

# Olivehurst Public Utility District



## Staff Report

Meeting Date: April 20, 2023

### Item description/summary:

**Development Impact Fee Inflation Adjustment:** Capitol PFG study recommends adjusting the fee annually for inflation. The construction cost index published by Engineering News and Record is used for the building portion of the increase. The increase represents the CCI increase for the years between 2017 and 2023 blended with the equipment cost increase over the same period as provided by staff research and data from industry experts. The respective fee increases are tabulated in the chart below.

	Fee Ratio	CCI% Increase	
Equipment	0.44	0.45	0.198
Building	0.56	0.33	0.185
Unweighted Increase		0.78	0.3832564
Weighted Increase			0.4913544
Weighted Average (Fee Ratio Equipment X CCI% Increase)+(Fee Ratio Building X CCI%)			
Unweighted Increase			
<b>\$1.22*1.491 = \$1.82</b>			
	Year	2017	2023
Light /low Hazard Construction		1.22	1.82
Moderate Hazard Construction		2.44	3.64
High/ severe Hazard Construction		3.66	5.46

### Fiscal Analysis:

See above

### Employee Feedback

### Sample Motion:

Consider approving Development impact fee inflation chart to reflect year 2023.

Prepared by:

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