

# NEWS RELEASE



## **For Immediate Release**

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Knik Arm Bridge and Toll Authority

### **The Knik Arm Bridge and Toll Authority Seeks Qualifications for a Private Partner to Bring more Transportation Dollars to Alaska**

Increasingly Public-Private-Partnerships (PPP) agreements are used to supplement the regular transportation programs in the USA. The 2006 Alaska Legislature authorized the Knik Arm Bridge and Toll Authority (KABATA) to enter into a PPP contract to “design, build, finance, operate, and maintain” the Knik Arm Crossing project.

To finance the project, estimated to cost up to \$600 million, roughly \$100 million was authorized by the U.S. Congress and the State of Alaska. Studies and projections showed the project to be viable with the remainder of the funds originating from private investments and debt load to be repaid by tolls.

As a very important initiative in the project development, KABATA has issued a “Request for Qualifications” (RFQ) to determine the interested and best qualified firms to submit proposals to develop, finance, construct, operate and maintain the Project. George Wuerch, KABATA Chairman, said: “The Private sector interest in this project is strong and they want to participate as early as possible as a partner with KABATA. From the Public side, KABATA is very interested in bringing a Private Partner’s financial strength and experience into the equation.” Henry Springer, Executive Director, of the Authority said: “The number and quality of proposals will be an excellent indication if we have a viable project under these circumstances.” This will put to rest the criticism that the earmarked congressional funds prevented other projects from being built. The Crossing would be constructed with private investments and operated and maintained by toll revenue. Future public funds can be dedicated to other projects and the Knik Arm Crossing does not compete for further governmental appropriations.

Statements of Qualifications from potential proposers will be accepted until 13 March 2007. At that time, it will be clear if this innovative and progressive method proves to be viable.

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