
F.H. PASCHEN

ISSUE 1

# SIX TRENDS SHAPING PUBLIC INFRASTRUCTURE IN 2026:

## WHAT'S SHAPING THE FUTURE OF PUBLIC BUILDING PROJECTS


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Infrastructure and public-purpose construction in 2026 looks different than it did just a few years ago. Project owners face pressure to build smarter, move faster, and stretch every public dollar. And they expect that their jobs will be done without cutting corners. New funding, shifting community needs, adoption of new procurement methods, weather impacts, and technology on the jobsite are reshaping how work gets done across every sector.

From roads and bridges to housing, schools, and public spaces, this guide outlines the key trends driving change in 2026 and what they mean for agencies, elected officials, executives, and the communities they serve.

## FEDERAL FUNDING IS FUELING BIG PROJECTS

New waves of federal infrastructure spending are unlocking long-term projects that had been postponed for years. This capital is intended to upgrade everything from aging highways and transit systems to water utilities and public buildings. However, this funding comes with high expectations. Project readiness and strict funding compliance are more important than ever.

Public owners are no longer just planning. They are executing, and they need partners who can navigate the complex federal requirements attached to these dollars. This means rigorous documentation, verified payrolls, and a clear understanding of how to sequence work to meet funding deadlines. The focus is on selecting construction partners who have a proven system for managing large-scale, publicly funded work.

For example, projects like the multi-year reconstruction of U.S. 35 in LaPorte, Indiana, show this trend in action. The project, which involves a complete pavement replacement and installation of nearly 6,000 linear feet of new storm pipe, is a major regional improvement. It required a high degree of coordination between state, city, and federal stakeholders to secure and manage the federal funding that helped make it possible.

This level of coordination is now the standard for major public improvements.

**A NEW ERA FOR PUBLIC PROJECTS:** $500 BILLION TOTAL NEW FEDERAL INVESTMENT FROM THE BIPARTISAN INFRASTRUCTURE LAW (FY2022-2026)

### WHERE IS THE NEW FUNDING GOING?

- **$110 BILLION** Roads, Bridges, & Major Projects
- **$66 BILLION** Passenger & Freight Rail
- **$55 BILLION** Clean Water & Water Infrastructure
- **$39 BILLION** Public Transit
- **$25 BILLION** Airports

### WHAT IS REQUIRED TO WIN & MANAGE FUNDS?

1. **PROJECT READINESS:** Competitive grants are scored on readiness. This means having planning, scoping, and preliminary design (often 35% or more) completed before the application is submitted.
2. **STRICT COMPLIANCE:** All projects must navigate complex federal requirements, including Davis-Bacon labor standards and weekly certified payrolls.
3. **"BUY AMERICA" (BABA):** The Build America, Buy America Act mandates the use of U.S.-made iron, steel, and manufactured products for federally funded projects.

**Navigating this landscape requires a construction partner with proven systems for managing federal compliance, documentation, and reporting.**

## HOW LOCAL GOVERNMENTS ARE USING JOC

**END-OF-YEAR FUNDING**
Use "spend it or lose it" funds on ready-to-go projects, avoiding the long traditional bid process.

**TIME-SENSITIVE PROJECTS**
When a project must be done now, JOC bypasses the months-long bidding cycle, allowing work to start in days.

**LIMITED SCHEDULING WINDOW PROJECTS**
Perfect for schools and public buildings. JOC allows teams to complete projects during short breaks (like winter or spring break).

**REPLACEMENT PROJECTS**
When a critical piece of equipment like a boiler or HVAC unit fails, JOC provides a pre-approved contractor to replace it immediately.

**AUGMENT IN-HOUSE STAFF**
When your in-house team is overloaded or lacks a specific skill, JOC brings in qualified crews to handle the work, acting as an extension of your staff.

**REMEDIATION WORK**
For unexpected issues like mold or water damage, JOC allows for a rapid response to assess, contain, and complete repairs.

**PARKS & PLAYGROUNDS**
A simple way to manage ongoing upgrades, from installing new playground equipment to repairing pathways and facilities.

**LEED IMPROVEMENTS**
JOC can be used to manage multiple small-scale green upgrades, like new lighting or low-flow fixtures, to help buildings meet sustainability goals.

**ADA UPGRADES**
Efficiently complete accessibility upgrades across multiple buildings, such as installing ramps, updating restrooms, or adding handrails.

**PUNCH LIST**
Hire a trusted JOC contractor to complete leftover items from a previous project that another contractor failed to finish.

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## SPEED, SCALE, & RESOURCE MANAGEMENT ARE NOW STANDARD

In the past, project owners had to choose between speed, scale, and sustainability. Today, they are expected to deliver all three. Stakeholders expect fast timelines, large-scale coordination, and resourceful building practices not as bonuses but as baselines.

This demand for efficiency has led to the wider adoption of alternative procurement methods. One of the most effective is Job Order Contracting (JOC). JOC is a performance-based procurement system that allows facility owners to complete a large number of repair, renovation, and construction projects with a single, competitively bid contract. It eliminates the need to bid out each project separately, which saves significant time and administrative costs.

For nearly four decades, F.H. Paschen has used JOC to help clients like school districts, municipalities, and transit agencies complete work faster. This method is ideal for clients who have a backlog of projects and need a reliable partner to execute them efficiently.

A good example is the kindergarten addition for Benjamin District 25 at Evergreen Elementary in Carol Stream, Illinois. The project had a critical, non-negotiable timeline. The team broke ground in November and worked through the Chicago winter, completing the 9,000-square-foot addition by the following August. Halfway through, the district expanded the scope to include renovations to the existing building. The team absorbed this major change without missing the original deadline. This is the kind of speed, flexibility, and logistical skill that public owners now demand.

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What's Shaping the Future of Public Building Projects

## DIGITAL TECH IS MOVING FROM THE TRAILER TO THE SITE

The construction industry has long been criticized for being slow to adopt technology. That is no longer the case. Digital tools are moving from the project trailer to the jobsite, reshaping how jobs are managed, sequenced, and completed.

Project owners are seeing the direct benefits of these tools. Building Information Modeling (BIM) is no longer just a 3D design tool. It is used for virtual coordination to find and fix "clashes" like where an HVAC duct and a water pipe are routed through the same space before work ever begins. This prevents costly delays and rework in the field.

Drones are also becoming standard site equipment. They are used to create 3D scans of existing structures and to monitor project progress. This real-time data gives project managers a more accurate view of the job, improving safety and quality control. These tools help teams identify potential issues early, manage complex logistics, and provide owners with clear, accurate updates.

F.H. Paschen integrates these technologies to manage complex projects more effectively. By using BIM for virtual clash detection and drones for site mapping, teams can

## WORKFORCE SHORTAGES ARE SHAPING PROJECT DECISIONS

The construction industry faces a persistent shortage of skilled labor. This is not a new problem, but its impact is deepening. Today, more firms are making strategic decisions based on talent availability just as much as material availability.

For public owners, this means it is important to select a general contractor that has a stable, well-trained workforce and a clear strategy for attracting new talent. A contractor's ability to properly staff a job is now a major factor in their ability to deliver it on time and on budget.

Forward-thinking companies are addressing this challenge by investing heavily in their own people. They are building their own talent pipelines rather than just searching for existing talent. F.H. Paschen, for instance, created "Paschen University," an in-house training program that offers a wide range of courses. These courses cover technical skills like project scheduling and safety, as well as software training on platforms used in the field.

Programs are also in place to develop the next generation of field leaders, such as the Superintendent Development Program. By partnering with organizations like the Department of Defense SkillBridge program, companies can help transitioning service members find new careers in construction. These investments are essential for building a capable and sustainable workforce.

## BUILDING COMMUNITY TRUST: A FRAMEWORK FOR PUBLIC PROJECTS

Today, successful projects require more than just on-time completion. They demand genuine community partnership and transparency from day one.

### 1 BEFORE CONSTRUCTION: LISTEN & PLAN

**IDENTIFY STAKEHOLDERS:** Map out everyone impacted, from residents and local businesses to community groups and elected officials.

**HOLD EARLY FORUMS:** Listen to concerns about noise, traffic, and business access before the final plans are set.

**SET MEASURABLE GOALS:** Work with the community to establish clear targets for local hiring and community participation.

### 2 DURING CONSTRUCTION: INFORM & MANAGE

**BE PROACTIVE:** Provide regular, clear updates on timelines and upcoming disruptions. No surprises.

**ESTABLISH A CLEAR CONTACT:** Create a dedicated project hotline or email for a rapid response to any issues.

**MANAGE THE SITE:** Go beyond compliance. Actively manage noise, dust, and delivery routes to be a good neighbor.

### 3 AFTER CONSTRUCTION: DELIVERY & VERIFY

**COMMUNICATE COMPLETION:** Announce the opening of the new public asset and the benefits it provides.

**REPORT TRANSPARENTLY:** Share the final results of local hiring and community participation. Show you met your goals.

**DELIVER LASTING VALUE:** A successful project leaves a positive legacy through mentorship programs and new opportunities for local firms.

**Community engagement is not a separate task. It is a core part of modern project management that protects the schedule, builds public support, and delivers a better final project.**

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## COMMUNITY EXPECTATIONS ARE RISING

Public infrastructure projects are under greater scrutiny than ever before. It is not enough to simply build a project on time and on budget. Communities and their elected officials want to know how the project will benefit them directly. Transparency and the project's impact on neighborhoods are front-of-mind for both cities and citizens.

Owners are responding by setting clear goals for local hiring and community engagement. They expect their construction partners to be proactive in meeting or exceeding these goals. To lead on these, leading builders are creating a proven system for outreach, engagement, and mentorship.

This commitment involves building real relationships with community organizations, trade schools, and local business groups. For years, F.H. Paschen has partnered with programs like Chicago CRED, ComEd's CONSTRUCT, and Dawson Technical Institute to help create career paths for local residents.

It also means mentoring smaller businesses. On the Midway Airport Passenger Security Checkpoint Expansion, F.H. Paschen worked with subcontractors like Toro Construction, helping them build their capacity. This kind of partnership allows small firms to grow, take on larger, more complex jobs, and create more local employment. This focus on shared success is what helps turn a construction project into a genuine community investment.

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## WEATHER RISK & RESILIENCE ARE DRIVING DESIGN CHOICES

Severe weather events, from heavy rain to extreme heat, are affecting construction timelines, materials, and budgets. A project site that is flooded for a week is a project that is a week behind schedule. As a result, thinking about resilience is becoming a core requirement for public works.

This trend is influencing design choices in two ways. First, project owners are asking how new infrastructure can be built to withstand future weather. This can mean upsizing stormwater systems, using more durable materials, or designing buildings to be more energy-efficient and less reliant on the grid.

We see this in projects like the U.S. 35 reconstruction, where the installation of a new, 78-inch storm pipe was a major component of the job, designed to better manage water and prevent flooding.

Second, owners are thinking about how to protect existing assets. For transit agencies, this includes projects like the WMATA Escalator Canopies in Washington, D.C. These structures are not just for commuter comfort. While they do provide an upgraded experience for passengers, they are also a resilience measure. The canopies work to protect critical pieces of equipment like passenger escalators from rain, snow, and ice. This reduces downtime and expensive maintenance. Building for resilience is no longer optional, no matter where you are building. It is becoming a priority that helps protect public investments.

The construction environment in 2026 is clearly more complex. Public owners are managing new funding sources, greater community expectations, and the urgent need for resilient infrastructure. These trends are not separate challenges; they are connected.

Technology is being adopted to make sites more efficient and to help address workforce shortages. Community engagement is necessary to secure project approvals and deliver lasting local benefits. New procurement methods like Job Order Contracting are being used to deliver sustainable projects faster.

Success no longer just means finishing a job. It means building value for a community, navigating complex compliance, and adapting to new challenges in real time. For public agencies, choosing a partner is no longer just about the lowest bid. It is about finding a builder with the proven experience to manage these interconnected pressures, the skilled workforce to deliver on promises, and the established systems to ensure transparency and quality from start to finish.


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