix B. Additional Conflicts of Interest Disclosure

Goldman Sachs is a full service firm engaged in trading, underwriting, investment banking, commercial banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services for various persons and entities.

Goldman Sachs has in place policies and procedures designed to prevent the unauthorized disclosure of confidential information from its investment banking division, including the Public Sector and Infrastructure Banking group (“PSI”), to its sales and trading, investment research and investment management divisions. In reliance on these policies and procedures, business units outside of PSI may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments (each, an “Instrument”) for our own account or for the accounts of our customers. Our sales and trading, investment research and investment management divisions may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such Instruments, and may at any time recommend or otherwise communicate to clients that they should acquire long and/or short positions (including, for example, by buying and/or selling credit protection against default by an issuer) in such Instruments. The investment and trading activities and communications described in this paragraph are conducted in business units outside of PSI and may relate to or involve the City or Instruments of the City or persons or entities with relationships with the City, and may be, or appear to be, inconsistent with the interests of the City. Goldman Sachs, including PSI, may also provide investment banking, commercial banking, underwriting, financial advisory services and other services to persons and entities with relationships with the City. For additional information regarding other activities that Goldman Sachs may be engaged in during the course of this assignment, please see our disclaimers provided on the title page of this document.

Goldman Sachs has considered this assignment through our centralized conflicts clearance process it uses to evaluate potential new investment banking assignments. Based on our review, we do not believe that there are any activities in which the firm is currently engaged that would present an actual conflict that would prevent us from accepting the assignment that is contemplated by our Proposal for this RFP.

Appendix C. Investigations

Except where indicated, the following relates solely to the proceedings in the past three years relating to Goldman Sachs & Co. LLC's ("Goldman Sachs") Public Sector and Infrastructure Banking group.

From time to time, the firm, its managing directors and employees are involved in proceedings and receive inquiries, subpoenas and notices of investigation relating to various aspects of its business. These include requests for information by the Securities and Exchange Commission and certain other federal and state agencies and authorities arising out of publicly reported events in the municipal securities arena, as well as certain litigation proceedings involving the activities of the Public Sector and Infrastructure Banking group. As reported in the press, there has been recent regulatory and governmental focus on various aspects associated with municipal offerings, including pricing, transaction expenses, and municipal derivative products. The firm is willing to provide information regarding such matters upon request. In the normal course of business, the firm keeps regulatory inquiries, subpoenas, notices of investigation and other similar regulatory matters confidential, except as those that the firm has publicly disclosed in Form BD and the periodic reports filed by the firm electronically with the Securities and Exchange Commission. For additional information on matters that are required to be publicly reported, which may include updates to the information set forth herein, please also refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

On December 27, 2012, the Financial Industry Regulatory Authority ("FINRA") announced settlements with five firms, including Goldman Sachs, regarding the reimbursement of California Public Securities Association ("Cal PSA") fees as underwriting expenses in connection with California municipal and state bond offerings between February 2006 and December 2010. FINRA alleged that Goldman Sachs and the other four firms violated fair dealing and supervisory rules of the Municipal Securities Rulemaking Board ("MSRB") by obtaining reimbursement for the Cal PSA payments. As part of its settlement, Goldman Sachs agreed, without admitting or denying FINRA's allegations, to be censured, pay a fine, pay restitution to certain issuers in California and to implement any necessary revisions to its supervisory procedures and systems to ensure compliance with MSRB Rule G-27.

On September 27, 2012, the Securities and Exchange Commission and the Commonwealth of Massachusetts announced settlements with Goldman Sachs relating to the unauthorized political activities of a former employee, Neil Morrison, from 2008 until 2010 in connection with the former Massachusetts Treasurer. The firm detected Morrison's unauthorized activities in the Fall of 2010, promptly reported them to the relevant regulators and terminated Morrison's employment. As part of the SEC settlement, which found that Morrison's unauthorized activities were attributable to Goldman Sachs, the firm agreed, without admitting or denying any findings or allegations, to be censured and to cease and desist from violating Section 15B(c)(1) of the Exchange Act as well as MSRB Rules G-8, G-9, G-17, G-27 and G-37. The firm also agreed to make payments pursuant to the settlements totaling roughly \$14.6 million.

Goldman Sachs (along with, in some cases, other financial services firms) is named as respondent in a number of FINRA arbitrations filed by municipalities, municipal-owned entities, state-owned agencies or instrumentalities and non-profit entities, based on Goldman Sachs' role as underwriter of the claimants' issuances of an aggregate of approximately \$2.0 billion of auction rate securities from 2003 through 2007 and as a broker-dealer with respect to auctions for these securities. The claimants generally allege that Goldman Sachs failed to disclose that it had a practice of placing cover bids in auctions, and/or failed to inform the claimant of the deterioration of the auction rate market beginning in the fall of 2007, and that, as a result, the claimant was forced to engage in a series of expensive refinancing and conversion transactions after the failure of the auction market in February 2008. Certain claimants also allege that Goldman Sachs advised them to enter into interest rate swaps in connection with their auction rate securities issuances, causing them to incur additional losses. The claims include breach of fiduciary duty, fraudulent concealment, negligent misrepresentation, breach of contract, violations of the Exchange Act and state securities laws, and breach of duties under the rules of the Municipal Securities Rulemaking Board and the NASD. One claimant has also filed a complaint against Goldman Sachs in federal court asserting the same claims as in the FINRA arbitration. As reported in the firm's most recent Annual Report on Form 10-K, the firm is subject to a number of

investigations and reviews by various governmental and regulatory bodies and self-regulatory organizations relating to transactions involving municipal securities, including wall-cross procedures and conflict of interest disclosure with respect to state and municipal clients, the trading and structuring of municipal derivative instruments in connection with municipal offerings, the political contribution rules, underwriting of Build America Bonds and the possible impact of credit default swap transactions on municipal issuers. The firm is cooperating with the investigations and reviews. For further information, please refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD and periodic filings pursuant to the Exchange Act.

While the civil action did not in any way relate to the municipal securities business or the firm's role as underwriter of municipal offerings, please note that on April 16, 2010, the Securities and Exchange Commission brought a civil action in the U.S. District Court for the Southern District of New York against Goldman Sachs and one of its employees in connection with a single collateralized debt obligation transaction made in early 2007, and subsequently, on July 15, 2010, Goldman Sachs agreed to a settlement with the Securities and Exchange Commission to resolve this action against the firm. For further information about this matter, please refer to the firm's various regulatory filings under applicable laws and regulations, including Form BD, periodic filings pursuant to the Exchange Act, and www.gs.com.

On September 4, 2008, Goldman Sachs' parent, The Goldman Sachs Group Inc., was named as a defendant, together with numerous other financial services firms, in two complaints filed in the U.S. District Court for the Southern District of New York alleging that the defendants engaged in a conspiracy to manipulate the auction securities market in violation of federal antitrust laws. The actions were filed, respectively, on behalf of putative classes of issuers of and investors in auction rate securities and seek, among other things, treble damages in an unspecified amount. Defendants' motion to dismiss was granted on January 26, 2010. On March 1, 2010, the plaintiffs appealed from the dismissal of their complaints.

On August 21, 2008, Goldman Sachs entered into settlement agreements in principle with the Office of Attorney General of the State of New York and the Illinois Securities Department (on behalf of the North American Securities Administrators Association) regarding auction rate securities. Under the agreements, Goldman Sachs, among other things, without admitting or denying any wrongdoing, offered (i) to repurchase at par the outstanding auction rate securities that were held by its Private Wealth Management clients and were purchased through the firm prior to February 11, 2008, with the exception of those auction rate securities where auctions are clearing, (ii) to continue to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for institutional investors, and (iii) to pay a \$22.5 million fine. On June 3, 2009, Goldman Sachs entered into a final settlement with the Office of Attorney General of the State of New York pursuant to the agreement in principal. In connection with this final settlement, Goldman Sachs, without admitting or denying any wrongdoing, agreed to pay a civil penalty of \$22,500,000, of which \$1,952,439.67 was paid to the State of New York. The remainder of the civil penalty will be paid to those states and territories that enter administrative or civil consent orders approving the terms of the North American Securities Administrators Association settlement. On March 19, 2010, Goldman Sachs entered into a final settlement with the Illinois Securities Department. In addition, as of September 10, 2012, Goldman Sachs has entered into final settlements with 49 jurisdictions (including New York and Illinois).

On May 31, 2006, the U.S. Securities and Exchange Commission (the "SEC") announced that it had settled with 15 firms, including Goldman Sachs that participate in the auction rate securities market regarding their respective practices and procedures in this market. The SEC alleged in the settlement that the firms had managed auctions for auction rate securities in which they participated in ways that were not adequately disclosed or that did not conform to disclosed auction procedures. As part of the settlement, a number of firms, including Goldman Sachs had each agreed to pay civil money of \$1,500,000. In addition, without admitting or denying the SEC's allegations, Goldman Sachs agreed to be censured, to cease and desist from violating certain provisions of the securities laws, to provide to customers written descriptions of its material auction practices and procedures, and to implement procedures reasonably designed to detect and prevent any failures to conduct the auction process in accordance with disclosed procedures.

































On June 27, 2006, as part of a multi-firm settlement relating to transactions in municipal securities below the minimum denominations set by the issuers of those securities, the NASD censured Goldman Sachs, assessed a fine and required the firm to adopt and implement policies and procedures to ensure compliance with those MSRB rules.

The firm's Public Sector and Infrastructure Banking group activities have been the subject of several lawsuits in recent years. In August 2004, several purchasers of Michigan Strategic Fund Resource Recovery Limited Obligation Revenue Bonds (Central Wayne Energy Recovery Limited Partnership Project) brought a lawsuit against Goldman Sachs, as underwriter, and R.W. Beck, as feasibility consultant, in Michigan state court alleging negligent and innocent misrepresentation in connection with the issuance of the bonds in 1998. In March 2005, these claims were dismissed and the plaintiffs were permitted to file an amended complaint alleging fraud in connection with the issuance of the bonds. In July 2005, the Michigan amended complaint was dismissed on forum non conveniens grounds and the plaintiffs have appealed that decision. Shortly thereafter, the plaintiffs served a similar fraud complaint in New York, which Goldman Sachs has moved to for summary judgment following the completion of discovery. In January 2009, a settlement was entered into on the basis of a dismissal of all claims and mutual releases. No payments were made pursuant to this settlement agreement.

As reported in the 10-K of The Goldman Sachs Group, Inc. for the fiscal year ended December 31, 2013, the firm believes, based on currently available information, that the results of such proceedings, in the aggregate, will not have a material adverse effect on our financial condition, but may be material to our operating results for any particular period, depending, in part, upon the operating results for such period.

Appendix D. Additional Credentials


Infrastructure and Utility Sell-Side Experience

 <p>TBD \$4.0bn-\$6.0bn</p> <p>RPM / RLE Projects, In progress</p>	 <p>2016 \$321m</p> <p>Sale of 33% to Fairfax</p>	 <p>2016 \$6.0bn</p> <p>Sale of Company to Dominion Resources</p>	 <p>2015 \$2.9bn</p> <p>Sale of Chicago Skyway Toll Road</p>	 <p>2015 \$6.7bn</p> <p>Sale of Company to Duke Energy</p>
 <p>2015 \$12.0bn</p> <p>Sale of Company to Southern Company</p>	 <p>2015 £1.6bn</p> <p>Sale of Minority Stake to Hermes and CPPIB</p>	 <p>2014 \$2.2bn</p> <p>Sale to Brookfield Infrastructure and other partners</p>	 <p>2014 \$2.4bn</p> <p>Sale of the Company to SunEdison and TerraForm</p>	 <p>2014 \$4.7bn</p> <p>Sale of Company to Investor Group led by Macquarie</p>
 <p>2014 \$3.5bn</p> <p>Sale of EquiPower to Dynegy for Advisor to Seller</p>	 <p>2014 \$165m</p> <p>Sale of Dominion's Retail Business to NRG Energy</p>	 <p>2014 \$880m</p> <p>Sale of TRG's 32% stake in TGI to Empresa de Energia de Bogota</p>	 <p>2013 £392m</p> <p>Ferrovial Sale of 8.65% stake in BAA to USS</p>	 <p>2013 \$2.8bn</p> <p>LBJ I-635</p>
 <p>2012 \$1.1bn</p> <p>Atlantia sale of 49.9% stake in Grupo Costanera</p>	 <p>2012 £900m</p> <p>Sale of 20% in BAA to Qatar Holding (10.62% by Ferrovial)</p>	 <p>2012 \$1,135m</p> <p>Sale of the Company to AltaGas Ltd.</p>	 <p>2012 £450m</p> <p>Sale of 10% in BAA to CIC (5.72% by Ferrovial)</p>	 <p>2012 \$2.1bn</p> <p>NTE SH-121</p>
 <p>2011 \$12.0bn</p> <p>Sale of the Company to Exelon Corporation</p>	 <p>2010 \$25.1bn</p> <p>Advisor to GDF SUEZ on reverse takeover of International Power</p>	 <p>2010 \$7.6bn</p> <p>Advisor to E.ON on sale of E.ON US to PPL Electric Utilities</p>	 <p>2010 \$430m</p> <p>Advisor to SouthWest Water on sale to consortium of investors</p>	 <p>2010 \$25.1bn</p> <p>Advisor to GDF SUEZ on reverse takeover of International Power</p>
 <p>2010 \$17.5bn</p> <p>Advisor to NSTAR on merger of equals with Northeast Utilities</p>	 <p>2010 \$9.0bn</p> <p>Advisor to Allegheny Energy on sale to FirstEnergy</p>	 <p>2010 \$2.7bn</p> <p>Denver RTD Eagle P3 Financial Advisor</p>	 <p>2010 A\$630m</p> <p>Advisor to KordaMentha on restructuring and sale of Lane Cove Tunnel</p>	 <p>2009 \$1.4bn</p> <p>SH-130</p>
 <p>2006 €150m</p> <p>Advisor to RWE on sale of Pridesa to Acciona</p>	 <p>2006 £8.0bn</p> <p>Sale of Thames Water to Macquarie led consortium</p>	 <p>2006 \$3.8bn</p> <p>Sale of Indiana Toll Road to MIG-Cintra Consortium Lead Financial Advisor</p>	 <p>Republic of France 2005 €42.3bn</p> <p>Privatization of Toll Road Network Advisor to The Republic of France</p>	 <p>2005 \$1.8bn</p> <p>99 Year Concession lease</p>

Infrastructure and Utility Buy-Side Experience

 2016 \$12.2bn Acquisition of Westar Energy	 2016 \$11.3bn Acquisition of ITC Holdings	 2014 \$164m US 36 and I-25 Managed Lanes	 2014 \$12.2bn Acquisition of Pepco Holdings	 2014 A\$6.7bn Acquisition of Queensland Motorways
 2013 A\$824m Acquisition of 19.9% in SP AusNet to SPI	 2011 \$1.1bn PR-22	 2010 \$894m Acquisition of 10% stake in 407 ETR from Ferrovial	 2010 A\$3.1bn Acquisition of Intoll	 2010 \$285m Acquisition of Seagirt Marine Terminal Buy Side Advisor and Underwrite
 2010 ~A\$7.0bn Restructuring and Initial Public Offering Acquisition Advisor	 2008 US\$686m Outer Harbor Terminal Buy Side Advisor	 2007 Undisclosed GSIP Acquisition of Minority Stake	 2007 \$4.1bn 30 Year Concession Lease	 2006 £2.4bn Acquisition

Water and Infrastructure Financing Experience

 2015 (Remarketing) \$56m Flex ITNs	 2015 \$1,200m Revenue refunding bonds	 2014 \$350m Taxable century bonds	 2013 \$2,000m Tax-exempt securitization	 2013 \$270m Water System revenue bonds	 2013 \$308m Water & sewer revenue bonds
 2012 \$335m Capital cost recovery prepayment program	 November 2012 \$146m Senior Notes	 2011 €2,500m, £550m Bond issues	 2010 €1,500m Term loan	 2010 \$3,400m IPO; Joint global coordinator	 2010 €1,000m Senior Notes due 2017 €500m Senior Notes due 2025
 2010 £500m Amortising Notes due 2035 £300m Bullet Notes due 2020 Joint Bookrunner	 2009 to 2010 £250m 2047 IL-Notes £250m 2047 IL-Notes £250m 2047 IL-Notes £250m 2047 IL-Notes Private Placement	 2009 €4,000m 7 Year Euro Bond	 2008 €505m Bank Loan Refinancing	 2007 £2,840m Term Loan Facility £1,275m Convertible Notes	 2004 £2,100m PFI Debt Refinancing

Appendix E. Case Studies



DENVER RTD FasTracks / EAGLE P3 PROJECT

- Ran procurement process as sell side advisor for \$2.1 billion Eagle P3 project, the first availability payment transit project to reach financial close in the U.S.
- Structured Concession Agreement to allow for PABs or Bank Loan financing for the concessionaire.
- Developed mechanics to manage interest rate and spread risk between bid and financial close.

The initial proposed schedule from project inception in 2007 indicated goal of financial close in October 2009. The actual financial close occurred in July 2010. Two primary drivers extended the ultimate financial close:

- Delay in receipt of the \$1.03 billion Full Funding Grant Agreement (“FFGA”). The Eagle P3 Project was the first (and ultimately only) transit project to utilize the Penta-P program at Federal Transit Administration, and despite accelerating the FFGA process, the total timing was still longer than RTD had initially expected
- Global Financial Crisis of 2008. The Financial Crisis of 2008 closed available financing markets for the transaction, requiring slight project delay. Goldman Sachs worked closely with RTD and the short-listed bid teams to maintain the bidders through 2008 and 2009 to still deliver two compliant bids in 2010.

PERFORMING COMPLEX MODELING ANALYSIS

Over the course of the summer of 2007, Goldman Sachs rebuilt RTD’s entire financial model and helped RTD develop a 60-year financial plan that allowed the District to analyze its ability to finance all of FasTracks and maintain the existing rail and bus system within revenue and operating expense projections. The model incorporates a variety of financing approaches, including sales tax revenue bonds, appropriation-backed certificates of participation, and subject-to-appropriation availability payments for a P3 arrangement. Similar exercises were performed in 2008 and 2009, in addition to countless model updates in between for internal and Board needs as well as for FTA New Starts submissions and statutory submissions to the Denver Regional Council of Governments.

Goldman Sachs has helped RTD evaluate myriad approaches to financing and delivering FasTracks. The approaches include traditional finance methods and more innovative project finance approaches that are gaining greater acceptance in the U.S. RTD successfully closed the first P3 Design-Build-Finance-Operate-Maintain (DBFOM) concession for transit in the U.S. in 2010. Under the DBFOM structure RTD contracts with the private sector to design, build, finance, operate and maintain its East and Gold Line Corridor commuter rail projects (“Eagle P3 Project”) under a long-term lease agreement. This approach resulted in reduced lifecycle costs allowing RTD to advance ~\$300 million of additional projects under the FasTracks program. Additionally, the P3 has allowed for project acceleration, significant upfront construction and ongoing O&M risk transfer to the private sector and lower financing costs. Given the subsidized nature of transit projects, the concession is structured as an “availability concession” whereby RTD pays the private sector partner (concessionaire) a periodic “availability payment,” which is similar to a lease payment, in exchange for making the project available for use according to specified standards. Additionally, we helped structure a transaction that fit within Colorado’s TABOR laws, the first availability P3 ever executed in Colorado.

Goldman Sachs additionally assisted RTD in receiving a \$280 million TIFIA loan to finance a portion of the upfront construction payments made by RTD to Denver Transit Partners (DTP) the successful concessionaire for the Eagle P3 Project. The TIFIA loan provides RTD with additional cash flow flexibility as many of the FasTracks projects are completed and enter operations, in addition to attractive long-term cost of capital.

LOS ANGELES DEPARTMENT OF WATER & POWER



Los Angeles
Department of
Water & Power

SALE OF 21.2% INTEREST IN NAVAJO GENERATING STATION FEB 2008 – JULY 2016

On July 1, 2016, the Los Angeles Department of Water and Power (“LADWP”) sold its 21.2% undivided interest in the Navajo Generating Station (“NGS” or the “Plant”) to Salt River Project (“SRP”). NGS is a 2,250 MW coal-fired power plant located five miles southeast of Page, AZ on a site leased from

the Navajo Nation. Prior to the sale, the plant was co-owned by the U.S. Bureau of Reclamation (24.3%), SRP (21.7%), LADWP (21.2%), Arizona Public Service Co. (14.0%), Nevada Power Co. (11.3%) and Tucson Electric Power Co. (7.5%) (collectively, the “co-tenants”) with SRP acting as the operating agent. Goldman Sachs served as sole financial advisor to LADWP for the asset sale, working for over 8 years since the initial mandate to help LADWP navigate numerous regulatory and market challenges and ultimately complete a transaction that met LADWP’s strategic and financial goals.

In 2008, Goldman Sachs was selected through a competitive procurement process to assist LADWP analyze M&A opportunities related to its coal-fired generation, its transmission assets, and innovative structures to acquire renewable energy. In hiring Goldman Sachs, LADWP put in place a flexible contract that allowed LADWP and Goldman Sachs to add additional “task orders” if the circumstances arose. Over the course of the contract, five task orders were performed.

In this assignment, LADWP’s initial focus was divesting its share of NGS. LADWP sought such services in response to projections suggesting that LADWP may not be able to meet the emissions reduction targets stipulated by the California Air Resources Board pursuant to the Assembly Bill 32 (“AB32”) by the targeted deadlines without additional transactions involving divestiture of high-carbon producing assets and/or acquisition of low-carbon producing assets. The passage of California Senate Bill 1368 (“SB1368”) created additional urgency, as it prohibited LADWP from entering into long-term financial commitments with respect to high-emission base-load generation, renewing certain power purchase agreements, and extending the life of certain owned-generation plants.

In July 2008, LADWP instructed Goldman Sachs to explore a sale of its share of NGS. To facilitate the sale, Goldman Sachs developed a comprehensive valuation model for the asset, incorporating sensitivities for potential changes in merchant power prices, fuel costs, and carbon taxes, among other factors. Goldman Sachs also evaluated various strategies for securing additional renewable or low-emission power to replace LADWP’s 477MW of NGS generating capacity. Goldman Sachs subsequently prepared the materials for a full sell-side process in which the asset would be marketed to various financial and strategic buyers, including IPPs,

multi-sector & infrastructure private equity funds, and, importantly, the NGS co-tenants. These sales materials included a teaser as well as a comprehensive confidential information memorandum describing the plant, the plant’s competitiveness, as well as the power environment in the Southwest.

Starting in late 2008 and continuing through 2015, declining merchant power prices, declining renewable power production costs, and increasing conventional fuel costs created a challenged market for coal-fired generation assets – causing LADWP’s NGS asset sale to be effectually postponed. During this time, Goldman Sachs continued to provide valuation updates and explored various strategic alternatives. A key concern throughout the process was that the NGS ownership agreement included a “right-of-first-refusal” that would make it difficult to for a third party to acquire the asset unless all of the co-tenants were in favor.

As a consequence of the changing regulatory environment (including potential settlements with the EPA to assist in extending the NGS site license) as well as the “right-of-first-refusal”, in 2012, LADWP and Goldman Sachs chose to focus the sales efforts on the NGS co-tenants. From 2013-2015, LADWP and SRP had repeated negotiations, with discussing ebbing as power market prices dramatically changed. After several iterations, LADWP and SRP reached a near-final agreement in November 2014. LADWP’s Board approved the sale on July 24, 2015, subject to various closing conditions.

The final “sale price” was tailored to allow LADWP to realize greater future value, particularly from aspects that SRP had less interest in. In exchange for its 21.2% ownership interest in NGS, LADWP ultimately received a \$10.0mm cash payment from SRP, \$2.9mm of the Peabody Coal Settlement, and 158MW of SRP’s Eldorado transmission assets. In addition, LADWP secured the right to purchase the full generation output from SRP’s Hudson Ranch Geothermal Plant from 2015 through 2021 – bolstering the size and diversity of LADWP’s renewable generation portfolio. In aggregate, the total value realized from the sale, including the avoided costs of continued NGS ownership, provided a net benefit of \$259.1mm to LADWP ratepayers. The sale will also reduce LADWP’s greenhouse gas emissions by 5.39mm metric tons over the next 3 ½ years – equivalent to taking over 1mm cars off the road. Finally, the sale included a market adjustment clause

such that if power prices increase from 2017-2019, LADWP has an opportunity to realize greater cash proceeds. This transaction demonstrates Goldman Sachs' continued leadership in assisting municipal utilities meet their public policy and financial goals. Over the course of the eight year assignment, Goldman Sachs worked closely with LADWP to educate staff as to the generation M&A market, devise creative ways to achieve greater value, and provide consistent service.



ALLENTOWN WATER AND SEWER CONCESSION – LCA

In 2013, City of Allentown issued an RFP for the 50-year lease of its Water and Sewer System to help manage rising police and fire pension costs. The City had unfunded pension liabilities of ~\$160 million. Annual required contributions were expected to reach ~\$20 million by 2015, which equated to ~20% of the City's \$88 million general fund budget. The System's rates had increased by ~6% on average since 1989, but the rate increase was not sufficient when translated into revenues.

On July 31, 2013 Goldman Sachs served as sole bookrunner on \$308 million of Lehigh County Authority ("LCA") Water and Sewer Revenue Bonds, financing the acquisition of the Allentown Water and Sewer System by LCA. The transaction was the Largest Pennsylvania Water and Sewer transaction since January 2011.

NAVIGATING A COMPETITIVE PROCESS

Goldman Sachs worked extensively with LCA to develop a structure that allowed LCA to access the market in a challenging environment. From the bid date to close, 30-year MMD rose over 100 basis points. Shortened final maturities helped minimize the effect of rising long-term interest rates and matched investor demand. The structure matched future debt service to periods of greatest projected cash balances. The bonds ultimately received an "A" rating from S&P. Goldman Sachs acted as LCA's sole bookrunner on the issuance.

LCA obtained the exclusive right to operate, manage, maintain, improve, and collect revenues from the System for a 50-year period. In return, LCA agreed to pay the City an upfront payment of \$220 million, as well as annual payments of \$500,000 throughout the life of the Concession (increasing at CPI); upfront payment of \$220 million was adjusted to \$211.3

million based on an interest rate adjustment clause included in the Concession Agreement. Ultimately, LCA's bid exceeded the initial threshold value established in 2011 by 50%.

EXISTING RELATIONSHIP WITH THE CITY AND THE SYSTEM

LCA is a Municipal Authority with a 47-year history of providing water and sewer service in the Lehigh County Area, of which Allentown is the Seat. LCA was already a well-established, local, proven water and sewer operator in the region. It operated similar assets in the same geographic and demographic region with an experienced management team with technical expertise.

NON-PROFIT STRUCTURE ALLOWED FOR A LOWER COST OF CAPITAL

LCA had a distinct advantage in the bidding process for Allentown's water and sewer assets due to its ability to finance upfront acquisition payment on a tax-exempt basis. The non-profit structure reduced the necessity for future rate increases. LCA was able to finance the 5-year Capital Improvement Program on a tax-exempt basis, decreasing their costs and enabling increased investment in the system.

CITY OF RIALTO



WATER AND WASTEWATER CONCESSION FOR RIALTO WATER SERVICES, LLC

4(2) PRIVATE PLACEMENT

On November 29, 2012 Goldman Sachs served as joint placement agent for Rialto Water Services, LLC ("Concessionaire") on its concession of the Water and Wastewater Facilities ("Facilities") of the City of Rialto, California. Proceeds of the financing will be used to fund capital improvements, develop necessary new infrastructure and provide lease payments back to the City. Equity sponsors are Table Rock Capital and an affiliate of Union Labor Life Insurance Company, a financial services company for union workers. The Concessionaire will provide all labor, supplies and materials necessary to operate, maintain and manage the Facilities for 30 years, but the City will still retain ownership. Veolia Water West Operating Services will manage the operations and maintenance of the Facilities, which serves 50,000 residents, equal to approximately half of the City of Rialto. The Wastewater Facility serves nearly all residents of Rialto with 20,100 accounts. This

transaction provided the capital necessary to rejuvenate the Facilities and improve cost efficiencies, while supporting local economic development.

Fitch was engaged early on in the process to provide feedback and to ensure that the nuances of the transaction were understood. Goldman Sachs led extensive dialogue with investors via a NetRoadshow, a physical roadshow, and one-on-one investor calls to convey credit strengths and structural features of the transaction, in particular Water and Wastewater Facility Revenue Structure, in which the Facility revenues structured as “Special Revenues” and do not flow through the City’s General Fund.



CHICAGO SKYWAY

On November 13th, 2015, Ferrovial, through its highway division, Cintra, along with Macquarie Infrastructure Partners and Macquarie Atlas Roads, reached a definitive agreement with Calumet Concession Partners LLC (“the Consortium”), consisting of Canada Pension Plan Investment Board, OMERS and Ontario Teachers’ Pension Plan, to sell 100% of the equity interest in Skyway Concession Company LLC for \$2.9 billion.

Ferrovial and Macquarie hired Goldman Sachs as exclusive financial advisor in April 2015.

POSITIONING A UNIQUE INFRASTRUCTURE ASSET

The Chicago Skyway Concession had been awarded to Ferrovial and Macquarie in January 2005 for a term of 99 years and was the first privatization of a highway in the United States. Goldman Sachs served as financial advisor to the City of Chicago on that transaction.

The deal team highlighted that the Chicago Skyway is a limited access highway providing a critical link between downtown Chicago and the surrounding communities in Illinois and Indiana. Additionally, the Chicago Skyway’s attractive tolls for both east and west bound traffic contractually increase through 2017 based on a pre-set predictable schedule.

Effectively positioning these and other points, Goldman Sachs together with its client, communicated the value of the asset to the investor community, enabling the transaction to achieve an implied LTM EBITDA multiple of 37.3x, one of the highest toll road transaction multiples in recent times.

CREATING VALUE FOR THE CLIENT WHILE MANAGING POTENTIAL NEW INVESTORS

The flexibility and efficiency of Goldman Sachs’ process enhanced value for its clients and the attractiveness of the asset to potential buyers.

Detailed pre-launch preparation allowed the management team to supply bidders with a comprehensive data room. The vast majority of bidder questions were answered well ahead of the deadline for the second round of bids, allowing bidders to focus on price maximization in the final stages of the bid process.

PROACTIVE ENGAGEMENT WITH THE CITY OF CHICAGO

Goldman Sachs provided consistent updates to the City of Chicago to ensure appropriate transparency whilst managing process confidentiality with investor community. This included the facilitation of Sponsor-to-City and Bidder-to-City meetings during the process.

RELEVANCE TO THE CITY

This transaction demonstrated Goldman Sachs’ ability to lead a successful sell-side process and positioning Chicago Skyway as a premiere infrastructure asset to maximize value for the seller. The process also highlighted the Firm’s ability to execute a transaction while balancing a relationship with the City of Chicago that began with its role as financial advisor during the initial privatization of the Chicago Skyway.