CITY OF TONKA BAY
ITEM NO. 4C

RESOLUTION NO. 14-02

A RESOLUTION ADOPTING 2014 WATER AND SEWER CONNECTION CHARGES

WHEREAS, the assessable cost for water and sewer connections are determined by the following formulas:

A. 1964 Sewer

Construction Cost Index as published by the Engineering News Record (ENR) the year in which the assessable cost would be applicable. January 1, 1976 ENR Construction Cost Index	X $1,138/unit

B. 1972 Water

Construction Cost Index as published by the Engineering News Record (ENR) the year in which the assessable cost would be applicable January 1, 1980 ENR Construction Cost Index	X $1,500/unit

C. 1988 Water Tower

Construction Cost Index as published by the Engineering News Record (ENR) the year in which the assessable cost would be applicable September 1, 1988 ENR Construction Cost Index	X $ 640/unit

WHEREAS, the Construction Cost Index in the numerator of the above formula is to be determined in January of each year by Engineering News Record (ENR) and is to be used for the remainder of that calendar year; and

WHEREAS, staff has recommended using the December index for each annual adjustment in January so that the connection charges can be adjusted annually at the first Council meeting of the year; and

WHEREAS, the index in December of 2012 is 9412.25, and the index in December of 2013 is 9667.77.

WHEREAS, to derive the multiplier to calculate the 2014 connection charges, the 2013 index is divided by the 2012 index (9667.77/9412.25), therefore the percentage increase = 1.03%; and

WHEREAS, based on that percentage the new connection charges for 2014 would calculate as follows:

Water Tower =	$1008.11
	X1.03%
	1018.49
Water System =	3415.83
	X1.03%
	3451.01
Sewer System =	$3,523.31
	X1.03%
	3559.60

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tonka Bay, Hennepin County, Minnesota, that the new water and sewer connection charges for 2013be established as follows:

Water Tower	$1,018.49
Water System	$3,451.01
Sewer System	$3,559.60

ADOPTED at a regular meeting of the Tonka Bay City Council this 14th day of January, 2014.

Motion introduced by _____ and seconded by _____

Roll Call Vote:
Ayes –
Nays –
Absent –

_____
Gerry De La Vega, Mayor

ATTEST:

_____
Joseph Kohlmann, City Administrator