

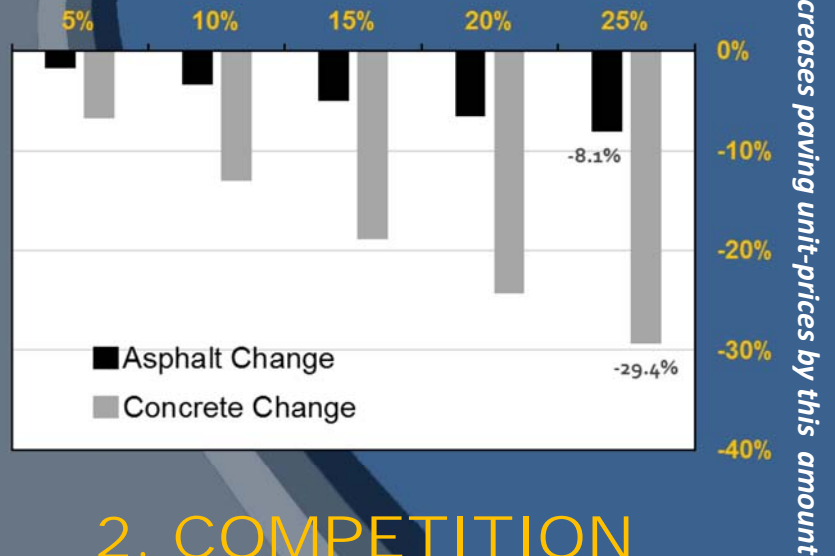
PAVING COMPETITION IS GOOD FOR ALABAMA

1. COMPETITION DRIVES DOWN PRICES:

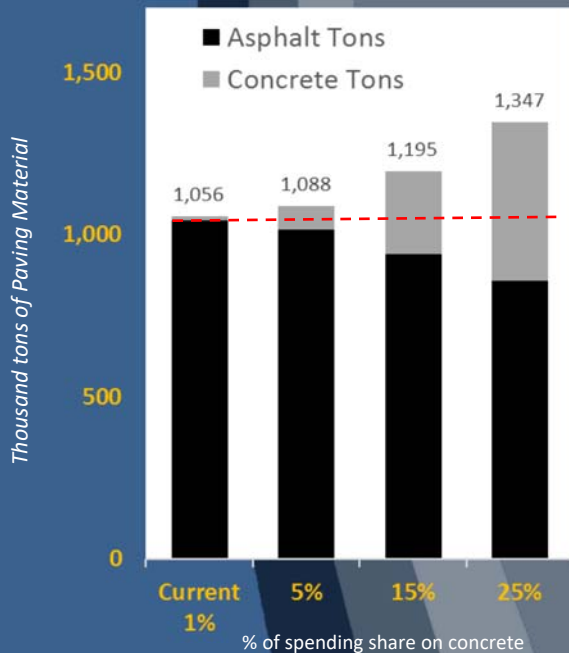
MIT examined job bids from 47 states and found that competition decreased the prices of BOTH concrete and asphalt.

The states that have the largest proportion of concrete pavement usage enjoy the lowest bid prices in the country for BOTH asphalt and concrete.

For an average state spending 5% on concrete, increasing to this level of concrete spending...



WHAT DOES THE SAME \$100 MILLION BUY?



2. COMPETITION BRINGS SAVINGS:

Buying more concrete would allow AL to get more materials for the same amount of money.

- When AL spends \$100 million on paving materials and buys 5% concrete, AL gets approximately **32,000** tons of MORE material.
- When AL buys 15% concrete, AL gets approximately **107,000** tons of MORE material.
- When AL buys 25% concrete, AL gets approximately **153,000** tons of MORE materials.

A little bit of competition means a whole lot more pavement

Based on "Industry Competition and Paving Material Unit Costs," MIT, August 2020



BUYING MORE CONCRETE SAVES ALABAMA MONEY!

BRINGING VALUE TO ALABAMA TAXPAYERS THROUGH A COMPETITIVE TWO PAVEMENT PROGRAM

