



## 2009 Construction Employment and Business Forecast

January 8, 2009

### 1. Have you seen a downturn in the construction markets where you work?

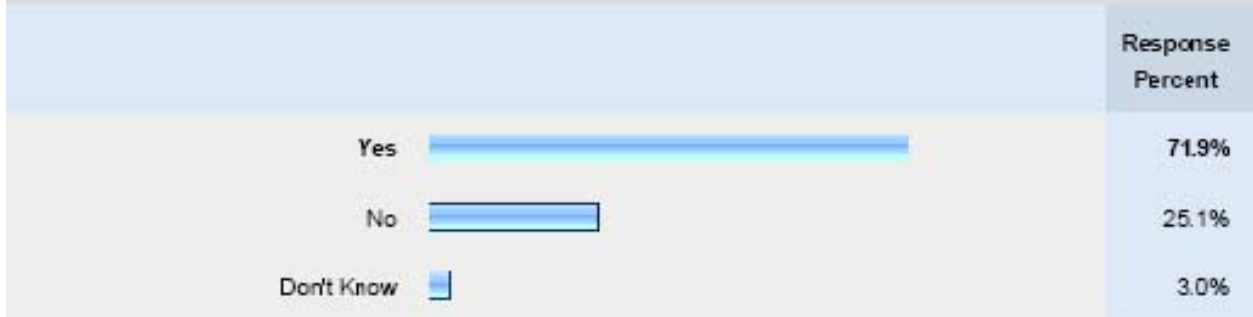
	Yes	Not yet, but expect one	No and don't expect one	N/A
Highway	81.0% (171)	11.8% (25)	1.8% (4)	5.2% (11)
Building	86.1% (124)	5.6% (8)	1.4% (2)	6.8% (10)
Utility	72.6% (138)	11.1% (21)	2.6% (5)	13.7% (28)
Private Construction	94.1% (144)	2.0% (3)	1.3% (2)	2.6% (4)
Water resources	64.2% (111)	13.3% (23)	3.5% (6)	19.1% (33)
Other public work	79.7% (149)	11.8% (22)	2.7% (5)	5.9% (11)

#### Some comments:

- 1) At this point, at the present rate of available contracts to bid on, the viability of small/midsize bridge contractors in Iowa is in question.
- 2) Drastic reduction.
- 3) Due to Triangle Grading not honoring contract and paying us for work completed we cannot continue.
- 4) Economic conditions resulted in loss of a \$4M project in 2008
- 5) Federal work in Oregon has been slow
- 6) Housing downturn shut down growth. Our cities populations are actually shrinking now.
- 7) I am in the equipment rental industry and the decline in 2008 is bad. With out some stimulus in 2009 many in our industry will have a hard time keeping the doors open.
- 8) In this State, HMA volumes have plunged by more than 43% for the DOT since 2003
- 9) It is as bad or worse than the 1982 recession and we are in IN where we suppose to have a lot of money.
- 10) It is getting worse each week
- 11) Less projects and more bidders from private sector
- 12) Many projects are being pulled
- 13) More like a stoppage than a down turn. At least in some areas (heavy / highway)
- 14) Municipalities and DOT's are short of funding
- 15) NEVER BEEN THIS SLOW
- 16) No funding at the state level and private developers are on hold until the economy stabilizes.
- 17) Not only has there been a downturn, a significant number of builders are not paying their subs
- 18) Numbers of Bidders increasing as well as out of State contractors-Indicative of lack of work elsewhere

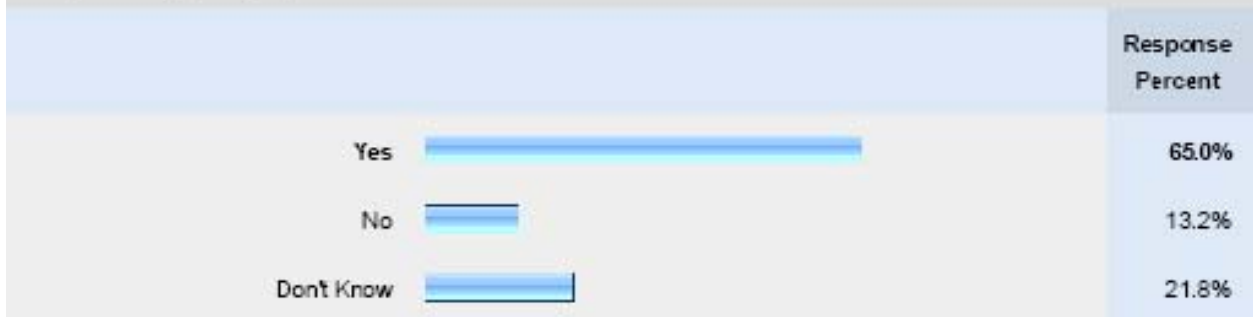
- 19) Our DOT is cutting their budget 5% mid year.
- 20) Our forecasts are for Fabricated Bridge Steel projects to drop 30%
- 21) our office is deluged with laid-off good workers that are seeking employment
- 22) Private commercial construction spending is way down. Projects that were in planning stages aren't happening. New York State is already making budget cuts which will slow down or cancel projects.
- 23) Private plat construction has almost completely ceased.
- 24) Public bridge construction has virtually stopped in Texas.
- 25) Residential sitework is all but gone. Much more capacity in local area than market conditions can support.
- 26) Significant decreases. (NYS DOT didn't open bids due to budget shortfall.)
- 27) The bid market has reduced drastically the last three months - margin deterioration is worrisome.
- 28) The bidding calendar in our area has slowed to a snails pace both civil and commercial
- 29) The bridge market is down. State's are scared because federal funding is in question.
- 30) The economy is so bad that public agencies are competing with private firms for roadway construction projects.
- 31) The extremely limited number of projects that are out for bid or proposal are currently inundated with contractors. I would estimate, in the regions we work in, the number of contractors vying for those projects has increase 4 to 6 times.
- 32) the following year after election has usually had a substantial downturn in highway work
- 33) There has been a drastic slow down in the last two quarters of 08 and we expect even greater slow down in 09.
- 34) There is a significant downturn in all areas of construction.
- 35) There seems to still be some work for bigger companies that can handle projects in the millions of dollar range but very little for the small or medium sized contractors
- 36) theres just no projects to bid on
- 37) This is the biggest slow down in my 43 years of working in the construction industry.
- 38) We are hearing a lot of wait and see. thus creating a delay in starting
- 39) We have no projects to bid at this time.
- 40) We only perform highway work
- 41) Without question. There is very little private work and our public work volume is down 60%
- 42) Worst local market I have seen in 25 years.
- 43) Yes we have, in not only the number of bidding opportunities but also the prices we bid. Many local agencies have made comment that they may not have any projects to bid in the next year.

2. Have you had to lay off any employees in the past 6 to 12 months as a result of the downturn?



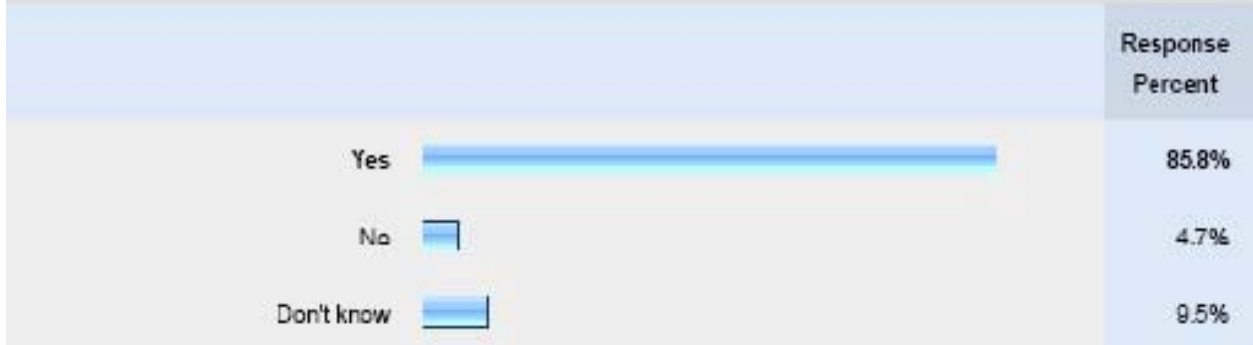
Average percent of workforce laid off: 35%

3. Do you anticipate laying off workers in the next 6 to 12 months?



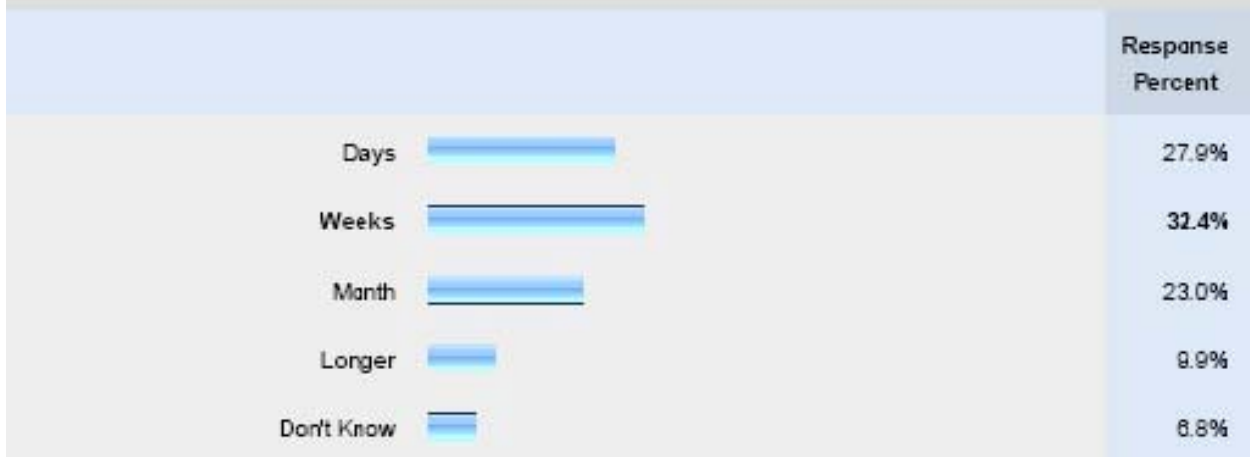
Average percent of workforce planned to be laid off: 30%

4. If your state received extra federal funding and therefore was able to put additional projects out to bid, would this prevent layoffs and /or would you need to hire additional workers?

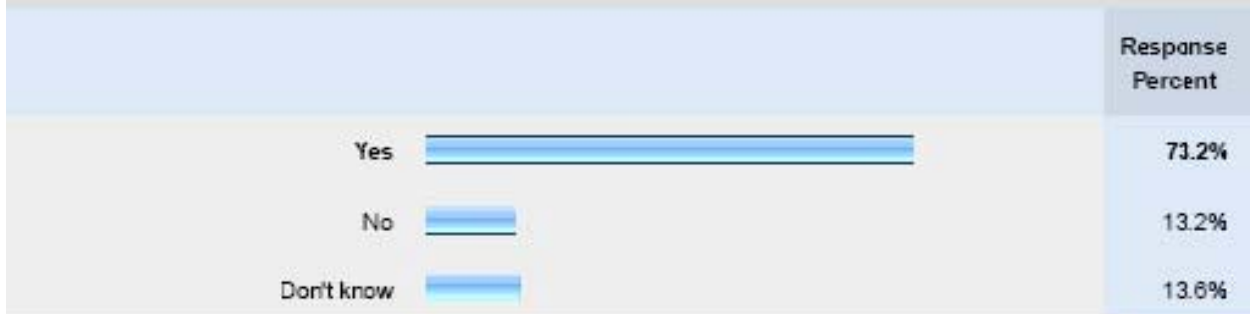


Average percent of additional workers to be hired: 25%

5. How soon after you are awarded a contract will you begin work on the project?



6. Would more projects going out to bid impact your decision to purchase new equipment?



Average investment in capital: \$500,000

Additional Results:

- 97% of respondents reported they had completed projects in less than 24 months in the last two years.
- On average, respondents completed 24 projects within 24 months in the last two years.