



CITY OF TROUTDALE

MEMO - Engineering Division

Date: December 18, 2019
From: Christopher Priano
To: File

Subject: Yearly Inflation Adjustment to Public Works System Development Charges for 2020

According to Resolutions 2406, 2407, 2408, and 2409 which address Water, Sanitary Sewer, Transportation, and Stormwater SDCs respectively, the City is required to adjust the Public Works System Development Charges (SDCs) for inflation each year.

The Resolutions state:

The system development charge hereby imposed shall be adjusted automatically on January 1 of each year beginning in 2020 for inflationary cost impacts. Inflationary cost impacts shall be measured and calculated annually based upon the Construction Cost Index for Seattle, WA, published by Engineering News Record for the preceding calendar year or any successor index to this measurement.

According to Construction Cost Index (CCI) for Seattle, WA, published by Engineering News Record, the percentage change to the CCI for Seattle, WA was 5% (see attached). This was confirmed by calculating the percent change between the CCI for Seattle, WA in December of 2018 and 2019 (see attached)

As of January 1, 2020, the SDCs for Water, Sanitary Sewer, Transportation, and Stormwater will increase by 5%. The following are the existing and inflation adjusted SDC rates:

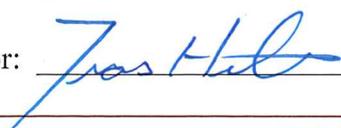
	<u>Existing*</u>	<u>As of January 1, 2020*</u>
Water	\$ 7256/HE	\$ 7619/HE
Sanitary Sewer	\$ 9420/ERU	\$ 9891/ERU
Transportation	\$ 995/PM Peak Hour Trip-End	\$ 1045/PM Peak Hour Trip-End
Stormwater	\$ 1351/ERU	\$1419/ERU

* Total rate. See attached for individual rate components for improvement fee, reimbursement fee, and administrative fee.

TRAVIS HULTIN, DEPUTY PW DIRECTOR /FOR/

Fred Ostler

Public Works Director:

 12/18/19

City Cost Index - Seattle - As of December 2019

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The building and construction cost indexes for ENR's individual cities use the same components and weighting as those for the 20-city national indexes. The city indexes use local prices for portland cement and 2 X 4 lumber and the national average price for structural steel. The city's BCI uses local union wages, plus fringes, for carpenters, bricklayers and iron workers. The city's CCI uses the same union wages for laborers.

To find more recent cost index data, go to this webpage (link below) and click on the link for the year you need, and then navigate to the week you need. Keep in mind that the city cost index figures are always published in the second weekly issue of the month.

http://www.enr.com/economics/current_costs

Go back to [view all City Indexes](#).

ENR COST INDEXES IN SEATTLE (1978-2019)

YEAR	MONTH	BCI	%CHG	CCI	%CHG
2019	Dec	6384.96	+2.2	12111.70	+5.0
2019	Nov	6366.86	+3.2	12093.59	+4.9
2019	Oct	6368.36	+3.3	12095.09	+8.1
2019	Sept	6363.42	+3.3	12090.15	+4.9
2019	Aug	6365.92	+3.5	12092.65	+5.0
2019	July	6342.31	+3.9	11999.04	+4.5
2019	June	6372.29	+4.4	12029.02	+4.8
2019	May	6369.97	+4.5	12026.70	+4.8
2019	April	6358.72	+4.2	12015.45	+4.7
2019	Mar	6331.97	+4.3	11988.70	+4.7
2019	Feb	6369.72	+4.9	12026.45	+5.1
2019	Jan	6351.66	+4.7	12008.39	+4.9
2018	Dec	6248.72	+3.0	11537.66	+0.8

Percent Change Equation

$$\frac{(V_2 - V_1)}{|V_1|} * 100 = \% \text{ Change}$$

$$\frac{12111.70 - 11537.66}{11537.66} * 100 = \% \text{ Change}$$

$$\frac{574.04}{11537.66} * 100 = \% \text{ Change}$$

$$0.04975359 * 100 = \% \text{ Change}$$

$$4.975359 = \% \text{ Change}$$

Percent Change ≈ 5%

Water				
	Improvement	Reimbursement	Administration	Total
Current	\$4,567	\$2,459	\$230	\$7,256
Inflation Adjusted	\$4,795	\$2,582	\$242	\$7,619

Sanitary Sewer				
	Improvement	Reimbursement	Administration	Total
Current	\$2,335	\$6,866	\$219	\$9,420
Inflation Adjusted	\$2,452	\$7,209	\$230	\$9,891

Transportation				
	Improvement	Reimbursement	Administration	Total
Current	\$199	\$711	\$85	\$995
Inflation Adjusted	\$209	\$747	\$89	\$1,045

Stormwater				
	Improvement	Reimbursement	Administration	Total
Current	\$1,079	\$155	\$117	\$1,351
Inflation Adjusted	\$1,133	\$163	\$123	\$1,419