



Minnesota Construction Industry Assessment 2025-2026

Executive Summary

2025-2026 AGC of Minnesota Construction Industry Assessment

The 2025-2026 AGC of Minnesota Construction Industry Assessment reflects the input of 172 respondents representing the commercial construction marketplace and affiliated partners. The assessment provides forward-looking indicators for 2026 construction demand and aggregates contractor, supplier, and service-provider insights into shifting labor, market, and operational conditions across Minnesota's construction economy.

Below are key observations and trends:

2026 MARKET OBSERVATIONS

The overall outlook for 2026 market performance reflects **modest optimism compared to 2024 responses**. Respondents projecting positive business conditions dipped slightly year-over-year, with nearly half anticipating status-quo conditions. Heavy industrial contractors are a notable bright spot, shifting from **0% positive outlook last year to 83% positive** this year.

Market sentiment varies across sectors:

- Technology/Data Centers emerges as a major growth segment, with 76% expecting expansion next year.
- Transportation and Heavy/Utility segments maintain overall strength.
- Healthcare and Public Facilities show reduced confidence after several years of upward trends.
- Commercial Office and Retail remain under pressure, yet negativity is easing as more responses project stabilizing demand.

Capital investments remain healthy, with **51% of firms planning to purchase new equipment** in 2026 (up from 46% last year) and **20% planning to purchase used equipment** (up from 9%).

Technology and innovation again rank as the top positive market influence, with responses signaling operational improvements and productivity gains tied to digital adoption. Labor costs, workforce limitations, inflation, and tariffs form the most significant headwinds weighing on business confidence and pricing predictability.

LABOR MARKET & HIRING OUTLOOK

Minnesota's persistent skilled labor shortage **remains the #1 drag** on business performance. Respondents continue to cite challenges sourcing talent, especially in the skilled trades. The hiring outlook is improving — **62% expect to increase staff** in 2026, up from 53% last year.

Positive workplace culture remains the most common talent sourcing approach, while **increasing compensation** regains the top position as the most effective retention strategy. Remote or flexible scheduling options, once more prominent, are beginning to plateau as in-person productivity needs grow.

Laborers, equipment operators, and truck drivers continue to be the most difficult craft roles to fill, while **project managers and estimators** remain the most challenging office positions to recruit. Retention trends improved, with **48% of firms keeping 76-100% of new hires**, signaling progress in addressing turnover pressures.

Union contractors continue to rely closely on **JATCs**, although confidence has softened slightly as concerns rise over productivity alignment with employer expectations. Non-union contractors further decreased use of technical and community training programs, shifting more heavily toward online hiring channels. Word of mouth talent sourcing remains the most common and effective strategy for both signatory and non-signatory firms.

WORKFORCE INCLUSION & SUBCONTRACTING

Developing a diverse workforce remains a persistent challenge, especially in Greater Minnesota where contractors cite **limited local availability of diverse talent** as the top barrier. While **64% of respondents report taking deliberate steps** to recruit diverse candidates, more firms questioned whether strategies are producing measurable results.

More clients now require formal **inclusion plans** in proposal submittals, rising to **58%** statewide. Notably, the practice of partnering with **Emerging & Small Businesses (ESBs)** declined among General Contractors, despite increased diversity hiring requirements.

CONCLUSION

Construction demand in Minnesota remains resilient, with emergent growth fueled by technology sectors, heavy/utility work, and renewed capital investments in equipment and workforce expansion. These positive drivers are countered by significant workforce constraints, wage inflation, and cost uncertainties that continue to limit project delivery capacity and squeeze margins.

Survey data confirms a familiar but intensifying dynamic: The work is there — the workers are not.

AGC of Minnesota thanks the participants of the 2025-2026 Construction Industry Assessment. These insights help guide advocacy, member services, and strategic labor-market initiatives that support a strong, competitive, and inclusive construction industry across Minnesota.

AGC of Minnesota remains **Your Trusted Resource**.

Tim Worke
CEO

Respondent Snapshot

Industry sectors and types of firms

Industry Sectors

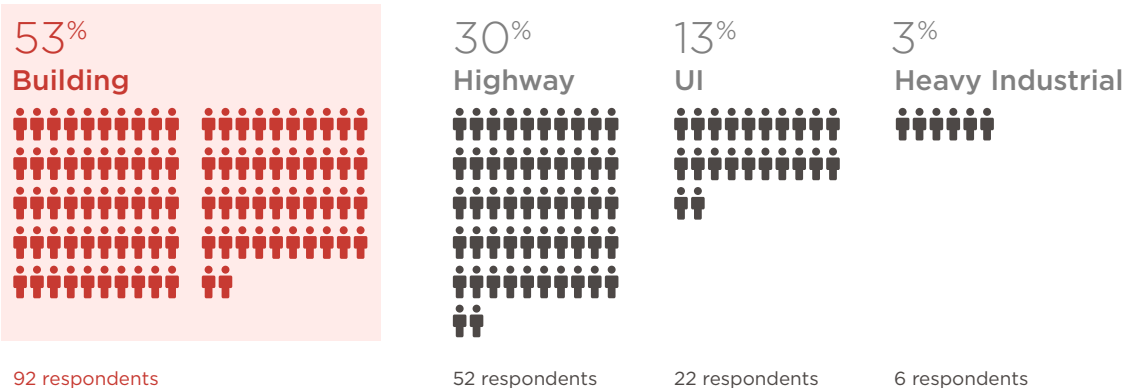
Primary sector: **Building**

QUESTION 1

Please indicate your primary industry sector as defined below.

Building
Highway
Utility Infrastructure
Heavy Industrial (i.e. refineries, pipelines)

= 1 respondent



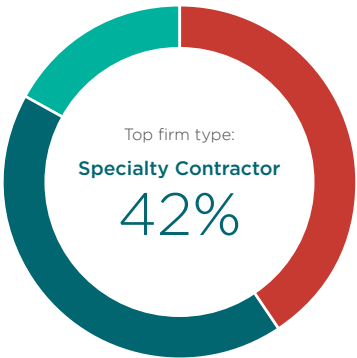
Types of Firms

Top firm type: **Specialty Contractors**

QUESTION 2

Which of the following best describes your firm?

● General Contractor
● Specialty Contractor/Subcontractor
● Affiliate
(material supplier, product/service provider, etc.)



General Contractor	41% of total	70 respondents
Specialty Contractor	42%	73
Affiliate	17%	29

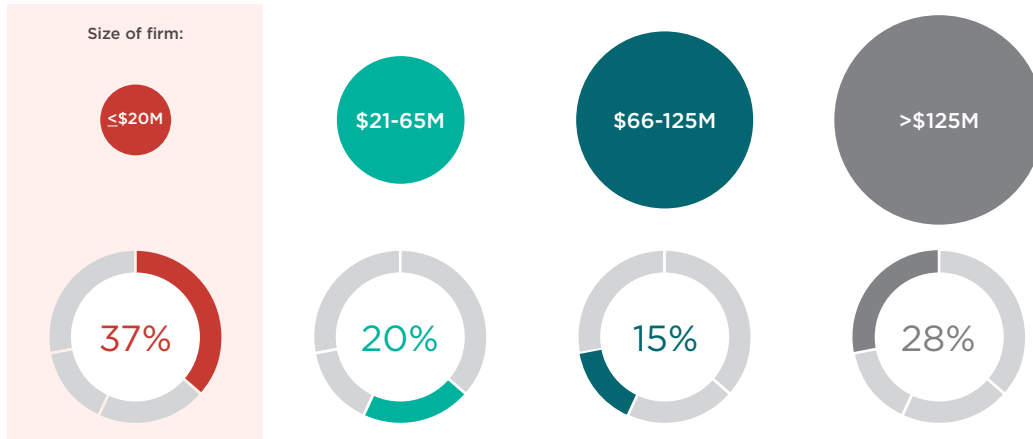
Respondent Snapshot

Size of firm in sales

ALL RESPONDENTS

Size of Firm in Annual Volume Sales

Top size: \$0-20M



QUESTION 3

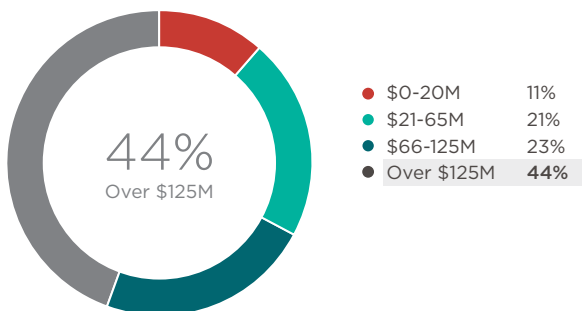
Please indicate the size of your firm in annual volume sales

- \$0-20M
- \$21-65M
- \$66-125M
- Over \$125M

Responses by Firm Type

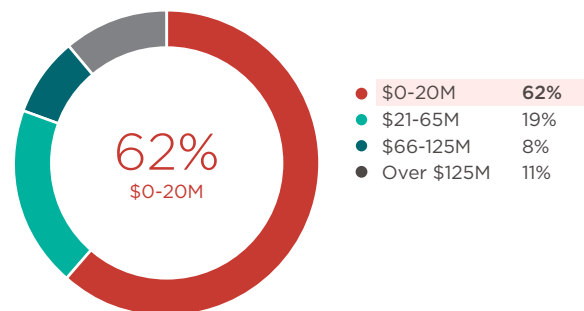
General Contractors

Top size: over \$125M



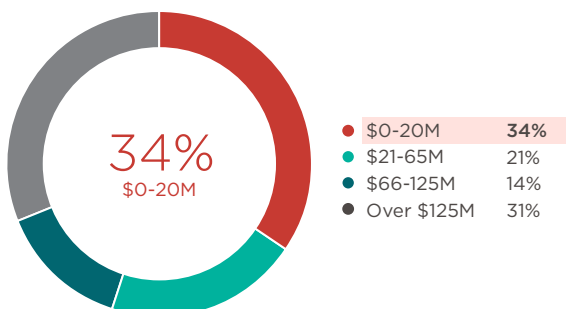
Specialty Contractors

Top size: \$0-20M



Affiliates (Materials Suppliers /Service Providers)

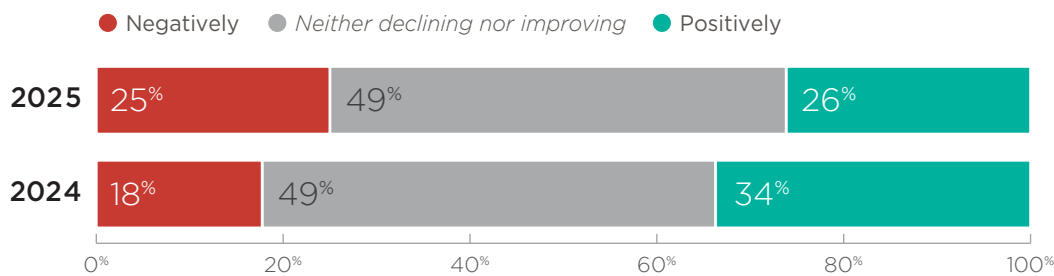
Top size: \$0-20M



Looking Ahead to 2026

How respondents perceive market conditions affecting their firm

All Respondents by Year



QUESTION 4

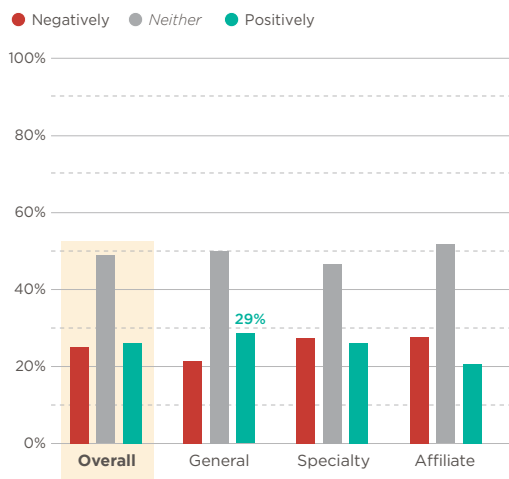
How do you expect overall market conditions in 2026 to affect your firm?

Positively
Neither Positively nor Negatively
Negatively

Responses by Firm Type and Sector

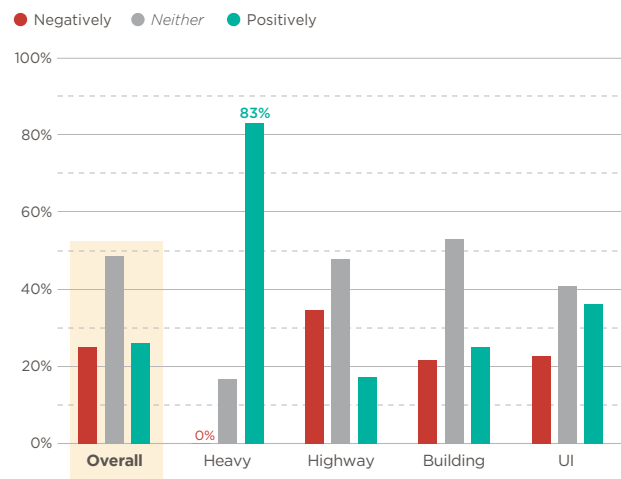
Firm Type

Top by 'Positively': **29% General**



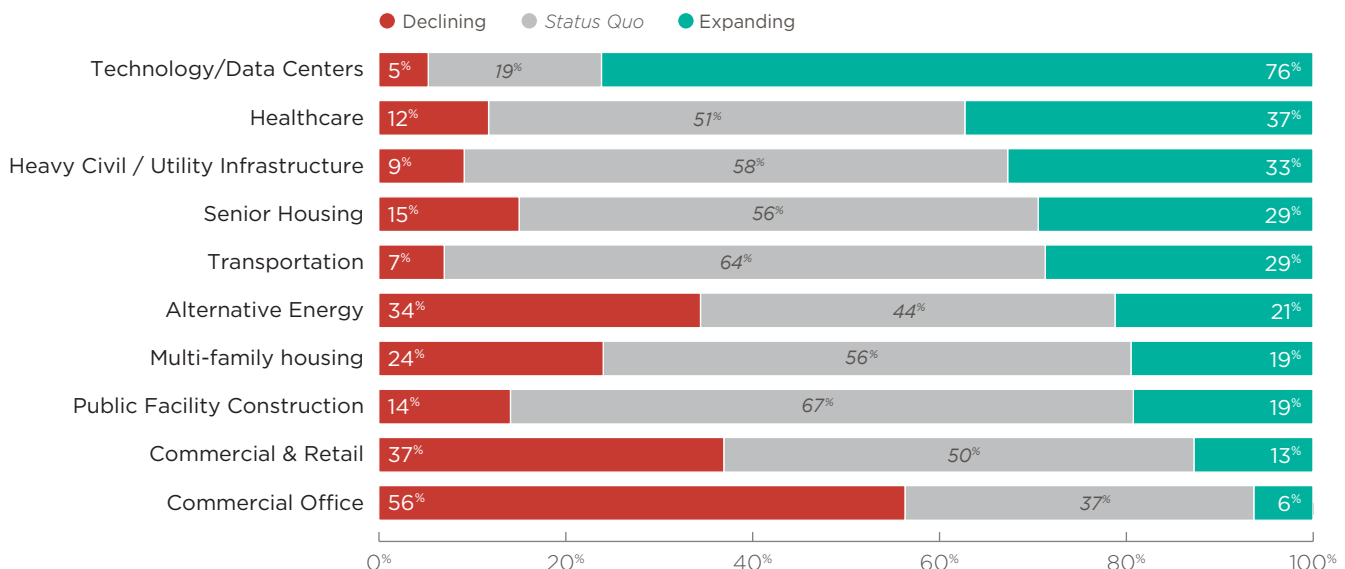
Sector

Top by 'Positively': **83% Heavy Industrial**



QUESTION 5

How do you anticipate the following construction market segments performing in 2026?



Equipment Plans for 2026

Buy new, buy used, or lease

All Contractors

- Will purchase **new** equipment
51% | 73 respondents
- Will purchase **used** equipment
20% | 28
- Will lease equipment
7% | 10
- Will depend on tax laws
11% | 16
- Not applicable
11% | 16



QUESTION 6

Your plans for equipment additions or reductions for 2026:

- Will purchase new equipment
- Will purchase used equipment
- Will lease equipment
- Will depend on tax laws
- Not applicable

Responses by Firm Type and Sector

General Contractors



- Will purchase **new** equipment
59% | 41 respondents
- Will purchase **used** equipment
19% | 13
- Will lease equipment
4% | 3
- Will depend on tax laws
7% | 5
- Not applicable
11% | 8

Specialty Contractors



- Will purchase **new** equipment
44% | 32 respondents
- Will purchase **used** equipment
21% | 15
- Will lease equipment
10% | 7
- Will depend on tax laws
15% | 11
- Not applicable
11% | 8

Responses by Sector

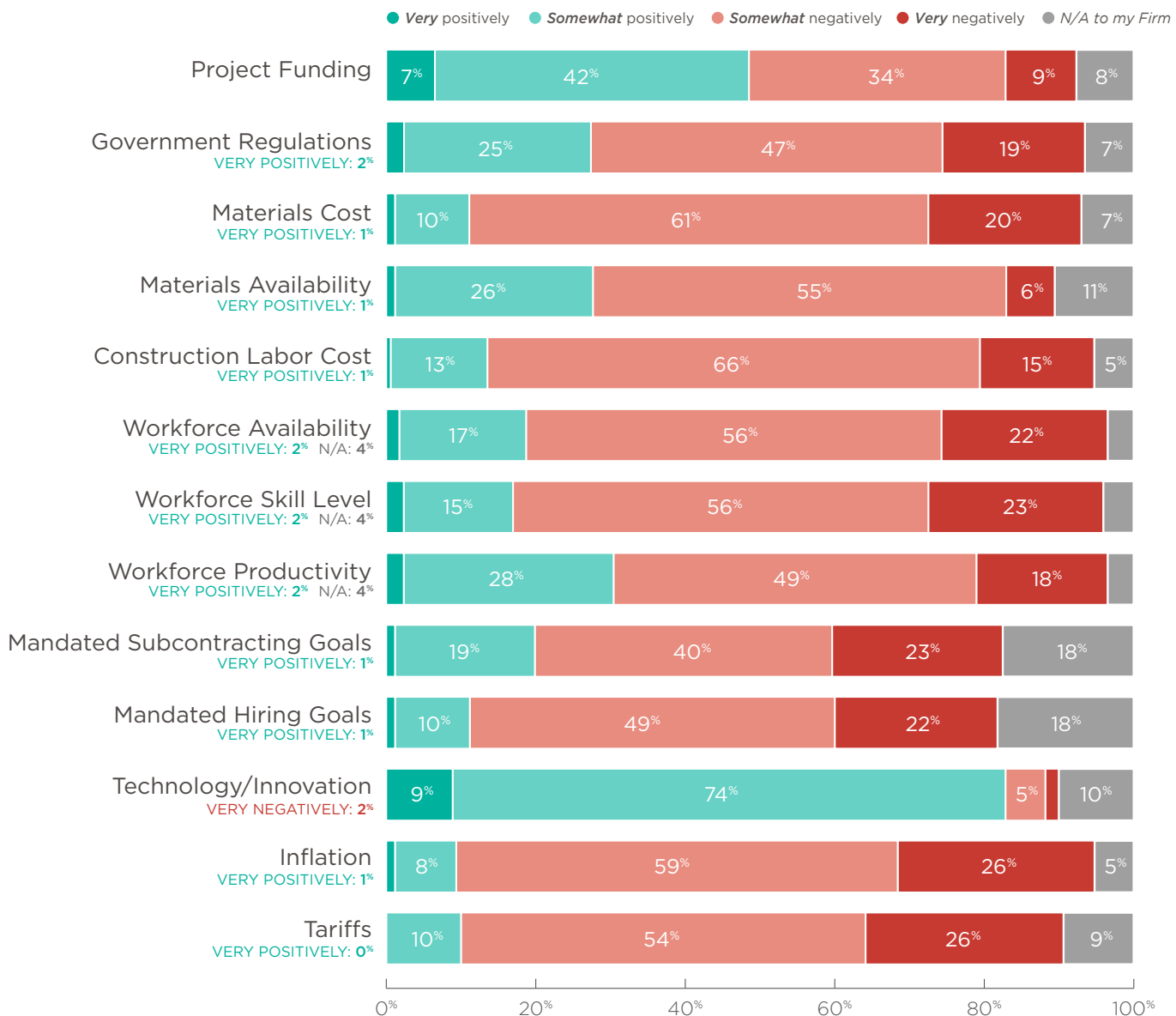
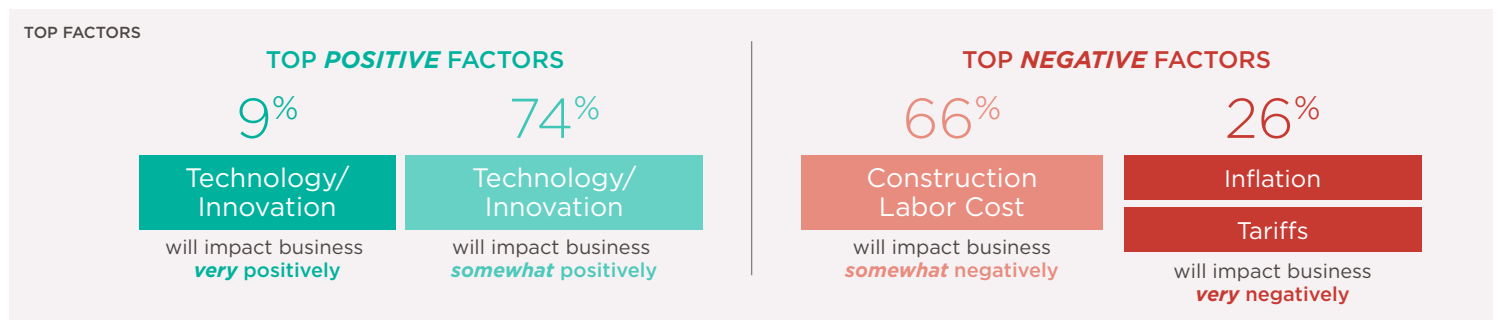


Factors Expected To Impact Respondent Business

Impacts: positive, negative, or neutral

QUESTION 7

How do you expect the following factors to impact your business through 2026?



Factors Expected To Impact Business In 2026

By firm type

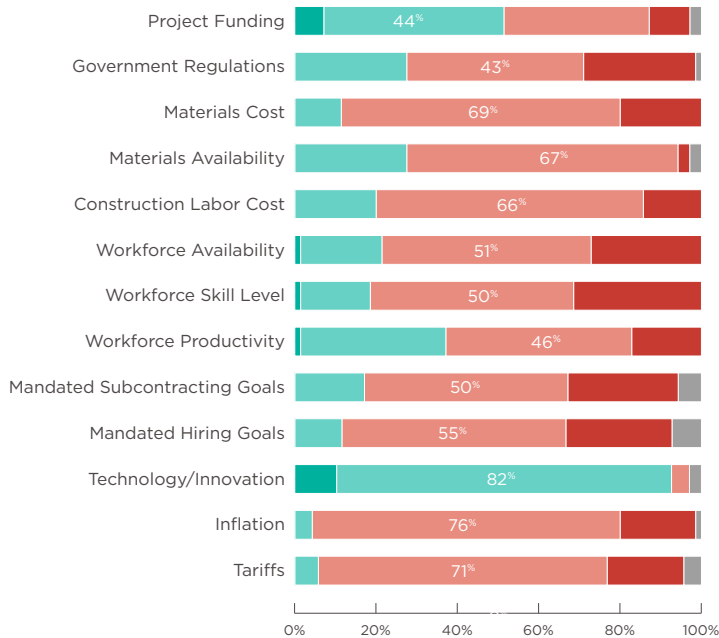
QUESTION 7

How do you expect the following factors to impact your business through 2026?

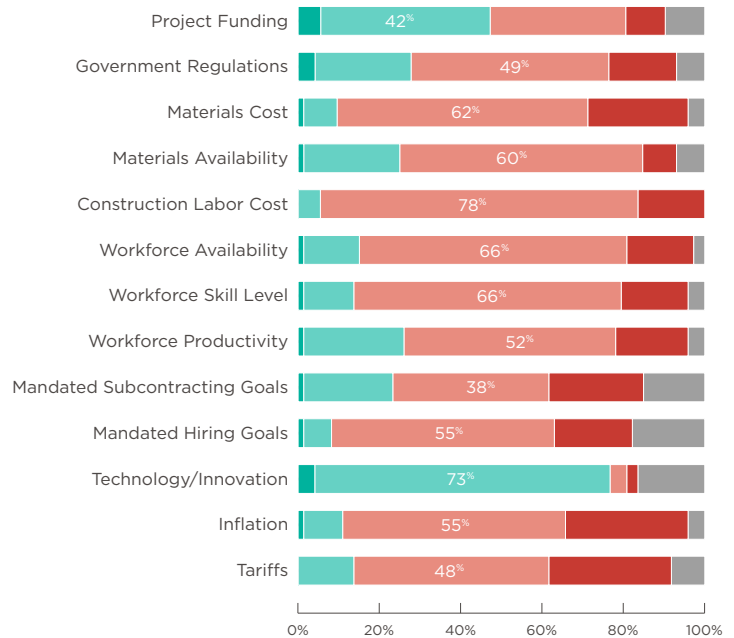
● **Very positively**
● **Somewhat positively**
● **Somewhat negatively**
● **Very negatively**
● **N/A to my Firm**

Responses by Firm Type

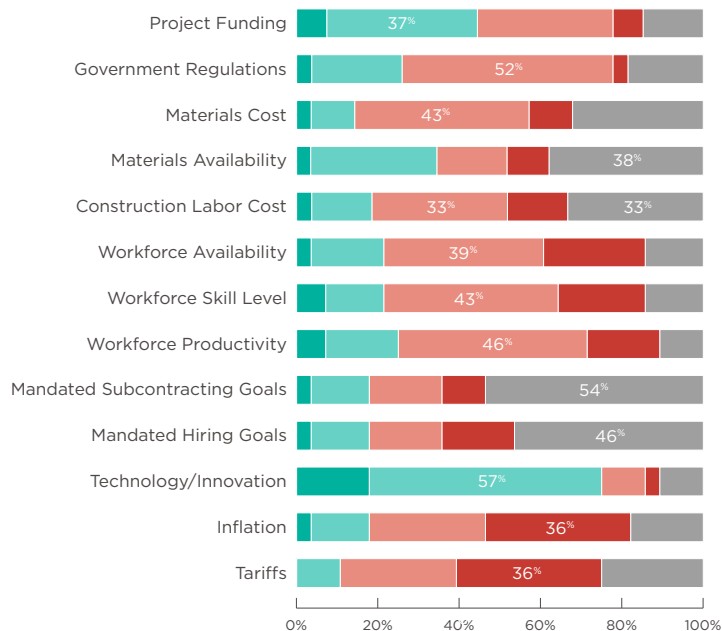
General Contractors



Specialty Contractors

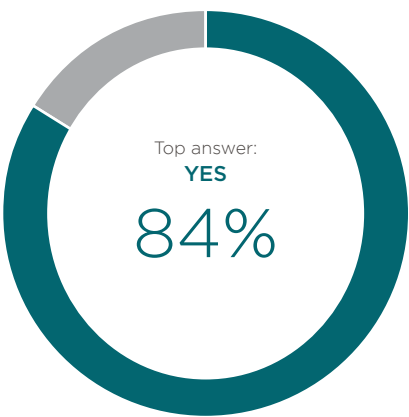


Affiliates



Contractor Signatory Status

Overall, by firm, and by sector



QUESTION 8

Are you signatory with any union?

Yes: 84%
No: 16%

Responses by Firm Type

General Contractors



- Yes
81% | 57 respondents
- No
19% | 13 respondents

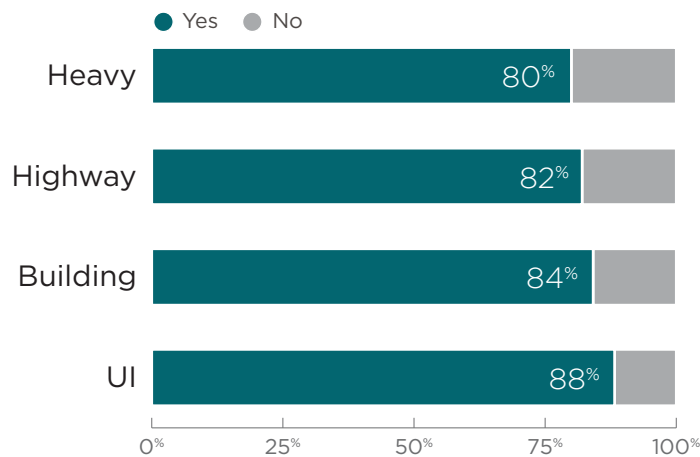
Specialty Contractors



- Yes
86% | 63 respondents
- No
14% | 10 respondents

Responses by Sector

Filter: Contractors only

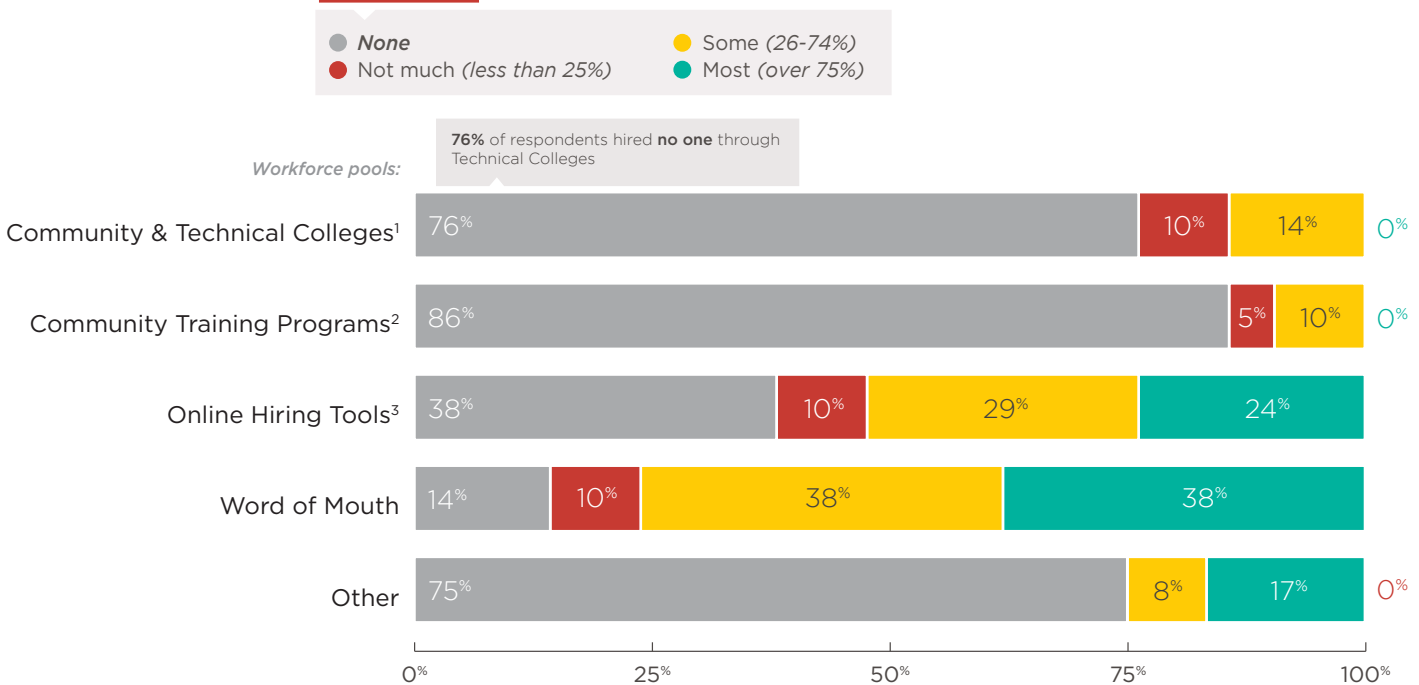


Hiring Sources - Craft Workforce

Non-Union Contractors

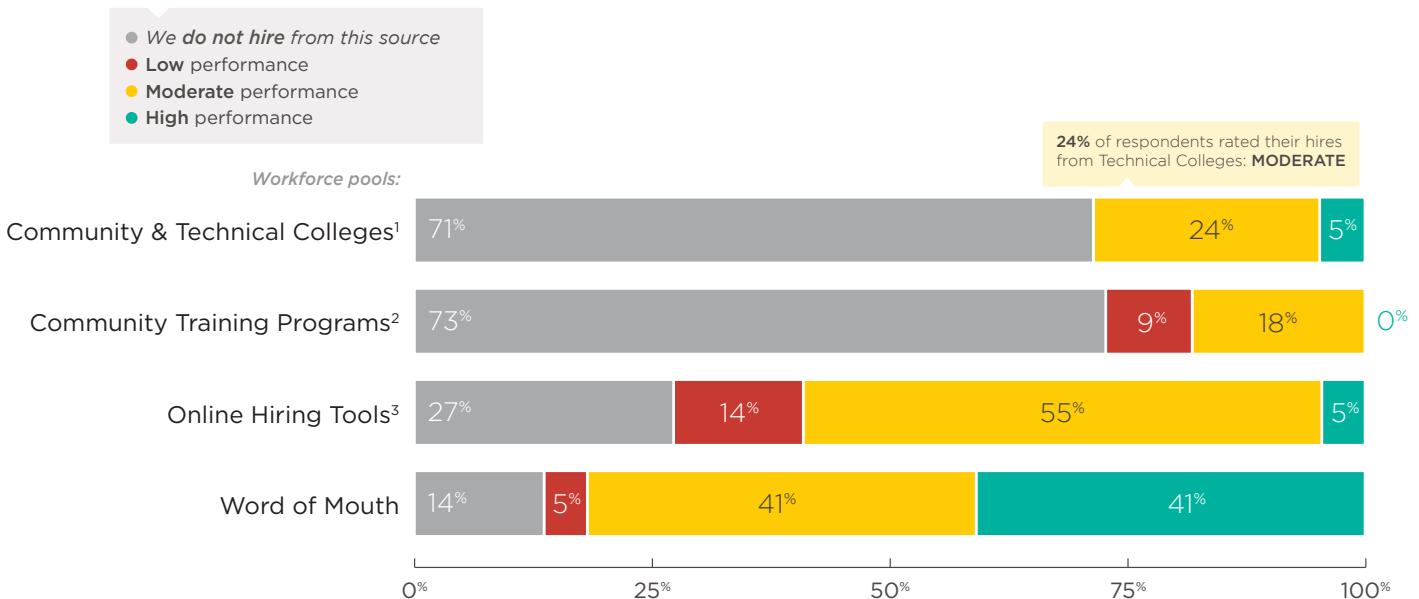
QUESTION 9

In the past year, what percentage of your field craft hiring have you done through the following sources?



QUESTION 10

Please rate the performance of the craft workforce you have hired through the following sources.



FOOTNOTES:

¹(Hennepin Tech, St. Paul College, Dunwoody, etc.)

²(Goodwill, Merrick, Summit OIC, etc.)

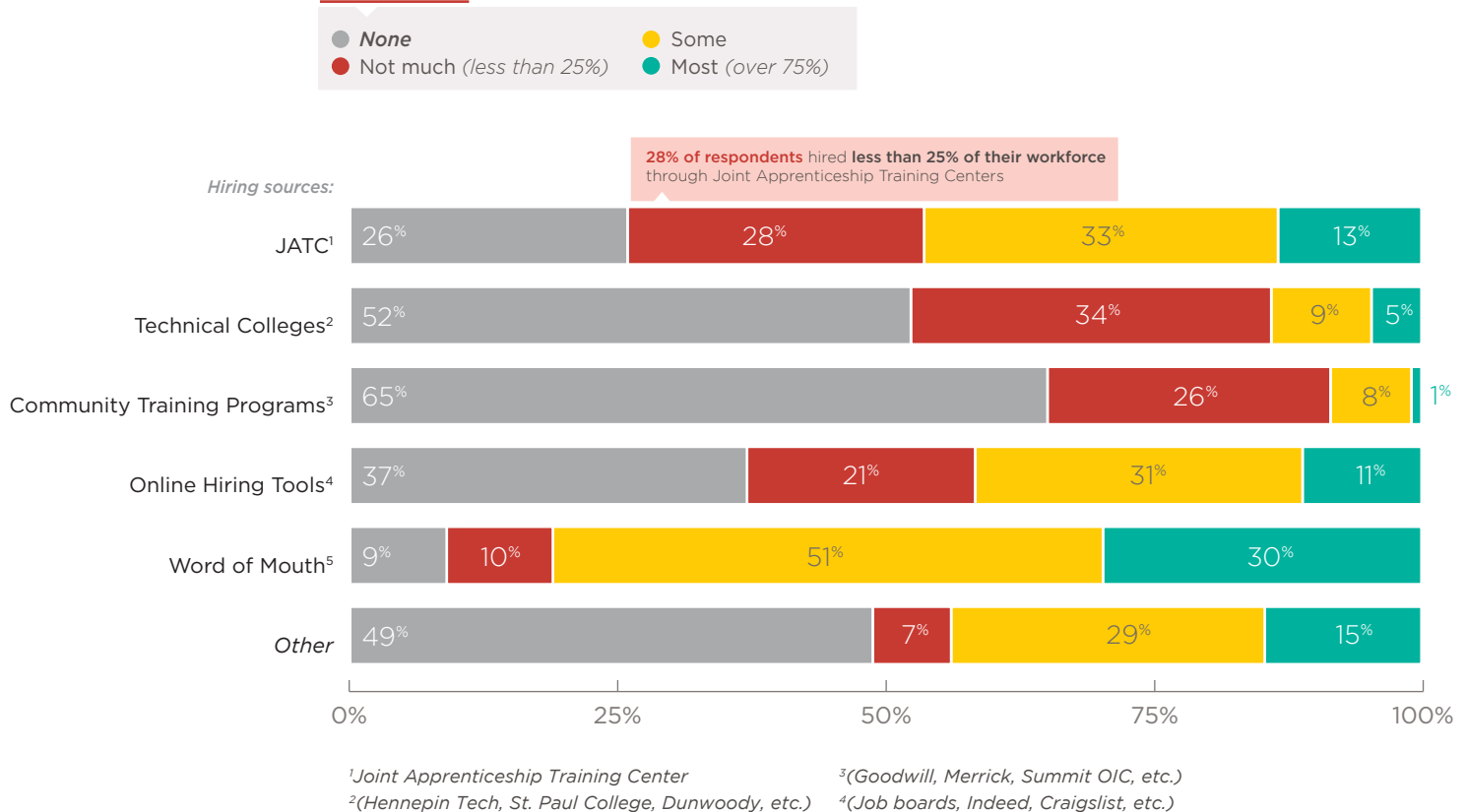
³(Job boards, Indeed, Craigslist, etc.)

Hiring Sources - Field Craft Workforce

Union contractors

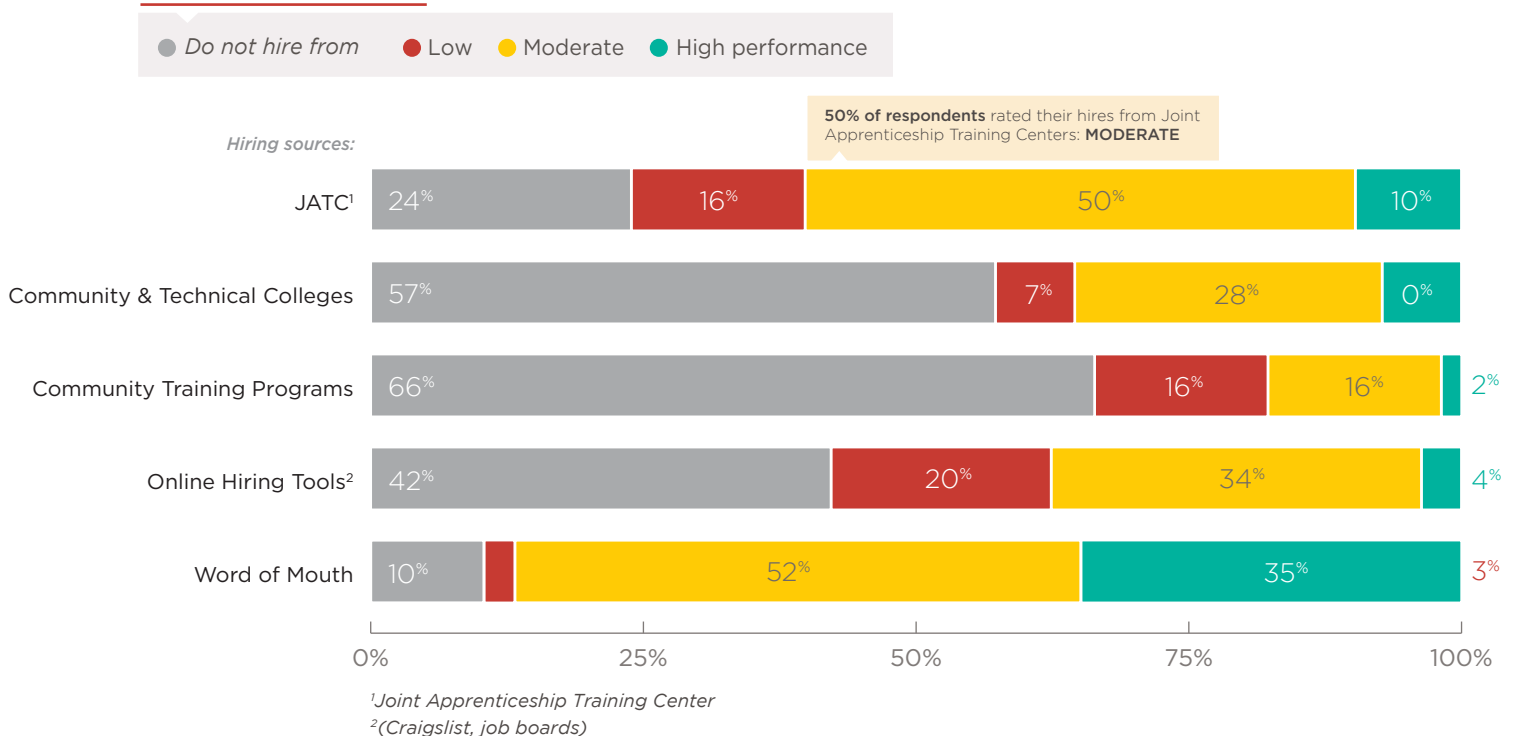
QUESTION 11

In the past year, what **percentage** of your field craft hiring have you done through the following sources?



QUESTION 12

Please **rate the performance** of the craft workforce you have hired through the following sources.

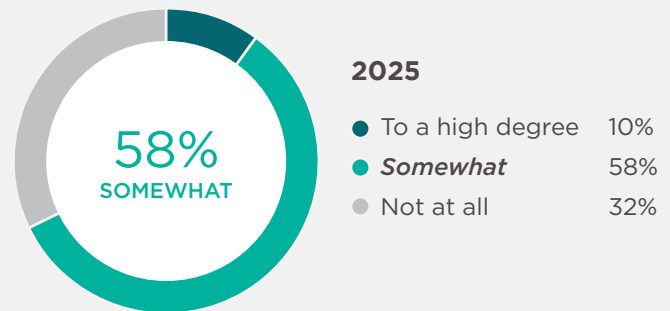
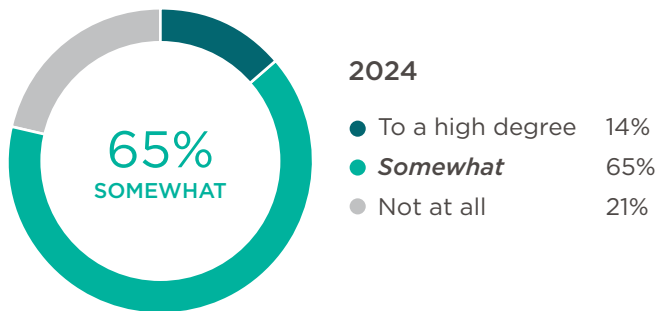


Hiring Sources - Field Craft Workforce

Union contractors

QUESTION 13

To **what extent** do Joint Apprenticeship Training Committees (JATCs) meet your workforce skill and availability expectations?



QUESTION 14

What **suggestions** would you make to improve the availability and quality of workforce from these traditional sources?

"There is opportunity to help individuals early with some further specialization (perhaps in the last half of their apprenticeship). For example, for a carpenter this may include wood framing, steel studs & sheetrock, finish carpentry, concrete formwork, etc."

"They need to encourage the students to come work outstate."

"Having a roundtable discussion with Contractors quarterly to understand the upcoming work needs, training, and for contractors to understand what is available for resources."

"Need to promote these careers early in the schools and offer more availability for students to pursue. Need more hands-on training in the schools to give the exposure."

"Unions must take an active role in holding their members accountable to the training standards mandated in their CBA."

"Let more kids in locally, but ask them to commit to traveling for the first year or two. I understand we can't just let an extra 100 apprentices in the local unions only to have them sit on the bench, but ask them to commit to going to where the work is."

"Developed our own program through the state."

"The movement is there to increase the profile of trades people. It just needs more legs and more visibility."

"Stop the repeal of affirmative action."

"Work ethic needs to be prioritized in training."

"Tough to beat more experience. More training in the underground, trench safety world would be great."

"Let us fire low performers and hire our own to organize in."

"I think part of the trainings should be managing expectations of workers. These are demanding fields of work that require long

days and high attention to detail (at times) and I feel like the attitude towards hard work is lacking at times with young individuals coming out of technical colleges and training programs."

"Do more outreach at the high school level. Have more job fairs or something from the unions to get young people interested in construction."

"Don't water down the criteria to get into the program."

"More people in the programs and the contractors need to hold poor performers accountable and not just lay them off...if they are poor, we need to fire them."

"The international training center in Texas (IUOE) has a great program, but I do not think it is utilized as much as it should be. I think the learning and training requirement needs to be pushed more to the field employees, instead of the expectation that the employers need to handle all aspects of it."

"I just think it is a cultural issue and cannot be corrected and will only get worse."

"Would be nice to have additional information on these sources."

"Invest in the training centers. Find ways to utilize the training centers throughout the year."

"It seems as if we're painting the wrong picture. Maybe we're so desperate for new workforce were telling them the good and not the bad. Or the trainers don't really know much about the industry and therefore, can't describe it properly."

"Get rid of repeat non performers."

"Teach the students how to be satisfied with completing a task and show up ready to work all day."

What impacts General Contractors' use of JATCs?

Factors that impact the use of JATC training programs

Select all that apply:

QUESTION 15

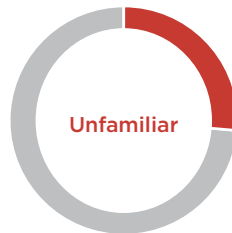
Do any of the following factors impact your firm's use of JATC training programs and/or hiring of apprentices?

(Select all that apply)



53%

Concerns about **workforce productivity**



27%

Unfamiliar with the JATC model



34%

Unable to provide **sufficient mentoring and development** of apprentices



13%

Unsure of how to **access and utilize** apprentices

QUESTION 16

What have been ***the most successful strategies*** you have utilized to encourage your workforce to use the JATC training program(s)?

"Balancing the number of apprentices with journeyman and providing opportunity for mentorship."

"We require training in the off season and JATC is free to them so they should use this."

"We onboard all field employees into the apprentice program and tie advancement to their initiative in completing training opportunities."

"Spending time at the training centers and working with the business agents of those unions. Giving presentations to apprentices so that they understand what we are looking for in applicants and "what good looks like."

"Participating in providing the training at the training center, being a partner in Sandbox programs to promote early involvement."

"Partner the new hire with an onsite mentor for a necessary period of time."

"Working with our existing crews to help them understand the importance of mentoring and hiring apprentices."

"Our company has a rubric of credentials and certifications (by position) that must be kept current to maintain employment."

"Making an effort to spread apprentices out over our jobs, so all foremen get a chance to do training has been helpful."

"We are Union so it's the only way for us."

"We try to keep track of who has their certifications and who needs to get them. We then communicate with the installers on who needs to complete their certifications."

"Make sure they go to classes."

"We hire yard helpers who work in our yard for 2 years. During that time, they are exposed to our equipment set, and personnel that they can learn from on the way. We also get to see their work ethic on a day-to-day basis where they need to perform actual work instead of standing next to a crane. I believe that the Union should set up more classroom night schoolwork that is not located in Hinckley and establish with crane companies a cost share to develop apprentices that benefit the future of the unions and the companies that they work for."

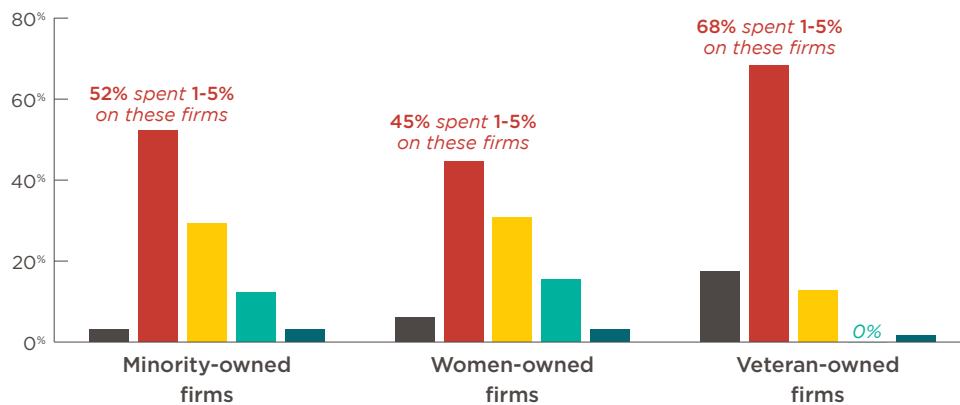
"We interact with the management at the Hall and provide input on training and communicate our expectations."

"Education on the availability of the training resources."

Diversity in Subcontracting

This page of questions was answered by **general contractors**

Subcontracting spend on disadvantaged firms

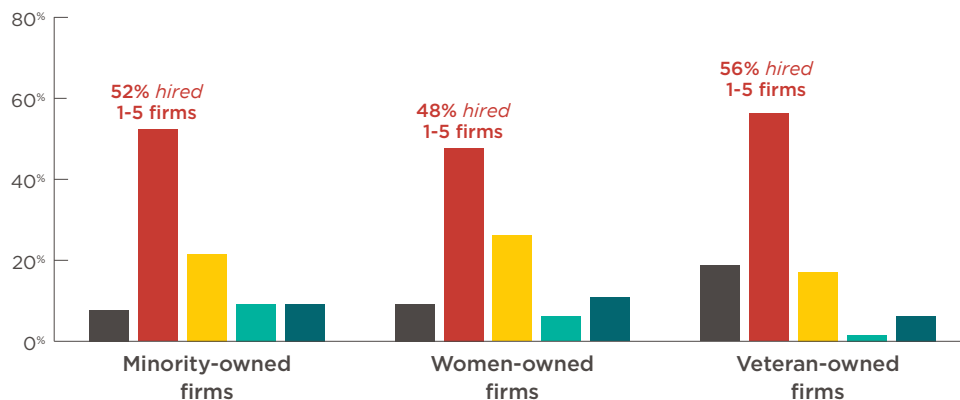


QUESTION 17

In the past year, what **percentage** of your firm's total subcontracting spend was with Emerging & Small Businesses (ESBs), and Veteran-Owned Firms?

- 0% spent on these firms
- 1-5%
- 6-10%
- 11-25%
- Over 25%

Number of disadvantaged firms awarded contracts

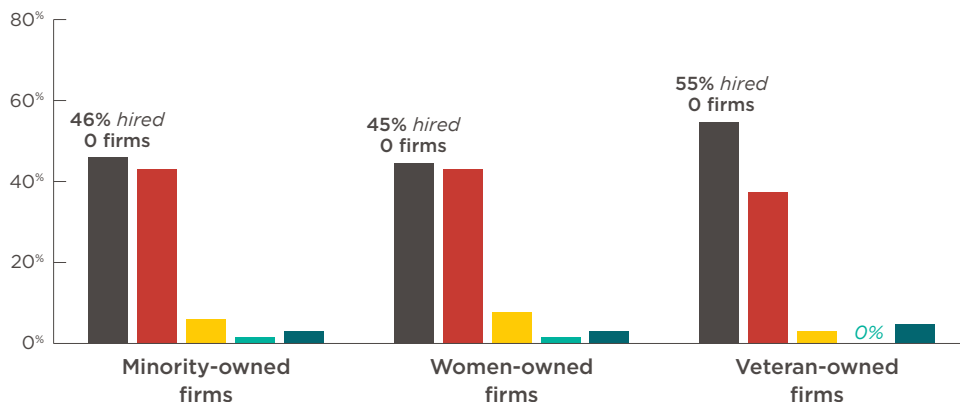


QUESTION 18

In the past year, how many Emerging & Small Businesses (ESBs), and Veteran-Owned Firms were awarded **contracts** by your firm?

- 0 firms
- 1-5
- 6-10
- 11-15
- Over 15 firms

New disadvantaged firms awarded contracts



QUESTION 19

In the past year, how many **contracts** were awarded by your firm to **NEW** Emerging & Small Businesses (ESBs), and Veteran-Owned Firms?

- 0 new firms
- 1-5
- 6-10
- 11-15
- Over 15

Barriers that prevent more diversity in subcontracting

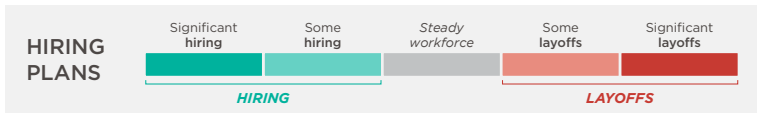
- 58%** These firms are not readily available for the **specific work** that my firm performs.
- 46%** These firms are not readily available in the **primary geographic area** where my firm does business.
- 44%** **Long-standing relationships** with existing subcontractors.
- 27%** **The process** for finding ESB & veteran-owned subcontractors is challenging.

QUESTION 20

What are the **top two barriers** that prevent your firm from doing more business with Emerging & Small Businesses (ESBs), and Veteran-Owned Firms? (Please choose a maximum of two)

Hiring Plans for 2026

Hiring, steady workforce, or layoffs

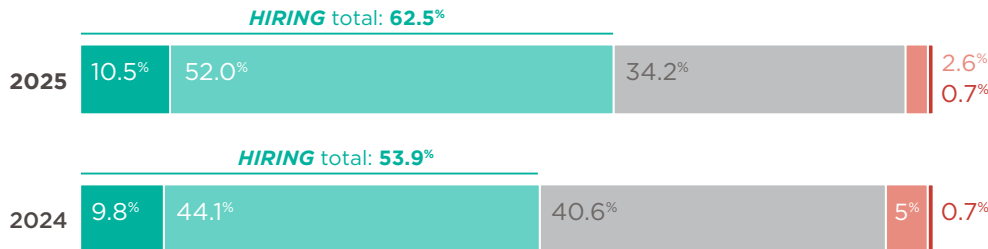


QUESTION 21

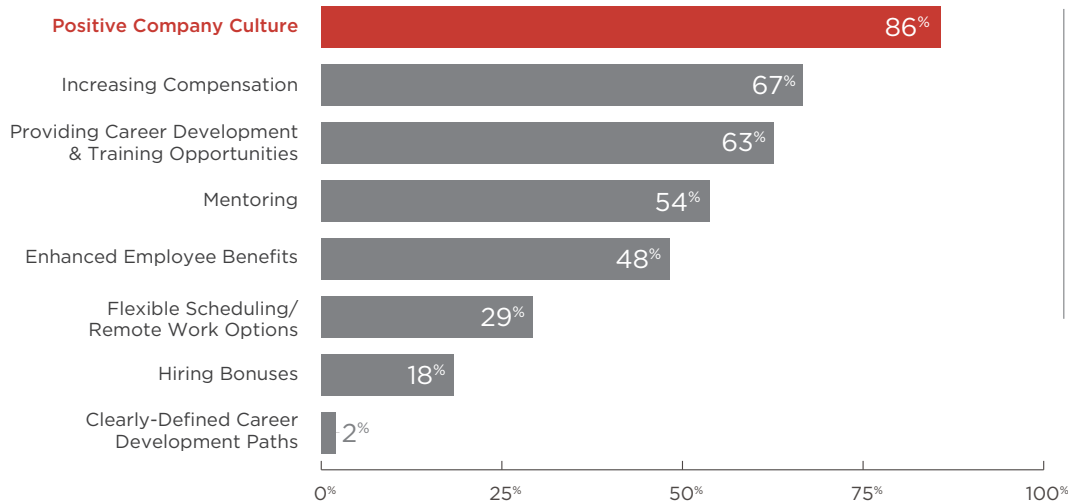
What are your hiring plans for 2026?

- Significant hiring
- Some hiring
- Steady workforce
- Some layoffs
- Significant layoffs

All Respondents by Year



Workforce hiring strategies

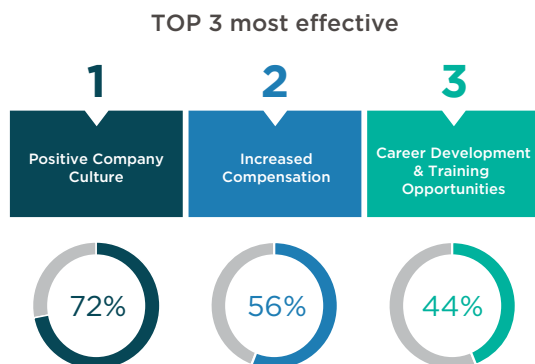


QUESTION 22

Which of the following is your company utilizing to attract and retain talent?

- Positive Company Culture
- Increased Compensation
- Career Development and Training Opportunities
- Mentoring
- Enhanced Employee Benefits
- Flexible Scheduling/Remote Work Options
- Hiring Bonuses
- Clearly-Defined Career Development Paths

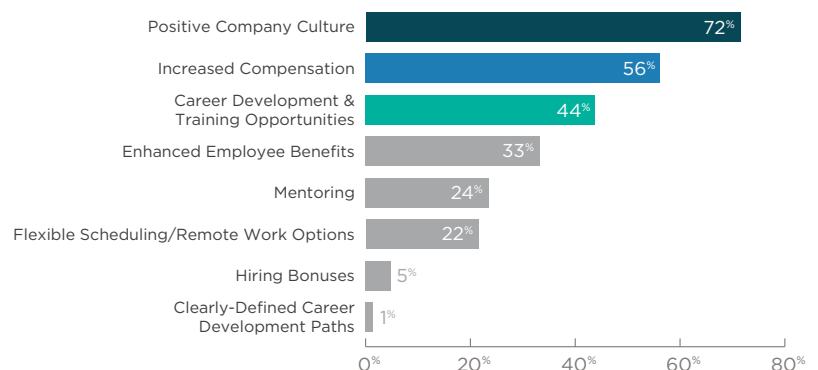
Most effective strategies



QUESTION 23

Of the strategies you selected above, which 3 have you found to be most effective in attracting and retaining talent? Please choose only 3.

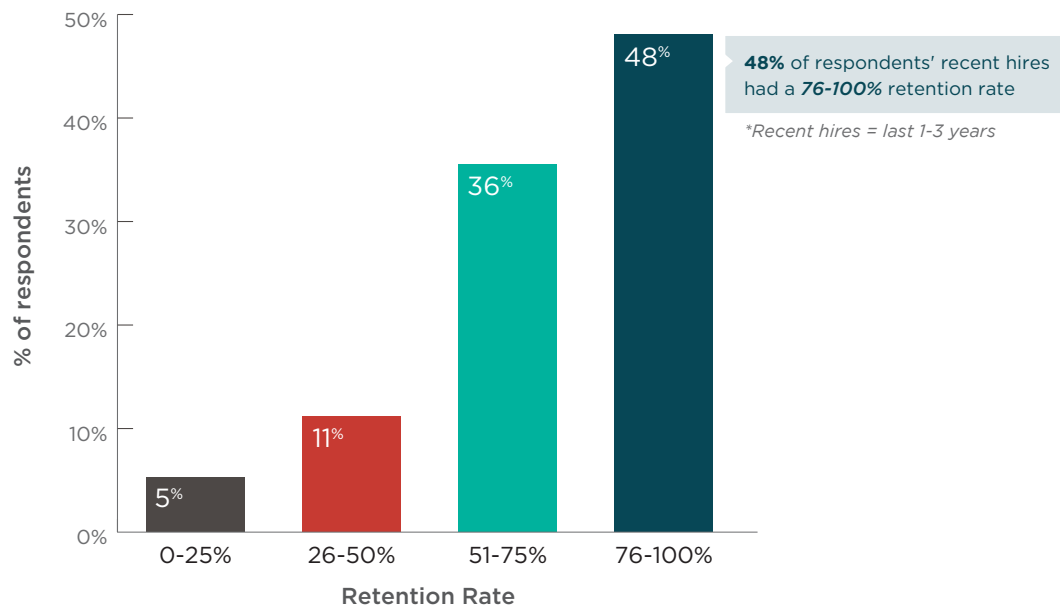
All strategies



Retention Rate

With regard to your recent hires,* what is the retention rate of these employees?

All Respondents



QUESTION 24

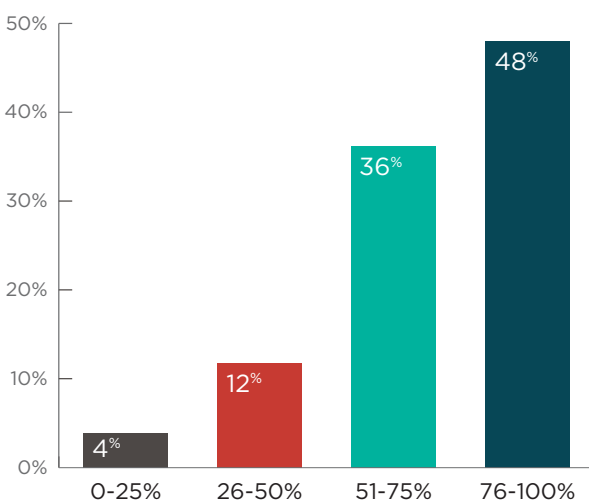
What is the retention rate of your hires in the past 3 years?

- 0-25%
- 26-50%
- 51-75%
- 76-100%

Responses by Firm Type

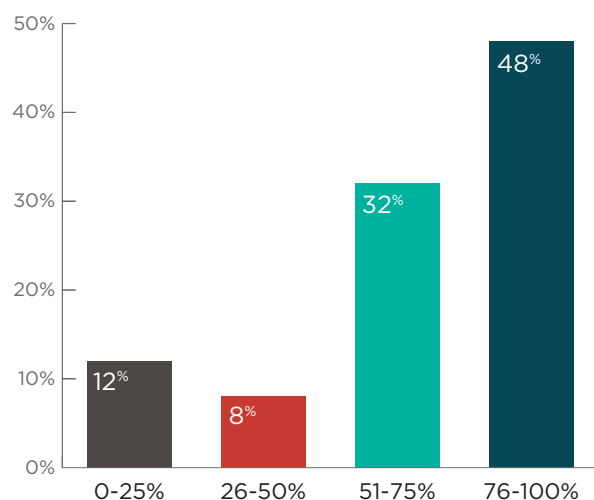
All Contractors

76-100% retention rate: 48%



Affiliates

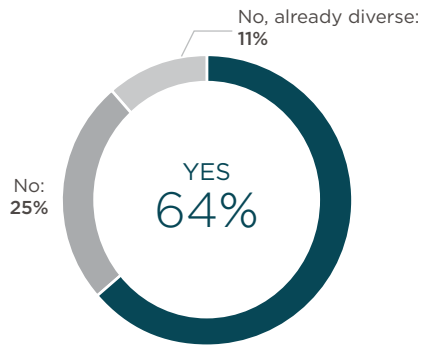
76-100% retention rate: 48%



Efforts To Increase Diverse Talent

Measures taken to attract and retain people of color and women

Taking deliberate measures?



Comments:

"Because our contracts require it. In some areas, we struggle to meet the numbers that are required."

"We take anyone we can get through the union halls."

"We request women when we can, just not available in our trade."

"But, in order to hire minorities, women, and veterans, there needs to be more participation in the Unions. The unions do not currently have as diverse of competent talent within the unions."

"Place calls requesting. I like goals on projects because a diverse workforce seems to create a better team environment."

"Due to the specialized and hazardous aspects that come along with electrical work, we focus more on experience and schooling/training than anything."

"We follow all the EEO rules, meaning we will hire a non-qualified POC and try and train them, then a white male who may be more qualified."

QUESTION 25

In your talent recruitment efforts, has your firm undertaken **deliberate measures** to attract and retain minorities, women, and veterans?

- ☒ Yes
- ☐ No
- ☐ No, because our firm is already very diverse

"Our firm's hiring process is based strictly on merit, qualifications, and experience. We do not make employment decisions based on race, gender, veteran status, or any other personal characteristic. However, we are committed to providing equal opportunity to all applicants and ensuring that our recruitment process is inclusive, fair, and accessible to everyone."

The most successful measures

TOP 3 chosen by respondents:

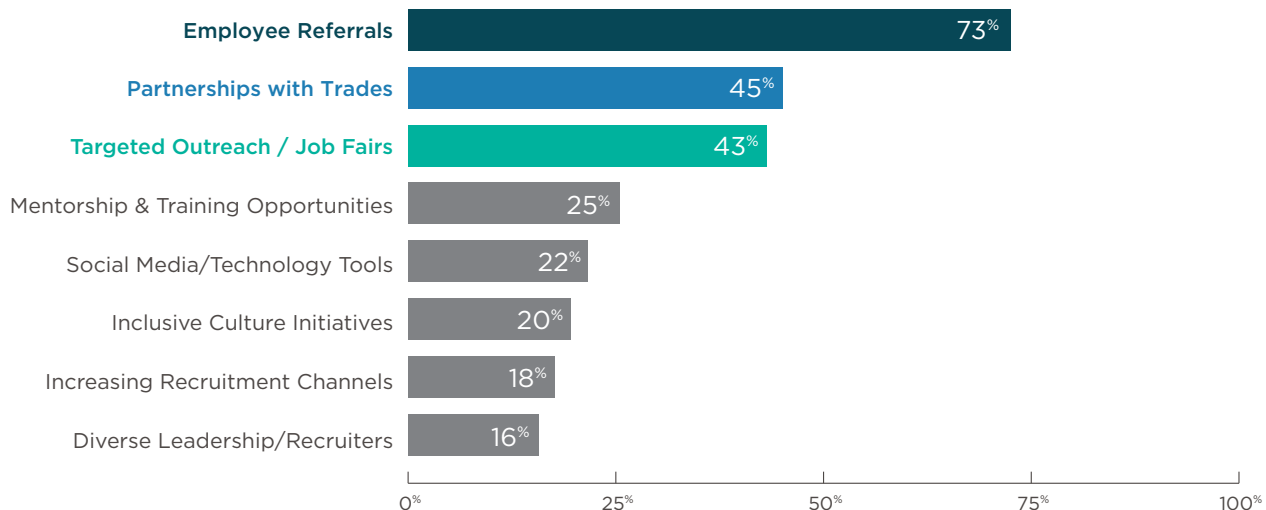


QUESTION 26

If yes, which **THREE** measures have been **most successful** in attracting and retaining diverse talent?

Please select only 3.

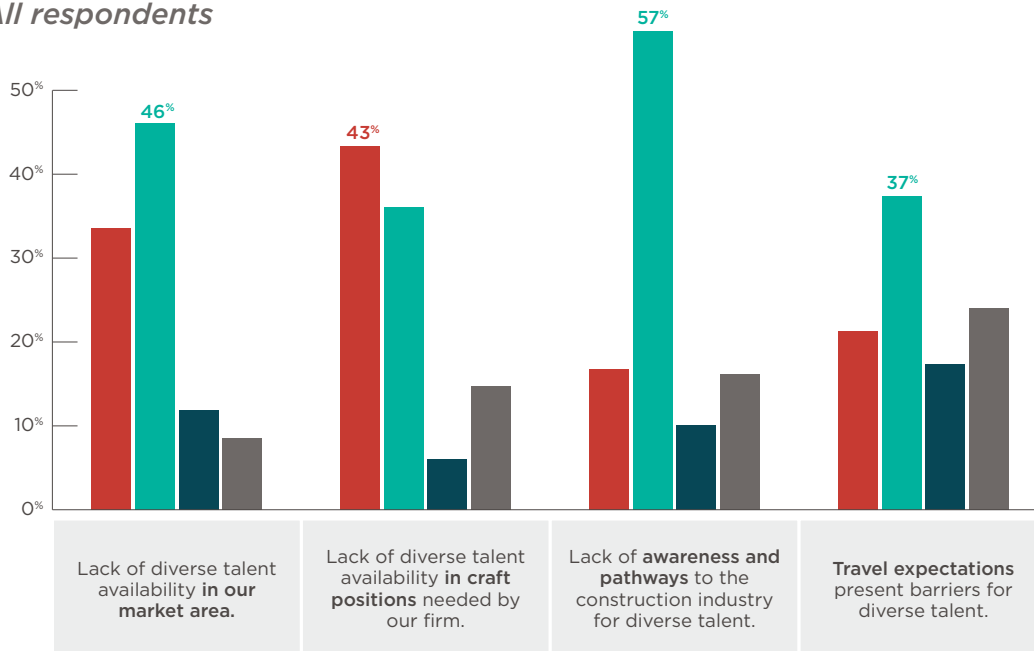
- Targeted Outreach / Job Fairs
- Partnerships with Trades
- Inclusive Culture Initiatives
- Employee Referrals
- Mentorship & Training Opportunities
- Increasing Recruitment Channels
- Diverse Leadership/Recruiters
- Social Media/Technology Tools



Challenges In Increasing Talent Diversity

How significant are the following challenges?

All respondents



QUESTION 27

Please **rate** the following challenges for your firm in increasing talent diversity.

- Lack in our market area
- Lack in craft positions needed
- Lack of awareness and pathways
- Travel expectations

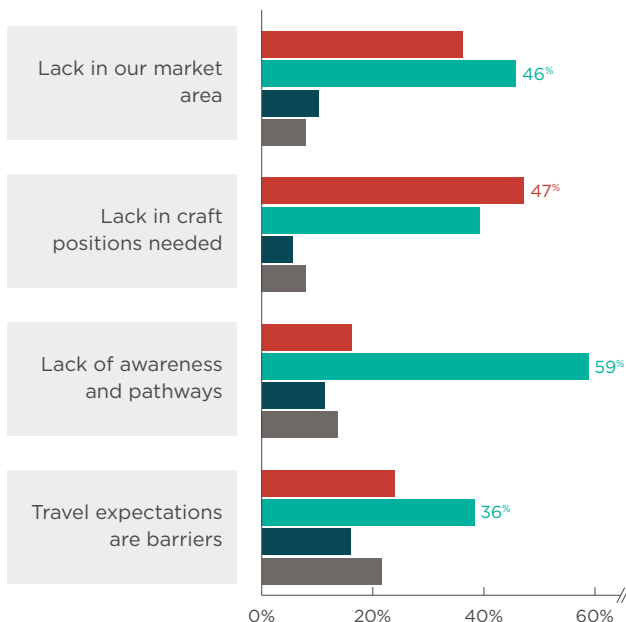
Ratings:

- Very challenging
- Somewhat challenging
- Not challenging
- N/A

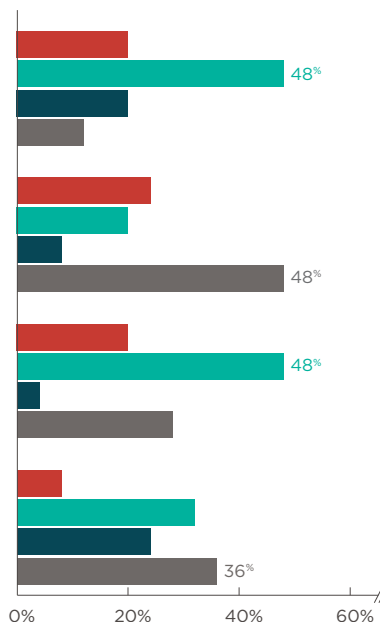
Responses by Firm Type

Very challenging Somewhat challenging Not challenging N/A

Contractors



Affiliates (Suppliers & Service Providers)



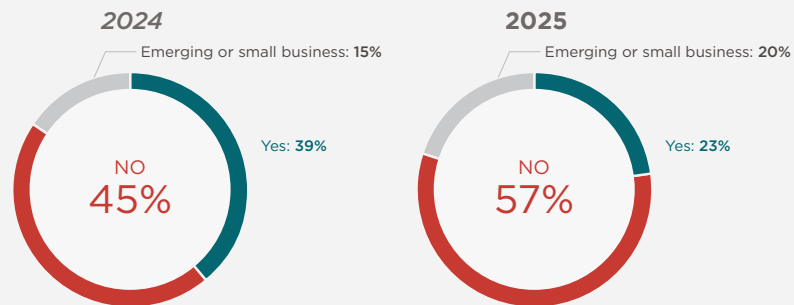
ESB Partnering and Plans

Partnering with emerging and small businesses (ESBs)

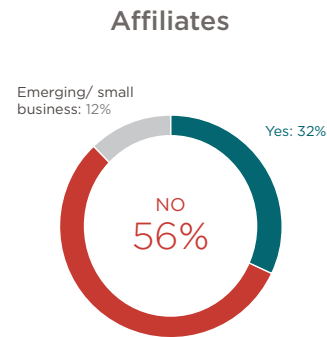
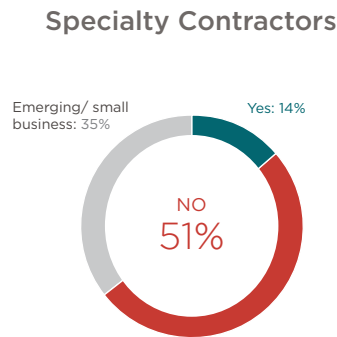
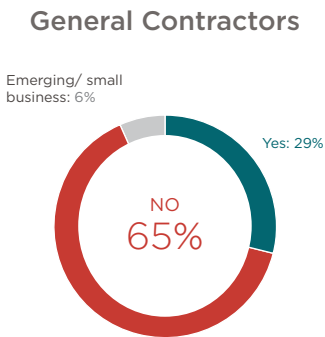
All respondents

QUESTION 28
Do you partner with emerging and small businesses (ESBs) to increase your access to talent?

● Yes
● No
● We are an emerging or small business



Responses by Firm Type

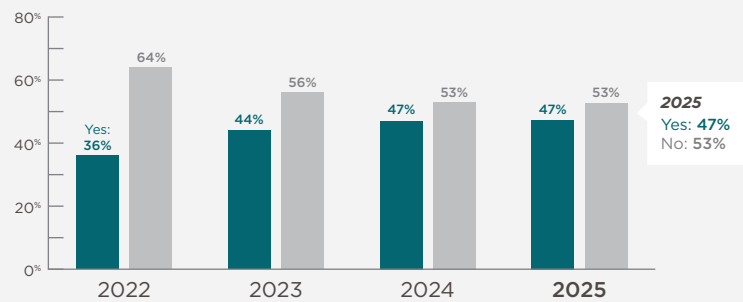


Specific inclusion plan:

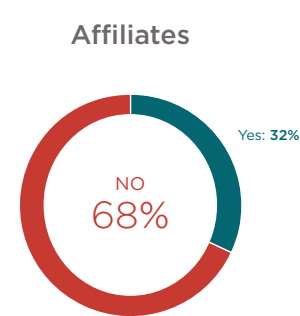
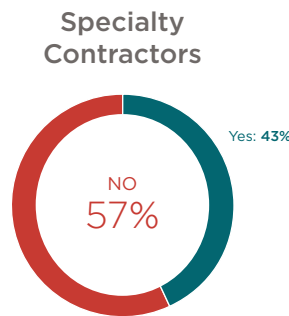
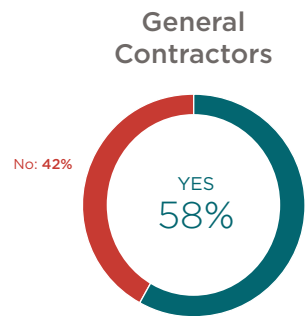
All respondents

QUESTION 29
Are any of your customers/clients requiring a specific inclusion plan by your firm to evaluate as part of the proposal process?

● Yes
● No



Responses by Firm Type



Workforce Hiring Challenges

Office workforce

QUESTION 30

Office Positions

Please select the TWO **office positions** that are **the most difficult** to fill.

TOP 3 chosen by respondents



	Overall	General	Specialty	Affiliate
<div></div> Project Managers/Supervisors	60%	61%	70%	30%
<div></div> Estimating Professionals	53%	68%	52%	10%
<div></div> Administrative Staff	21%	19%	23%	20%
Management	15%	12%	7%	45%
Safety Professionals	13%	10%	16%	15%
Business Development Professionals	13%	20%	5%	15%
Engineers	12%	8%	7%	35%
HR Professionals	6%	7%	5%	5%
Design Professionals	5%	2%	7%	10%

Workforce Hiring Challenges

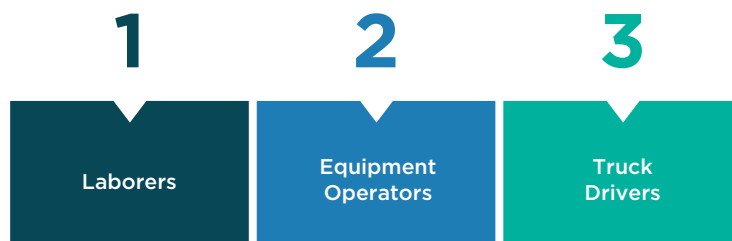
Craft workforce

QUESTION 31

Craft Trade Positions

Please select the THREE **craft trade positions** that are **the most difficult** to fill.

TOP 3 chosen by respondents



	Overall	General	Specialty	Affiliate
Laborers	38%	41%	41%	18%
Equipment Operators	34%	46%	34%	0%
Truck Drivers	26%	23%	28%	27%
Carpenters	25%	45%	14%	5%
Cement Masons	18%	30%	9%	14%
Electricians	13%	9%	16%	14%
Bricklayers	11%	14%	10%	5%
Pipefitters/Welders	9%	7%	10%	9%
Ironworkers	6%	4%	10%	0%
Plumbers	6%	4%	9%	5%
Millwrights	4%	9%	0%	5%
Tile Setters	4%	4%	7%	0%
Sheet Metal Workers	4%	5%	3%	0%
Painters	2%	4%	2%	0%
Drywall Installers	1%	0%	3%	0%
Roofers	1%	2%	2%	0%

Overall Business Challenges for 2026

Biggest challenges your company faces in 2026 & beyond

QUESTION 32

What are the TWO biggest challenges your company faces in 2026 and beyond? (please select only two):

TOP 5 challenges



Business Challenges for 2026 and Beyond

	Overall	General	Specialty	Affiliate
Finding Skilled and Trained Workers	46%	52%	46%	32%
Managing Costs/Cash Flow	21%	10%	35%	12%
Developing New Leadership	20%	23%	20%	16%
Finding Available Workers	20%	23%	14%	28%
Increasing Productivity	20%	16%	25%	16%
Succession Planning	16%	16%	15%	16%
Discovering New Markets	14%	23%	6%	16%
Inflation	11%	3%	15%	16%
Tariffs	9%	5%	6%	28%
Risk Management	5%	5%	3%	12%
Regulatory Compliance	4%	6%	3%	0%
Supply Chain Issues	4%	3%	5%	4%
Managing Fraud and Cybersecurity	4%	6%	2%	4%
Diverse Workforce Goals	3%	3%	3%	0%

Comments:

"Removal of Race and Gender in the DBE program."

"I could check more than two easily."

"Training and mentoring the next generation of company leaders in project management and field supervision."

"Stupid cheap competitors."

"The blatant disregard for systemic racism and its legacy in American culture."

"Deal Financing."

AI Tools

Using AI tools to augment your business

QUESTION 33

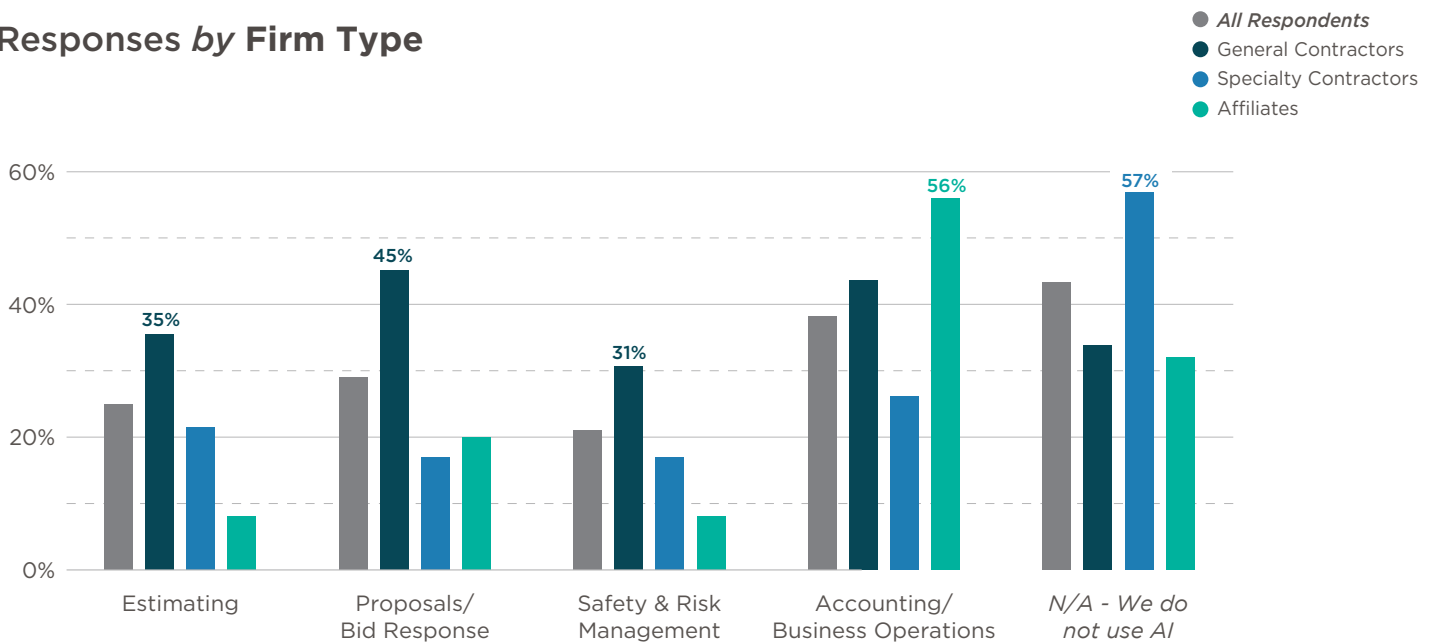
In which areas is your firm using AI tools to augment your business? (select all that apply)

Estimating
Proposals/Bid Response
Safety & Risk Management
Accounting/Business Operations
N/A - We do not use AI

All Respondents



Responses by Firm Type



Comments from respondents

Please tell us what we haven't included in this survey that keeps you up at night

Below are unedited comments from respondents

"The number one thing that keeps me up at night is profitability. Every business owner I am sure worries about this, but you mention it."

"AGC has nationally supported the removal of DBE goals as a part of the DOT platform. This has negatively impacted our business and our ability to continue supporting AGC."

"As a DBE certified, woman owned business in the highway/heavy industry what will 2026 look like now that the program is throwing out gender as a disadvantage. How will other, newer DBEs have success in 2026 with these changes in the DBE program. The DBE program is what gave us the opportunity to grow and learn. It gave us a seat at the table that never would have been available. When we first started I was hung up on several times because I was unknown, because I was not union, and it wasn't said, but I'm guessing also because I am a woman. I think 2026 will bring several changes to our business."

"Workforce development, recruiting and talent acquisition across many of our core sectors. National sector teams are doing work in very remote locations which makes sourcing talent and viable partners with talent a true challenge across the business portfolio."

"One of the biggest concerns I have is the development of field leadership and the workforce. It seems that more and more craft employees are not wanting to take on additional responsibilities and pressure for the minimal amount of rate increase."

"From the perspective of a civil sitework contractor, the volume and quality of available work have declined, and this is compounded by increasingly compressed notice to proceed timelines and aggressive project schedules. The effective construction season has shrunk from year round to roughly May through November, which concentrates activity into a shorter window. These factors heighten risk exposure, strain resources, and further compress profit margins."

"The unknown impact of AI and robotics on our industry. If humanoid robots can do 30-60% of the work a union craftsman is currently doing then that could put major strain on the union pensions...as there will be fewer new craftspeople coming into the trade and paying into the pensions while they are a massive amount of people drawing down on their pensions. It could get ugly fast."

"Negative and criminal attacks by carpenters' union on our union workers because we don't belong to their group. We are proud to be part of the CLA union."

"The burdens of our political environment are becoming more elevated than needed. While our business should not be influenced much by politics, it certainly is when all three levels are governed by one party. I like a balance because it helps keep us all in check. Our industry is often looked at negatively for some bad actors and we need to own that, but the corruption and fraud of the past several years is shameful because that could have been used to increase workforce development. We are more honorable as an industry than ever before, and it is great to see our local contractors continue to give back to the community."

"Clients slow / non payment. New competitors who have no clue what it takes to meet customer requirements, but get work anyway, then mess it up, go broke and re-appear within a few months to do it again."

"The political divide between parties makes such extreme shifts that there is no telling how negative the industry will become with a shift in 4 years. Also the climate in our state toward the industry is SO different than the federal that we cannot predict what the guidelines going forward will yield. Owner schedules are unreasonable in this time where all other indicators (OSHA, etc) say that employers must become more employee friendly and the Owner contract and schedule assumes that there are unlimited personnel resources out there. Mental health cannot be a focus when the schedules have no sense to them. Public owners have no longer got any understanding or desire to work with the industry to make changes work for both the contractor and the owner. It has become increasingly lip service to say that there can be collaboration and keeping both parties' interests in mind. This makes the bids elevate due to the massive risk transfer required."

"The overall landscape of the world is changing so fast that I am concerned that the uncertainty will slow construction and will cause bids to continue to be lower and less projects."

"Comment on DOT Interim Final Rule: DBE Program Implementation Modifications (Docket No. DOT-OST-2025-0897) The use of an Executive Order to effectively nullify or override a statute enacted by Congress—as has occurred here through Executive Orders 14151, 14173, and 14219 directing the Department of Transportation to strip statutory race- and gender-based presumptions from the DBE and ACDBE programs—raises serious constitutional concerns regarding separation of powers. Congress, under 49 U.S.C. §§ 47113 and 47107(e) and section 11101(e) of the Infrastructure Investment and Jobs Act, explicitly directed the Department to treat women and members of certain racial and ethnic groups as presumed socially and economically disadvantaged DBE IFR.Signed.9-30-2025 . Those presumptions are not administrative inventions; they are legislative mandates enacted by elected representatives. By using an Executive Order to reinterpret, suspend, or effectively repeal these statutory provisions, the Executive Branch has exceeded its constitutional authority. Article II empowers the President to "take Care that the Laws be faithfully executed," not to rewrite or nullify them. If a President believes a statute is unconstitutional, the proper constitutional process is to seek judicial review or work with Congress to amend the law—not to unilaterally direct agencies to disregard it. The Department's assertion that it "is not required to continue to enforce a statutory provision that it has found to be unconstitutional" (IFR p. 19, citing *In re Aiken County*) reflects a dangerous expansion of executive discretion. That dictum applied to narrow enforcement disputes, not to sweeping programmatic elimination of a congressionally mandated remedial policy DBE IFR.Signed.9-30-2025 . Allowing agencies to suspend statutes by executive fiat undermines the constitutional balance between the legislative and executive branches and approaches a form of authoritarian governance inconsistent with democratic accountability. Further, the courts cited in justification (e.g., *Mid-America Milling*, *Ultima Services*, *Nuziardi v. MBDA*) issued limited, lower-court rulings that do not invalidate the DBE statute nationwide. Executive reliance on those decisions to erase an entire statutory framework before appellate or Supreme Court review substitutes political will for judicial finality. This circumvention of both Congress and the judiciary resembles rule by decree, not the rule of law. For these reasons, I respectfully submit that: The Interim Final Rule is ultra vires—issued without statutory authority and contrary to explicit legislative intent. Executive action cannot lawfully repeal or suspend legislation; doing so violates the separation of powers and may constitute an unconstitutional usurpation of Congress's role. The courts and agencies have a duty to preserve constitutional governance by ensuring that executive power is not used to dismantle duly enacted civil-rights protections under the guise of constitutional compliance."

"The overall status of the economy up and coming. Volatility now and for the foreseeable future keep us up at night."

"The state of Minnesota has a declining population along with departing companies due to tax policies. This trend has to stop and become more pro-business for construction projects to continue."

"Compliance requirements our customers (government agencies) have, succession and leadership planning/development, the time it takes to get paid for our work and cash flow in general."

"Current administration is pro big business and anti-small business."

"Not knowing if the DBE program will still be around. How will they design the "new" program that will not be race or gender specific. I think this is going to negatively affect women in our industry."

"Finding & keeping skilled workers. Doing more in town work. Finding new clients to expand our business."

"We are in the portable sanitation and fencing side of the business. The biggest issue I see is the lack of awareness on large sites of the risk when restrooms aren't maintained. Too often the lowest bidder wins and the service is not adequate. A restroom issue will shut down a jobsite faster than a huge piece of machinery going down."

Comments from respondents

Please tell us what we haven't included in this survey that keeps you up at night

"There has not been very much work to bid for this past fall and 2026. Projects that we target are lacking."

"The general safety of our employees from the day-to-day rigor of the work we do, to the physical and mental health care concerns we have for them and their families."

"The loss of all of the experience as our older staff retire."

"As a specialty construction company and DBE-certified business, we approach hiring decisions with care and consideration—especially as a union company. This year, we've observed that many of our customers are exercising greater caution with their spending. In response, we've made strategic adjustments to align with current market conditions. While project volume has been limited, we recognize that this may be a reflection of the first year under the current administration. We remain hopeful that 2026 will bring renewed momentum and growth for the construction industry."

"I think it was included in the survey. Tariffs and talent in the field."

"Trump chaos."

"Economic uncertainty."

"There is all this emphasis to hire new people, to hire new DBE's, yet there is no emphasis to allow more working time on a project. To allow for safer conditions to the contractor. All the emphasis is on the traveling public and how much congestion is made. The reason, there is more votes from the traveling public, vs the contracting community. Every year we go deeper and deeper in the hole for transit needs. And that is going to create more and more congestion, without even having construction. This is not our fault, it's the governments' fault. Lastly, are we as industry and associations for the industry ""winning"" at anything? Funding is down, safety is down, talent at all levels, contracting, engineering and the owners is down. Regulations are up on everything, from the MPCA, MSHA to OSAH. And now were going to save the world with EPD's? Or bankrupt the government? I don't see any significant wins. Which means to me we're weak."

"How to be a better coach. The state of MN's lack of population growth and languishing approach to a transit / built environment system enticed with growing MN."