



NEWS RELEASE

For Immediate Release:

January 6, 2020

Sterling and Granite Joint Venture Awarded \$348 Million Progressive Design-Build Project in Utah

THE WOODLANDS, TX – January 6, 2020 – Sterling Construction Company, Inc. (NasdaqGS: STRL) (“Sterling” or “the Company”) today announced that Oak Hills Constructors, a joint venture between Sterling’s wholly owned subsidiary, Ralph L. Wadsworth, and Granite Construction Company, Inc. (“Granite”), has been awarded a \$348 million progressive design-build contract by the Utah Department of Transportation (UDOT) for the US-89 Farmington to I-84 project in Davis and Weber Counties, Utah.

The project will entail the widening of nine miles of US-89 from two lanes in each direction to three, the addition of four new interchanges, and two grade separated intersections. This includes extending the existing frontage road system to help local traffic access new interchanges and crossings more efficiently. In addition, crews will excavate two million cubic yards of material and relocate 150 miles of utilities. Approximately 300,000 tons of hot-mix asphalt and 100,000 tons of base rock will be provided by Granite facilities.

“We look forward to working with Granite on this sizeable project, which will improve safety and mobility on a busy stretch of highway north of Salt Lake City,” stated Joe Cutillo, Sterling’s CEO. “Sterling and Granite have a history of successful joint venture projects and we anticipate continued positive results on this job. Importantly, as a design-build contract, we were selected for this work based on our collective qualifications, as opposed to a low-bid, which reflects our level of experience and expertise with large scale heavy civil infrastructure improvement. We find design-build project opportunities very attractive and expect this type of work to become a greater portion of our overall heavy civil revenues in the future.”

Mr. Cutillo concluded by saying, “We are very glad to work once again with UDOT and are looking forward to the continuation of this partnership as we endeavor to upgrade and improve Utah’s transportation infrastructure.”

Oak Hills Constructors is a 60/40 Granite and Ralph L. Wadsworth joint venture. Oak Hill Constructors estimates the project will employ an average of 150 people with construction scheduled to begin in early 2020. The estimated completion for the project is in 2023. Sterling anticipates booking its 40% portion of the total contract value award or approximately \$140 million in its fourth quarter 2019 backlog.

Sterling, a Delaware corporation, is a construction company that specializes in heavy civil infrastructure construction and rehabilitation, construction site excavation and improvement, and residential construction projects, primarily across the southern United States, the Rocky Mountain states, California and Hawaii. Heavy civil construction projects include highways, roads, bridges, airfields, ports, light rail, water, wastewater and storm drainage systems, foundations for multi-family homes, commercial concrete projects and parking structures. Site excavation and improvement entails construction site preparation primarily in the Southeast region of the United States for blue-chip customers in the distribution center, warehousing, e-commerce, data center, big box retail and energy sectors, as well as other growing end markets. Residential construction projects include concrete foundations for single-family homes in Texas.

This press release includes certain statements that fall within the definition of “forward-looking statements” under the Private Securities Litigation Reform Act of 1995. Any such statements are subject to risks and uncertainties, including overall economic and market conditions, federal, state and local government funding, competitors’ and customers’ actions, and weather conditions, which could cause actual results to differ materially from those anticipated, including those risks identified in the Company’s filings with the Securities and Exchange Commission. Accordingly, such statements should be considered in light of these risks. Any prediction by the Company is only a statement of management’s belief at the time the prediction is made. There can be no assurance that any prediction once made will continue thereafter to reflect management’s belief, and the Company does not undertake to update publicly its predictions or to make voluntary additional disclosures of nonpublic information, whether as a result of new information, future events or otherwise.

Contact:

Sterling Construction Company, Inc.
Ron Ballschmiede, Chief Financial Officer
281-214-0777

Investor Relations Counsel:

The Equity Group Inc.
Fred Buonocore, CFA 212-836-9607
Mike Gaudreau 212-836-9620