



AGENDA MEMO

MEETING NAME: Albion City Council

DATE: July 21, 2026

ITEM NAME: **CONSIDER INTRODUCTION AND PASSAGE OF ORDINANCE 349 (26) AN ORDINANCE OF THE CITY OF ALBION, NEBRASKA, SETTING UTILITY RATES EFFECTIVE OCTOBER 1, 2026**

PRESENTER(S):

BACKGROUND INFORMATION:

The annual CPI (Consumer Price Index) for June 2025 (Published July 15th) is 3.5%.

The costs to operate and maintain our aging infrastructure has far surpassed the CPI factor over my past 20 years here; however, we have been able to minimize the impact to the consumers over the years by supplementing our water and sewer rates by utilizing available cash reserves; however, as our auditors have reported earlier this year, ***our reserves are no longer sufficient and the water and sewer budgets need to stand on their own for the foreseeable future.***

Based on our auditor's report and recommendation regarding significantly increasing our utility rates, we received a rate study and recommendation from Nebraska Rural Water. The recommended water and sewer rates to meet operation and maintenance costs are attached along with a comparison of peer communities as selected by NRWA – based on population and size/type of water and sewer systems. The attached Ordinance AND the preliminary budget reflect these recommended rates.

We did not increase Solid Waste rates last year and the bottom line was not quite as strong this past year. We are also now incurring an approved fuel surcharge so it is recommended to increase Solid Waste rates this year as outlined in the attached Ordinance. This represents about a 3% increase in solid waste revenue. If fuel prices do not re-align next year and the fuel surcharge remains in place we may need to consider another increase at that time. This marginal rate increase is also reflected in the preliminary budget.

DISCUSSION:

MOTION: To introduce Ordinance 349 (26) AN ORDINANCE OF THE CITY OF ALBION, NEBRASKA, SETTING UTILITY RATES EFFECTIVE OCTOBER 1, 2026.

BY:

2ND:

ROLL CALL: Johnson _____ Porter _____ Tisthammer _____ Dailey _____

Memo continues on Back

MAYOR INSTRUCTS CLERK TO READ ORDINANCE BY TITLE

MOTION: To approve the first reading of Ordinance 343 (25) and to suspend the statutory rules requiring reading at three separate meetings.

BY:

2ND:

ROLL CALL:

Dailey _____ Porter _____ Tisthammer _____ Johnson _____

Mayor instructs Clerk Devine to read Ordinance for 2nd and 3rd time.

Motion: For final passage and adoption of Ordinance 343(25)

QUESTION CALLED BY: _____

MAYOR DECLARES:

ROLL CALL: Dailey _____ Porter _____ Tisthammer _____ Johnson _____