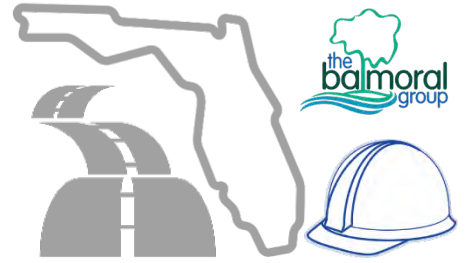
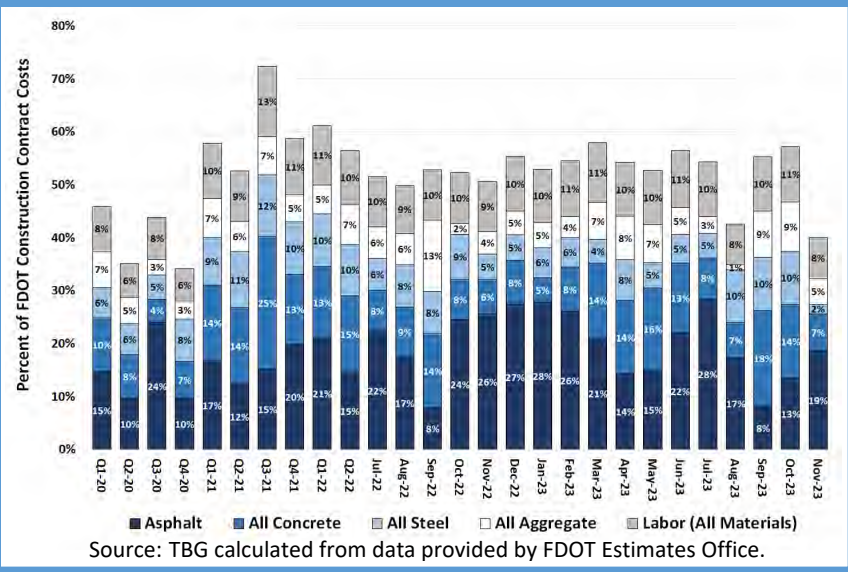
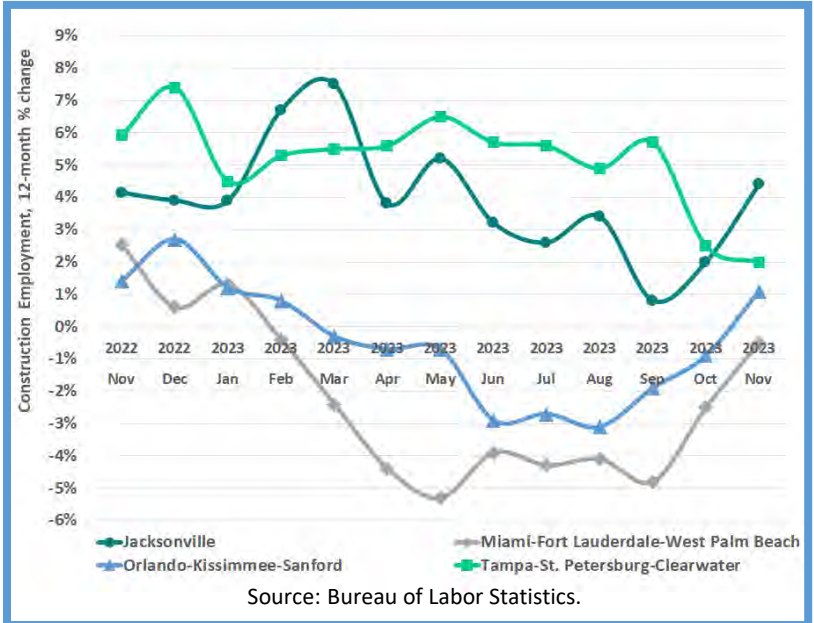


# December 2023: FDOT Bid Prices High Going into 2024

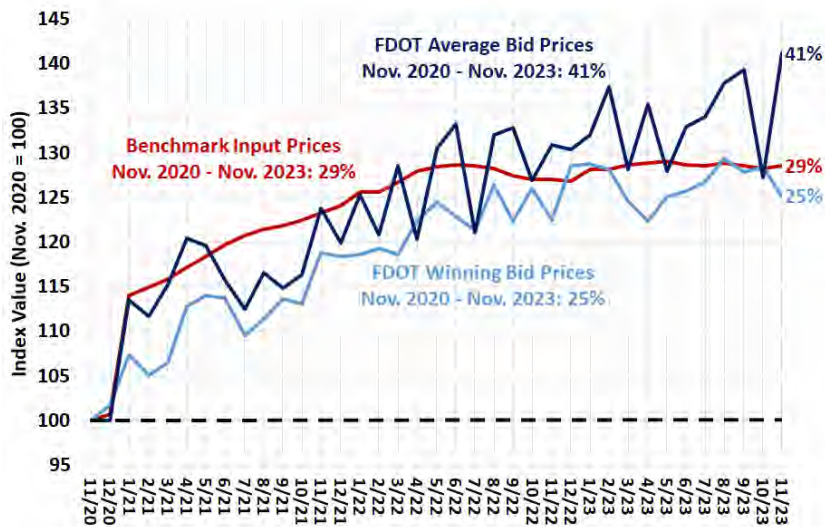


The index of FDOT awarded bids dipped below regional benchmarks in November 2023 according to preliminary data. Average bids reached new heights at 41% higher than benchmark input costs over the same period. Benchmark input prices changes remained flat in November, with record high material costs continuing to impact bids in the southeastern U.S. Construction employment growth remains strong in some major metro areas, while others like the Miami and Orlando markets, which had seen declining employment trends for much of 2023, started to rebound through November. BLS data shows the number of workers employed by highway, street, and bridge contractors reached record levels during the 2023 summer construction season, with over 30,000 new workers on the payroll; an increase of 8% compared to 2022. However, job openings are still high, implying continued labor challenges.

- In November 2023, statewide construction employment grew by 2.2%, year-over-year.
- Total nonfarm employment rose 2.8% and unemployment was 2.9%.
- Construction employment growth in Jacksonville rebounded in November 2023, up 4.4% compared to November 2022.
- Tampa construction employment grew 2.0%, year-over-year. The high growth rates seen in previous months continue to moderate.
- Construction employment in Orlando improved in November 2023, up 1.1%, year-over-year.
- While still negative, Miami's results show continued improvement on previous months.



- Updated monthly data was provided by FDOT Estimating Systems Support.
- In October 2023, concrete costs as a share of total costs remained high at 14%. Preliminary November 2023 data shows concrete costs moderating.
- Asphalt costs gained steam in October and November; large bid price increases may be overstating demand, however.
- Steel and aggregate costs remained high in October, but moderated in November with preliminary data.
- Labor costs were 8-11% of total costs.



Source: TBG work product, calculated from data provided by FDOT Office of the Work Program and Budget and FDOT Estimates Office and industry data.

- Industry benchmark input costs were 29% higher in November 2023 compared to November 2020.
- Updated October and preliminary November 2023 bid data was provided by FDOT Estimating Systems Support.
- For winning bids in November 2023, FDOT costs declined after several months of tracking industry levels to 25% higher than November 2020.
- On average, FDOT bids were 41% higher in November 2023 compared to the baseline (all bids, not just awarded).
- Costs remain elevated due to high asphalt, aggregate, and concrete bids.