

MEMORANDUM

To: John Tillotson and Cindy Van Meter, OPUD
From: Jamie Gomes, Megan Quinn, and Katherine Koulouris
Subject: 2019 Annual Inflation Adjustment for Water and Sewer Capacity Charges; EPS #18550
Date: January 11, 2019

The Economics of Land Use



The attached table shows the 2019 annual inflation adjustment for the Olivehurst Public Utility District (OPUD) Water and Sewer Capacity Charge Programs.

Table 1 calculates the inflation rate to be applied. It is based on the average of the percentage change in the Engineering News–Record 20-City Construction Cost Index and the percentage change in the San Francisco Construction Cost Index from December 2017 to December 2018. Applying this methodology, the inflation rate adjustment is 1.85 percent.

Please call (916) 649-8010 if you have questions regarding this development impact fee escalation information.

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Table 1
Olivehurst Public Utility District Fee Inflation
Summary of ENR Cost Indexes for December 2018 - Update to 2019 \$

2019 \$

City	Construction Cost Index		
	Dec. '17 Index	Dec. '18 Index	% Change
20-City Average	10,873	11,186	2.87%
San Francisco Index	12,015	12,115	0.84%
Average of 20-City Average and San Francisco Index			1.85%

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2019 INFLATION ADJUSTMENT 1.85%