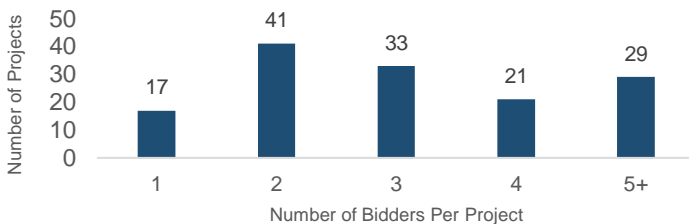


Washington's population has reached new heights, increasing to over 7 million in 2016, with an almost 2% growth rate year over year and the fifth highest state growth rate in the United States. Given the need for the continued improvement of its infrastructure, Washington State passed a \$16.1B revenue package including an increased gas tax in 2015, to extend over the next 16 years. This bill includes almost \$11B for highways and roads, over \$1B for transit and other projects, and almost \$1B for ferries, terminals, and fish barriers. Also noteworthy was Initiative 732, which was a bill proposed for a carbon tax on fossil fuels, which failed to pass in the most recent election.

As displayed within the data below, it is apparent that a number of the top bidders benefitted from winning large contracts, including Skanska USA Civil, and Guy F. Atkinson Construction. They won \$121.6M and \$115.9M individual contracts, respectively. These were the largest contracts in 2016. However, even though Skanska and Guy Atkinson had the highest winning bid values overall, the most active contractor by a large margin was Granite Construction, winning 11 projects worth just shy of \$33M, while entering 52 total bids. Following in second, although at almost 50% fewer total bids, was Lakeside Industries, winning 10 projects worth a total of just over \$27M and entering a total of 27 bids..

Top 15 WSDOT Construction Contractors by Bid Value (YTD 2016)					Margin of Victory (2016 YTD)		
Bidder	Total 1st		Win %	Winning Bid Values		# of Projects w/ Multiple Bidders	Average Win Margin
	Place	Bids					
1 SKANSKA USA CIVIL WEST CALIFORNIA	1	1	100.0%	121,575,000	January	5	7.4%
2 GUY F. ATKINSON CONSTRUCTION, LLC.	1	2	50.0%	115,899,599	February	2	11.7%
3 CENTRAL WASHINGTON ASPHALT, INC.	9	16	56.3%	36,475,129	March	23	6.8%
4 GRANITE CONSTRUCTION COMPANY	11	52	21.2%	32,973,821	April	29	10.7%
5 LAKESIDE INDUSTRIES, INC.	10	27	37.0%	27,220,796	May	26	10.6%
6 ACME CONCRETE PAVING, INC.	2	3	66.7%	19,135,842	June	16	15.4%
7 GARCO CONSTRUCTION, INC.	2	2	100.0%	19,007,000	July	10	13.6%
8 INTERWEST CONSTRUCTION, INC.	6	9	66.7%	14,226,768	August	8	26.8%
9 GRAHAM CONTRACTING, LTD.	5	10	50.0%	11,975,088	September	6	13.8%
10 COLUMBIA ASPHALT & GRAVEL, INC.	3	3	100.0%	8,835,828	October	5	36.1%
11 SCARSELLA BROS. INC.	3	8	37.5%	5,142,678	Annual Weighted Average		12.8%
12 PETERSEN BROTHERS, INC.	5	6	83.3%	4,974,026			
13 JOHANSEN EXCAVATING, INC.	2	5	40.0%	4,384,569			
14 MATIA JANSEN JV	1	1	100.0%	4,377,478			
15 SHAMROCK PAVING, INC.	2	2	100.0%	4,240,370			

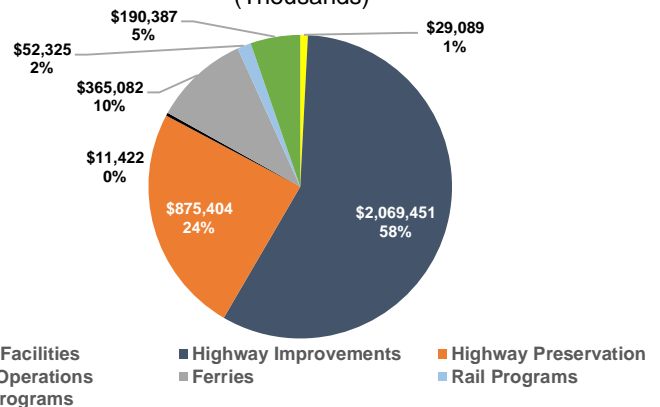
Competition Summary



The graph on the left shows the total number of bidders for all WSDOT projects from January 2016 through October 2016. The majority of projects bid had only 2 or 3 total bidders; however, there were also 5 or more bidders on 29 projects.

The graph to the right shows the WSDOT 2017-2019 Capital Budget broken down by program. A total of \$2B (58% of the total budget) is budgeted for highway improvement over the next 3 years, while Highway Preservation is budgeted \$875M (24%).

WSDOT 2017-2019 Capital Budget by Program (Thousands)



Sources: WSDOT bid lettings, Washington State Transportation Improvement Program, WSDOT Biennial Budget

The first list below highlights Major Long-Term Mobility Investments that WSDOT plans to bid over the next 12 years. The largest investment is the I-5 Tacoma/Pierce County HOV program at over \$1.6B.

The second list highlights a number of large projects that WSDOT plans to bid in the near term (2017-2018). The largest here is the US 395 North Spokane Corridor, at almost \$1.5B.

Long-Term Mobility Investments Expected:

	Est. Project Value
I-5 - SR 16 Tacoma/Pierce County HOV Program	1,605,288,000
SR 432 (Industrial Way) - SR 433 (Oregon Way) - Intersection Improvements	85,000,000
SR 28 - Wenatchee Eastside Corridor Study	58,500,000
I-405 - NE 132nd St. Interchange Improvements	48,500,000
SR 285 North Wenatchee Area Intersection Improvements	25,000,000
SR 14 - E of Bingen – Port of Klickitat Access Improvements	22,900,000
SR 28 East Wenatchee Corridor Improvements	20,000,000
SR 9 - 176th Street SE to SR 96 - Widening	13,039,000
I-405 - NE 44th to 112th Ave. SE Widening	150,000

Large Projects Expected to Procure in '17-'18:

	Est. Project Value	Est. Timeline
US 395 - North Spokane Corridor	1,494,000,000	H1 2017
I-5 - Mounts Road to Thorne Ln I/C - Corridor Improvements	495,000,000	H1 2017
Seattle Multimodal Terminal at Colman Dock Project	320,000,000	H1 2017
I-5 - NB MLK Jr Way to NE Ravenna Br - Pavement Repair & More	34,433,000	H1 2017
I-5 - NB S 260th St to Duwamish River Br - Concrete Pavement Rehab and ADA	31,023,000	H1 2017
SR 409 - Columbia River Bridge at Puget Island - Deck Replacement and Painting	13,993,000	H1 2017
US 195 - Colfax to Spangle - Add Passing Lanes	11,650,000	H1 2017
SR 124 - Monument Drive Railroad Crossing - Construct Bridge	10,483,000	H1 2017
I-5 - Portland Avenue to Port of Tacoma Road - Southbound HOV	305,349,000	H2 2017
SR 525 - Mukilteo Multimodal Terminal	134,000,000	H2 2017
SR 107 - Chehalis River Bridge - Structure Rehabilitation	15,909,000	H2 2017
SR 20 - Sharpes Corner Vicinity - Interchange	13,400,000	H2 2017
I-90 - Eastgate to SR 900 Peak Use Shoulder Lanes	73,200,000	H1 2018
I-5 - SR 510 Interchange - Reconstruct Interchange	72,000,000	H1 2018
SR 9 - SR 204 Intersection Improvements	69,500,000	H1 2018
I-82 - South Union Gap Interchange Improvements	34,000,000	H1 2018
I-82 - Red Mountain - Build Interchange	25,500,000	H1 2018
SR 520 - I-5 to Lake Washington	1,640,000,000	H2 2018
I-405 - Renton To Bellevue Project SR 169 to I-90	1,220,000,000	H2 2018
SR 167 - Tacoma to Edgewood New Freeway Construction	933,000,000	H2 2018
US 12 – Nine Mile Hill to Frenchtown Vicinity – Build New Highway	134,000,000	H2 2018
I-82 - US 12 to Yakima Ave - Corridor Improvements	45,000,000	H2 2018
I-90 - Medical Lake I/C to Geiger I/C	26,600,000	H2 2018
I-5 - NB Seneca to SR 520 - Mobility Improvements	20,080,000	H2 2018
SR 290 - Spokane River East Trent Bridge	19,860,000	H2 2018
US 12 – Wildcat Creek Bridge – Replace Bridge	12,000,000	H2 2018
SR 241 - Yakima River Bridge - Replacement	N/A	H2 2018
SR 14 - Access Improvements	N/A	H2 2018

Sources: Washington State DOT Project Index

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

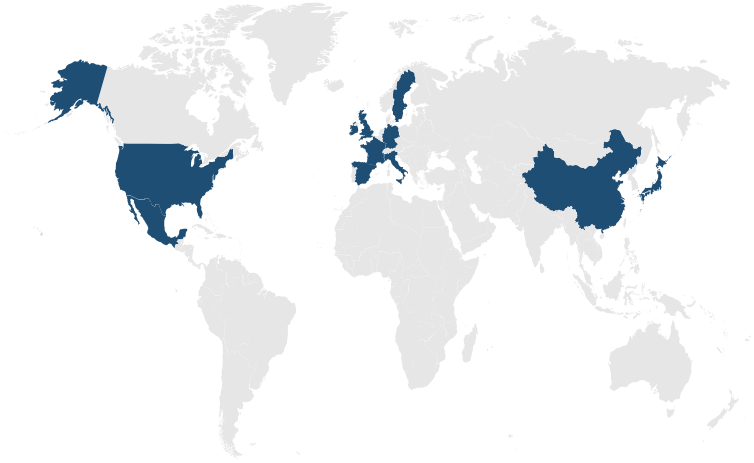
Broad Range of Advisory Services

- 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.