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KABATA HOSTS WORKSHOPS FOR POTENTIAL PRIVATE PARTNERS TO FINANCE, DESIGN, BUILD AND OPERATE PROPOSED KNIK ARM BRIDGE

(Anchorage) – Seeking to harness the power of the private sector, the Knik Arm Bridge and Toll Authority (KABATA) has begun working to identify private partners best qualified to join its efforts to help improve the transportation network in Upper Cook Inlet through the construction and operation of the proposed bridge crossing of Cook Inlet between Anchorage and the Matanuska-Susitna Borough.

The Authority will hold on Wednesday, January 17, 2007 at 10:00 a.m. in Anchorage the first of two “pre-Statement of Qualification” workshops at the Anchorage Museum at Rasmuson Center. The purpose of the workshops is to help private investors understand the proposed project and see how they can best demonstrate their qualifications to design, build, finance, operate and maintain it. A second workshop is scheduled at the Sheraton Manhattan Hotel in New York City on January 23, 2007 at 9:00 a.m.

“Public-Private Partnerships (P3) are an increasingly attractive way for entities like KABATA to take advantage of the private sector’s strengths of creativity and flexibility to supplement the traditional process of financing, building and operating public transportation projects,” said George Wuerch, Chairman of the Board for the Authority. “By helping private entities understand more about the Knik Arm Crossing and what role they might play, we’re demonstrating our confidence that this is not only a necessary part of transportation infrastructure, but a financially attractive investment as well.”

As envisioned by KABATA, the Knik Arm Crossing is expected to cost between \$400 and \$600 million to design and construct. Federal and state governments have already authorized about \$100 million of that cost. Studies and projections show the project is viable under a scenario in which the remaining cost is funded by private investment and loans to be repaid by toll revenue.

The Alaska Legislature last year authorized the Authority to enter into a P3 agreement for the project. On December 13, 2006, KABATA issued a national “Request for Qualifications” (RFQ) inviting private equity investors, engineering firms, investment banks, developers, construction companies and others to demonstrate their qualifications to design, build, finance, operate and maintain and indicate their interest in the project. Statements of Qualifications from interested parties will be accepted through March 13, 2007.

“Private-sector interest in this project is strong, and potential players have expressed an interest to partner with us as early in the process as possible,” said Henry Springer, KABATA’s Executive Director. “The responses we get to our RFQ will tell us what private entities can do the job, and should ease the minds of those who wondered whether the federal earmarks would interfere with public funding for other projects.”

The proposed project is an opportunity for the private sector to participate in a major component of Alaska’s transportation infrastructure, and will provide a new connection between Anchorage and the Mat-Su Borough and improved regional transportation infrastructure to help meet existing and projected population and economic growth, according to the RFQ. Additional information about KABATA and the Knik Arm Crossing Project can be found on KABATA’s website at www.knikarmbridge.com.

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