

# Memorandum

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**TO:** Samuel Yung  
Division Manager

**FROM:** Norman Mascarinas  
Principal Engineer

**SUBJECT: SEE BELOW**

**DATE:** 12-22-22

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**SUBJECT: ANNUAL AUTOMATIC IN-LIEU FEE ADJUSTMENT**

Ordinance No. 28596, Section 15.26.130, Part B, requires the base undergrounding utility fee to be adjusted annually by the Engineering News-Record Construction Cost Index, or its equivalent, effective on January 31 of every year.

The current Engineering News Records (ENR), City Cost Index-San Francisco, Construction Cost Index (CCI) percent change for 2022 is +5.3%. Therefore, we recommend the 2023 In-Lieu Fee for undergrounding utility to be adjusted by +5.3% from \$574 to \$605 per linear foot frontage.

The revised fee will be included in the Report on the Rule 20A and Rule 20B (In-Lieu Fee) Undergrounding Utility Program and the Five-Year Workplan in Spring 2023. Feel free to outreach to the Development Industry of the fee change prior to the effective date. Should you have any questions or need additional information, please contact David Simonis, of my staff at (408) 535-7854.

*Norman C. Mascarinas*

Norman C. Mascarinas  
Principal Engineer  
Transportation & Hydraulics Division