

According to the U.S. Census Bureau's July 2017 population estimate, Michigan is the 10th most populous state in the United States. Since the 2010 Census, Michigan's population has grown 0.87%, which ranks 42nd among all states. According to , Michigan Department of Transportation ("MDOT") 2020-2024 Five-Year Transportation Program the total proposed transportation budget for 2020-2024 is **more than \$9.2 Billion**.

The table on the left below highlights the **FY2019 bidding activity** on MDOT projects. The largest project awarded during the period was a \$130M project won by **Dan's Excavating, Inc.** Additionally, there were a total of 20 projects larger than \$10M and 9 projects larger than \$20M awarded during this period. A total of 20 different contractors won jobs over \$10M. The total value of contracts let during the period was \$1.65 Billion, the top five contractors won 36.3% of all work let during the period. **Rieth-Riley Construction Co, Inc.** was the most active during this period submitting a total of 187 bids, with 64 low bids for a win percentage of 34.2% and total value of \$97.3M. **Dan's Excavating, Inc.** was the most successful bidder with 15 low-bids worth a total of \$167M.

The table on the right below highlights the average margin of victory by letting period between first and second place bidders on these projects, with the most competitive period being October with an average margin of victory of 4.71% and the most active period being March with 111 projects awarded. September was the least active month with only 23 project being let.

**Top 15 Contractors by Low Bid MDOT Contract Value
FY 2019**

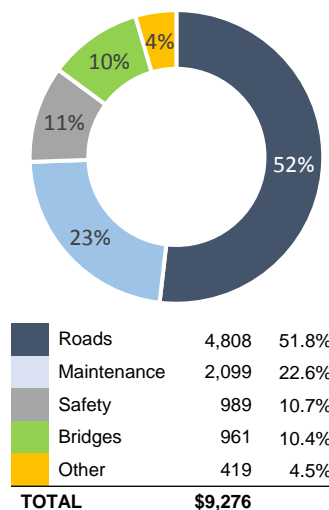
Bidder	Total 1st Place Bids	Total Bids	Win %	Winning Bid Value
1 Dan's Excavating, Inc.	15	61	24.6%	166,922,450
2 C. A. Hull Co., Inc.	18	75	24.0%	138,031,937
3 Ajax Paving Industries, Inc.	11	61	18.0%	105,681,691
4 Rieth-Riley Construction Co., Inc.	64	187	34.2%	97,338,932
5 Michigan Paving and Materials Company	57	136	41.9%	89,444,945
6 Kamminga & Roodvoets, Inc.	11	58	19.0%	78,907,693
7 Cadillac Asphalt, L.L.C.	23	54	42.6%	58,171,801
8 Ace-Saginaw Paving Company	22	35	62.9%	48,989,544
9 Toebe Construction LLC	4	34	11.8%	47,431,155
10 Bacco Construction Company	26	64	40.6%	43,017,539
11 C & D Hughes, Inc.	22	65	33.8%	38,877,310
12 Payne & Dolan Inc.	30	81	37.0%	37,903,306
13 Z Contractors, Inc.	14	42	33.3%	32,326,703
14 Zito Construction	4	26	15.4%	31,464,473
15 Florence Cement Company	13	48	27.1%	29,643,104

**Margin of Victory MDOT Bid Results
FY 2019**

	# of Projects w/ Multiple Bidders	Average Win Margin
January	52	8.25%
February	77	9.37%
March	111	9.00%
April	89	11.54%
May	71	9.69%
June	74	13.25%
July	35	8.30%
August	48	14.79%
September	23	10.82%
October	48	4.71%
November	59	11.33%
December	68	12.71%
January	49	9.38%
Weighted Average		10.34%

The graph to the right highlights the total planned transportation investment for Michigan DOT during the 5-year 2020-2024 period. These planned expenditures were detailed in the Michigan Department of Transportation 2020-2024 Five-Year Transportation Program. In the budget, a total of \$9.23 Billion was made available by the State for Transportation during the 2020-2024 period. The largest planned investment to the budget was Road Construction contributing a total of \$4.8 Billion, or 51.8% of the total budget. Road Rehabilitation and Reconstruction was the majority of the Road Budget accounting for \$2.9 Billion. Bridge Construction contributed a total of \$961 Billion, or 10.4% of the budget. An average of \$962 Million in funding is expected to be on road construction annually during the 2020-2024 period.

**Michigan DOT Highway Program Investment
FY 2020-2024 (\$ millions)**



	FY 2020-2024 Annual Average (millions)	Five-Year Total (millions)
Rehabilitation and Reconstruction	600	2,995
Trunkline Modernization	205	1,024
Capital Preventive Maintenance	97	485
Non-Freeway Resurfacing Program	44	219
Freeway Lighting	0	2
Freeway Resurfacing Program	17	83
ROADS	962	4,808
Bridge Replacement	56	279
Bridge Preservation	79	393
Big Bridges	31	157
Special Needs	21	106
Culverts-Capital	2	12
Blue Water Bridge	3	15
BRIDGES	192	961
ROUTINE MAINTENANCE	420	2,099
SAFETY AND SYSTEM OPERATIONS	198	989
OTHER	84	419
TOTAL - FIVE-YEAR PROGRAM	1,856	9,278

Sources: US Census Bureau, MDOT bid lettings, MDOT Bid Express, MDOT 2020-2024 Five-Year Transportation Program

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

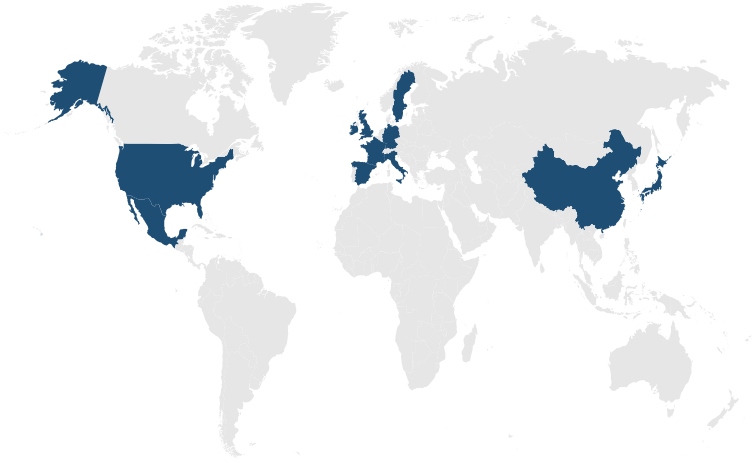
Broad Range of Advisory Services

- 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.