

Dunkirk backs off of increase

Dunkirk City Council wants to consider proposal for gradual hikes

Mary Freda, Reporter

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DUNKIRK — Since late August, council members have debated raising the city's water rates, which have not been increased for 10 years.

During Monday's meeting, Dunkirk City Council quashed the proposed 50-percent water rate hike in favor of reviewing a different plan proposed by accounting firm Umbaugh & Associates.

That option, which Umbaugh presented at the Aug. 25 as a possibility along with the one-time increase of 50 percent, would involve smaller rate increases over the course of three years. A 25-percent increase would go into effect Jan. 1, 2018, followed by a 20-percent increase in 2019 and a 15-percent increase in 2020. It would result in an overall increase of 72.5 percent by Jan. 1, 2020.



"I think we got a little hasty," said council member Jack Robbins. "I think we need to look this over real close because that is a heck of a jump, we got one person's opinion on the prices for this stuff and I think we need to fine tune that a little bit and get some more bids."

Council members Bryan Jessup, Tom Johnson and Jesse Bivens, absent Lisa Street, all agreed that adopting a smaller immediate increase would be a better option for the citizens of Dunkirk.

However, Dace Mumbower, water superintendent for Dunkirk, spoke out against that idea.

"It's time to put on the big boy pants. It's not election year. We need to do something," Mumbower said. "A rate study was conducted and the findings were that the rates are no longer adequate to meet minimum reserve requirements from 2017 through 2021.

"This is due, in part, to higher levels of capital improvements in compared to previous years. The study recommendation was to increase rates approximately 58 percent."

Mumbower also brought to council's attention that Dunkirk is in deficiency now and has been cited under Indiana Code 8-1.5-3-8. That section reads, in part, that rates are required to be sufficient to pay all expenses of the utility included maintenance costs, upkeep, operating costs, repairs, depreciation, payments for interest bonds and any costs associated with acquiring utility property.

Council would need to pass a water rate increase in order to no longer be considered deficient.

Mayor Gene Ritter reminded council that, in the long run, the residents of Dunkirk would pay an even higher rate under the gradual increase plan as opposed to the immediate 50-percent increase.

Now, council will have to wait for a new ordinance to be drafted by Umbaugh & Associates, something city attorney Wes Schemenaur says could take until December.

In other business, council:

- Approved Kenny Tackett Jr. and Shirley Dollar to the West Jay Community Center board.
- Transferred properties to Dunkirk Industrial Development Corporation for the purpose of blight elimination. The city tore down nine homes in 2015 thanks to a grant from Indiana's Hardest Hit Blight Elimination Fund and plans to demolish another 11 using leftover money from that grant and an additional grant that was awarded this year.

- Approved payment of a \$990.28 bill from Shreves Emergency Vehicles Sales & Services for checking fire truck pumps and a \$590 bill from Howell Rescue Systems for more fire department equipment checks.
- Agreed to pay \$1,895.50 for new tires for the street department's front-end loader from Greens Fork Alignment & Service.
- Accepted a \$74,810 bid from Brooks Construction to repave Highland Avenue and Barbier Street.
- Approved claims totaling \$616,256.39.

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