

According to the U.S. Census Bureau's 2016 population estimate, Maryland is the 19th most populous state in the United States. Since the 2010 Census, Maryland's population has grown by 4.2%, which ranks 25th among all states, and is in line with the national average (4.1%). According to Maryland Department of Transportation ("MDOT"), the total proposed transportation budget for 2017-2022 is \$31.5 Billion, and \$5.8 Billion for 2017.

The table on the left below highlights the **2016 bidding activity** on MDOT State Highway Administration ("SHA") projects. The average project size over the period was \$6.3M, with 26 projects over \$10M in total project value, and 7 projects over \$20M. The largest project was a \$105M Design-Build project won by a Joint Venture of Allan Myers, David A. Bramble, and Wagman. Fourteen contractors won jobs over \$10M. The top five contractors won 44% of all work during the January 2016-March 2017 period. **Alan Myers** was the most active during this period submitting a total of 51 bids, with 20 low bids for a total of \$220M in low-bid value.

The table on the right below highlights the average margin of victory by month between first and second place bidders on these projects, with the most competitive month being September with an average margin of victory of 1.4% and the most active month being March with a total of 53 projects awarded.

Top 15 SHA Construction Contractors by Bid Value (FY 2016)*

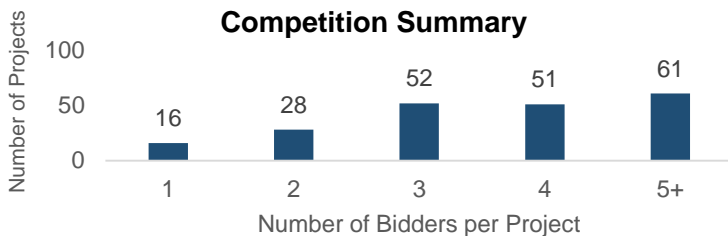
Bidder	Total 1st		Win %	Winning Bid Value
	Place Bids	Total Bids		
1 ALLAN MYERS MD, INC.**	22	54	40.7%	220,700,400
2 CONCRETE GENERAL, INC.	8	38	21.1%	109,140,809
3 TRITON CONSTRUCTION, INC.	2	3	66.7%	95,116,200
4 JOSEPH B. FAY CO., INC.	1	4	25.0%	67,712,949
5 C. J. MILLER, LLC	9	20	45.0%	59,781,141
6 DAVID A. BRAMBLE, INC.**	7	9	77.8%	55,160,688
7 FRANCIS O. DAY CO., INC.	7	26	26.9%	40,307,341
8 FACCHINA CONSTRUCTION CO., INC.	1	2	50.0%	36,949,329
9 GRAY & SON, INC.	4	31	12.9%	35,762,500
10 WAGMAN HEAVY CIVIL, INC**	1	7	14.3%	34,999,259
11 P. FLANIGAN & SONS, INC.	6	21	28.6%	29,392,342
12 ROMMEL E & C INC	7	16	43.8%	26,612,324
13 BRUCE & MERRILEES ELECTRIC	6	17	35.3%	24,117,925
14 CORMAN CONSTRUCTION, INC	1	8	12.5%	23,957,800
15 PDI-SHEETZ CONSTRUCTION CORP	4	6	66.7%	23,772,319

* Bid results include both Hard Bid and Design-Build projects from January 2016-March 2017
 ** 33% of the winning contract value for a Allan Myers/ Wagman/ David A. Bramble Joint Venture was added to their respective totals (value was \$34,999,259). In addition each respective winner was awarded 1 additional 1st place bid.

Margin of Victory

	# of Projects w/ Multiple Bidders	Average Win Margin
January	22	12.8%
February	25	4.7%
March	53	14.4%
April	24	8.8%
May	23	11.1%
June	19	15.5%
July	24	10.7%
August	25	7.6%
September	7	1.4%
October	7	7.7%
November	13	14.0%
December	24	14.0%
January	36	9.5%
February	15	8.9%
March	35	8.4%
Annual Weighted Average		10.6%

Competition Summary



The graph on the left shows the total number of bidders for all SHA projects from January 2016 through March 2017. The median number of bidders on projects is 4. Most projects had 5 or more bidders (61 projects, 29%). There were just 16 projects (9%) that had only 1 bidder. The majority of projects had 4 or more bidders (112 – 53.85%).

The table to the right shows a summary of the Department of Transportation Operating and Capital Program Spending and Fund Sources for 2017-2022. **Capital Improvements** contribute to the highest percentage of the total budget at \$14.8 Billion (47.0%). **Operations** contribute \$12.4 Billion (39.7%) to the total 6-year budget. On average, the total budget decreases by 0.9% year over year. The Capital Program is decreasing by 6.7% year over year, while the operating Program increases 2.9%. The total budget for the Department of Transportation Operating and Capital Program for 2017-2022 is \$31.5 Billion, which is up 8.2 Billion (26%) from the previous year's Consolidated Transportation Program.

DEPARTMENT OF TRANSPORTATION OPERATING AND CAPITAL PROGRAM SUMMARY

	Current Budget		Planning Years				Six-Year Total
	Year 2017	Year 2018	2019	2020	2021	2022	
OPERATING PROGRAM	1,917.5	2,013.7	2,065.0	2,116.0	2,166.0	2,214.0	12,492.2
Special Funds	1,819.4	1,916.2	1,968.0	2,019.0	2,069.0	2,117.0	11,908.6
Federal Funds	97.2	97.6	97.0	97.0	97.0	97.0	582.8
Reimbursable Funds	0.9	-	-	-	-	-	0.9
CAPITAL PROGRAM	2,886.1	2,833.8	2,740.6	2,337.6	1,990.9	2,013.8	14,802.8
Special Funds	1,579.6	1,628.6	1,524.7	1,305.6	1,026.5	1,014.3	8,079.3
Federal Funds	1,103.7	1,021.9	1,037.2	856.4	847.5	806.9	5,673.6
Other Funds	202.8	183.3	178.8	175.6	116.8	192.6	1,049.9
SHARED REVENUES	269.7	252.7	278.0	328.0	381.0	433.0	1,942.4
Special Funds	182.3	180.4	-	-	-	-	362.7
Federal Funds	87.5	72.4	-	-	-	-	159.9
DEBT SERVICE	309.9	328.8	337.0	356.0	424.0	473.0	2,228.7
Special Funds	309.9	328.8	337.0	356.0	424.0	473.0	2,228.7
DEPARTMENT TOTAL	5,383.2	5,429.0	5,420.6	5,137.6	4,961.9	5,133.8	31,466.1

Why We Are Different

Focused Strictly on Infrastructure

- Management has years of experience in the Infrastructure Industry
- Solely focused on advising public and private clients in the Infrastructure/Construction sector

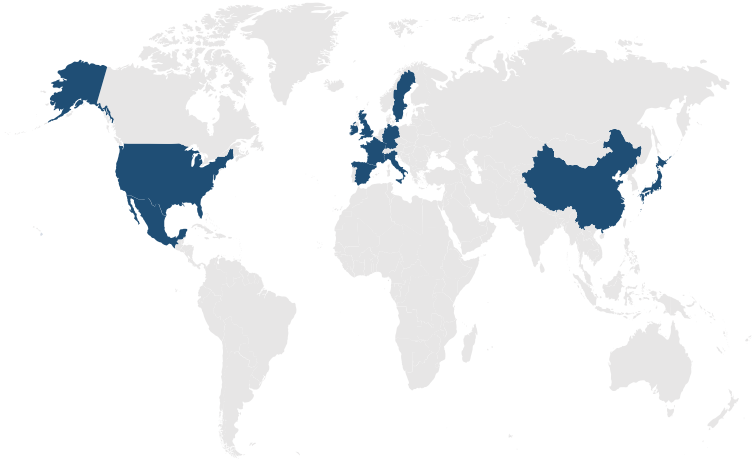
Broad Range of Advisory Services

- M&A, Project Financing, Strategic Consulting, Restructuring, Executive Placement, and Financial Analysis
- All Industry Sub-Sectors

Experience in All Major Infrastructure Markets

- Star America has worked in all infrastructure markets, including Civil Construction, Vertical Building, Public-Private Partnerships, Industrial

Star America Global Reach



Service Offerings

Mergers & Acquisitions

We have a strong track record in both domestic and cross-border M&A advisory roles. We operate both negotiated processes and auctions, assist in deal structuring, and provide impartial advice about the merits of transactions in our industry of focus.

Business Development

Star is well qualified to assist clients in developing their business plans in the U.S. Given the depth of experience of its partners and operating professionals, the company offers access to thought leadership of C-Level executives.

Capital Raising

We maintain contacts at banks, hedge funds, equipment finance companies, and other financial firms. These are sources of capital for clients desiring funds for expansionary capital expenditures or general operating cash flow needs.

PPP Financial Advisory

Star provides financial advisory services to companies and consortia seeking to participate in alternative procurement processes. We advise on debt capital raising in the bank and bond markets, and help structure competitive bids for our clients.

Management Consulting

We work with clients to formulate and pursue strategic and tactical goals. Star provides true business solutions, including identifying potential management hires, developing and implementing marketing plans, and increasing operational efficiencies.

Strategic & Financial Analysis

Industry analytics form the core of a successful financing or business development strategy. With our significant industry knowledge, we assess companies' current and projected financial and competitive positions to provide actionable recommendations. We have the capacity to provide comprehensive financial analysis as well as contractor prequalification solutions, allowing contractors to properly vet lower tiers and improve overall capital strength.

Disclaimer:

This material is for informational purposes only. It should not be relied on for any other purposes. The goal of this report is to help market participants critically assess each state's expected infrastructure budgets and competitive environment.