

One difference between this Pro-Forma and Oct 2011, is this version has NO Capital Accretion Bonds

**SOURCES AND USES**

SOURCES	GOV PURPOSE	PRIVATE ACTIVITY BONDS	SHORT-TERM FINANCING	TIFIA (1)	EQUITY	TOTAL PRIVATE FINANCING	PUBLIC INVESTMENT	TOTAL
Current Interest Bonds	-	403,905,000	-	-	-	403,905,000	-	403,905,000
Capital Accretion Bonds	-	-	-	-	-	-	-	-
Short-Term Financing	-	-	-	-	-	-	-	-
TIFIA	-	-	-	307,855,021	-	307,855,021	-	307,855,021
Equity	-	-	-	-	79,495,439	79,495,439	-	79,495,439
Premium / Original Issue Discount	-	-	-	-	-	-	-	-
Public Funds Available	-	-	-	-	-	-	-	-
1) Federal	-	-	-	-	-	-	112,572,342	112,572,342
2) State Match	-	-	-	-	-	-	17,324,917	17,324,917
3) State Grant (Milestone Payment)	-	-	-	-	-	-	-	-
4) State Grant (Reserve Fund)	-	-	-	-	-	-	150,000,000	150,000,000
5) State Commerce Grant	-	-	-	-	-	-	15,000,000	15,000,000
6) Other	-	-	-	-	-	-	-	-
<b>Total</b>	-	403,905,000	-	307,855,021	79,495,439	791,255,460	294,897,259	1,086,152,719

**USES**

Deposit to Construction Fund	-	280,923,935	-	307,105,021	62,578,225	650,607,181	62,495,013	713,102,194
Deposit for Port MacKenzie Road Upgrade	-	-	-	-	-	-	15,000,000	15,000,000
Deposit for KABATA Development Costs	-	-	-	-	-	-	67,402,246	67,402,246
Deposit to State Reserve Fund	-	-	-	-	-	-	150,000,000	150,000,000
Repay Short-Term Financing	-	-	-	-	-	-	-	-
TIFIA Credit Subsidy (2)	-	-	-	-	10,000,000	10,000,000	-	10,000,000
Deposit to Capitalized Interest Fund	-	72,896,845	-	-	-	72,896,845	-	72,896,845
Deposit to Prepaid Interest Fund	-	-	-	-	5,367,812	5,367,812	-	5,367,812
Debt Service Reserve Fund	-	40,390,500	-	-	-	40,390,500	-	40,390,500
Bond Insurance Premium	-	-	-	-	-	-	-	-
Cost of Issuance	-	6,058,575	-	750,000	-	6,808,575	-	6,808,575
Underwriter's Discount	-	2,019,525	-	-	-	2,019,525	-	2,019,525
Other Transaction Costs (3)	-	1,615,620	-	-	1,549,402	3,165,022	-	3,165,022
Concession (Shortfall)/Surplus	-	-	-	-	-	-	-	-
<b>Total</b>	-	403,905,000	-	307,855,021	79,495,439	791,255,460	294,897,259	1,086,152,719

Equity Contribution (12% IRR)	79,495,439							
Construction Fund Surplus / (Shortfall)	9,949							
Equity as % of Financing, Including Public Funds	19.942%							
Equity as % of Financing, Excluding Public Funds	10.047%							
Delivery Date	12/1/12							
Rates as of	11/4/11							
Cap I Date	12/1/2015	12/1/2015						
Cap I Earnings Rate	0.50%	0.50%						
Bond Yield	-	6.385%						
Arbitrage Yield	-	6.385%		4.003%				5.292%
True Interest Cost	-	6.426%		4.003%				5.313%
Minimum Coverage	1.26x			1.26x				
Average Coverage	2.20x			1.41x				
Final Maturity	1/0/1900			12/1/2046				
Total Qualified Project Costs	923,565,063							
TIFIA 33% Limitation	307,855,021							

- (1) TIFIA rate assumed at 4.00% (current market + 80bps)  
(2) For subsidy cost of credit assistance  
(3) Includes stipend, success fee, and upfront administrative costs to KABATA

Private Equity from P3 Contractor,  
See Page 5

In 2011 TIFIA application, Cover Ratio was 1.39,  
in 2011 TIGER Grant application, 1.29

In 5 different "Pro-Forma" spreadsheets produced by  
KABATA, the Cover Ratio number is the most consistent,  
ranging from 1.25 to 1.39

With Annotations from Bob French & Jamie Kenworthy  
Un-Annotated version of this document available at KABATA's website:  
<http://knikarmbridge.com/TIFIA/2011/12-2011-KABATA-Model-PABs.pdf>

Phase I

**Knik Arm Bridge and Toll Authority**  
**Federalization of Sections 2-5, with TIFIA Optimization**  
**Private Model - Availability Payment Structure - Rate at +0.50% above Market**  
**Private Activity Bonds Only**

**ASSUMPTIONS**

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**Derivation of DSRF Requirement**

Gov. Purpose	-
10% of Par	-
Maximum Annual Debt Service	-
125% of Average Annual Debt Service	-
<b>Minimum of 3 tests</b>	<b>-</b>

**PABs**

10% of Par	40,390,500
Maximum Annual Debt Service	61,738,657
125% of Average Annual Debt Service	42,381,352
<b>Deposit</b>	<b>40,390,500</b>

**TIFIA Eligible Costs**

Project Costs	715,882,350
KABATA Debt Service Reserve Fund Deposit	40,390,500
KABATA Capitalized Interest Deposit	72,896,845
Bond Insurance	-
Cost of Issuance	6,808,575
Development Phase: Public Investment (1)	82,402,246
Underwriter's Discount	2,019,525
Upfront Payment	3,165,022
<b>Total Eligible TIFIA Costs</b>	<b>923,565,063</b>

Maximum Capacity Constraint	307,855,021
Actual TIFIA Loan Amount Used	307,855,021

<b>2016 Initial Toll Rate</b>	<b>\$5.00</b>
<b>2011 Initial Toll Rate (PV @ 2.50%)</b>	<b>\$4.53</b>
<b>Annual Toll Rate Increase After 2016</b>	<b>2.500%</b>

**Costs of Issuance**

Bonds	1.500%
TIFIA	750,000

**Underwriter's Discount**

Bonds	0.500%
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<b>Insurance (% of Total DS)</b>	<b>0.000%</b>
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(1) Includes \$15 million commerce grant for Pt Mackenzie Rd upgrade and \$67.4 million KABATA development phase expenses

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**Phase I**

**Phase I: Outstanding Debt and Equity (\$000's)**

Date	GP CIBs Debt	GP CABs Debt	Total GP Tax-Exempt Debt	PABs Debt	TIFIA Debt	Total Debt	Equity	Total Debt and Equity	Debt %	Equity%
12/1/16	-	-	-	403,905	318,511	722,416	120,258	842,674	85.729%	14.271%
12/1/17	-	-	-	403,905	331,390	735,295	126,535	861,830	85.318%	14.682%
12/1/18	-	-	-	403,905	344,790	748,695	127,794	876,489	85.420%	14.580%
12/1/19	-	-	-	403,905	358,730	762,635	127,592	890,228	85.667%	14.333%
12/1/20	-	-	-	403,905	365,916	769,821	133,480	903,301	85.223%	14.777%
12/1/21	-	-	-	403,905	365,816	769,721	139,820	909,541	84.627%	15.373%
12/1/22	-	-	-	403,905	365,716	769,621	146,500	916,121	84.009%	15.991%
12/1/23	-	-	-	403,905	365,616	769,521	153,884	923,406	83.335%	16.665%
12/1/24	-	-	-	403,445	365,516	768,961	161,705	930,666	82.625%	17.375%
12/1/25	-	-	-	401,110	365,416	766,526	170,084	936,610	81.840%	18.160%
12/1/26	-	-	-	397,115	365,316	762,431	178,987	941,418	80.987%	19.013%
12/1/27	-	-	-	390,925	365,216	756,141	188,540	944,681	80.042%	19.958%
12/1/28	-	-	-	382,625	365,116	747,741	198,483	946,224	79.024%	20.976%
12/1/29	-	-	-	370,835	365,016	735,851	209,203	945,054	77.863%	22.137%
12/1/30	-	-	-	356,610	364,916	721,526	220,611	942,137	76.584%	23.416%
12/1/31	-	-	-	339,060	364,816	703,876	233,059	936,935	75.125%	24.875%
12/1/32	-	-	-	319,020	364,716	683,736	246,419	930,155	73.508%	26.492%
12/1/33	-	-	-	295,330	364,616	659,946	233,653	893,599	73.853%	26.147%
12/1/34	-	-	-	295,330	364,516	659,846	226,964	886,810	74.407%	25.593%
12/1/35	-	-	-	284,265	364,416	648,681	207,626	856,307	75.753%	24.247%
12/1/36	-	-	-	284,265	364,316	648,581	184,978	833,560	77.809%	22.191%
12/1/37	-	-	-	284,265	364,216	648,481	190,634	839,115	77.282%	22.718%
12/1/38	-	-	-	251,625	364,116	615,741	196,477	812,219	75.810%	24.190%
12/1/39	-	-	-	214,925	364,016	578,941	202,636	781,577	74.073%	25.927%
12/1/40	-	-	-	174,300	363,916	538,216	208,689	746,905	72.059%	27.941%
12/1/41	-	-	-	127,735	363,816	491,551	215,005	706,557	69.570%	30.430%
12/1/42	-	-	-	76,295	363,716	440,011	221,560	661,571	66.510%	33.490%
12/1/43	-	-	-	19,485	363,616	383,101	220,126	603,227	63.509%	36.491%
12/1/44	-	-	-	-	288,901	288,901	226,626	515,527	56.040%	43.960%
12/1/45	-	-	-	-	221,434	221,434	233,529	454,963	48.671%	51.329%
12/1/46	-	-	-	-	149,735	149,735	241,571	391,306	38.265%	61.735%
12/1/47	-	-	-	-	76,264	76,264	250,646	326,910	23.329%	76.671%
12/1/48	-	-	-	-	-	-	178,785	178,785	-	100.000%
12/1/49	-	-	-	-	-	-	96,133	96,133	-	100.000%
12/1/50	-	-	-	-	-	-	0	0	-	100.000%

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**Phase I**

**EBITDA**

				2.50%	2.50%	2.50%	
Date	Toll Revenue	Availability Payment	Interest Income Earnings	O&M	Tolling Operations	Renewal CapEx	Cash Available for Debt Service
Total	-	2,980,396,076	74,318,520	(119,247,079)	(191,932,714)	(109,321,804)	2,634,212,999
12/1/13	-	-	-	-	-	-	-
12/1/14	-	-	-	-	-	-	-
12/1/15	-	-	-	-	-	-	-
12/1/16	-	34,268,000	1,211,715	(1,861,725)	(1,704,000)	(867,505)	31,046,485
12/1/17	-	38,038,720	1,211,715	(2,165,827)	(1,905,000)	(868,374)	34,311,234
12/1/18	-	43,880,269	1,211,715	(2,020,124)	(2,091,000)	(876,619)	40,104,241
12/1/19	-	45,795,480	1,211,715	(2,145,107)	(2,263,000)	(878,383)	41,720,704
12/1/20	-	51,787,299	1,211,715	(2,107,097)	(2,412,000)	(879,333)	47,600,584
12/1/21	-	53,858,791	1,211,715	(2,397,298)	(2,553,000)	(1,186,478)	48,933,729
12/1/22	-	56,013,142	1,211,715	(2,273,668)	(2,699,000)	(1,187,486)	51,064,704
12/1/23	-	58,253,668	1,211,715	(2,565,983)	(2,853,000)	(2,404,138)	51,642,262
12/1/24	-	60,583,815	1,211,715	(2,412,134)	(3,014,000)	(2,404,364)	53,965,032
12/1/25	-	63,007,167	1,211,715	(2,707,185)	(3,209,000)	(2,405,465)	55,897,232
12/1/26	-	65,527,454	1,211,715	(2,559,033)	(3,411,000)	(2,398,129)	58,371,007
12/1/27	-	68,148,552	1,211,715	(2,771,252)	(3,623,000)	(2,399,297)	60,566,718
12/1/28	-	70,874,494	1,211,715	(2,714,878)	(3,844,000)	(1,177,536)	64,349,795
12/1/29	-	73,709,474	1,211,715	(3,145,128)	(4,077,000)	(1,178,775)	66,520,286
12/1/30	-	76,657,853	1,211,715	(2,779,103)	(4,300,000)	(1,180,051)	69,610,414
12/1/31	-	79,724,167	1,211,715	(3,119,068)	(4,521,000)	(1,914,812)	71,381,002
12/1/32	-	82,913,134	1,211,715	(3,055,620)	(4,752,000)	(1,916,166)	74,401,063
12/1/33	-	86,229,659	1,211,715	(3,539,869)	(4,995,000)	(1,917,560)	76,988,945
12/1/34	-	89,678,846	1,211,715	(3,241,707)	(5,248,000)	(2,005,203)	80,395,651
12/1/35	-	91,920,817	1,211,715	(3,393,322)	(5,547,000)	(3,750,337)	80,441,873
12/1/36	-	94,218,837	1,211,715	(3,439,126)	(5,810,000)	(4,823,693)	81,357,734
12/1/37	-	96,574,308	1,211,715	(3,984,154)	(6,086,000)	(4,825,262)	82,890,607
12/1/38	-	98,988,666	1,211,715	(3,648,569)	(6,375,000)	(4,826,879)	85,349,933
12/1/39	-	101,463,382	1,211,715	(3,951,142)	(6,675,000)	(4,742,338)	87,306,617
12/1/40	-	103,999,967	1,211,715	(3,734,881)	(6,991,165)	(3,000,399)	91,485,237
12/1/41	-	106,599,966	1,211,715	(4,484,201)	(7,322,305)	(2,172,044)	93,833,130
12/1/42	-	109,264,965	1,211,715	(4,106,497)	(7,669,130)	(2,283,067)	96,417,986
12/1/43	-	111,996,589	41,602,215	(4,447,045)	(8,032,383)	(2,284,941)	138,834,435
12/1/44	-	114,796,504	-	(4,356,582)	(8,412,841)	(2,286,872)	99,740,209
12/1/45	-	117,666,417	-	(4,889,477)	(8,811,320)	(2,288,860)	101,676,759
12/1/46	-	120,608,077	-	(4,621,899)	(9,228,673)	(6,464,809)	100,292,696
12/1/47	-	123,623,279	-	(5,005,188)	(9,665,794)	(8,843,749)	100,108,548
12/1/48	-	126,713,861	-	(4,903,372)	(10,123,619)	(8,845,922)	102,840,948
12/1/49	-	129,881,708	-	(5,680,450)	(10,603,130)	(8,848,159)	104,749,968
12/1/50	-	133,128,750	-	(5,019,368)	(11,105,353)	(8,988,800)	108,015,229
12/1/51	-	-	-	-	-	-	-

These Availability Payments total \$1.3 Billion through 2035

Note that Availability Payments are Balloon Payments, most successful P3's have Flat Availability Payments

**Knik Arm Bridge and Toll Authority**  
**Federalization of Sections 2-5, with TIFIA Optimization**  
**Private Model - Availability Payment Structure - Rate at +0.50% above Market**  
**Private Activity Bonds Only**

In the "Real Cost" paper, this is reduced to 10%

Phase I

This is the Equity from  
the P3 Contractor

**COVERAGE**

Date	Cash Available for Debt Service	PABs Debt Service	Senior PABs Lien Coverage	TIFIA DS	Total Coverage	Total Coverage (inc. O&M)	Net Cashflow	PV of Net Cash Flow 12.0%
Total	2,634,212,999	(968,318,205)		(745,852,801)			920,041,992	79,495,439
12/1/13	-	-					-	-
12/1/14	-	-					-	-
12/1/15	-	-					-	-
12/1/16	31,046,485	(24,601,067)	1.26x	-	1.26x	1.26x	6,445,418	4,043,935
12/1/17	34,311,234	(25,723,722)	1.33x	-	1.33x	1.33x	8,587,512	4,795,222
12/1/18	40,104,241	(25,723,722)	1.56x	-	1.56x	1.56x	14,380,519	7,146,677
12/1/19	41,720,704	(25,723,722)	1.62x	-	1.62x	1.62x	15,996,983	7,075,481
12/1/20	47,600,584	(22,970,777)	2.07x	(14,747,642)	1.26x	1.26x	9,882,164	3,890,077
12/1/21	48,933,729	(24,031,152)	2.04x	(14,743,642)	1.26x	1.26x	10,158,935	3,559,120
12/1/22	51,064,704	(25,723,722)	1.99x	(14,739,642)	1.26x	1.26x	10,601,340	3,305,548
12/1/23	51,642,262	(26,183,722)	1.97x	(14,735,642)	1.26x	1.26x	10,722,899	2,975,659
12/1/24	53,965,032	(28,033,422)	1.93x	(14,731,642)	1.26x	1.26x	11,199,968	2,766,152
12/1/25	55,897,232	(29,562,195)	1.89x	(14,727,642)	1.26x	1.26x	11,607,395	2,551,422
12/1/26	58,371,007	(31,528,281)	1.85x	(14,723,642)	1.26x	1.26x	12,119,084	2,370,858
12/1/27	60,566,718	(33,276,785)	1.82x	(14,719,642)	1.26x	1.26x	12,570,291	2,188,615
12/1/28	64,349,795	(36,273,765)	1.77x	(14,715,642)	1.26x	1.26x	13,360,388	2,070,291
12/1/29	66,520,286	(37,996,649)	1.75x	(14,711,642)	1.26x	1.26x	13,811,995	1,904,833
12/1/30	69,610,414	(40,452,502)	1.72x	(14,707,642)	1.26x	1.26x	14,450,270	1,773,637
12/1/31	71,381,002	(41,857,912)	1.71x	(14,703,642)	1.26x	1.26x	14,819,449	1,618,860
12/1/32	74,401,063	(44,255,412)	1.68x	(14,699,642)	1.26x	1.26x	15,446,009	1,501,695
12/1/33	76,988,945	(19,070,573)	4.04x	(14,695,642)	2.28x	2.28x	43,222,730	3,739,950
12/1/34	80,395,651	(30,135,573)	2.67x	(14,691,642)	1.79x	1.79x	35,568,436	2,739,092
12/1/35	80,441,873	(18,363,519)	4.38x	(14,687,642)	2.43x	2.43x	47,390,712	3,248,055
12/1/36	81,357,734	(18,363,519)	4.43x	(14,683,642)	2.46x	2.46x	48,310,572	2,946,868
12/1/37	82,890,607	(51,003,519)	1.63x	(14,679,642)	1.26x	1.26x	17,207,446	934,164
12/1/38	85,349,933	(52,954,975)	1.61x	(14,675,642)	1.26x	1.26x	17,719,316	856,134
12/1/39	87,306,617	(54,509,155)	1.60x	(14,671,642)	1.26x	1.26x	18,125,820	779,437
12/1/40	91,485,237	(57,824,780)	1.58x	(14,667,642)	1.26x	1.26x	18,992,815	726,877
12/1/41	93,833,130	(59,691,681)	1.57x	(14,663,642)	1.26x	1.26x	19,477,807	663,437
12/1/42	96,417,986	(61,738,657)	1.56x	(14,659,642)	1.26x	1.26x	20,019,686	606,884
12/1/43	138,834,435	(20,743,731)	6.69x	(89,271,071)	1.26x	1.26x	28,819,633	777,544
12/1/44	99,740,209	-		(79,033,446)	1.26x	1.26x	20,706,763	497,207
12/1/45	101,676,759	-		(80,567,955)	1.26x	1.26x	21,108,804	451,104
12/1/46	100,292,696	-		(79,471,234)	1.26x	1.26x	20,821,463	396,016
12/1/47	100,108,548	-		(79,325,322)	1.26x	1.26x	20,783,226	351,805
12/1/48	102,840,948	-		-			102,840,948	1,549,329
12/1/49	104,749,968	-		-			104,749,968	1,404,494
12/1/50	108,015,229	-		-			108,015,229	1,288,959

P3 Contractor receives net cashflow

This \$45,410,432 being taken out  
by the P3 Contractor BEFORE  
payment of Federal TIFIA loans is  
not allowed by present TIFIA  
guidelines KABATA claims that  
they are "grandfathered"

**Knik Arm Bridge and Toll Authority**  
**Federalization of Sections 2-5, with TIFIA Optimization**  
**Private Model - Availability Payment Structure - Rate at +0.50% above Market**  
**Private Activity Bonds Only**

**Phase I**

**ANNUAL DEBT SERVICE**

	GP Tax-Exempt CIB	GP Tax-Exempt CAB	GP Capi Interest Draws	Total GP Tax-Exempt Annual DS	PABS Tax-Exempt CIB Annual DS	Capl Interest Draws	Prepaid Interest Draws	PABs Annual DS	TIFIA Annual DS	Net Annual DS
Date	Annual DS	Annual DS		Annual DS	Annual DS					
Total	-	-	-	-	1,051,057,538	(77,171,165)	(5,568,168)	968,318,205	745,852,801	1,714,171,007
12/1/13	-	-	-	-	25,723,722	(25,723,722)	-	-	-	-
12/1/14	-	-	-	-	25,723,722	(25,723,722)	-	-	-	-
12/1/15	-	-	-	-	25,723,722	(25,723,722)	-	-	-	-
12/1/16	-	-	-	-	25,723,722	-	(1,122,655)	24,601,067	-	24,601,067
12/1/17	-	-	-	-	25,723,722	-	-	25,723,722	-	25,723,722
12/1/18	-	-	-	-	25,723,722	-	-	25,723,722	-	25,723,722
12/1/19	-	-	-	-	25,723,722	-	-	25,723,722	-	25,723,722
12/1/20	-	-	-	-	25,723,722	-	(2,752,944)	22,970,777	14,747,642	37,718,420
12/1/21	-	-	-	-	25,723,722	-	(1,692,569)	24,031,152	14,743,642	38,774,795
12/1/22	-	-	-	-	25,723,722	-	-	25,723,722	14,739,642	40,463,364
12/1/23	-	-	-	-	26,183,722	-	-	26,183,722	14,735,642	40,919,364
12/1/24	-	-	-	-	28,033,422	-	-	28,033,422	14,731,642	42,765,064
12/1/25	-	-	-	-	29,562,195	-	-	29,562,195	14,727,642	44,289,837
12/1/26	-	-	-	-	31,528,281	-	-	31,528,281	14,723,642	46,251,923
12/1/27	-	-	-	-	33,276,785	-	-	33,276,785	14,719,642	47,996,427
12/1/28	-	-	-	-	36,273,765	-	-	36,273,765	14,715,642	50,989,407
12/1/29	-	-	-	-	37,996,649	-	-	37,996,649	14,711,642	52,708,291
12/1/30	-	-	-	-	40,452,502	-	-	40,452,502	14,707,642	55,160,144
12/1/31	-	-	-	-	41,857,912	-	-	41,857,912	14,703,642	56,561,554
12/1/32	-	-	-	-	44,255,412	-	-	44,255,412	14,699,642	58,955,054
12/1/33	-	-	-	-	19,070,573	-	-	19,070,573	14,695,642	33,766,215
12/1/34	-	-	-	-	30,135,573	-	-	30,135,573	14,691,642	44,827,215
12/1/35	-	-	-	-	18,363,519	-	-	18,363,519	14,687,642	33,051,161
12/1/36	-	-	-	-	18,363,519	-	-	18,363,519	14,683,642	33,047,161
12/1/37	-	-	-	-	51,003,519	-	-	51,003,519	14,679,642	65,683,161
12/1/38	-	-	-	-	52,954,975	-	-	52,954,975	14,675,642	67,630,617
12/1/39	-	-	-	-	54,509,155	-	-	54,509,155	14,671,642	69,180,797
12/1/40	-	-	-	-	57,824,780	-	-	57,824,780	14,667,642	72,492,422
12/1/41	-	-	-	-	59,691,681	-	-	59,691,681	14,663,642	74,355,323
12/1/42	-	-	-	-	61,738,657	-	-	61,738,657	14,659,642	76,398,299
12/1/43	-	-	-	-	20,743,731	-	-	20,743,731	89,271,071	110,014,802
12/1/44	-	-	-	-	-	-	-	-	79,033,446	79,033,446
12/1/45	-	-	-	-	-	-	-	-	80,567,955	80,567,955
12/1/46	-	-	-	-	-	-	-	-	79,471,234	79,471,234
12/1/47	-	-	-	-	-	-	-	-	79,325,322	79,325,322
12/1/48	-	-	-	-	-	-	-	-	-	-
12/1/49	-	-	-	-	-	-	-	-	-	-
12/1/50	-	-	-	-	-	-	-	-	-	-
12/1/51	-	-	-	-	-	-	-	-	-	-
12/1/52	-	-	-	-	-	-	-	-	-	-
12/1/53	-	-	-	-	-	-	-	-	-	-
12/1/54	-	-	-	-	-	-	-	-	-	-
12/1/55	-	-	-	-	-	-	-	-	-	-
12/1/56	-	-	-	-	-	-	-	-	-	-
12/1/57	-	-	-	-	-	-	-	-	-	-
12/1/58	-	-	-	-	-	-	-	-	-	-
12/1/59	-	-	-	-	-	-	-	-	-	-
12/1/60	-	-	-	-	-	-	-	-	-	-
12/1/61	-	-	-	-	-	-	-	-	-	-

**Knik Arm Bridge and Toll Authority**  
**Federalization of Sections 2-5, with TIFIA Optimization**  
**Private Model - Availability Payment Structure - Rate at +0.50% above Market**  
**Private Activity Bonds Only**

**Phase I**

**AVAILABILITY PAYMENT SURPLUS (SHORTFALL)**

Date	Toll Revenue	Availability Payment	GP Total Annual DS	KABATA Administrative Costs	Net State Surplus (Shortfall)	PV @ 5.000%	Cumulative Deficit/Return
Total	4,525,935,828	(2,980,396,076)	-	(170,661,726)	1,374,878,025	269,685,989	
12/1/13	-	-	-	-	-	-	-
12/1/14	-	-	-	-	-	-	-
12/1/15	-	-	-	-	-	-	-
12/1/16	16,024,000	1.53 (34,268,000)	-	(2,945,406)	(21,189,406)	(17,391,132)	(21,189,406)
12/1/17	24,543,000	1.30 (38,038,720)	-	(3,028,146)	(16,523,866)	(12,908,417)	(37,713,272)
12/1/18	32,007,000	1.20 (43,880,269)	-	(3,113,227)	(14,986,495)	(11,143,297)	(52,699,767)
12/1/19	38,457,000	1.13 (45,795,480)	-	(3,200,716)	(10,539,195)	(7,458,875)	(63,238,963)
12/1/20	43,317,000	1.09 (51,787,299)	-	(3,290,682)	(11,760,981)	(7,922,490)	(74,999,944)
12/1/21	47,428,000	1.09 (53,858,791)	-	(3,383,196)	(9,813,987)	(6,292,394)	(84,813,930)
12/1/22	51,689,000	1.09 (56,013,142)	-	(3,478,330)	(7,802,473)	(4,761,622)	(92,616,403)
12/1/23	56,124,000	1.08 (58,253,668)	-	(3,576,159)	(5,705,827)	(3,314,314)	(98,322,231)
12/1/24	60,778,000	1.11 (60,583,815)	-	(3,676,761)	(3,482,575)	(1,925,430)	(101,804,806)
12/1/25	67,251,000	1.09 (63,007,167)	-	(3,780,212)	463,620	243,973	(101,341,186)
12/1/26	73,911,000	1.09 (65,527,454)	-	(3,886,597)	4,496,949	2,252,422	(96,844,236)
12/1/27	80,839,000	1.09 (68,148,552)	-	(3,995,997)	8,694,451	4,145,016	(88,149,785)
12/1/28	88,028,000	1.09 (70,874,494)	-	(4,108,499)	13,045,007	5,919,440	(75,104,779)
12/1/29	95,572,000	1.07 (73,709,474)	-	(4,224,192)	17,638,334	7,618,091	(57,466,445)
12/1/30	102,218,000	1.06 (76,657,853)	-	(4,343,167)	21,216,980	8,722,167	(36,249,465)
12/1/31	108,408,000	1.06 (79,724,167)	-	(4,465,517)	24,218,316	9,476,262	(12,031,149)
12/1/32	114,789,000	1.06 (82,913,134)	-	(4,591,339)	27,284,527	10,161,594	15,253,379
12/1/33	121,486,000	1.06 (86,229,659)	-	(4,720,732)	30,535,609	10,824,410	45,788,988
12/1/34	128,385,000	1.07 (89,678,846)	-	(4,853,798)	33,852,356	11,421,912	79,641,344
12/1/35	137,619,000	1.05 (91,920,817)	-	(4,990,642)	40,707,541	13,073,054	120,348,885
12/1/36	144,232,000	1.05 (94,218,837)	-	(5,131,373)	44,881,790	13,719,069	165,230,675
12/1/37	151,137,000	1.05 (96,574,308)	-	(5,276,100)	49,286,592	14,339,550	214,517,267
12/1/38	158,254,000	1.05 (98,988,666)	-	(5,424,939)	53,840,395	14,909,643	268,357,662
12/1/39	165,550,000	1.05 (101,463,382)	-	(5,578,007)	58,508,610	15,421,657	326,866,272
12/1/40	173,260,474	1.05 (103,999,967)	-	(5,735,426)	63,525,082	15,937,081	390,391,354
12/1/41	181,330,104	1.05 (106,599,966)	-	(5,878,811)	68,851,326	16,440,996	459,242,680
12/1/42	189,775,620	1.05 (109,264,965)	-	(6,025,781)	74,484,873	16,929,189	533,727,553
12/1/43	198,614,533	1.05 (111,996,589)	-	(6,176,426)	80,441,518	17,402,058	614,169,071
12/1/44	207,865,171	1.05 (114,796,504)	-	(6,330,837)	86,737,831	17,859,988	700,906,902
12/1/45	217,546,714	1.05 (117,666,417)	-	(6,489,108)	93,391,190	18,303,359	794,298,092
12/1/46	227,679,237	1.05 (120,608,077)	-	(6,651,335)	100,419,824	18,732,538	894,717,917
12/1/47	238,283,748	1.05 (123,623,279)	-	(6,817,619)	107,842,851	19,147,884	1,002,560,767
12/1/48	249,382,237	1.05 (126,713,861)	-	(6,988,059)	115,680,317	19,549,748	1,118,241,084
12/1/49	260,997,717	1.05 (129,881,708)	-	(7,162,761)	123,953,249	19,938,472	1,242,194,333
12/1/50	273,154,272	1.05 (133,128,750)	-	(7,341,830)	132,683,692	20,314,390	1,374,878,025
12/1/51							

2024 is the first year that KABATA estimates higher revenues than payments

Phase 2 with 4 lanes to open in 2030

KABATA is showing positive cash flow only after 2031

Calculated Yearly increase in Revenue.

KABATA is counting on revenues from more than 18,000 AADT starting in 2022, but doesn't show any cost to expand from 2 lanes to 4 lanes until 2030

Traffic & Toll Forecasts by Wilbur Smith Associates stops at 2039. Note revenue rates apparently use a factor of 1.04657 from the previous year

**Knik Arm Bridge and Toll Authority  
Federalization of Sections 2-5, with TIFIA Optimization  
Private Model - Availability Payment Structure - Rate at +0.50% above Market  
Private Activity Bonds Only**

**Phase I**

**STATE RESERVE FUND**

This is the \$150 Million "Reserve Fund" that would be created by SB60 and HB158

Date	Beginning Balance	Excess Revenues	Interest @ 3.000%	State Replenish (1)	Draws on Reserve (2)	General Surplus Withdrawals (3)	Phase II Surplus Withdrawals	Ending Balance
Total		1,476,682,831	157,819,069	-	(101,804,806)	(1,532,697,095)	-	
12/1/13	150,000,000	-	4,500,000	-	-	-	-	154,500,000
12/1/14	154,500,000	-	4,635,000	-	-	-	-	159,135,000
12/1/15	159,135,000	-	4,774,050	-	-	-	-	163,909,050
12/1/16	163,909,050	-	4,917,272	-	(21,189,406)	-	-	147,636,915
12/1/17	147,636,915	-	4,429,107	-	(16,523,866)	-	-	135,542,157
12/1/18	135,542,157	-	4,066,265	-	(14,986,495)	-	-	124,621,926
12/1/19	124,621,926	-	3,738,658	-	(10,539,195)	-	-	117,821,389
12/1/20	117,821,389	-	3,534,642	-	(11,760,981)	-	-	109,595,050
12/1/21	109,595,050	-	3,287,851	-	(9,813,987)	-	-	103,068,914
12/1/22	103,068,914	-	3,092,067	-	(7,802,473)	-	-	98,358,509
12/1/23	98,358,509	-	2,950,755	-	(5,705,827)	-	-	95,603,437
12/1/24	95,603,437	-	2,868,103	-	(3,482,575)	-	-	94,988,965
12/1/25	94,988,965	463,620	2,849,669	-	-	-	-	98,302,254
12/1/26	98,302,254	4,496,949	2,949,068	-	-	-	-	105,748,271
12/1/27	105,748,271	8,694,451	3,172,448	-	-	-	-	117,615,170
12/1/28	117,615,170	13,045,007	3,528,455	-	-	-	-	134,188,631
12/1/29	134,188,631	17,638,334	4,025,659	-	-	(5,852,624)	-	150,000,000
12/1/30	150,000,000	21,216,980	4,500,000	-	-	(25,716,980)	-	150,000,000
12/1/31	150,000,000	24,218,316	4,500,000	-	-	(28,718,316)	-	150,000,000
12/1/32	150,000,000	27,284,527	4,500,000	-	-	(31,784,527)	-	150,000,000
12/1/33	150,000,000	30,535,609	4,500,000	-	-	(35,035,609)	-	150,000,000
12/1/34	150,000,000	33,852,356	4,500,000	-	-	(38,352,356)	-	150,000,000
12/1/35	150,000,000	40,707,541	4,500,000	-	-	(45,207,541)	-	150,000,000
12/1/36	150,000,000	44,881,790	4,500,000	-	-	(49,381,790)	-	150,000,000
12/1/37	150,000,000	49,286,592	4,500,000	-	-	(53,786,592)	-	150,000,000
12/1/38	150,000,000	53,840,395	4,500,000	-	-	(58,340,395)	-	150,000,000
12/1/39	150,000,000	58,508,610	4,500,000	-	-	(63,008,610)	-	150,000,000
12/1/40	150,000,000	63,525,082	4,500,000	-	-	(68,025,082)	-	150,000,000
12/1/41	150,000,000	68,851,326	4,500,000	-	-	(73,351,326)	-	150,000,000
12/1/42	150,000,000	74,484,873	4,500,000	-	-	(78,984,873)	-	150,000,000
12/1/43	150,000,000	80,441,518	4,500,000	-	-	(84,941,518)	-	150,000,000
12/1/44	150,000,000	86,737,831	4,500,000	-	-	(91,237,831)	-	150,000,000
12/1/45	150,000,000	93,391,190	4,500,000	-	-	(97,891,190)	-	150,000,000
12/1/46	150,000,000	100,419,824	4,500,000	-	-	(104,919,824)	-	150,000,000
12/1/47	150,000,000	107,842,851	4,500,000	-	-	(112,342,851)	-	150,000,000
12/1/48	150,000,000	115,680,317	4,500,000	-	-	(120,180,317)	-	150,000,000
12/1/49	150,000,000	123,953,249	4,500,000	-	-	(128,453,249)	-	150,000,000
12/1/50	150,000,000	132,683,692	4,500,000	-	-	(137,183,692)	-	150,000,000
12/1/51								

(1) If ending balance falls below \$50 million, the State will replenish the account back to \$50 million.

(2) In the event of a negative Draws on Reserve balance, the reserve fund will be tapped to make up this shortfall.

(3) If ending balance exceeds \$150 million plus state replenishment, if any, the balance over such amount is available for release.

This "guarantee" that the State will replenish the account also appears on Page 24.2 of this Pro-Forma, and on Page 7 and page 27.2 of KABATA's October 2011 TIGER Grant application, and on page 7 of KABATA's March 2011 TIFIA application

Remaining pages of this document are not printed, but are available for view at  
<http://knikarmbridge.com/TIFIA/2011/12-2011-KABATA-Model-PABs.pdf>