



Alaska Department of Transportation & Public Facilities

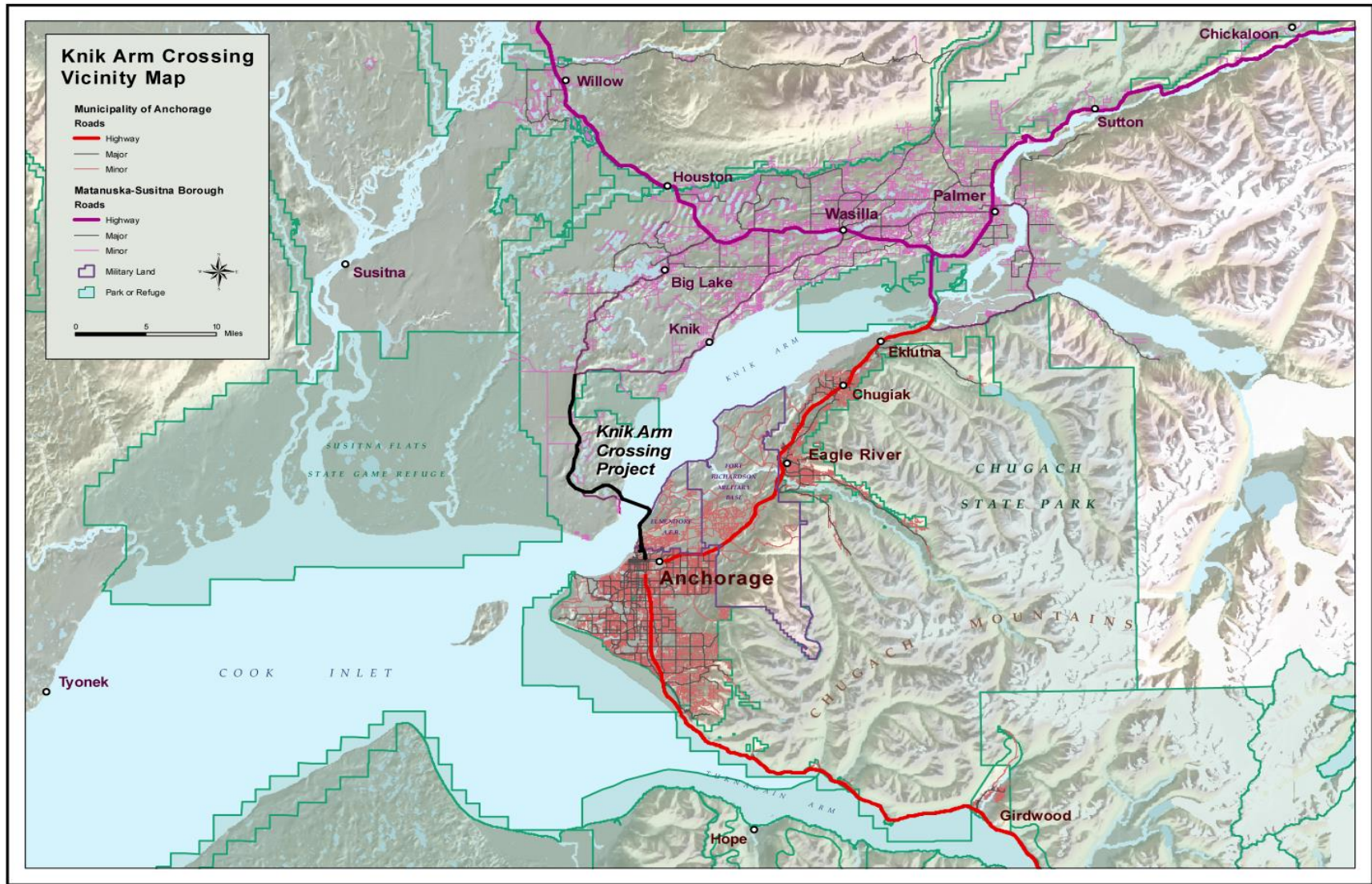
Mat-Su Energy and Industry Update Forum

November 6, 2015

Knik Arm Crossing

Presented by: Judy Dougherty, KAC Director

Knik Arm Crossing





Recent History

Spring 2014 Legislative Session

- Switched from P3 to Public Finance Plan
- Shifted Project Development to ADOT
- Retained KABATA to Operate/Collect Tolls

Winter 2014 Administrative Order 271

- Halted Discretionary Spending

July 2015 Authorized Specific Tasks

- Financing, Permits, Limited ROW

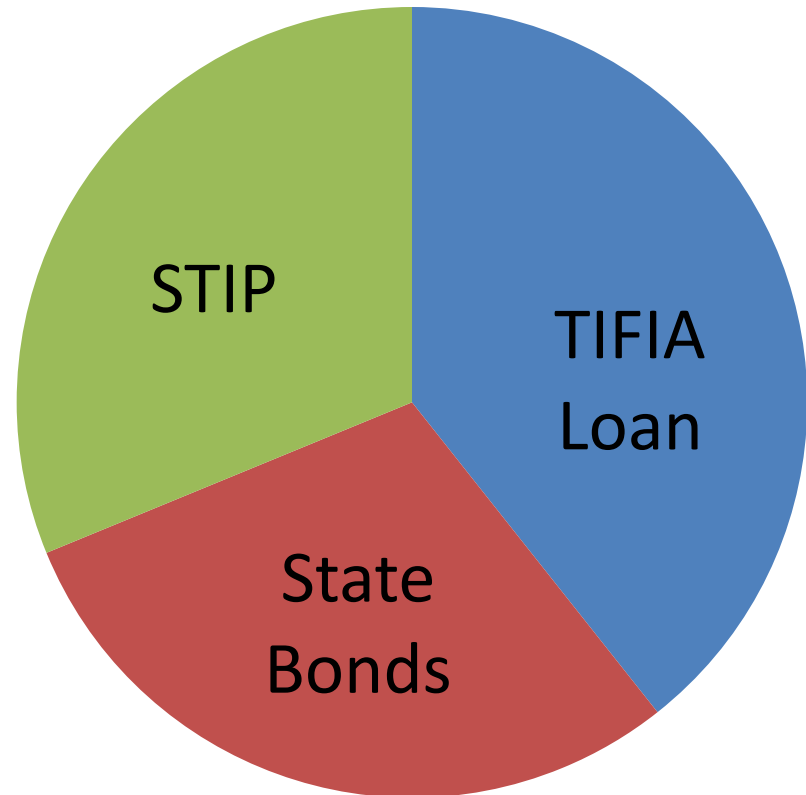
Public Finance Plan

\$375M TIFIA Loan

\$300M STIP

\$285M State Bonds*

*Contingent on TIFIA loan



“Waterfall” Flow of Funds

Toll Revenues



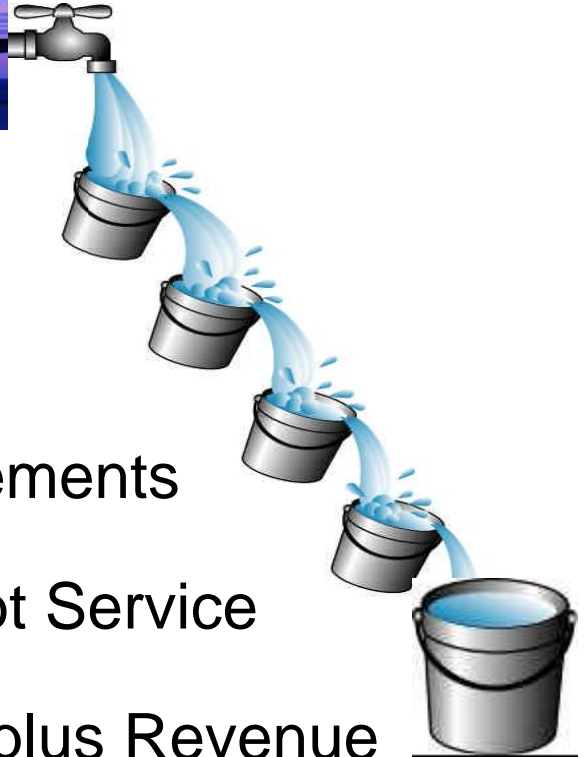
Operation & Maintenance

TIFIA Debt Service

TIFIA Reserve Requirements

Bonds Debt Service

Surplus Revenue





Supporting TIFIA

New Socioeconomic Study

Key Considerations include:

- MSB 2060 Futures Project
- MSB Density Build Out Study
- AMATS Anchorage Transportation System Plan Update
- 2011 Municipality of Anchorage Housing Market Analysis
- 2012 Municipality of Anchorage Commercial Lands Study
- 2014 Municipality of Anchorage Industrial Lands Study Update



Supporting TIFIA

New Traffic and Toll Revenue Study

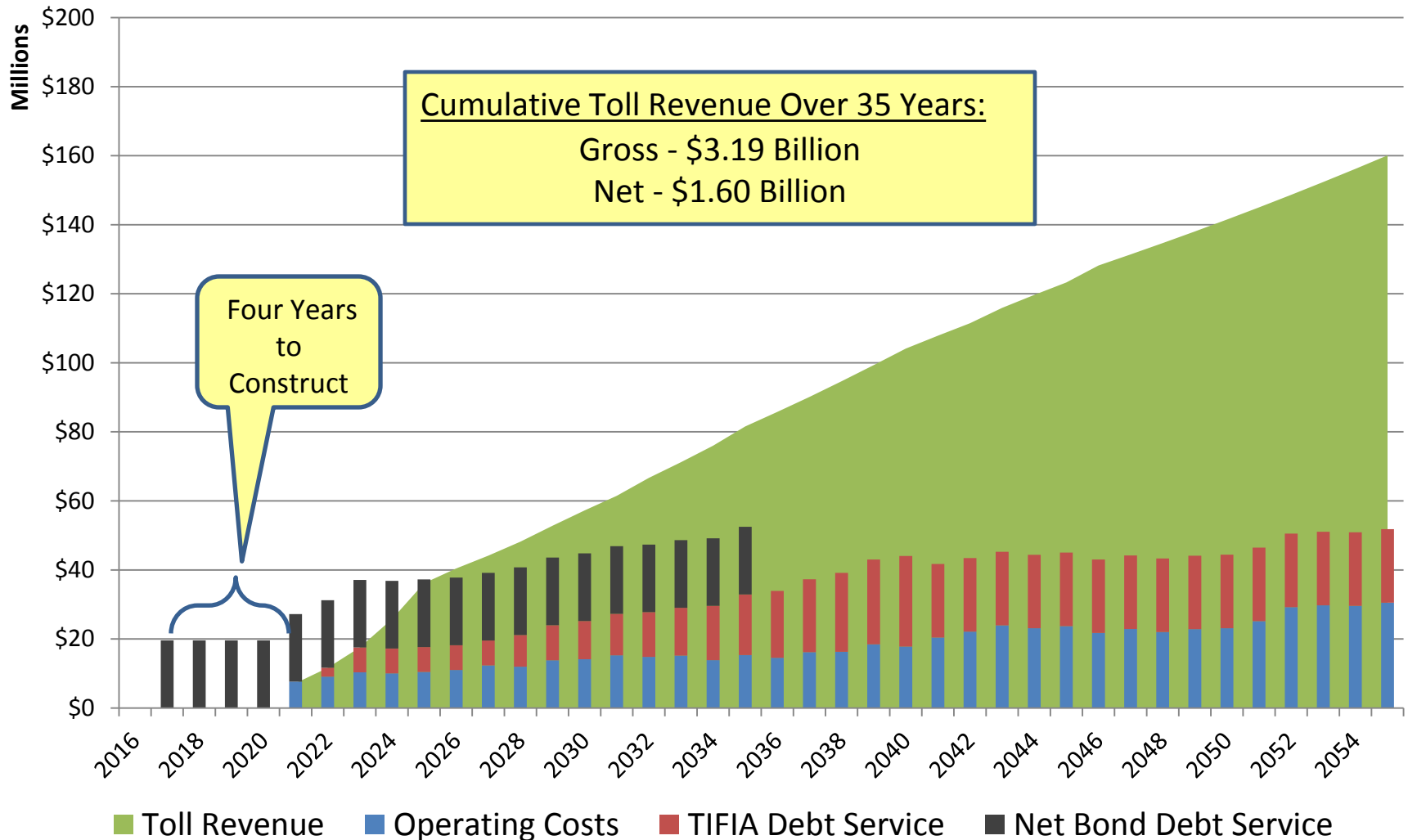
- Uses New Socioeconomic Data
- Additional Traffic Studies
- More Robust Analysis
- Sensitivity Testing

Draft Tolling Operations Plan

- Toll Collection Plan
- Customer Service Plan
- Violation Enforcement Plan

Projected Toll Revenue and Costs

(Two Lane Facility)



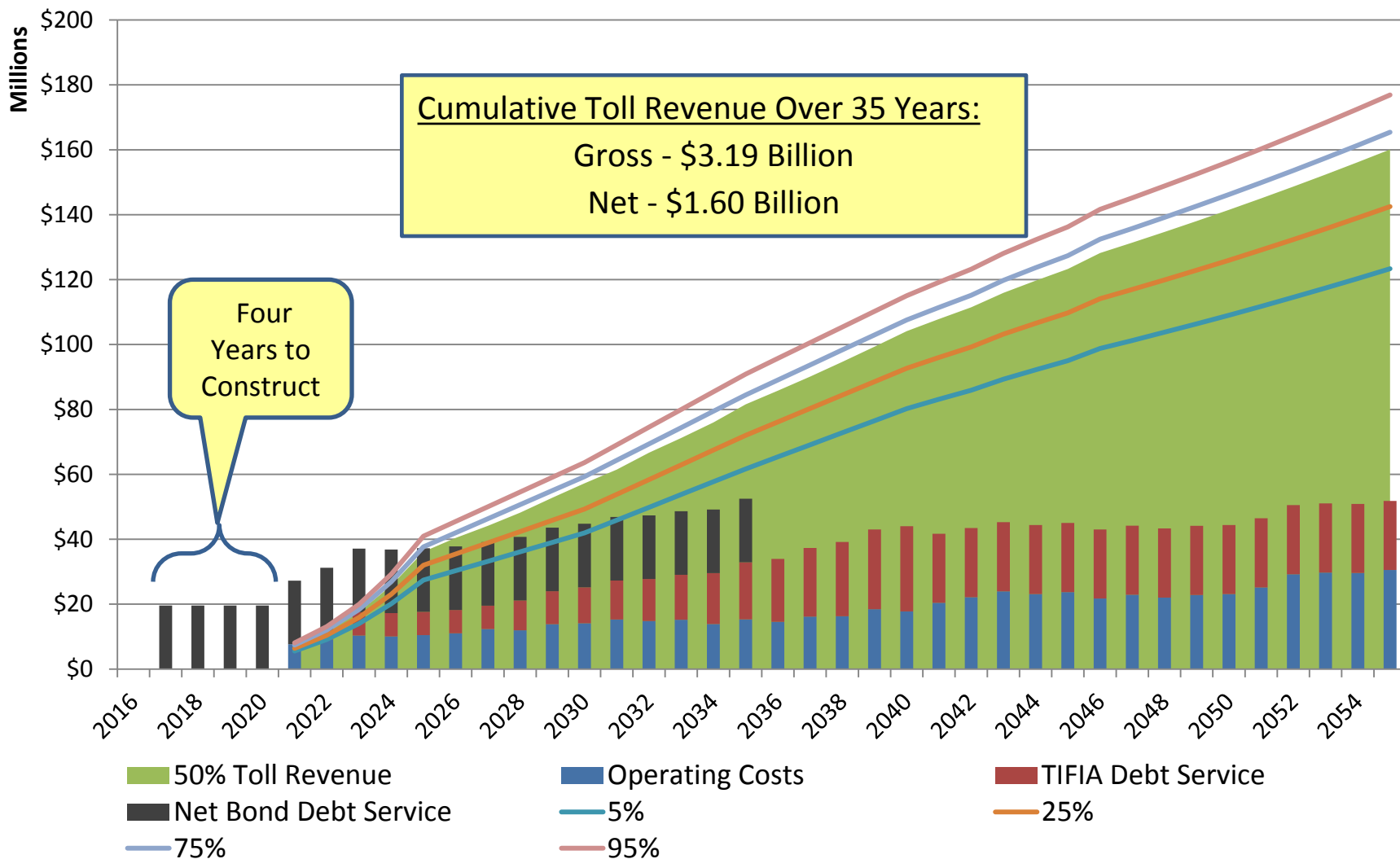


Sensitivity Tests

Variable	Scenario	Approximate Impacts on Annual Toll Revenue (Two Lane Facility)
Socio economic forecasts	Low Scenario	-16.1% to -13.4%
	High Scenario	11.9% to 6.5%
Revenue days	297.8 days	-13.4%
	365.0 days	6.1%
Truck percentage	2% lower	-6.2% to -3.3%
	2% higher	3.8% to 1.9%
Vehicle size	3.2 axles/vehicle	-2.9% to -4.3%
	4.0 axles/vehicle	2.9% to 3.2%
Network improvements	Widen the Glenn Highway	-4.8% to -1.1%
	Extend improvements to the Parks Highway	6.1% to 1.9%
Value of time	25% lower	-2.4% to -0.3%
	25% higher	1.5% to 0.2%
Vehicle operating costs	25% lower	-2.4% to -0.3%
	25% higher	1.5% to 0.3%

Effect of Sensitivities on Revenue

(Two Lane Facility)



All Electronic Tolling

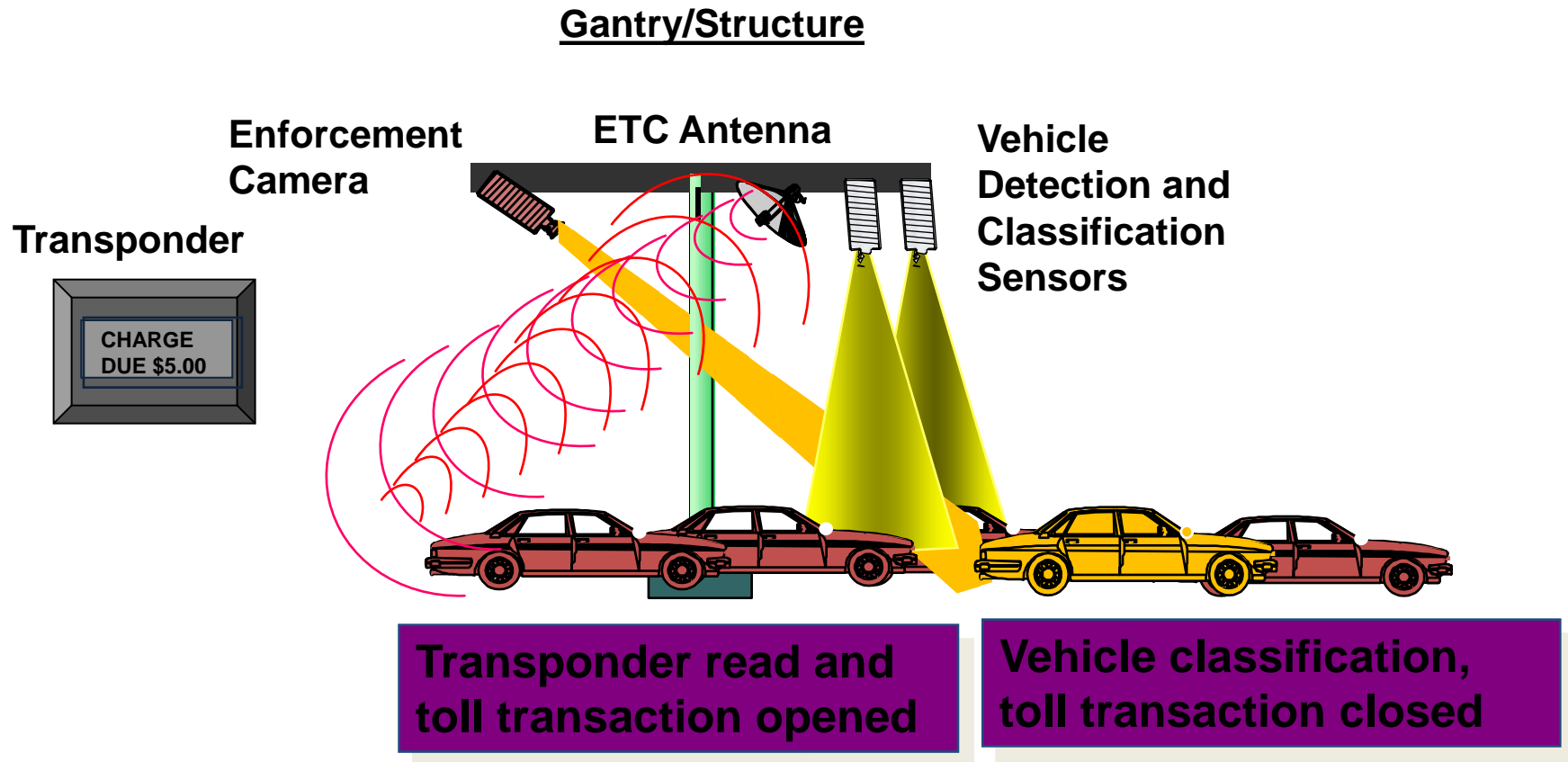


Automatic Vehicle Identification Transponders

An RFID tag placed on the inside of the vehicle's windshield emits its unique identifier to the antennas installed at the tolling point



Electronic Toll Collection



Violation Enforcement System



Automatic Vehicle Classification

Automatic Vehicle Classification (AVC)

Number of axles (magnetic loops, treadles)

Weight (weight pads, scales)

Vehicle height (overhead laser scanners)

Profile (height, width, length or shape of the vehicle) mix of loops, treadles, light curtains and laser scanners





Project Readiness

TIFIA Process

Submit Letter of Interest Submitted July 16, 2015

- Eligibility review
- Eligibility Approved
- Submit \$100,000

Credit Worthiness/Risk Assessment (3-6 months)

- Rating opinions
- Oral presentations

Formal Invitation to Apply

- Submit Application
- Application Completeness Review (30 days)

Advance to Credit Council (60 days)

- Approval/Denial

Approval = Obligation of Budget Authority (total of 7 to 12 months)

Another 6-8 months to close the loan = lock in interest rate



Project Readiness

Environmental/Permitting – Authorized

- 2010 Record of Decision/challenge period is over
- All major permit applications are submitted
- COE and USCG are ready to issue pending NMFS

Right of Way Acquisition – Not Authorized

- 86% of ROW is already purchased
- All remaining are government to government

Contractor Procurement – Not Authorized

- Not Authorized per Admin Order 271



Preparing for Opening

Other Considerations

- Schedule for toll rate increases
- Other fees and fines
- Commercial accounts
- Rental car companies
- Customer care issues
- Privacy issues
- Enforcement issues



Knik Arm Crossing



Questions?