



# Florida Department of TRANSPORTATION

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## Construction Cost Indicators

**Performance Review Meeting  
Florida Department of Transportation  
Executive Conference Room  
Tallahassee, Florida**

**Phillip “Greg” Davis, P.E.  
State Estimates Engineer**

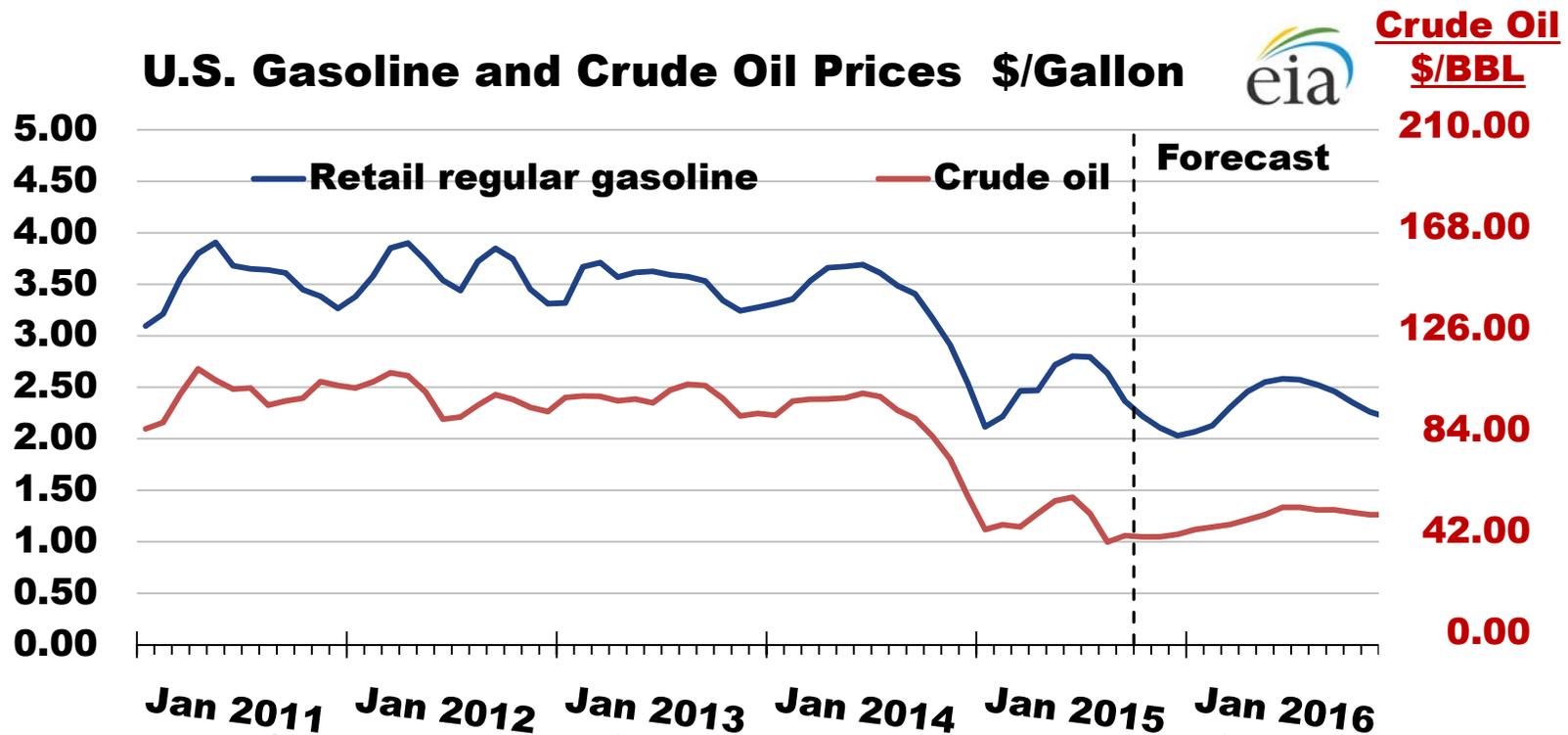
**Program Management Office  
November 19, 2015**



# Oil Price Trend

**WTI crude oil prices: \$76/bbl (Nov 2014), \$42/bbl (Aug 2015) and \$40.67/bbl (Nov 18, 2015)**

**EIA expects WTI crude oil prices to average \$50/bbl (2015) & \$54/bbl (2016)**



Source: Short-Term Energy Outlook, October 2015.



# Bituminous Asphalt Trends PG 67-22

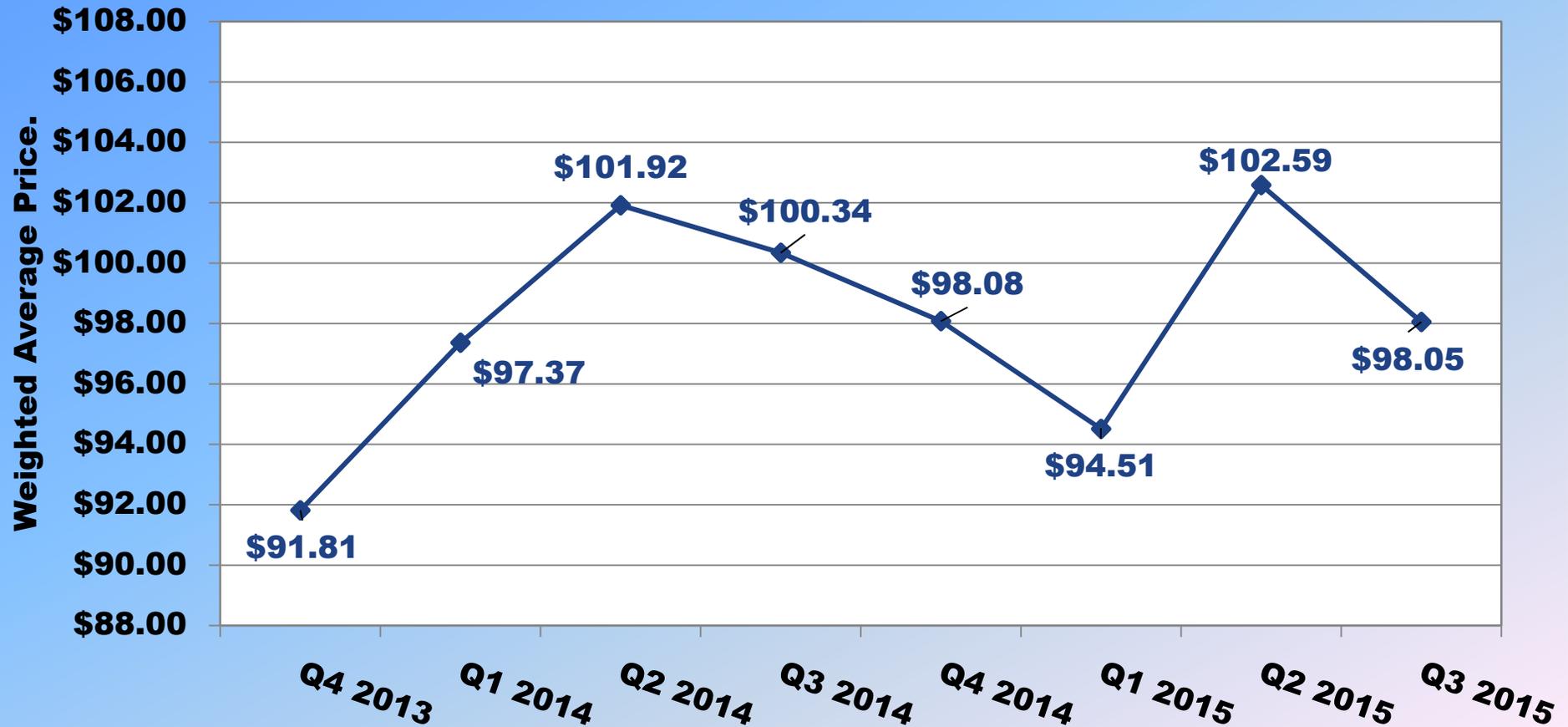




# Cost Trends Graph Asphalt Pavement



## Cost Trends Graph including Current Let Contracts



**NOTE: Lump Sum, Design/Build Contracts not included in this graph**



# Cost Trends Graph Reinforcing Steel



## Cost Trends Graph including Current Let Contracts



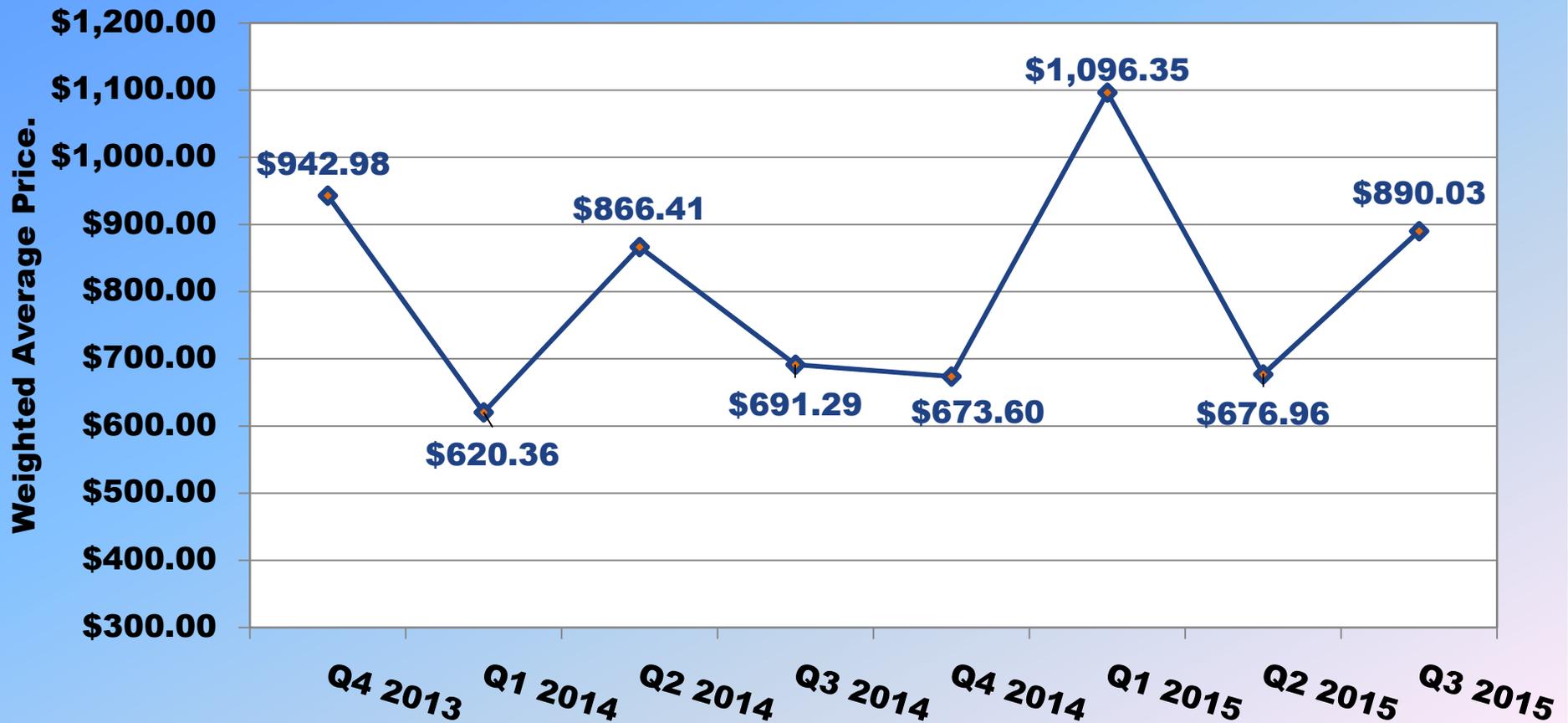
NOTE: Lump Sum, Design/Build Contracts not included in this graph



# Cost Trends Graph Structural Concrete



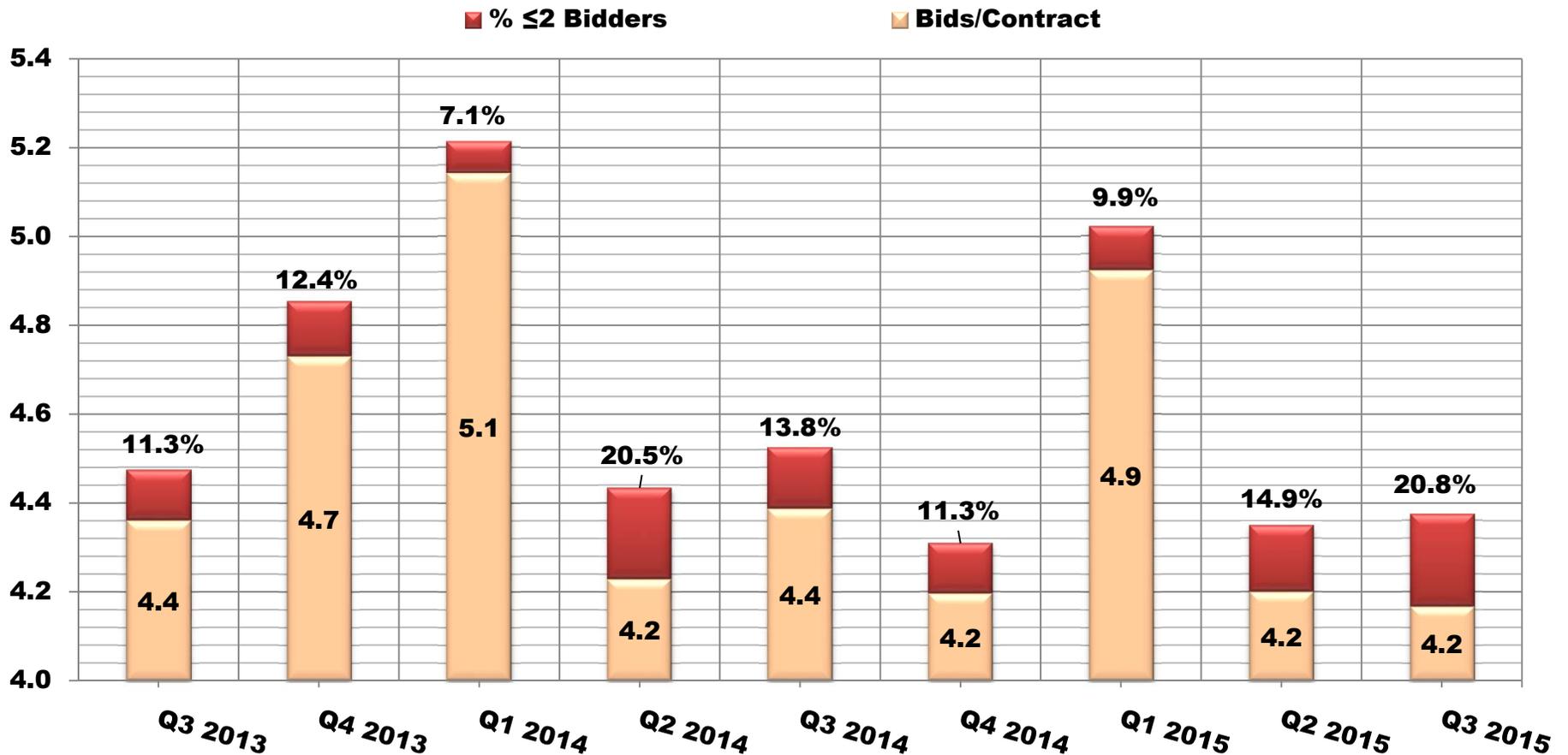
## Cost Trends Graph including Current Let Contracts



**NOTE: Lump Sum, Design/Build Contracts not included in this graph**

# Letting Summary (Class 1, 7 & 9)

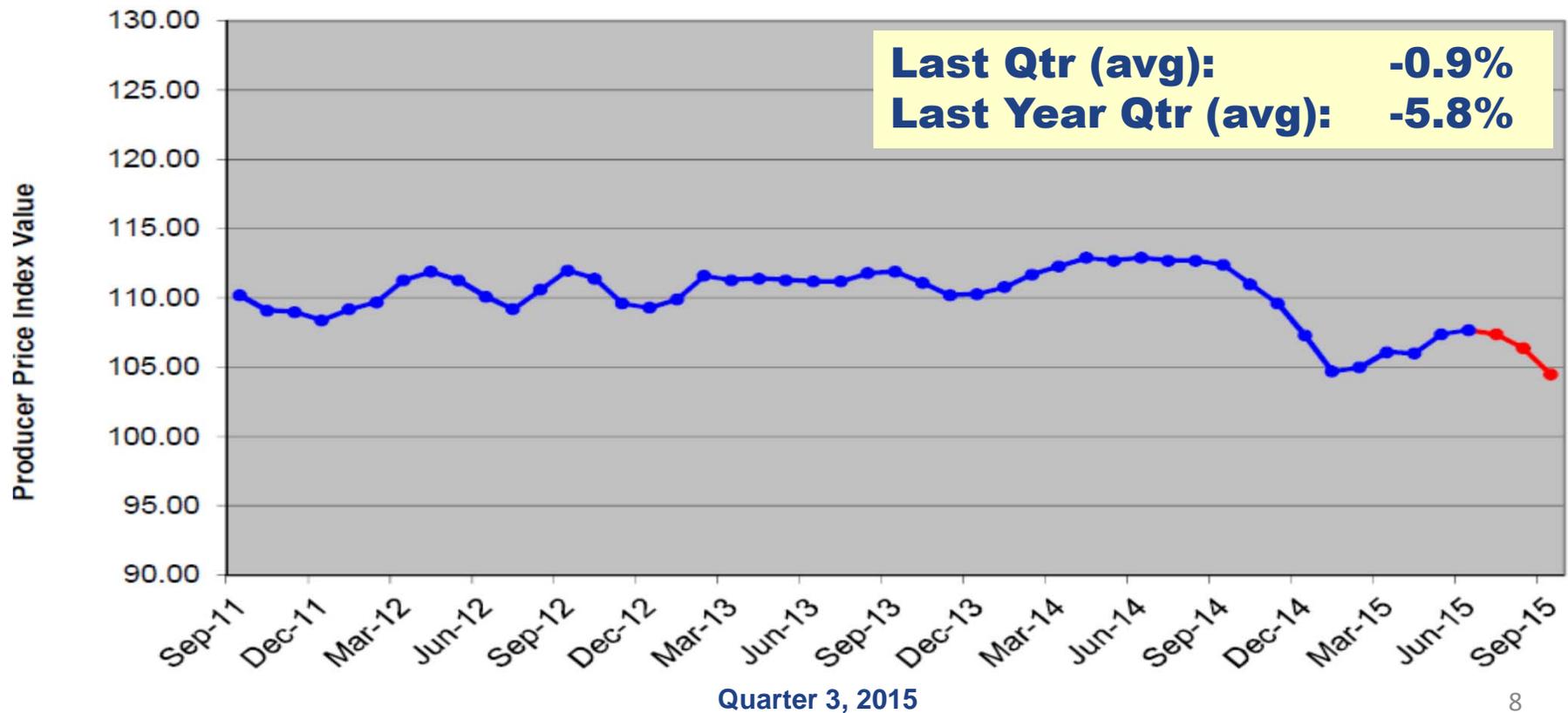
**Average 4.4 Bids/Contract**





# PPI for Non Residential Construction

**The quarterly average PPI fell by 0.9% from last quarter. US Chained Price Index for State/Local Structures price index will increase annually by 1.7%, 1.8% & 2.9% in 2015 - 2017 respectively.**



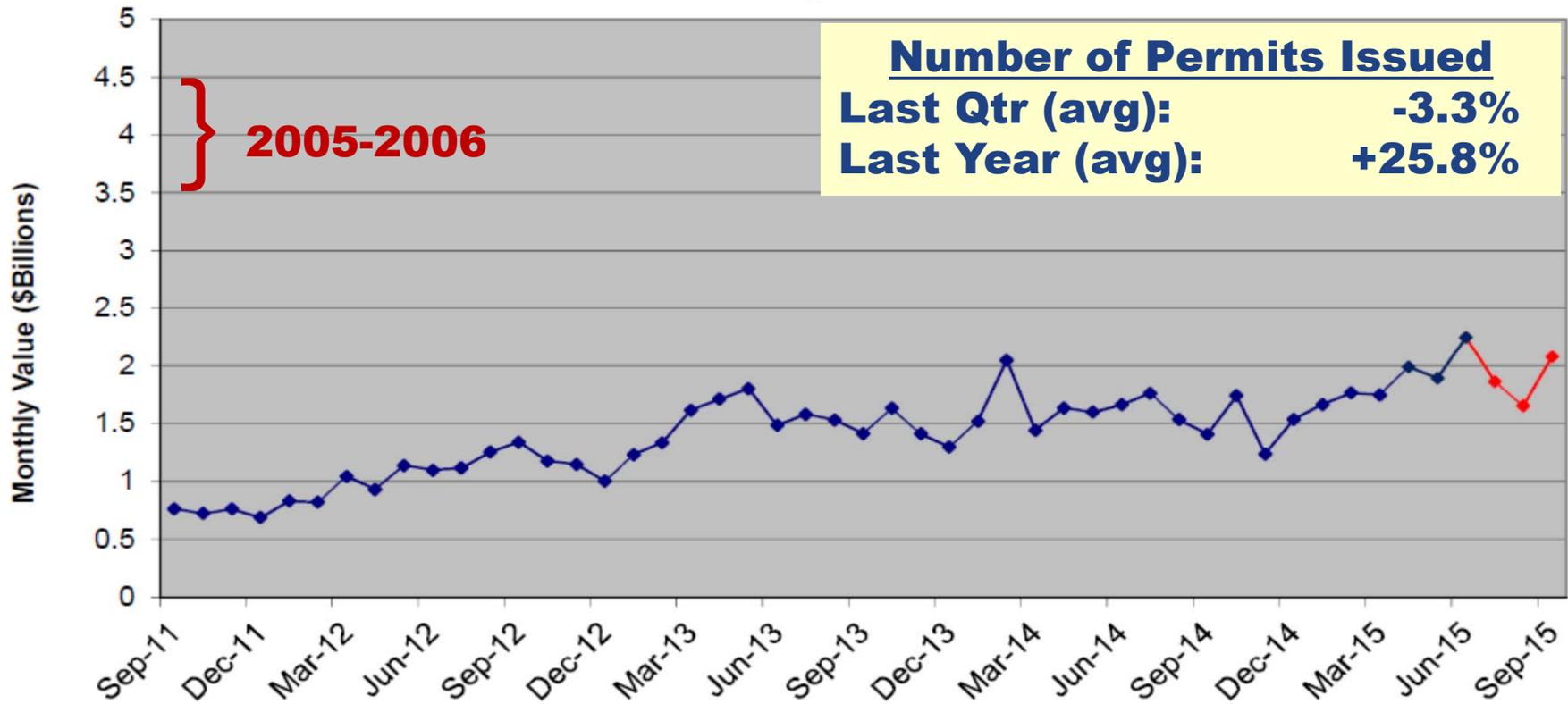


# Florida Residential Permits

## Residential Building Permits

**In Florida, permit activity fell by 3.3% from the previous quarter, but was 25.8% above year ago levels.**

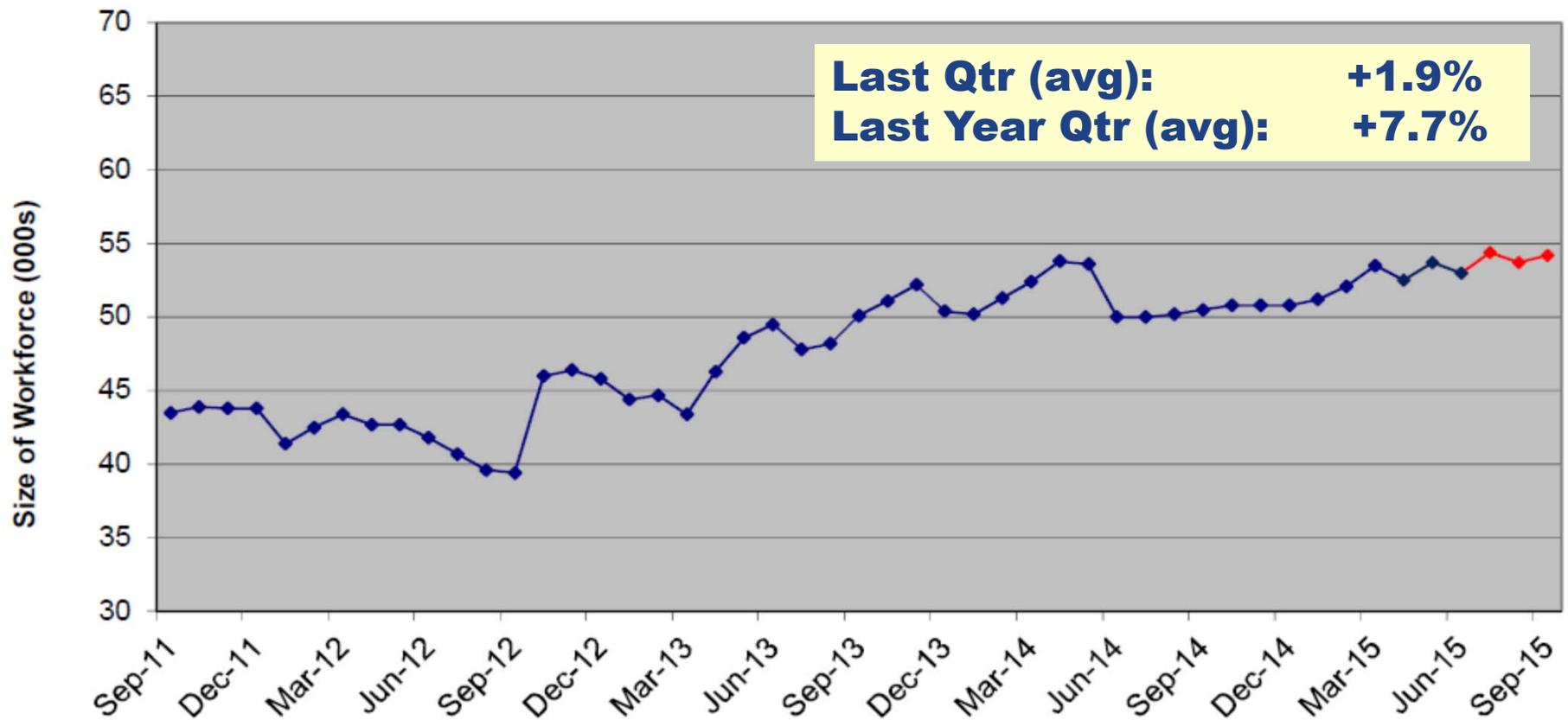
**Total Private Housing Starts will increase by 24.7% 28.1% 15.7% in 2015 - 2017 respectively.**



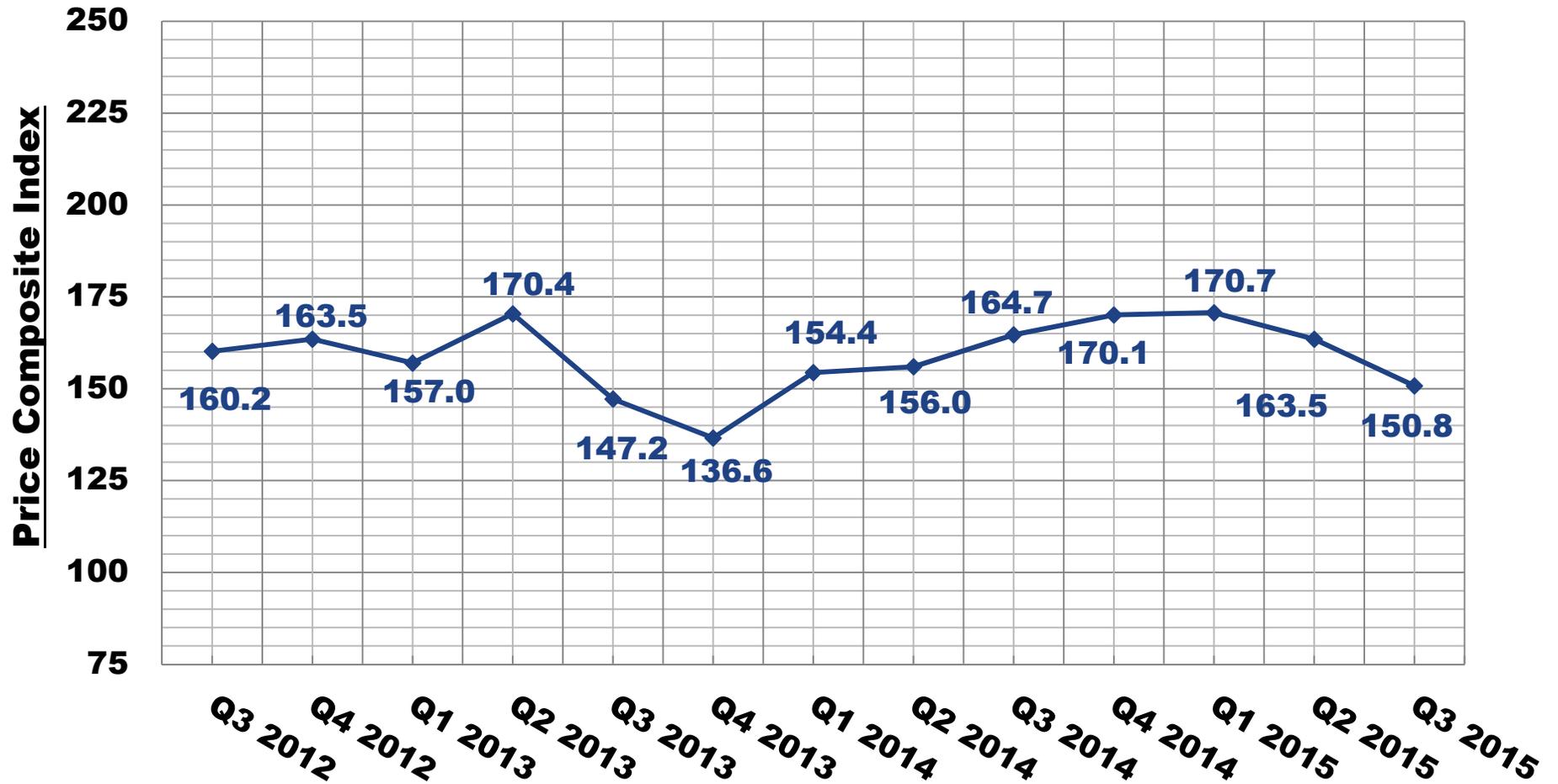


# Florida Heavy Construction Employment

**Construction employment continues upward trend. Construction employment is expected to increase by 8.2%, 9.3% & 8.9% in 2015-2017 respectively**



# FDOT Price Trends Quarterly Report (All Cost Groups) FY2012-FY2015



Note: Excluding Lump Sum & Design Build

# Summary

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- **Oil & Diesel prices are stable and expecting moderate increases**
- **Bid prices for major cost groups are trending downward**
- **Competition remains low, but expected to increase next quarter**
- **There are no material price pressures**
- **Florida housing permits are down, but up from last year**
- **Construction employment continues on an upward trend**
- **Construction cost are trending downward**

**THANK YOU**

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