



KNIK ARM CROSSING NEWS

Keeping you informed about the Knik Arm Crossing Project

Route selection studied extensively

The seven-year process to select the best route for the Knik Arm Crossing to connect with Anchorage has been extensive, comprehensive and rigorous, and involved ongoing communications with the Municipality and the Port of Anchorage.

The Municipality filed a claim against the Federal Highway Administration (FHWA) last week, claiming the selected route would adversely affect port operations. The selected route will lie within an easement the state reserved for the Crossing when it conveyed the property to the Municipality.

The route is tucked next to the bluff to minimize port impacts.

KABATA remains committed to working with the Municipality and the Port to minimize project impacts and maximize the project's benefits to Alaska.

Knik Arm Crossing showcased to industry in NYC

Members of the KABATA team, their consultants, and representatives of the State of Alaska traveled to New York City to brief industry on the Knik Arm Crossing project and to attend the Infra-Americas P3 Infrastructure Forum.

KABATA Chairman, Michael L. Foster, provided a project update and briefing to approximately 150 members of industry June 13 at Citigroup World Headquarters in Manhattan. Foster opened the workshop by stating: "Alaska is open for business." Senator Linda Menard also briefed the industry workshop audience on the need for the project and pending legislation to



State Sen. Linda Menard and KABATA Board Chair Mike Foster network during the P3 conference in New York City.

enhance it. ([Click here to see KABATA's presentation](#)).

Seventeen separate one-on-one meetings were held June 14 and 15 with concessionaires, infrastructure equity investors and con-

struction and engineering firms at the Grand Central Hyatt, hosted by KABATA management and their consulting team. ([Click here for a list of attendees](#)).

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KABATA launches P3 procurement process

KABATA released its Request for Qualifications (RFQ) July 13 to invite developer teams to submit SOQs for the finance, design, construction, operations and maintenance of the project under an availability fee Public-Private Partnership (P3).

Based on expressions of interest from industry, KABATA anticipates an enthusiastic response by world-class developer teams to the RFQ. ([Click here for a copy of the RFQ](#)).

Andrew Niemiec, KABATA's Executive Director, said "We are excited about the enthusiastic industry response to the Knik Arm Crossing Project. I anticipate healthy competition among outstanding concessionaires that will result in best

value for the State. We look forward to working together in partnership with industry to construct and operate the bridge for the benefit of generations of Alaskans."

SOQs are due from developer teams at 4:00 p.m. on Sept. 15, 2011. KABATA will host a pre-SOQ workshop for interested parties at 1:30 p.m. on Aug. 18, 2011 at the Dena'ina Center in Anchorage. Attendance at the pre-SOQ workshop is for teams intending to submit, but is not mandatory.

KABATA anticipates announcing a short-list of the three or four most highly qualified teams by mid-October, followed by a Request for Proposals in the first half of 2012.

Knik Arm Crossing showcased to industry in NYC CONTINUED FROM PAGE 1

The Knik Arm Crossing project has created considerable industry buzz in the marketplace because it is one of the few large projects nationwide that is ready to partner with private industry. The industry workshop and one-on-one meetings were timed to precede the launch of a Request for Qualifications.

About 400 industry leaders and public officials attended the two-day Infra-Americas annual conference; the premier Public-Private Partnership (P3) industry event.



KABATA board members meet with staff and consultants before an industry workshop at the Citigroup New York.

Pending legislation poised for next session

Senate bills 79 and 80 and companion House bills 158 and 159 are designed to enhance the Knik Arm Crossing Project to ensure that best value proposals are received from the private sector to design, build finance, operate and maintain the project under a P3 concession.

Passage of these bills will reduce the cost of the project to the State, resulting in lower tolls than otherwise possible. The bills passed out of the Senate and House Transportation Committees in the first session of the 27th Legislature and



Sen. Linda Menard talks with Rep. Bill Stoltze after updating the Wasilla Chamber of Commerce about KABATA legislation pending in the state legislature. Stoltze is a former KABATA board member

are poised to work through the respective Finance Committees and be voted on during the second session, which commences in January 2012.

Rights-of-way phase begins

KABATA had applied to the Federal Highway Administration (FHWA) for funding and authority to begin appraisal and acquisition of the rights-of-way for the project. Property acquisition and environmental permitting will be ongoing over the next several months, with the intent of securing all required clearances by late 2012, ahead of award of the public-private agreement.

Project generates buzz at conference

Fred Kessler who blogs for Infra Insight listed six factors that contribute to the widespread interest in the Knik Arm Crossing Project.

"The appetite for this project appears large and growing," he wrote. "We think a number of factors have converged to uniquely position the project."

- The project is well-defined.
- The political climate is supportive.
- KABATA's decision to move from a toll concession to an availability payment concession better aligns the project with market realities.
- Project's financial feasibility is "well-developed, realistic and positive."
- Proposed legislation enhances debt rating.
- Timing is "excellent."

BOARD OF DIRECTORS MEETING

1:30 p.m. Thursday, August 25, 2011 • Kenai City Hall • Kenai, AK

Menard: 'Industry interest high'

Linda Menard reported on her New York visit with potential investors in her newsletter ([link](#)) and in an opinion piece in the Anchorage Daily News ([link](#)). Menard said the interest was "beyond excellent," and that "it is important that you understand this bridge is a top priority for many of the world's largest investors." Menard is a KABATA Board member and State Senator who represents the Matanuska-Susitna area.