

October 29, 2013

## **Skanska, in a joint venture with JayDee, awarded \$157 million design-build job to upgrade First Street Tunnel**

*Upgrade will lessen susceptibility to flooding for communities that surround the Anacostia River*

**Washington D.C.** - Skanska USA announced today that it signed a \$157 million contract, in a joint venture with JayDee, for The District of Columbia Water and Sewer Authority (DC Water) to design and build Washington D.C.'s First Street Tunnel (FST) in Bloomingdale. Skanska is spearheading the joint venture, booking 60 percent of the contract amount – a total of \$94 million - in its fourth quarter earnings.

Under the contract, Skanska and JayDee are responsible for the construction of a new 18.5-foot-diameter water-storage/conveyance tunnel, four smaller connecting tunnels, and four connections, capable of capturing eight million gallons of stormwater before it reaches the combined sewer system. As a result of the project, communities adjacent to the McMillan reservoir such as Bloomingdale and LeDroit, which were previously considered highly susceptible to flooding during powerful rainstorms, will no longer experience disruptive flood water after strong weather events.

"We are committed to making a positive impact on the Bloomingdale and LeDroit Park communities and we take our responsibility seriously to deliver the finest product possible in a safe construction environment," commented Gary Almeraris, Project Executive, Skanska-Jay Dee. "Skanska-Jay Dee brings together two of the country's oldest and most experienced tunneling specialist contractors, and we understand the complexities of heavy civil work in densely populated urban areas."

Allen Y. Lew, Chairman of the DC Water Board of Directors and Co-chair of the Mayor's Task Force, commented, "This is a significant component to the medium-term relief from flooding in these neighborhoods. We specifically went with a design-build contract to increase flexibility and to save time in order to meet our Task Force timelines."

"It is imperative that we quickly initiate the second step in our three-step infrastructure plan to mitigate localized flooding," said DC Water General Manager and task force co-chair George S. Hawkins. "I'm confident this team will get the tunnel completed on time, while at the same time minimizing the impact of the construction on the neighborhood."

Skanska will use many innovative methods to create the FST's new and improved connections. For example, to mine tunnels and shafts in soft ground conditions near the tunnel's surface chambers, Skanska will use Earth Pressure Balanced tunneling machines and advanced ground freezing techniques.

Skanska is committed to involving local small businesses – including certified-disadvantaged businesses – in its projects from coast to coast. In each of its markets,



Skanska helps train small companies to be successful in securing work with large prime contractors, helping them grow their businesses and fueling local economies.

The project is scheduled to begin this month, and is expected to be completed in the second quarter of 2016.

Skanska USA is nationally recognized for its bridge, tunneling, and water/wastewater work. For example, Skanska recently completed construction of the 11<sup>th</sup> Street Bridge's first phase, providing direct connections between DC-295 (Anacostia Freeway) and I-695 (SE/SW Freeway). Skanska is also currently working with Facchina to complete Phase II of the 11<sup>th</sup> Street Bridge, linking communities along the 11th Street Corridor and the Anacostia River. In addition, Skanska constructed the Catskill/Delaware Ultraviolet Light Disinfection Facility and the Croton Water Filtration Plant, a project [OSHA](#) honored with Voluntary Protection Programs (VPP) status for the successful safety measures Skanska implemented to complete the project. Furthermore, Skanska is leading a mass amount of work to modernize New York City's subway systems. Notable New York subway projects include: the Second Avenue Subway, the No. 7 Line Extension, and the World Trade Center Transit Hub.

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**For further information please contact:**

Pamela Monastra, Senior Director, Southeast Communications, Skanska USA, , 404.946.7533, [pamela.monastra@skanska.com](mailto:pamela.monastra@skanska.com)

Lauren Michaels, Account Executive, Solomon McCown & Company, 617.933.5014, [lmichaels@solomonmccown.com](mailto:lmichaels@solomonmccown.com)

*This and previous releases can also be found at [www.skanska.com](http://www.skanska.com)*

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Skanska USA is one of the largest, most financially sound construction and development networks in the country, serving a broad range of industries including healthcare, education, sports, data centers, government, aviation, transportation, power, energy, water/wastewater and commercial. Headquartered in New York with 39 offices across the country, Skanska USA employs more than 8,300 employees committed to sustainable construction and development and an injury-free workplace. Skanska USA Building, which specializes in building construction, and Skanska USA Civil, which focuses on civil infrastructure, generated \$5.8 billion in revenue in 2012, representing 30 percent of Skanska's global construction revenue. Development units Skanska USA Commercial Development, which invests in and develops office and multi-family projects in select U.S. markets, and Skanska Infrastructure Development North America, which develops public-private partnerships, are both leaders in their selected markets. Global revenue of parent company Skanska AB, headquartered in Stockholm and listed on the Stockholm Stock Exchange, totaled \$19.5 billion in 2012. Skanska

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