Architect, Author, Director.....

- Some FACTS....
- Some TRENDS....
- Some PREDICTIONS....
- Some Challenges.....
- Many Many Questions....
- Some URGENT ACTIONS...
FACTS........
Headlines 6 Months Ago

- Europe’s Political Crisis Worsens.....
- Slowing Growth in China Raises Global Concerns...
- It’s Rail or Fail Time for the US....
- Stress Rises on Social Security and Medicare........
- Electric Cars Could Paralyze Utilities Grid.....
- American Airlines Plans to Cut 1200 More Jobs......
- Fight for the GOP Nomination continues........
- Why Failing Water Infrastructure Can No Longer be Ignored...
- 35 New Red Light Cameras in DC Metro Region....
- Migrant Wave from Mexico Stalls....
Some Headlines from Today...

- Can we Stop Pretending Cars are Greener than Transit.....
- White House pressuring GOP to “cave” on Fiscal Cliff....
- Party Train to Vegas could begin in 2013....
- Survey finds LA MTA Workers have Serious Safety Concerns........
- $60 Billion in Federal Infrastructure Spending could put One Million People back to Work.....
- Could we be Energy Independent by 2025 ??
- September Housing Prices Highest in Two Years...
- Life after a POWERBALL Win: What you can expect.....
Our World in 2012

- No more privacy......period...
- Birth Explosion (Worldwide Demographic predictions)....
- Exhausted World Resources (Water gone)....
- Massive Migration to Cities Worldwide...
- Deteriorating Infrastructure Worldwide....
- Global everything (Not ‘international’)....
- WAR as a permanent state....
- Death of the Dollar as King....
- “Instant” expectations for EVERYTHING....
One POWERFUL and INESCAPABLE TREND.....
As a Species we humans are predictable in how we impact the entire food chain.....
World 2012
7,001 Million

Excess of males over females
Excess of females over males

Male
Female
China 2012
1,306 Million

India 2012
1,080 Million

United States 2012
296 Million

Mexico 2012
106 Million

Italy 2012
58 Million

Japan 2012
127 Million

Russia 2012
143 Million

Canada 2012
33 Million

Iran 2012
68 Million
United States Population 2012

1:1
- Giving care
  - Boomlet
  - Birth Dearth (Generation X)

2:1
- Needing care
  - (Aging)
  - Baby Boomers
  - War Babies
  - Depression Babies

Giving care: 2:1
Needing care: 1:1

Giving care: Boomlet
Needing care: Age
PREDICTIONS......
So How Does the Future Look for Transportation in our World?
Current Transportation Facts.....

1. Budgets at most State DOT’s have been crushed by lack of Federal Funds and Reduced Gas Taxes for the last 3 years

2. Bridges Nationwide are Deteriorating Faster than Anyone Predicted

3. Nearly All Major Airports Need Massive Upgrades

4. Our Ports Need Major Overhaul

5. US Entitlement Processes are Killing ALL Infrastructure Projects

6. PPP in the US is not moving Fast Enough

7. Most Light Rail is Economically Unfeasible with the Current Economic Approach
By 2025 there will be 284 Million Vehicles on US roads---44 Million MORE than in 2010 according to a 2011 study by the Center for Automotive Research......
And Our Current US Economy......

I have enough money to live comfortably for the rest of my life, If I die next Tuesday.
So....Where is the Post Election Economy Headed?

“The economic outlook remains unusually uncertain for the unforeseeable future.”

-- Ben Bernanke
July 21, 2011
But…..All Regions Are Positive since 2009

[Map showing percentage increases across the United States with values +45%, +45%, +56%, +44%, +40%, +34%]
Still.......There Are Many Contradictory Signs

- Low Interest Rates
- Increasing Exports
- High Corporate Profits
- Lower Consumer Debt
- Tight Credit
- Euro Crisis
- High Unemployment
- High Government Debt
QUESTIONS.....
QUESTIONS.....
And Even More Questions .....
So WHAT will Drive Infrastructure Economics in the Last Half of This Decade ????
Let’s Look at one Powerful Driver of all Infrastructure Spending……

HOUSING…
3 Major Reasons that Housing Drives Infrastructure Improvements....

1. A Good Economy Yields More Tax Revenue....
2. Employed Citizens Travel More.....
And... The Housing Market is Driven by...

- Affordability
- Inventory
- Household Formation
- Foreclosures

Housing Market
New Household Formation is Currently at About 1.5 Million New Families per Year

Source: U.S. Census Bureau
But... In the past Decade... We Built Way Too Many Houses

US net new housing units created surplus to household created, thousands, annualised rate. Updated as of 31 May 10.
And ... Foreclosures DUMPED More Homes Onto An Already Weak Market

Causing New Home Sales to Plummet...
Which in Turn Caused ......
New Home Starts to Nosedive
Which Continues to Depress the Home Building Market

Opportunities for Housing Submarket SINGLE FAMILY RESIDENCES by Geographic Areas

Net increase minus decrease

Overall Northeast South Midwest Southwest Mountain West Canada
But....Here’s a Very Good Sign....
Although….. There is Still a Large “Shadow Inventory”
Current Trends WILL Continue…
And Greater Affordability Should (Soon) Increase Sales DRAMATICALLY
Sooo......Here is Our Fearless PSMJ Forecast......

New Single Family Home Starts (Thousands)

Long Term Demand

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PSMJ Resources, Inc.
## Our 2013 PSMJ Big Picture View of the Major Design and Construction Markets

<table>
<thead>
<tr>
<th>Markets</th>
<th>Short-Term Prospects (-2 to +2)</th>
<th>Long-Term Prospects (-2 to +2)</th>
<th>Relative Profitability (-2 to +2)</th>
<th>Total Points (-6 to +6)</th>
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<tbody>
<tr>
<td>Energy/Utilities</td>
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<td>+2.0</td>
<td>+2.0</td>
<td>+6.0</td>
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<td>+2.0</td>
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<td>+0.5</td>
<td>+3.5</td>
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<tr>
<td>Water/Wastewater</td>
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<td>+1.0</td>
<td>+1.0</td>
<td>+3.0</td>
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<tr>
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<td>+1.0</td>
<td>+1.0</td>
<td>+3.0</td>
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<td>0.0</td>
<td>+2.0</td>
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<tr>
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<td>Transportation</td>
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<td>+1.0</td>
<td>-1.0</td>
<td>+1.0</td>
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<td>0.0</td>
<td>-1.0</td>
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<td>-2.0</td>
<td>+1.0</td>
<td>-3.0</td>
</tr>
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</table>
Now Let's IMAGINE ....

a Bold New Future for Transportation Innovation

What does a BRIGHT FUTURE ECONOMY mean for the Transportation Workforce??
Some Real Stories to Think About…
Creativity in Infrastructure Economics…4 Real ‘Stasiowski’ Stories

1. LG and the Chicago “L”……
2. Buying ALL the Bridges......
3. California “Free” ways.....
4. 60 Bridges in 12 Months in AUS...
And now....

8 Earthquakes coming in your World.....

- No more employees......no more pensions....
- No more personal cars.......  
- No more crime.....
- Geographic irrelevance.......5 hours to anyplace......
- Explosion in instant “1 on 1” training.......forever....
- Acceleration in Speed of Delivery of EVERYTHING......
- TEXT as THE business tool.......death of LINKDIN
- Execution trumps Excellence.....85% Perfect but FAST...
Three Major 2020 Predictions and What They Mean to You...

1. Roaring 20’s All Over Again
2. Retiring Baby Boomers
3. Real Shortage of Natural Resources
Prediction #1: Roaring 20’s Again...
World Economic Growth Will Come Back Stronger Than Expected….

1. Coming Inflation will Raise Asset Values and Reduce National Debt…(Hint: Watch for Interest Rate Increases)

2. Birth Rates Will Continue to Boom Globally…

3. Aging Baby Boomers will Spend $$ Millions in Their Final Years….

4. Lending Will Resume With Ferocious Velocity but Under New Rules…

5. Corporations Will Invest the Billions Currently Held on the Sidelines…
What You Should Do NOW....

1. Redefine What a JOB is for GEN Y’s......
2. Benchmark Pricing to VALUE not COST....
3. Study Demographics Ferociously....
4. Buy Infrastructure Assets NOW.....
5. Marry Infrastructure Technology and Economics....
6. Move to a City Near You.......
Prediction #2: Non Retiring Baby Boomers
It Looked Like There Would be a Massive Wave of Retirees

 Millions of Retirees

...But That Wave of Retirees May Not Be So Big After All

![Graph showing Millions of Retirees from 2008 to 2016. The blue line represents the historical trend, while the red line represents the March 2008 trend. The graph indicates a projected increase in retirees.]
Especially When Considering the Recent Decline in Retirement Accounts

Retirement Account Balances

401(k)  201(k)
What You Should Do NOW...

1. Team retirees with GEN Y students.....
2. More Independent Contractors NOW........
3. Look at “partial retirees” as a way to balance the infrastructure workforce........
4. Start signing up retirees as “casual” employees........
5. Relocate TRAINING in areas with lots of retirees and GEN Y’s........
Prediction #3: Real Shortage of Natural Resources
Prices of Natural Resources Will Go Up Exponentially…

1. Petroleum Products Everywhere……but ?????
2. Water Resources…………
3. Wind Energy………
4. Food Supply Worldwide…………
5. Metals and Other Materials……
6. Clean Air………
What Should You Do?

1. Get Involved in Conservation Everywhere….
2. Develop Financial Modeling around Less Resources...
3. Push All Students into New Economic Discussions based on Major Shortages of Everything….
4. Invest Energy and Resources in “Outside the Box” thinking that addresses Global Shortages…(Mining on an Asteroid ??)
But Isn’t this ..... Our Biggest Opportunity in 7 Decades...
Some Questions to Ponder......
Imagine......What if ???????
Imagine.............

What does 2020 look like for TRANSPORTATION??

PSMJ Resources, Inc.
How Fast is YOUR Future Changing?
What are the Principles That Will DRIVE you from Today Onward.....???
What Unexpected New Events will Shape Our Future.........???
7 Urgent Actions you must take now......

- Adapt a CULTURE of permanent change......
- Restructure how you capitalize projects.....
- Embrace technological new ideas BEFORE your competitors.....
- Share your Intellectual Capital FREELY.....
- Build a network of knowledge you can tap fast..
- Control your world through speed of delivery....
- Marry Infrastructure and Economics....
- Redefine what a JOB is in GEN Y terms......
Remember……..

“Change always brings **bold new opportunities**.....be vigilant !!!! Think GLOBALLY!!! And most importantly.... Do it even faster......!!!!!”

--Frank A. Stasiowski, FAIA
One MUST READ Book by my good personal friend Barry LePatner:

TOO BIG TO FALL
America's Failing Infrastructure and the Way Forward

Barry B. LePatner
Bold Thoughts ?? Questions?? or Mind Blowing Comments Please !!

- Call or connect with PSMJ Resources, Inc. at
  - 617-965-0055 or
  - [www.psmj.com](http://www.psmj.com)

- To contact Frank:
  - Phone: 617-965-0055
  - E-mail: fstasiowski@psmj.com

- For a copy of this Presentation, please email.....
  - education@psmj.com

NOW....it’s up to you.....