



INTRODUCING ELIZABETH RIVER CROSSINGS

Bidder for Downtown Tunnel/Midtown Tunnel/MLK Extension Project



PROJECT OVERVIEW

THE DOWNTOWN TUNNEL/MIDTOWN TUNNEL/MARTIN LUTHER KING FREEWAY (“MLK”) EXTENSION PROJECT IS LOCATED IN THE CITIES OF NORFOLK AND PORTSMOUTH, VIRGINIA.

The Project comprises a new two-lane tunnel under the Elizabeth River parallel to the existing Midtown Tunnel; maintenance and safety improvements to the existing Midtown Tunnel; modifications to the interchange at Brambleton/Hampton Boulevard in Norfolk; maintenance and safety improvements to the existing Downtown Tunnel; and extending the MLK from London Boulevard to Interstate 264 (I-264), with an interchange at High Street.

Elizabeth River Crossings (“ERC”), a consortium of leading infrastructure managers and developers, has responded to VDOT’s request for a Conceptual Proposal to fund, design, develop, operate and maintain this project.



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HAMPTON ROADS NEEDS CONGESTION RELIEF

The Downtown Tunnel / Midtown Tunnel / MLK Extension Project (“the Project”) is central to addressing the region’s transportation needs.

- Hampton Roads experiences some of the worst traffic congestion in Virginia
- Congestion impacts the every day lives and activities of individuals, communities and the regional economy
- Hampton Roads residents continually cite traffic congestion as high or very high and express preference for funding infrastructure by tolls as opposed to a gas tax (Christopher Newport University, April 2008).

The Project has been under consideration by VDOT for many years, but due to funding constraints the Commonwealth has not been able to undertake or fully fund and support the initiative.

BENEFITS

COMMUNITIES AND BUSINESSES ALIKE THROUGHOUT THE HAMPTON ROADS REGION WILL BENEFIT FROM THE COMPLETION OF THIS ESSENTIAL PROJECT.

Increased Individual Mobility.

The ability to travel more freely means communities will be better connected.

Aids Economic Development.

The region's future prosperity depends on a thriving local economy, which in turn requires efficient and congestion-free infrastructure.

Improved Quality of Life.

Time is valuable. Less congestion means that citizens will spend less time sitting in traffic.

Other Local Projects Can Be Prioritized.

A number of transportation and other essential services needs in the Hampton Roads area that require public funds can now be prioritized.

No Public Funding Necessary.

The project will be entirely funded by the private sector.

Positive for Local Businesses.

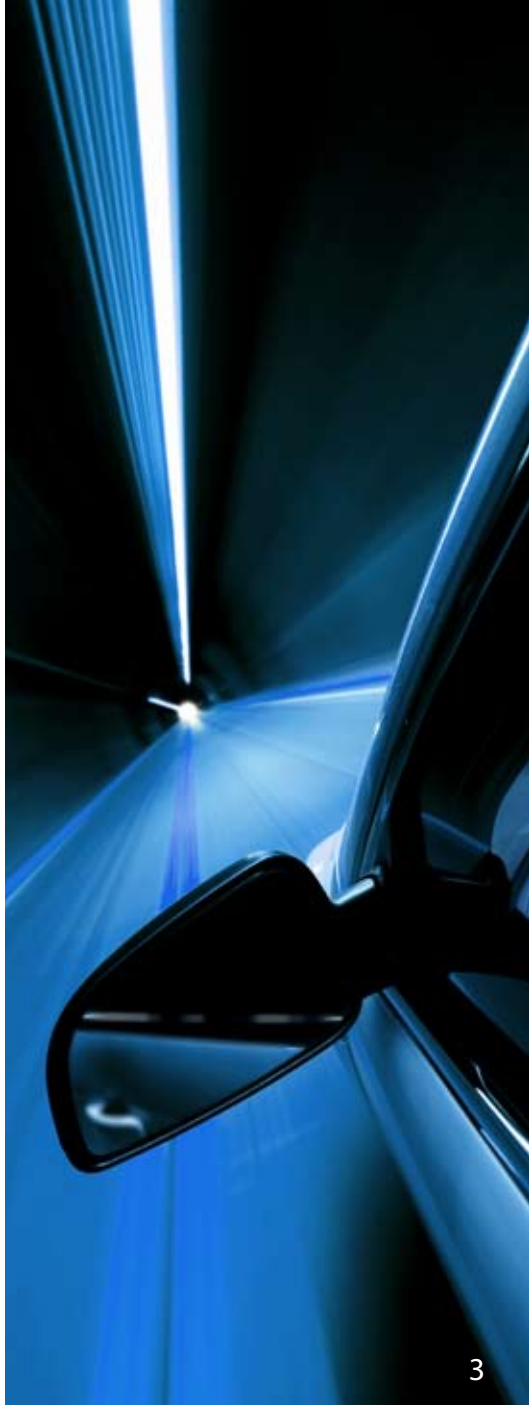
Reduced congestion means fewer delays to just-in-time services and more efficient service capacity management.

Job Creation.

ERC would utilize local labor and suppliers for construction and operations.

Environmental Benefits.

Free-flowing traffic will help to reduce car emissions and improve air quality.



PUBLIC OWNERSHIP AND OVERSIGHT

The proposed project is suited for a public-private partnership (“PPP”) using Virginia’s Public-Private Transportation Act (“PPTA”) process.

- **VDOT and Elected Officials to Oversee the Project.** ERC would work closely with VDOT and other elected officials to determine all aspects of the project. The level of tolls for the whole term will be set according to the Contract so the public sector retains control.
- **Virginia Remains Owner of All Facilities.** The Commonwealth of Virginia will remain the owner of the facility and would impose penalties in the event that performance standards are not met. ERC will build and operate the facility and will return the asset upon term completion.
- **All Guidelines Determined by Virginia.** Virginia would determine and set strict guidelines across all aspects of the project including safety, operations, toll collection, maintenance and handback requirements.
- **VDOT’S PPTA is a Proven and Highly Responsible Procurement Process.** PPTA enables financing of public projects through private sector investment, while maintaining transparency and accountability. ERC’s members have extensive experience of similar PPP processes in the USA and around the world.



ERC: THE RIGHT PARTNER

ERC COMPRISES TWO LEADING INFRASTRUCTURE DEVELOPMENT AND MANAGEMENT FIRMS, SKANSKA INFRASTRUCTURE DEVELOPMENT (“SKANSKA ID”) AND THE MACQUARIE GROUP (“MACQUARIE”). ERC’S CONSTRUCTION TEAM IS COMPOSED OF SKANSKA USA CIVIL SOUTHEAST, KIEWIT CONSTRUCTION COMPANY AND WEEKS MARINE.

ERC’s financial strength and global PPP experience, combined with technical expertise and operational excellence, make it the ideal partner to bring VDOT’s vision to life.

Experienced Transportation Investors and Operators.

Skanska ID and Macquarie are two of the most experienced PPP developers and infrastructure investors and operators in the world. Each is a leader in infrastructure design, creation and management and both have existing operations in Virginia. Through these investments, ERC’s members understand the needs and dynamics of the region. ERC’s objective would be to bring and transfer best practices to the Hampton Roads area.

Unrivalled Design and Construction Expertise.

Collectively, members of ERC’s construction joint venture have built nearly 52,000 feet of immersed tunnels in the US, including 18,500 feet in the Tidewater area alone. They are the USA’s pre-eminent immersed tube tunnel design and construction team.

At the Forefront of Road and Tolling Technology.

As a result of their vast global experience, ERC members are at the leading edge of infrastructure technology. For example, ERC proposes implementing innovative technology called All-Electronic Toll collection (AET), which means that no drivers will have to stop to pay the toll thereby preventing stop-and-go and reducing bottlenecks.

Committed and Secure Financing in Place.

ERC’s members have extensive and successful track records in financing large and complex infrastructure projects. ERC can successfully raise debt and equity funding on highly competitive terms in short time frames and in challenging markets. The two lead firms, Skanska ID and Macquarie, both have strong balance sheets and significant financial capacity.

Ready to Go.

ERC is resourced and ready to deliver the project to meet VDOT’s schedule.



ABOUT SKANSKA ID

SKANSKA IS ONE OF THE WORLD'S LEADING CONSTRUCTION GROUPS, WITH EXPERTISE IN CONSTRUCTION, DEVELOPMENT OF COMMERCIAL AND RESIDENTIAL PROJECTS, AND PUBLIC-PRIVATE PARTNERSHIPS.

Skanska Infrastructure Development invests in, develops and operates social infrastructure in partnership with the public sector, with the objective of improving the lives of users. By investing in the companies set up to deliver these facilities, Skanska ID provides the finance and expertise for development, design, construction and operations. We take a very active management role to make sure that our investments grow in value, while delivering long-term benefits to the communities we serve.

Today, Skanska ID has 135 employees in four operating regions and has invested more than USD 500 million in 19 projects.

SKANSKA

ABOUT MACQUARIE

MACQUARIE IS A GLOBAL LEADER
IN INFRASTRUCTURE ACQUISITION,
FUNDING AND MANAGEMENT.

Macquarie has an established global track record as a responsible manager of essential social infrastructure, with more than 100 million people worldwide every day using essential services provided by Macquarie. As one of the world's largest developers and operators of toll roads, Macquarie manages a total of 32 toll highway concessions in 11 countries, and services over 2.2 million toll road users per day. Members of the Macquarie Group manage over \$42 billion in equity invested infrastructure and essential services around the world. As of September 30, 2008 Macquarie has total assets under management of over US\$189 billion.



MACQUARIE

NEXT STEPS

- VDOT to announce the Independent Panel Review ("IRP")
- The IRP will review and evaluate the proposal
- Following a positive recommendation from the IRP, VDOT could then negotiate with ERC and enter into an Interim Agreement.



More information, including ERC's conceptual proposal, can be found online at: www.virginiadot.org/projects. Click on the "Downtown Tunnel/Midtown Tunnel/MLK Extension" link.

Elizabeth River Crossings has talked to commuters, businesses and residents about the project. See why this project is ready for action now.

ELIZABETH RIVER CROSSINGS

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