

According to the U.S. Census Bureau's 2016 population estimate, Virginia is the 12<sup>th</sup> most populous state in the United States. Since the 2010 Census, Virginia's population has experienced an estimated 5.1% growth, which ranks 19th among all states. According to Virginia Department of Transportation ("VDOT") the total proposed transportation budget for 2017 is \$6.0B.

The table on the left below highlights the bidding activity on VDOT projects from January 16 through June 2017. The average project size for the period was \$2.695M, with 16 projects over \$10M in total project value. Fourteen different contractors won jobs over \$10M. Fort Myer and Branch were the only two contractors with multiple \$10M contract wins. The total value of projects let during this period was \$1.93B. The largest project was a \$138M project won by Allan Myers in January 2016. Allan Myers won a total of 38 projects, and were the most successful contractor during this period based on total win value (\$203M). The most active contractor during this period was Adams Construction, submitting a total of 120 bids and winning 78 of them (65% Win%) worth \$134M in total project value. Adams bid much smaller contracts than most of the other contractors on this list, with an average project value of \$1.7M

The table on the right below highlights the average margin of victory between first and second place bidders on these projects broken down by month. The most competitive month was March 2017 with an average margin of victory of 7.6% and the most active month being February 17 with a total of 62 projects let. During this period, 31.4% of all projects (or 624 of 1,985 total) only had one bidder.

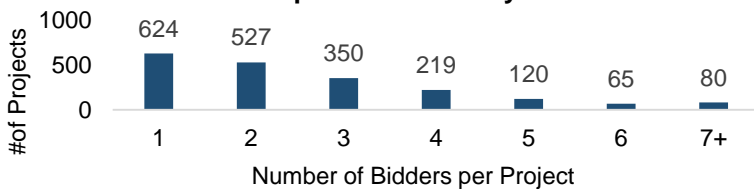
**Top 15 VDOT Construction Contractors by Bid Value (Jan16 – Jun17)**

Bidder	Total 1st		Win %	Winning Bid Value
	Place Bids	Total Bids		
1 ALLAN MYERS VA, INC.	38	76	50.0%	203,101,374
2 ADAMS CONSTRUCTION COMPANY	78	120	65.0%	134,394,458
3 SHIRLEY CONTRACTING COMPANY, LLC	2	9	22.2%	116,416,852
4 LANE CONSTRUCTION CORPORATION	28	92	30.4%	116,156,871
5 FORT MYER CONSTRUCTION	11	55	20.0%	109,884,537
6 W-L CONSTRUCTION & PAVING, INC.	34	57	59.6%	106,157,434
7 SUPERIOR PAVING CORPORATION	15	37	40.5%	70,677,183
8 FAULCONER CONSTRUCTION COMPANY,	1	2	50.0%	64,482,448
9 VECELLIO & GROGAN, INC.	2	3	66.7%	54,543,123
10 BRANCH CIVIL, INC.	3	13	23.1%	53,103,216
11 SLURRY PAVERS, INC.	29	41	70.7%	41,842,270
12 BRANSCOME INC.	14	60	23.3%	33,108,994
13 FIELDER'S CHOICE ENTERPRISES, INC.	12	66	18.2%	30,441,381
14 ELITE CONTRACTING GROUP, INC.	6	13	46.2%	29,730,135
15 COLONY CONSTRUCTION, INC.	12	21	57.1%	28,736,351

**Margin of Victory**

	# of Projects w/ Multiple Bidders	Average Win Margin
	January	78
February	56	18.0%
March	24	22.8%
April	33	17.4%
May	25	24.0%
June	14	24.4%
July	19	16.1%
August	23	19.4%
September	19	15.1%
October	19	12.5%
November	30	12.4%
December	47	12.4%
January	57	12.9%
February	62	11.1%
March	15	7.6%
April	22	13.0%
May	27	23.7%
June	14	10.2%
<b>Annual Weighted Average</b>		<b>15.1%</b>

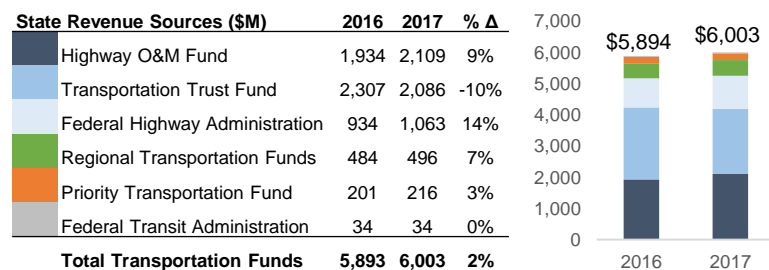
**Competition Summary**



The graph on the left shows the total number of bidders for all VDOT projects from January 2016 through June 2017. The median number of bidders on projects is 3. The majority of projects had 1-3 bidders (1,501 projects, 76%). There were 624 projects (31%) that had only 1 bidder, and 80 with seven or more (4%).

The graph to the right shows the 2016-2017 Transportation Budget for the Commonwealth of Virginia. The 2017 budget is \$6B, which is up 2% from the previous year. The Highway O&M Fund contributes the largest portion of at \$2.11 Billion (35.1%). Coming in slightly lower at \$2.09 Billion (34.7%) is the Transportation Trust Fund. Federal Highway Administration contributions are up 14% from the previous year, which is the largest change to the budget. The largest, and only, decrease to the budget was from the Transportation Trust Fund.

**Virginia Commonwealth Transportation Budget 2016-2017**



Sources: US Census Bureau, VDOT bid lettings, Virginia Commonwealth Transportation Fund Budget 2017

Below is a list of upcoming projects identified by VDOT in their Six-Year Improvement Program. Projects included in this list are \$10M and larger and should be procured in the next 6 years. Planning and/or design is underway for these projects.

Route	Description	District	Estimate	FY18	FY19-23
66	TRANSFORM66 OUTSIDE THE BELTWAY	Northern Virginia	\$3,388,000	\$677,600	\$2,710,400
395	I-395 EXPRESS LANES NORTHERN EXTENSION	Northern Virginia	\$462,000	\$154,969	\$307,031
95	I-95 RAPPAHANNOCK RIVER CROSSING - NORTHBOUND	Fredericksburg	\$132,000	\$0	\$2,000
286	#SMART18 VA 286 - POPES HEAD ROAD INTERCHANGE	Northern Virginia	\$64,303	\$0	\$50,558
1	RTE 1 RAPP RIVER, BRIDGE REPLACEMENT, EX FED ID 18062	Fredericksburg	\$50,000	\$0	\$4,500
17	#HB2.FY17 DEEP CREEK BRIDGE REPLACEMENT	Hampton Roads	\$48,468	\$100	\$19,900
9999	#SMART18 - ROLLING STOCK VRE	Northern Virginia	\$47,419	\$2,000	\$32,294
15	RTE 15 IMPROVEMENT WITH RAILROAD OVERPASS	Northern Virginia	\$45,000	\$0	\$11,129
17	RTE 17 - WIDENING PHASE 1 - GEORGE WASHINGTON MEMORIAL HIGHW	Fredericksburg	\$39,036	\$0	\$2,200
7	#SMART18 ROUTE 7/ROUTE 690 INTERCHANGE	Northern Virginia	\$36,165	\$0	\$9,565
81	#SMART18 - I-81 SB AUXILIARY LANE FROM EXIT 143 TO 141	Salem	\$32,168	\$5,400	\$26,768
58	#SMART18 - LASKIN ROAD PHASE 1-A	Hampton Roads	\$29,000	\$2,020	\$12,980
	#SMART18 - CLEVELAND STREET PHASE IV	Hampton Roads	\$23,647	\$0	\$10,000
VRE	#SMART18 - BROOKE PLATFORMS + PED BRIDGE + PED/BIKE ACCESS	Fredericksburg	\$23,391	\$0	\$14,389
697	#SMART18 SOUTHWAY REGIONAL BUSINESS PARK PROJECT	Salem	\$22,056	\$0	\$3,750
95	#SGR RTE 95 SB&NB OVER RTE 17 BRIDGE REPLACE ID 18083/18085	Fredericksburg	\$20,421	\$0	\$20,421
250	#SMART18 - EXIT 124 (INTERSTATE 64)	Culpeper	\$18,400	\$0	\$18,400
9999	#SMART18 VRE QUANTICO STATION PLATFORM EXTENSION AND BRIDGE	Northern Virginia	\$18,373	\$1,900	\$2,851
17	#SMART18 " ROUTE 17 WIDENING BETWEEN RTE 630 AND RTE 173	Hampton Roads	\$17,543	\$0	\$14,424
	#SMART18 - LEELAND ROAD PLATFORMS + PED. BRIDGE + PED./BIKE	Fredericksburg	\$15,257	\$0	\$6,255
64	I-64 HAMPTON RD ATM - PHASE I WB	Hampton Roads	\$14,500	\$0	\$14,500
1	#SMART18 - I-95 EXIT 126, RTE 1 SB ONTO SOUTHPOINT PKWY	Fredericksburg	\$14,495	\$300	\$12,445
81	#SGR I-81 STRUCTURES 17470 & 17472 OVER RTE. 686	Bristol	\$14,200	\$1,000	\$13,200
81	#SGR - I-81 NBL SMYTH CO VA #2034 FEDERAL STRUCTURE #17478	Bristol	\$12,500	\$333	\$12,167
10	RT 10 - WIDENING	Richmond	\$12,000	\$1,600	\$13,600
92	#SGR - RTE 92 BRIDGE & APPR OVER STAUNTON RIVER FED ID 4851	Lynchburg	\$11,904	\$0	\$11,904
131	#SMART18 - RTE 131 - RECONSTRUCTION	Lynchburg	\$11,546	\$0	\$11,546
U000	#SMART18 - INDIAN RIVER ROAD PHASE 7B	Hampton Roads	\$11,430	\$0	\$5,000
7	#SMART18 ROUTE 7/ROUTE 287 INTERCHANGE	Northern Virginia	\$11,391	\$0	\$11,391
9999	#SMART18 DASH BUS SERVICE AND FACILITY EXPANSION	Northern Virginia	\$11,134	\$0	\$11,134
95	#SGR - BRIDGE REHAB I-95 OVER RTE 608 (REYMET RD) CN ONLY	Richmond	\$11,000	\$0	\$11,000
95	#HB2.FY17 RTE 95 - RECONFIGURE RAMPS	Richmond	\$10,229	\$1,121	\$9,108
395	I-395 NORTHERN EXTENSION MULTI-MODAL ACCESS TO PENTAGON (2B)	Northern Virginia	\$10,000	\$10,000	\$0
9999	#SMART18 WEST END TRANSITWAY - SOUTHERN TOWERS TRANSIT FACIL	Northern Virginia	\$10,000	\$0	\$10,000

Sources: VDOT Six-Year Improvement 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

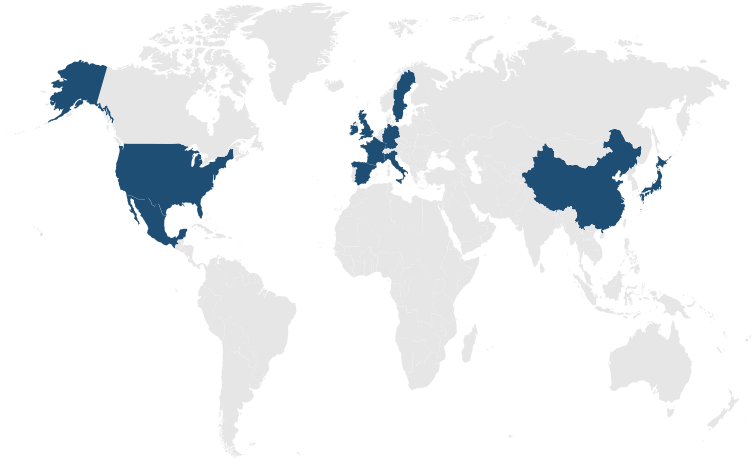
#### Broad Range of Advisory Services

- 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.