



FOR IMMEDIATE RELEASE

**STERLING CONSTRUCTION COMPANY, INC. AWARDED
\$22 MILLION WASTEWATER PROJECT IN MALIBU, CALIFORNIA**

THE WOODLANDS, TX – August 8, 2016 – Sterling Construction Company, Inc. (NasdaqGS: STRL) (“Sterling” or the “Company”) today announced that Myers & Sons Construction (“Myers”), was awarded a \$21.7 million wastewater treatment facility project in Malibu, California. The Civic Center Wastewater Treatment Facility - Phase I project consists of various below-ground elements, including the construction of aeration basins, concrete anoxic basins, post-anoxic basins, and recirculation facilities. The above-ground elements include construction of an operations building, installation of a crane for removing membrane bioreactor filters for maintenance, an ultraviolet (UV) disinfection facility, a recycled water storage tank, a pump station, landscape screening, and a driveway for vehicles. During construction, Myers is also responsible for maintaining the existing plant until the new facility is completed. The project will take approximately eighteen months to complete.

Paul J. Varello, Sterling’s Chief Executive Officer, commented, “We are pleased to have been selected by the City of Malibu to construct the first phase of this wastewater treatment facility. Due to the facility’s close proximity to the coastline and a leach field, this is an environmentally sensitive project that fits well within our specialized capabilities. From a longer term perspective, this project is indicative of the growing opportunities we see in water infrastructure construction projects. This award also demonstrates our disciplined bidding approach, reinforcing our belief that we are well positioned to continue to add attractive, profitable opportunities to our backlog in the future.”

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure projects in Texas, Utah, Nevada, Colorado, Arizona, California, Hawaii, and other states in which there are construction opportunities. Its transportation infrastructure projects include highways, roads, bridges, airfields, ports and light rail. Its water infrastructure projects include water, wastewater and storm drainage systems.

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.

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