



# RUSD

RIVERSIDE UNIFIED  
SCHOOL DISTRICT



## Ofelia Valdez-Yeager Eastside Elementary School

Escalation from DTSC Delays

Citizens' Bond Oversight Committee  
December 9, 2025

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Director, Facilities, Planning & Development

# Recent Construction Cost Trends

California Construction Cost Index 2021-2025

Month	2025	2024	2023	2022	2021
January	9911	9680	9246	8151	7090
February	9922	9692	9166	8293	7102
March	9994	9660	9118	8736	7130
April	10187	9688	9026	8903	7150
May	10192	9655	9621	9001	7712
June	10195	9651	9508	8925	7746
July	10196	9646	9526	9110	7892
August	10178	9749	9560	8729	8122
September	10238	9751	9592	8604	7900
October	10418	9785	9654	8712	8080
November	10293	9866	9682	8765	8141
December		9876	9654	8823	8072
Annual % *		2.3%	9.4%	9.3%	13.4%

Covid year

3-year average: 7%

2025 to date: 3.9%

\*The Construction Cost Index measures how much it costs to purchase a hypothetical package of construction goods and services

\*Annual Percentage is calculated from December to December.

# Ovyees Cost Inputs

## Assumptions:

1. For estimation purposes, escalation is calculated to the midpoint of construction
2. Original construction timeline: July 2025 through July 2027
3. Revised construction timeline: June 2026 through July 2028
4. Delay of midpoint of construction of 1 year
5. Original estimated construction budget: \$91 million

# Market Trends

- General consumer price inflation (CPI) in California has fluctuated significantly from its 2022 peak of 8.3%, hovering around 2.5-3.0% in late 2024/2025
- Initial 2025 housing starts show a decline
- Investment in data centers, industrial buildings, and infrastructure is strong
- There is a slowdown in new hotel and retail projects, with very low office development due to high vacancy rates
- Material costs remain volatile due to global market forces and potential tariffs
- Mechanical and electrical (M/E) labor costs have risen rapidly, with a 10-year average annual increase of 4.2%

Industry forecasters such as JLL are expecting construction costs to rise moderately (5-7%) in the next year. For the purposes of this estimate, and after consulting with Tilden-Coil Constructors, RUSD is using 8% to calculate escalation.

# OVYEES Escalation

Original Project Budget: \$118.25 million

Estimated Project Delay: 1 year

Projected Construction Cost Escalation: 8% per year

Estimated Construction Cost Escalation Due DTSC Delay:

**\$9,460,000**

Revised Construction Estimate:

**\$127,710,000**





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**PUBLIC  
COMMENTS**