

Knik Arm Bridge and Toll Authority (KABATA)

- Established by Alaska Legislature in 2003 under Alaska Statute 19.75 to
“...**develop, stimulate, and advance the economic welfare of the state** and further the development of public transportation systems in the vicinity of the Upper Cook Inlet with **construction of a bridge to span Knik Arm and connect the Municipality of Anchorage and the Matanuska-Susitna Borough.**”

Population Statistics

| Region | Actual Population 1985 ¹ | Actual Population 2010 ¹ | Forecast Population 2035 ² | Actual Change 1985 to 2010 | Forecast Change 2010 to 2035 | Percent Change 1985 to 2010 | Percent Change 2010 to 2035 |
|-----------|-------------------------------------|-------------------------------------|---------------------------------------|----------------------------|------------------------------|-----------------------------|-----------------------------|
| Anchorage | 226,848 | 291,826 | 354,490 | 64,978 | 62,664 | 28.6% | 21.5% |
| Mat-Su | 37,280 | 89,737 | 190,873 | 52,457 | 101,136 | 140.7% | 112.7% |
| Region | 264,128 | 381,563 | 545,363 | 117,435 | 163,800 | 44.5% | 42.9% |

1. U.S. Census Bureau July 1, 1985 estimate and April 2010 actual count.
2. ISER population forecast growth rates applied to 2010 decennial census count.

Population Growth Drives Traffic Increases

| Location | 1985 Average Annual Daily Traffic | 2010 Average Annual Daily Traffic | 2035 Forecast Average Annual Daily Traffic * | Forecast Increase in Daily Traffic 2010-2035 |
|-------------|--|--|---|---|
| Eklutna | 15,682 | 29,664 | 65,000 | 35,336 |
| Hiland Road | 33,555 | 52,824 | 110,000 | 57,176 |

* Forecast assumes traffic without the bridge.

What Happens Without the Bridge?

- State has to accommodate transportation needs to maintain existing level of service:
 - 6 lane improvements on Glenn Highway from Eagle River to Wasilla
 - 8 lane improvements on Glenn Highway from South Eagle River to 5th Avenue
 - Parks Wasilla Bypass
 - Network improvements in Palmer/Wasilla corridor
- ≈\$3 billion total cost with no toll revenue *

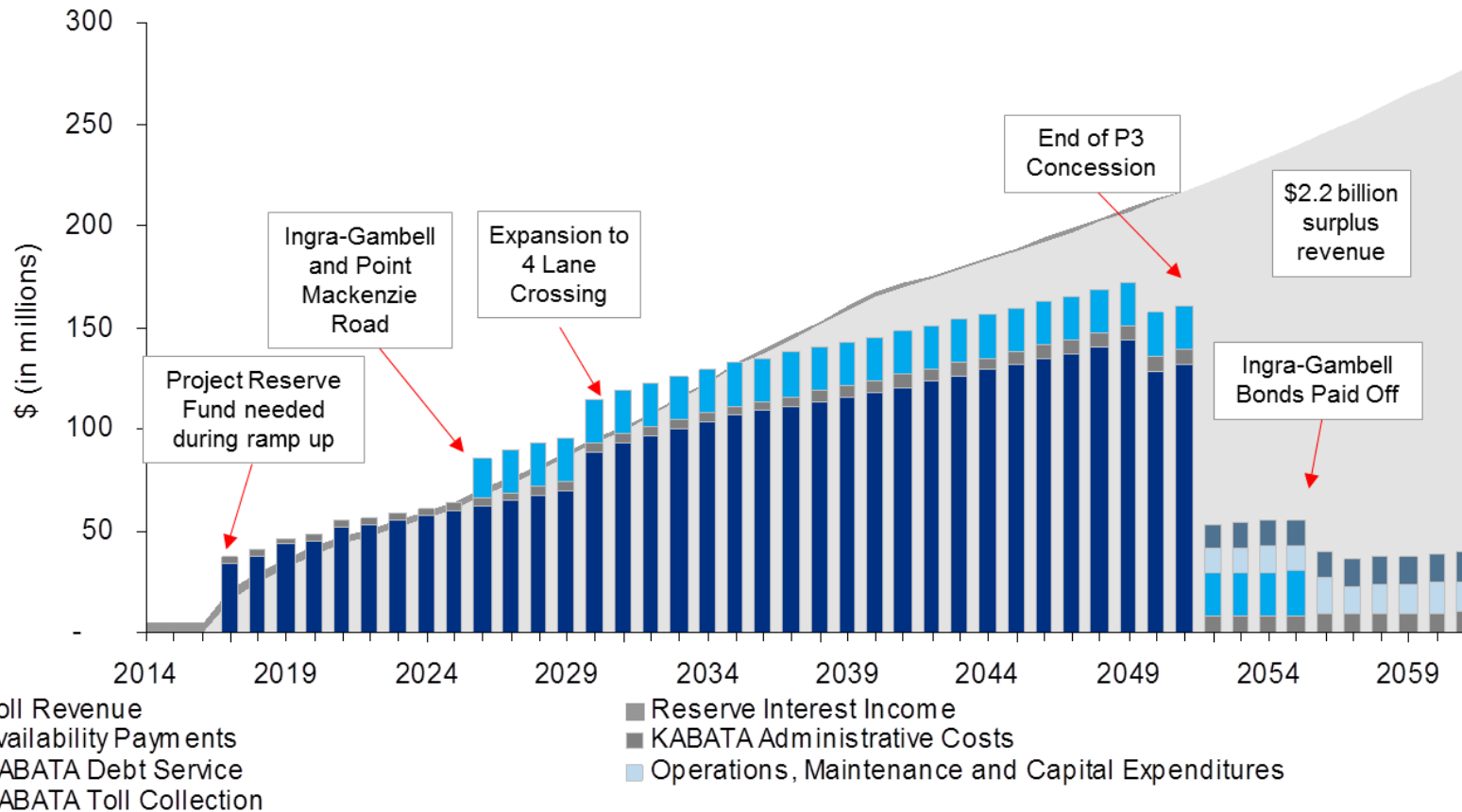
* Estimate per 2008 Statewide LRTP prepared by ADOT&PF

P3 Risk Allocations

| | <u>State</u> | <u>Private</u> |
|--------------------------------------|--------------|----------------|
| • Financing/Refinancing | | ● |
| • Design | | ● |
| • Build | | ● |
| • Operations and Maintenance | | ● |
| • Toll Collection | | ● |
| • Toll Revenue | ● | |
| • Capacity improvements ¹ | ● | ● |

1. KABATA responsible for Ingra-Gambell connection and Point Mackenzie Road upgrade to four lane. Developer responsible within concession alignment.

KABATA Projected Obligations and Toll Revenues (33% TIFIA)



Benefits for Alaskans

- Economic stimulus:
 - \$715 million of new infrastructure
 - 1,500 jobs for 4 years of construction
- Lowers cost for freight to Interior – \$300 million truck freight savings first 10 years
- Lowers cost for Alaskan drivers – \$300 million pocketbook savings first 10 years
- Reduced carbon emissions - Over 650,000 metric tons first 10 years

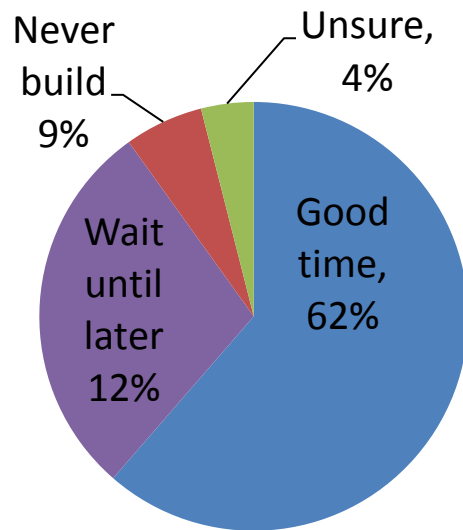
Benefits for Alaskans (continued)

- Alternative to Glenn Highway for safety, security, emergency, and accidents
- Access to land for commercial, industrial and residential development and to support population growth
- Improved access for Goose Creek Correctional Center - \$30 million savings first 10 years
- Connects Port of Anchorage and Port MacKenzie to better serve the State
- First leg for access to western Cook Inlet resources (Coal, Oil and Gas, Geothermal, Hydroelectric)

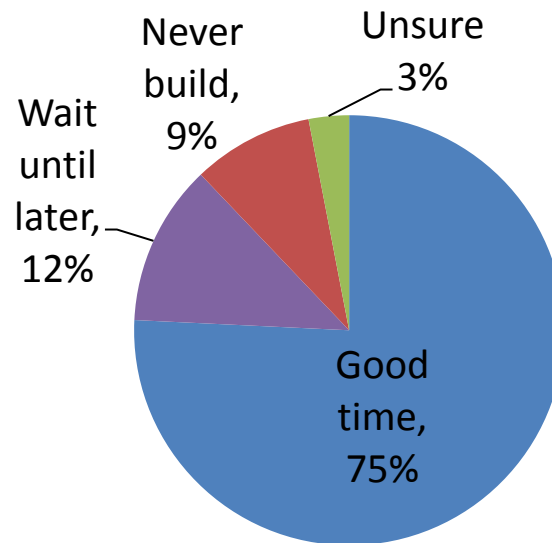
Alaskans Recognize Bridge Value

Overall, when everything is considered, would you say now is a good time to build the Knik Arm Bridge, should we wait until later, or should it never be built?

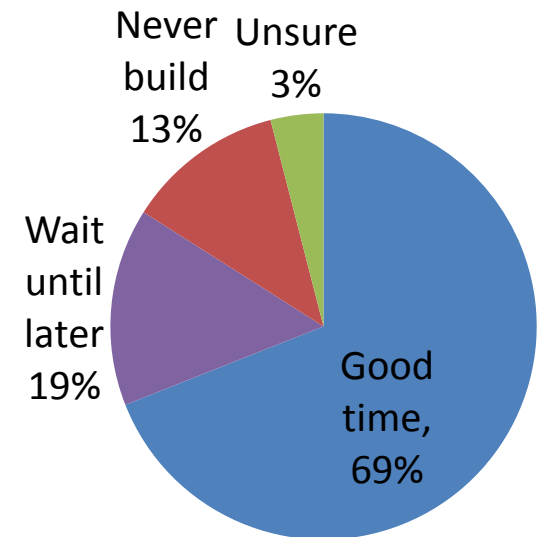
Rural Alaska



Interior Results



Southcentral Results



Dittman Research and Communications Alaskan Attitudes and Perceptions Survey, November - December 2011.