

According to the U.S. Census Bureau's 2016 population estimate, North Carolina is the 9th most populous state in the United States. Since the 2010 Census, North Carolina's population has experienced an estimated 6.4% growth, which ranks 14th among all states. According to North Carolina Department of Transportation ("NCDOT") the total proposed transportation budget for 2017 \$4.4B.

The table on the left below highlights the 2016 bidding activity on NCDOT projects. The average project size for 2016 was \$13.5M, with 43 projects over \$10M in total project value. Twenty-one contractors won jobs over \$10M. The top five contractors won 53% of all work during the January 2016-January 2017 period. S.T. Wooten was the most active and most successful contractor during this period putting in a total of 57 bids, and winning 23 of them for a total of \$177M in project value. Flatiron Construction Inc. won the largest contact, with a total value of \$145M. There were a total of 5 projects larger than \$100M won by 3 contractors (Lane Construction Corp. with 2, Flatiron Construction Inc. with 2, and Barnhill Contracting Company)

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 January with an average margin of victory of 5.6% and the most active month being June with a total of 18 projects let.

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

Bidder	Total 1st		Win %	Winning Bid Value
	Place Bids	Total Bids		
1 FLATIRON CONSTRUCTORS INC	3	7	42.9%	273,504,916
2 THE LANE CONSTRUCTION CORP	4	20	20.0%	229,751,684
3 BARNHILL CONTRACTING COMPANY	20	39	51.3%	198,561,229
4 S. T. WOOTEN CORPORATION	20	54	37.0%	165,459,221
5 APAC - ATLANTIC, INC.	14	21	66.7%	118,074,662
6 BLYTHE CONSTRUCTION, INC.	4	34	11.8%	104,418,305
7 ZACHRY CONSTRUCTION CORPORATION	3	6	50.0%	95,311,198
8 VECELLIO & GROGAN INC	1	5	20.0%	57,986,045
9 BLYTHE DEVELOPMENT CO.	5	12	41.7%	57,541,307
10 BALFOUR BEATTY INFRASTRUCTURE INC	1	1	100.0%	53,651,508
11 J. T. RUSSELL & SONS, INC.	5	16	31.3%	45,827,183
12 MAYMEAD, INC.	8	9	88.9%	39,535,149
13 YOUNG & MCQUEEN GRADING CO INC	2	5	40.0%	35,455,045
14 PENHALL COMPANY	4	4	100.0%	31,099,866
15 FSC II LLC DBA FRED SMITH COMPANY	7	22	31.8%	31,058,867

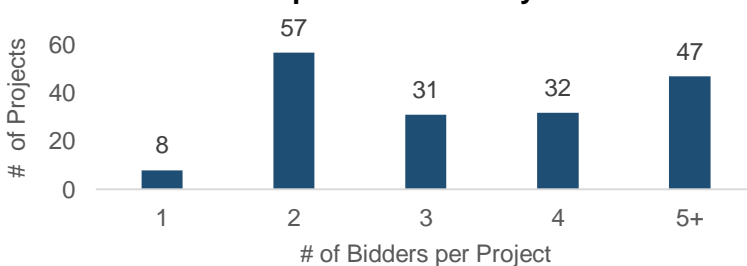
Margin of Victory

	# of Projects w/ Multiple Bidders	Average Win Margin
January	14	5.6%
February	9	9.4%
March	18	9.4%
April	12	9.2%
May	19	8.1%
June	22	6.3%
July	16	11.7%
August	17	7.6%
September	6	24.6%
October	9	8.1%
November	15	6.8%
December	5	9.4%
January	10	9.7%
Annual Weighted Average		8.8%

*Bid results include both Hard Bid and Design-Build projects from January 2016-January 2017

**50% of the winning contract value for a Blythe Development Co. & Flatiron Constructors Inc. Joint venture was added to their respective totals (value was \$28,978,265.42). In addition each respective winner was awarded 1 additional 1st place bid.

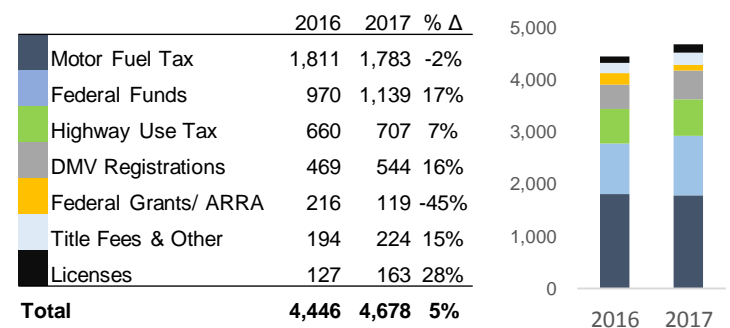
Competition Summary



The graph on the left shows the total number of bidders for all NCDOT projects from January 2016 through January 2017. The median number of bidders on projects is 3. The majority of projects had 2 or 3 bidders (88 projects, 50%). There were just 8 projects (5%) that had only 1 bidder, and 46 with five or more (27%).

The graph to the right shows the NCDOT 2016-2017 Transportation Budget funding source. Motor Fuel Tax contribute to the highest percentage of total funds in 2017, with \$1.78 Million (38.1%), with Federal Funds slightly lower with \$1.14 Million (24.4%) in 2017. The Highway Use Tax and DMV Registrations comprise 15.1% and 11.6% of the budget respectively. All other sources make up just 10% of the total budget. The total budget for 2017 is up 5.2% compared to the 2016 budget

NCDOT Transportation Budget 2016-2017



Below is a list of High Profile projects in development. Planning and/or design is underway for these projects. Planning includes examining multiple alternatives and analyzing environmental effects.

NCDOT Projects in Development

Project Name	Estimated Project Cost	Estimated Timeline
U.S. 70 Havelock Bypass	221.3	2017
I-485 Express Lanes	202.0	2017
U.S. 17 Hampstead Bypass and Military Cutoff Road Extension	200.0	2017
Business 40	100.0	2017
C.F. Harvey Parkway Extension	96.1	2017
Rea Road Extension from Providence Rd to Indian Trail-Waxhaw Rd	49.0	2017
U.S. 74 Express Lanes: I-277 to Wallace Lane	13.7	2017
Caldwell Street Widening Project	3.9	2017
U.S. 17 Business Improvements	TBD	2018
Cape Fear Crossing	950.0	2018
N.C. 150 Widening Improvements	396.0	2018
I-26 Widening	392.0	2018
U.S. 321 Widening from Hickory to Lenoir	288.3	2018
I-40 Widening - Southeast Raleigh to Clayton Project	222.0	2018
Carolina Bays Parkway Extension	200.0	2018
US 19/23 (Future I-26) Improvements	184.0	2018
N.C. 119 Relocation	101.9	2018
I-440 Improvements	92.0	2018
U.S. 70 Improvements at Brier Creek Parkway & T.W. Alexander Dr.	58.0	2018
N.C. 105 Widening Project	49.3	2018
Fire Tower Road and Portertown Road Widening	23.8	2018
15th Street Improvements	16.2	2018
Complete 540	2,200.0	2019
Evans Street/Old Tar Road Widening	52.8	2019
Sweeten Creek Road Improvements	49.5	2019
Liberty Road I-40 Interchange	41.1	2019
Russ Avenue Improvements	17.8	2019
Catawba Avenue Improvements	TBD	2019
Asheville I-26 Connector	600.0	2020
U.S. 158 (Reidsville Road) Improvements	110.0	2020
East John Street and Old Monroe Road Widening	87.5	2020
US 70 Improvements in James City	66.0	2020
Independence Boulevard Extension	26.0	2020
Fire Tower Road Extension	20.5	2020
U.S. 74 Express Lanes: Conference Drive to I-485	405.0	2021
U.S. 70 Improvements in Durham and Raleigh	136.1	2021
N.C. 62 Widening From Ramada Road to U.S. 70	7.6	2021
Balfour Parkway	156.0	2022
Big Mill Farm Road/Hopkins Road Improvements	27.0	2022
Mid-Currituck Bridge Project	440.0	TBD
U.S. 64 Improvements	350.0	TBD

NCDOT has also identified additional projects undergoing Long-Range Studies. These are advanced planning studies that guide NCDOT's decision-making process and future improvements along a corridor or section of roadway. Projects resulting from these studies are generally at least 10 years or more from construction:

- Andrews to Murphy Rail Reactivation Study
- Moore County Transportation Plan
- NC54-I40 Corridor Study
- Southeast High-Speed Rail
- U.S. 70 Corridor Improvements
- US 1 Corridor Study
- US 17 Corridor Study Report
- US 64-NC 49 Corridor Study - Phase I

Sources: North Carolina DOT High Profile Projects & Studies

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

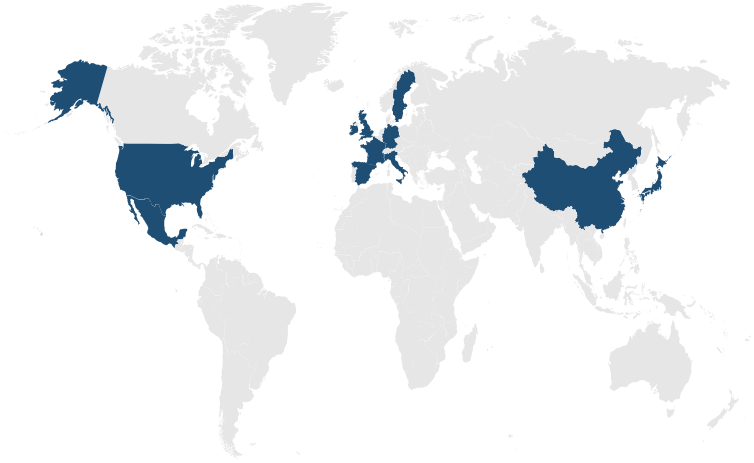
Broad Range of Advisory Services

- 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.