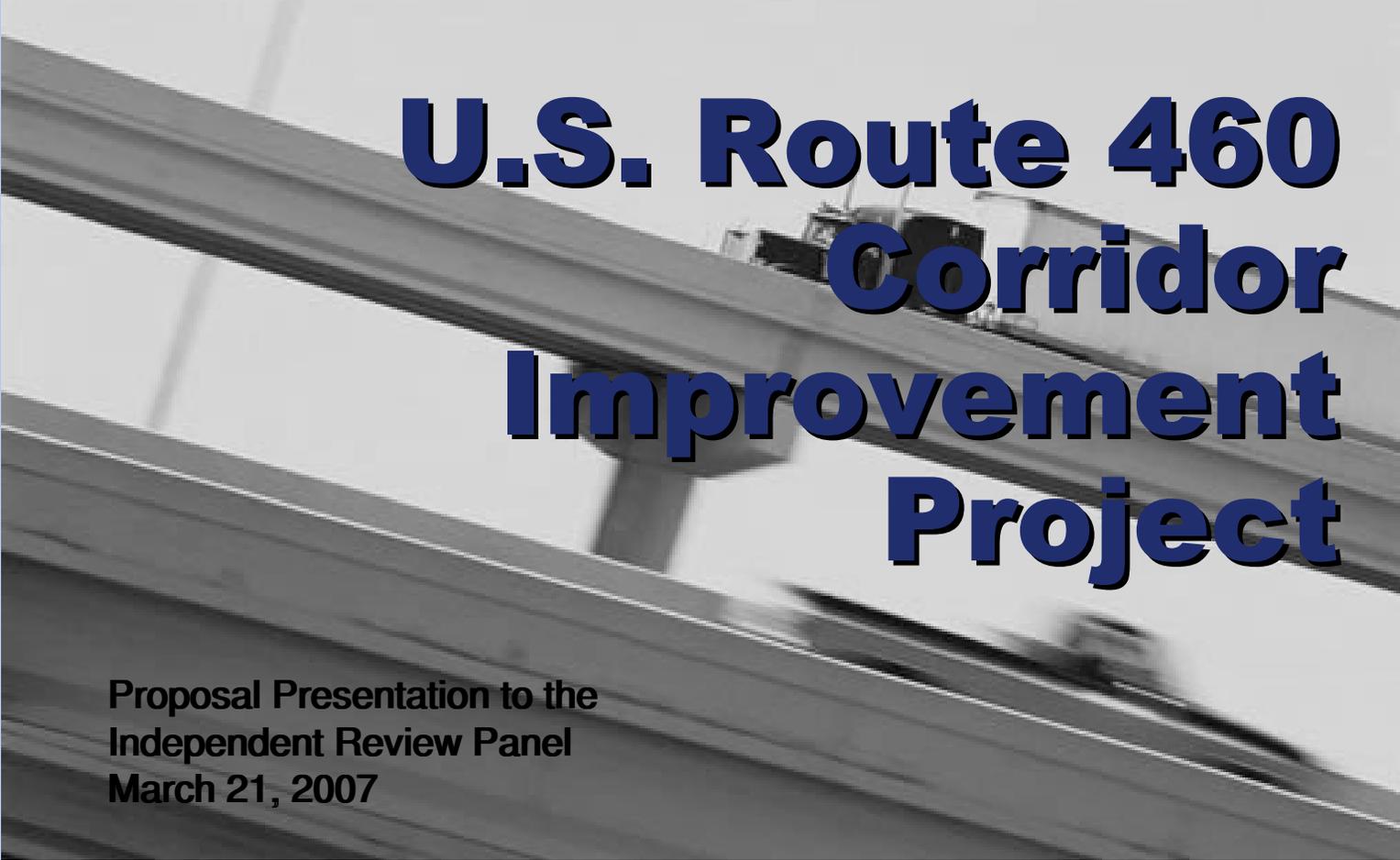


Virginia Corridor Partners



U.S. Route 460 Corridor Improvement Project

Proposal Presentation to the
Independent Review Panel
March 21, 2007

Introduction



- Virginia Corridor Partners
 - **Macquarie** MIHI LLC
 - **Skanska** Infrastructure Development, Inc.

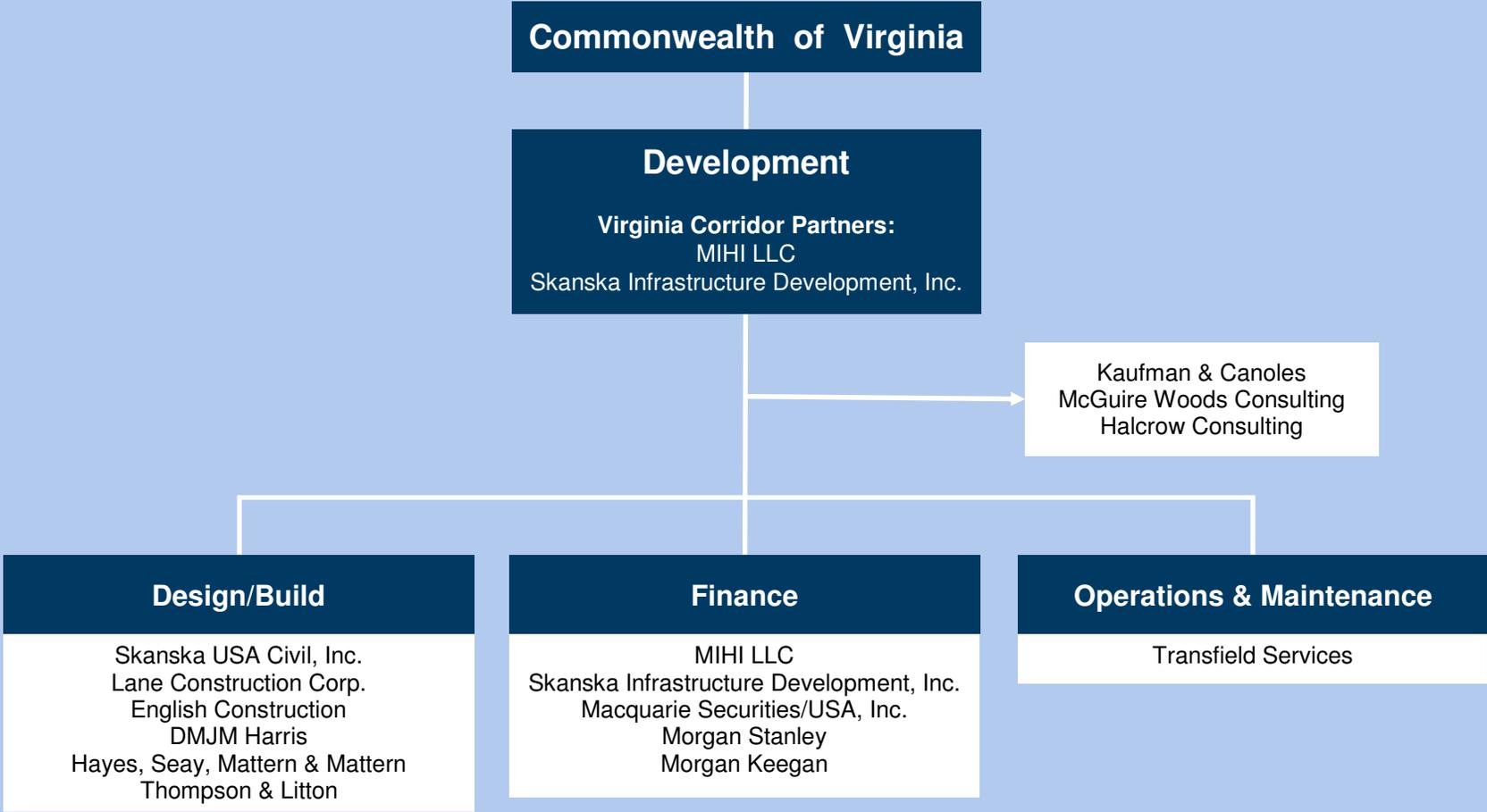
- Agenda
 - The Team – Bill Allen
 - The Project – Bill DuVall
 - The Finance Plan – Chris Voyce
 - Closing / Questions – Bill DuVall

Experience and Qualifications



- Virginia Corridor Partners
 - The Local Team
 - Proven Experience
 - Your Partners

The Team



Project Development



- **Macquarie**

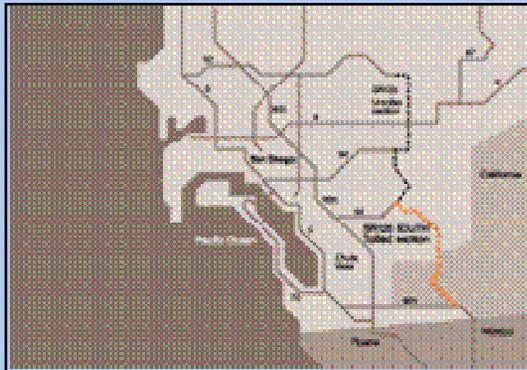
- Macquarie Group includes Macquarie Bank Limited, its subsidiaries, affiliates, and the funds and companies they manage
- Global leader in infrastructure development
- Interests in over 30 toll roads in 30 countries
- Serves 2.2 million users per day
- Currently managing over \$27 billion (US) of infrastructure
- Developer, financial advisor, debt and equity provider, underwriter, investment manager
- North American Headquarters: New York, N.Y.

Project Development



Sea-to-Sky Highway

- Macquarie Representative Projects
 - SR 125 South, California—\$635 Million
 - Chicago Skyway—\$1.9 Billion; 45% Share
 - Indiana Toll Road—\$3.9 Billion with \$748 Million Equity
 - Sea to Sky Highway, British Columbia—\$532 Million
 - Edmonton Ring Road, Alberta—\$341 Million



SR 125 South



Chicago Skyway



Indiana Toll Road

6

Project Development



- Skanska Infrastructure Development, Inc.
 - Skanska Group is #2 International Contractor
 - Revenues over \$15 billion and 12,000 active projects
 - Skanska ID formed to assist clients with infrastructure needs
 - Invest Skanska funds as equity
 - Experienced in structuring finance, provision of equity, operations and maintenance
 - North American Headquarters: Alexandria, VA

7

Project Development



Autopista Central

- Skanska ID Representative Projects
 - Autopista Central, Santiago—\$618 Million
 - E39 Motorway, Trondheim, Norway—\$200 Million
 - Helsinki-Lahti Motorway, Finland—\$250 Million
 - A1 Motorway, Gdansk, Poland—\$900 Million (phase 1)



E39 Motorway



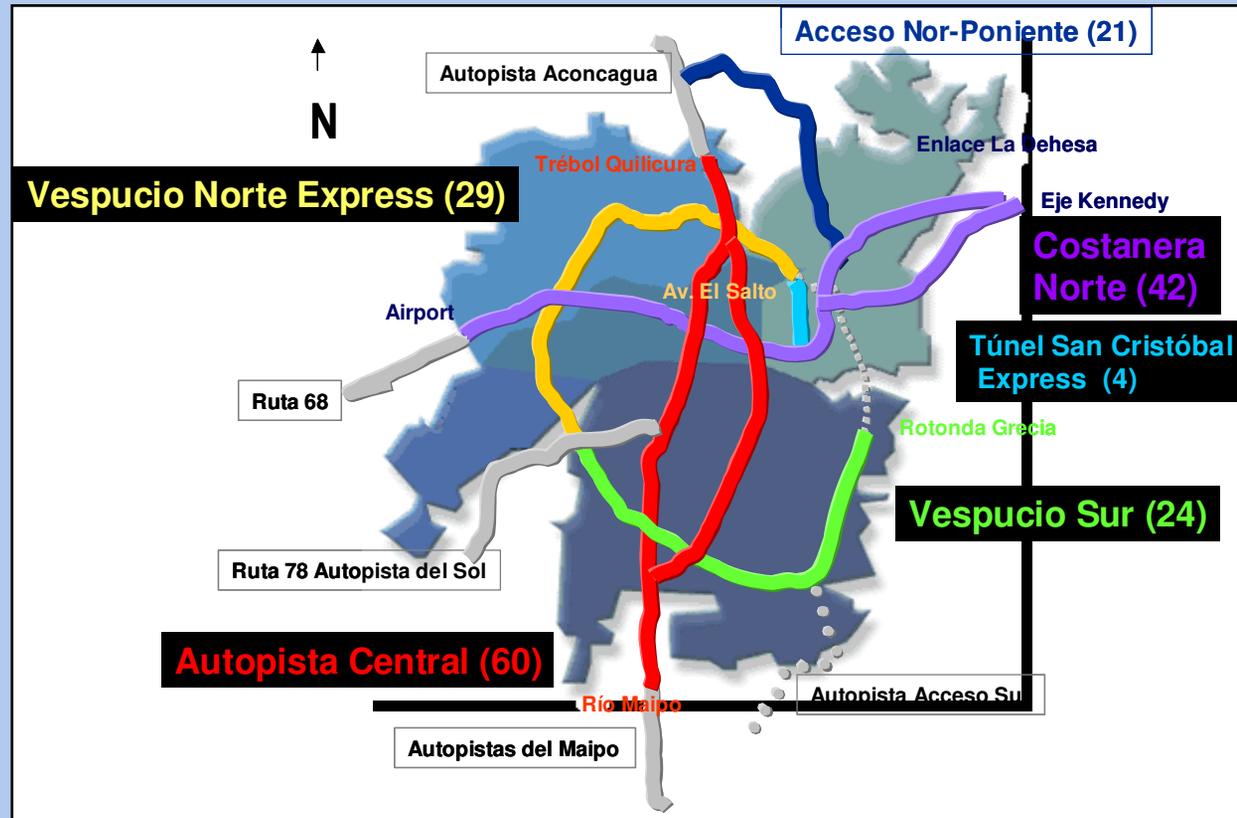
Helsinki-Lahti Motorway



Autopista Central

8

Project Development



Local Construction



- **Skanska USA Civil Inc.**
 - Ranked as sixth largest contractor in U.S
 - Tidewater Skanska located in S.E. Virginia for over 70 years
 - Extensive national and local experience
 - Clients include VDOT, PORT, municipalities
 - Headquarters: Virginia Beach, VA
- **Representative Projects:**
 - Chesapeake Bay Bridge Tunnel
 - Second Hampton Roads Bridge Tunnel
 - Pinnars Point Connector
 - Berkley Bridge
 - Coleman Bridge
 - Maersk Entrance Roadway

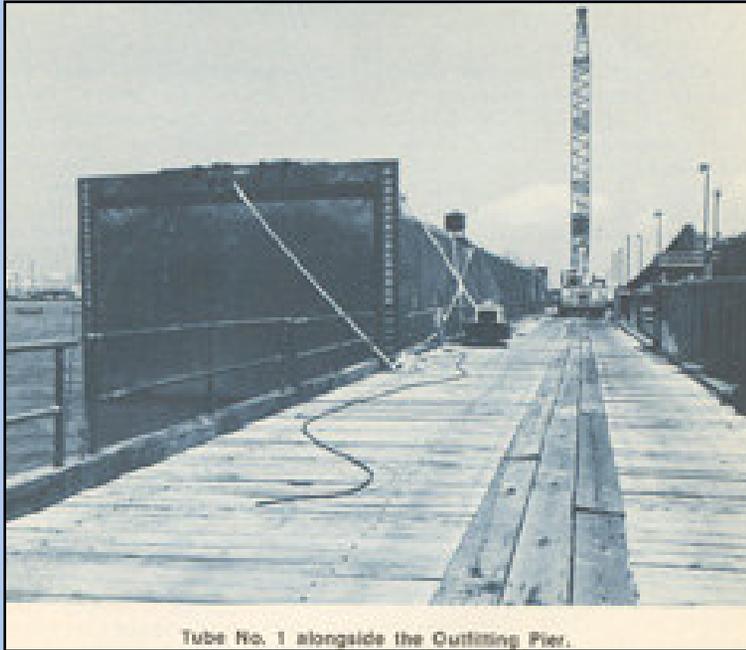
10

Projects



Chesapeake Bay Bridge Tunnel

Projects



Tube No. 1 alongside the Outfitting Pier.



Lay Barge tied up alongside the North Island ready to go to work.

Second Hampton Roads Bridge Tunnel

Projects



13

Pinners Point

Projects



Berkley Bridge

Projects



Coleman Bridge

Local Construction



- Lane Construction Corporation
 - Operating in the U.S. for over 100 years
 - Over 4,500 pieces of heavy construction earthmoving and paving equipment
 - Extensive experience working with VDOT and Skanska
 - Headquarters Meridian, CT with office in Virginia
- Representative Projects:
 - Springfield interchange, Virginia
 - US 64-Knightdale By-Pass, North Carolina
 - North Wake Expressway, North Carolina



US 64-Knightdale By-Pass



I-95, South Carolina

Local Engineering



- **DMJM Harris**
 - ENR No.1 in transportation design
 - Extensive VDOT experience
 - Four offices in Virginia
- **Hayes, Seay, Mattern & Mattern**
 - 60 years of VDOT experience
 - Headquarters: Roanoke, VA with four other Virginia offices
- **Thompson & Litton**
 - 50 years of VDOT experience
 - Headquartered in Virginia

Operations & Maintenance



- Transfield Services

- Market leaders in operations and maintenance
- 14,000 employees
- 130 long term O&M contracts
- Provides traffic operations, tolling operation, toll road maintenance, capital upgrades



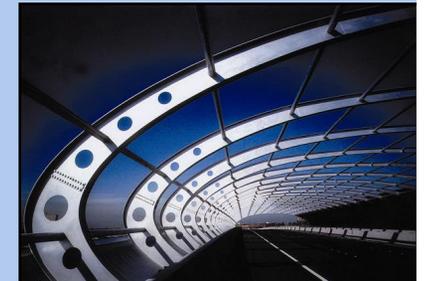
18 Mitcham to Frankston
EastLink Project



Lane Cove Tunnel



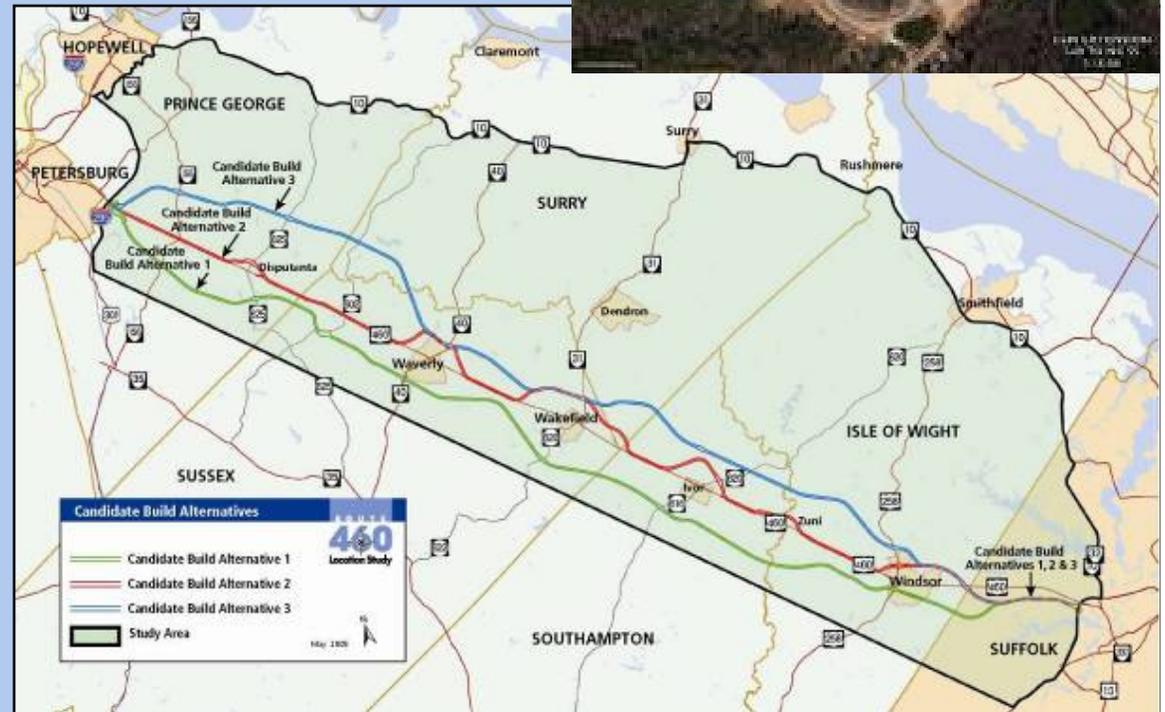
New South Wales O&M



Melbourne CityLink

The Project

- Management
- Physical Characteristics
- Challenges
- Benefits/
Support/
Compatibility



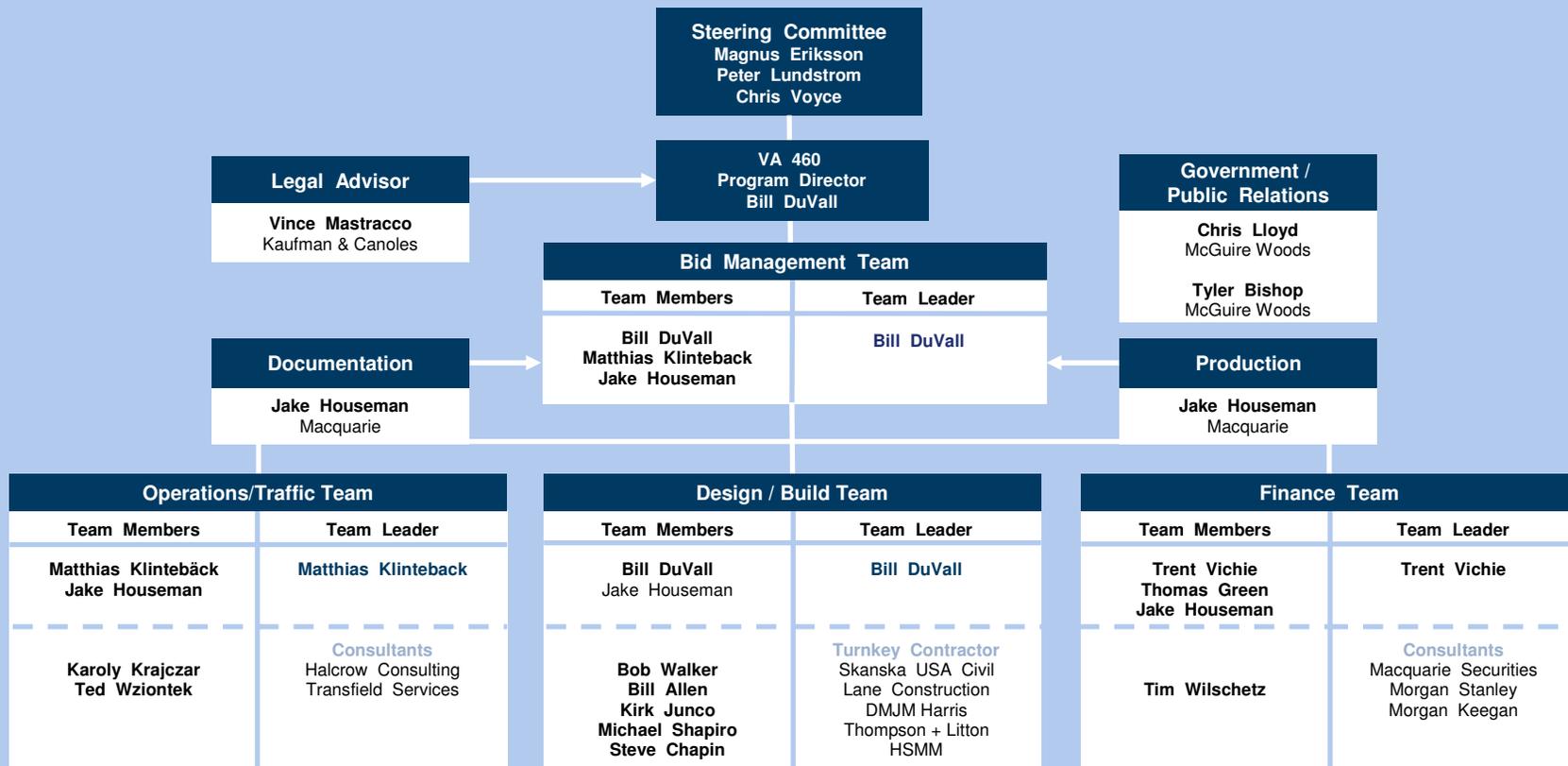
U.S. 460 Project

- Management
 - Project Manager
 - Partnering
 - Quality
 - Schedule



20

Virginia Corridor Partners Proposal Organization Chart



U.S. 460 Project

- Physical Characteristics
 - Four-lane, divided, limited access highway
 - Seven intermediate interchanges
 - Electronic tolling compatible with VDOT's existing system
 - Profile sufficient for hurricane evacuation



U.S. 460 Project

- Challenges
 - Financing Plan
 - Local access/impact
 - Economic development
 - Emergency evacuation



23

U.S. 460 Project



■ Benefits

- Enhanced access—regional and port
- Emergency evacuation
- Enhanced air quality
- Regional economic development
- Assist people to get to work, visit friends and family, enjoy vacation and recreation, and run errands
- Do all of this safely, quickly, and efficiently



25

Public Support



- Meetings with
 - Prince George County
 - Isle of Wight County
 - Sussex County
 - Southhampton County
 - Surry County
- Mailings and brochures
- Affordable local tolling

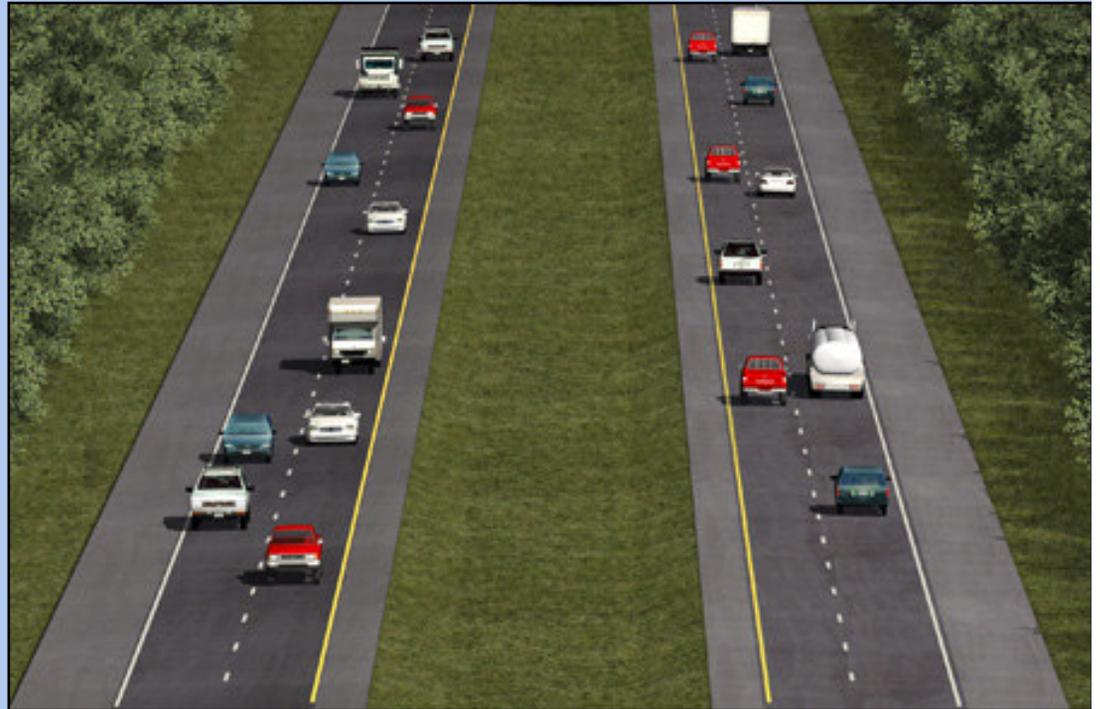


Project Compatibility



- Regional Compatibility

- Relief for I-64 and US 58 (and existing US 460)
- Access to beaches, and recreation
- Enhanced port access
- Expansion of Ft. Lee, warehouse and distribution centers
- Other economic growth



Financing



- This project can be funded with no contribution from the VDOT budget if VDOT is supportive of identifying dedicated alternative revenue sources such as:
 - Corridor tolling
 - Regional taxes
 - Bonds per HB3202

Financing Plan



- VCP expects to be able to take advantage of concessional forms of financing, including tax exempt private activity bonds (PABs) and TIFIA Credit Assistance
- VCP expects that the project will require a substantial equity investment to the project in the order of \$350 – 400 million

Private Activity Bonds (PABs)



- USDOT administered program allows private sector to access tax-exempt finance
- Subject to a \$15 billion national cap

30

TIFIA



- FHWA administered program provides concessional finance to public and private transportation developments
- Together, TIFIA credit assistance and tax exempt finance have the potential to deliver significant savings in the private sectors cost of funds

Equity Investment



- The sponsors of VCP expect that the project will require a seed equity investment of \$350 – 400 million
- Return on this investment will be contingent on the successful operational and financial performance of the new road

32

Conceptual Finance Plan



SOURCES	\$m	USES	\$m
Private Activity Bonds	1,849	D&C Contract	1,913
TIFIA	219	Interest & Other Finance Costs	371
Equity	363	Reserves	148
Total Sources	2,432	Total Uses	2,432

VCP



- **Project Need**
 - Old US 460 is crowded and becoming less safe
 - Flooding during storms
 - Port expansion/congestion on I-64
- **Project Benefits**
 - Relieve congestion/increase safety
 - Evacuation route
 - Capacity for growing truck traffic
 - Stimulates regional economic growth

Closing



- **VDOT Solicitation Asks:**
 - Is the project financially feasible?
 - Is VCP capable of performing?
 - Which competitor?

- **Our Conceptual Proposal Responds:**
 - Project is financially feasible
 - VCP has proven capability
 - VCP will provide the “best value” solution

Virginia Corridor Partners



36

Virginia Corridor Partners



U.S. Route 460 Corridor Improvement Project

Proposal Presentation to the
Independent Review Panel
March 21, 2007