

**CITY COUNCIL
CITY OF LEXINGTON
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, Tuesday, February 26, 2019, at the Lexington City Hall, 406 E. 7th Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were John Fagot, John Salem, Dora Vivas, Steve Smith and Jeremy Roberts. City Officials present were City Manager Joe Pepplitsch, Assistant City Manager Dennis Burnside, City Attorney Brian Copley, Finance Director Barb Hodges, Community Development Director Bill Brecks and City Clerk Pamela Baruth. The press was represented by Clipper-Herald, Tri-City Tribune and KRVN.

NOTICE: Notice of the meeting was given in advance, thereof by publication in the Lexington Clipper-Herald, the designated method for giving notice, as shown by the Affidavit of Publication attached to these Minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the Council, and a copy of their Acknowledgment of Receipt of Notice and the Agenda is attached to these Minutes. Availability of the Agenda was communicated in advance notice and in the notice to the Mayor and Council of this Meeting. The proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. All items presented and discussed on the Agenda were available for public inspection.

CALL TO ORDER: The meeting was called to order by Mayor Fagot. Fagot informed the public that the Open Meetings Act is posted in the Meeting Room at the Lexington City Hall, 406 E. 7th Street, Lexington, Nebraska.

MINUTES – REGULAR MEETING 2-12-19: Minutes of the Regular meeting held Tuesday, February 12, 2019, were presented. Moved by Vivas, seconded by Salem, to approve the minutes as presented. Roll call. Voting “aye” were Smith, Roberts, Salem, Vivas, Fagot. Motion carried.

CLAIMS & BILLS: Claims and Bills in the amount of \$1,928,448.98 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Salem, seconded by Smith, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$199,135.21 from General Fund, \$75,766.11 from Street Fund, \$71,337.98 from TIF, \$1,508,313.31 from LEXUS, \$31,224.72 from Sanitation, \$2,524.86 from Ambulance, \$37,550.87 from Health Fund, and \$2,595.92 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Vivas, Roberts, Smith, Salem, Fagot. Motion carried.

**ACCOUNTS PAYABLE
February 26, 2019**

Area Services	SW / Pump Shotkoski Lift Station	280.25
Ask Supply	ST / Vacuum Hose	57.50
Auto-Graphics	LB / Subscription Fee	862.75
Baker & Taylor	LB / Books	1,551.70
Brockway, Don	EL / Rebate	600.00
Business Card:		
Adobe Acrobat	ST / Software Subscription	192.47
Amazon	CM / Letter File Pocket	26.29
American Lifeguard Products	AC / Backboard / Rescue Tubes	1,193.64
Cenex	PD / Fuel	91.90
Central Community College	Ambulance / Training	850.00
International Code	DV SRV / Education Institute	504.70
Kearney Winnelson Co	Ambulance / Valve Repair	88.65
Microsoft	LB / Software Contract	51.38
Nebraska Secretary of State	GGC / Certificate of Good Standing	6.50
PayPal	PD / Repair Flashlights	63.12
Pizza Hut	Council / Meal	32.26
Teledyne	WWTP / Auto Sampler Parts	263.75
USI ED Gov	CM / Lamination Sheets	43.94

USPS	WR / Postage	194.65
Walmart.Com	PD / Cameras / Adapters	475.62
Cash-Wa Distributing	MOW / Food / Supplies	800.84
Center Point Large Print	LB / Books	180.36
Chesterman Coca-Cola	PK / Beverages	108.00
Chief Supply Corp	PD / Name Plates	59.05
Community Development Agency	EL / ST / Rebate / Commerce Road	59,077.98
Core & Main	EL / Metering Upgrade	8,513.18
Danko	FD / Protective Gear	13,965.82
Davis Energy	Fuel	2,144.87
Ebsco	LB / Periodicals	689.69
Energy Pioneer Solutions	EPS Payments	368.89
Electrical Engineering & Equipment	LB / OC / Light Bulbs	153.18
Electronic Systems	GGC / LB / Alarm Inspection / Battery	162.00
Fagot, Mark	EL / Rebate	1,350.00
Fastenal	ST / WWTP / Safety Glasses / Hardware	217.82
Fyr-Tek	FD / Hoses / Valve Repair	2,380.68
Gale/Cengage	LB / Books	316.14
Greater Lexington Corp	EL / Rebate	4,900.00
Health Claims	Claims	37,250.36
Hernandez-Ramirez, Gerardo	EL / Rebate	1,125.00
Hiland Dairy Foods	MOW / Dairy Products	168.23
Holbein, Dahlas	Ambulance / FD / Vehicle Maintenance	1,500.00
HTM Sales	SW / Liftstation Floats	665.45
IGS Solar	EL / Power Purchase	19,041.10
Ingram Library Services	LB / Books	80.92
Labcorp Lincoln	Immunizations	111.30
Lexington Area Chamber of Commerce	Annual Banquet Tickets	330.00
Lexington Health Fund	Self-funding	47,587.50
Lexington Newspapers	Publications	220.86
Lexington Regional Health	Ambulance / Supplies	190.00
Lexus	EL / Rebate	875.00
Lexus	Utilities	46,727.77
Lopez, Domingo	EL / Rebate	600.00
Lopez, Laureano	EL / Rebate	1,600.00
Louthan & Wilson PC	Professional Fees	1,200.00
Martin Electric	WWTP / Lighting Supplies	87.90
Master Pitching Machine	PK / Machine Parts	191.28
Matt Friend Truck Equipment	ST / Snow Plow Edges / Sander Motors	1,377.51
Mead Lumber	PK/WWTP/Anchors/Window/Hardware	97.74
Micro-Marketing	LB / Books	70.97
Midwest Connect	EL / Postage Machine Print Cartridge	288.90
Miller & Associates	Pro Services / Commerce Rd / E Viaduct	27,967.28
Municipal Automation & Control	WWTP / Equipment Repair	222.78
Nebraska Machinery	ST / Wear Plates	2,520.37
Nebraska Public Health Environment Lab	WR / Water Testing	389.00
Nebraska Public Power District	Power Purchase	1,181,079.34
Nebraska Public Power District	O & M	112,716.73
Nebraska Total Care	Ambulance / Refund	163.56
Nebraskaland Tire	ST / Oil Leak Repairs	161.08
OCLC Inc	LB / Subscription	141.55
Oliver Consulting	LB / Set Up / Update / Install Computers	810.00
Paulsen Inc	ST / Concrete	352.62
Platte Valley Excavating	ST / Dirt Removal	4,712.50
Plum Creek Medical Group	ST / DOT Physical	170.00
Publishers Prime	LB / Books	3,683.59
Ramirez-Ortiz, Jorge	EL / Rebate	600.00

Razo, Manuel	EL / Rebate	600.00
Recorded Books	LB / Books	1,236.18
Rodriguez, Thomas	EL / Rebate	700.00
RuralMed	GGC / Foot Clinic	140.00
S & W Auto Parts	PK/ST/Tester/Cables/Light/ Wiper Blades	36.16
Servi-Tech Laboratories	WR / Shipping Charges	17.37
Service Master	ND / GGC / LB / Janitorial Services	5,194.05
Spectrum	Cable Service	23.57
TBK Transmissions	ST / Rebuild Transmission	2,411.00
TO Haas	PK / Tire Repair	31.25
TotalFunds	Postage	3,000.00
Tri-City Trib	ND / Subscription	31.50
US Foods	MOW / Food	508.54
Verizon Wireless	Cell Phone Service	399.35
Village Uniform	GGC / Janitorial Supplies	100.84
Walmart	CM / LB / ST / WR / Supplies	161.88
Cash-Wa Distributing	OC / Trash Can Liners	44.20
Community Development Agency	TIF / Pentad / True Value	14,710.00
Consolidated Management Co	PD / Academy Meals	7.88
Dan's Sanitation	Sanitation Fees	31,224.72
Davis Energy	Fuel	1,524.73
Dukes, Michael	PD / Training Meals	97.50
Fagot Refrigeration & Electric	WWTP / HVAC Service	85.00
Great Western Bank-City Petty Cash	PD / Meals / Uniform Alterations	20.00
Hach Co	WWTP / Lab Testing Supplies	219.45
In The Swim	AC / Pool Umbrellas	1,705.21
Ingram Library Services Inc	LB / Books	70.56
Lexington City Payroll Account:		
Payroll	Wages	148,920.70
Social Security	Employer Portion / FICA Med	11,084.62
Union Bank & Trust	Employer Portion / Pension	4,978.37
Union Bank & Trust	Police Pension	2,846.65
ICMA	City Manager Pension	881.89
Lexington, City of	Franchise Fees	90,319.58
Lexington Newspaper	Publications	17.58
Lexington Volunteer Fire Department	FD / Training Mileage / Meals	1,377.32
Moore Medical	Ambulance / Medical Supplies / Equipment	767.70
Morris Press	GGC / Newsletter	309.33
Nebraskaland Tire	ST / Maintenance / Tire Repair	68.07
O'Reilly Auto Parts	ST / Alternator / Lube / Polish	210.42
Orthman Community YMCA	Memberships	1,136.00
Roberts, Matthew	PD / Training Meals	97.50
Statewide Collections LLC	Utility Collections	153.71
TASC	Administration Fees	189.21
Taste of Home Books	LB / Book	33.98
TO Haas Tire Co	PD / Tires / Tire Repair	689.43
Walmart	LB / WWTP / Supplies	168.22
	TOTAL CLAIMS:	1,928,448.98

FINANCIAL REPORT: Moved by Smith, seconded by Roberts, to accept the financial report for January 2019 as presented. Roll call. Voting "aye" were Vivas, Salem, Roberts, Smith, Fagot. Motion carried.

PUBLIC HEARING: Mayor Fagot opened a public hearing to consider an Application for Conditional Use Permit for a store-front church to be located at 503 North Washington. Brecks gave an overview of the project, noting the absence of available parking per zoning code requirements. Henry Arriaza, applicant, stated they are working to secure a permanent place to grow their congregation from the current 15-20 people. Worship times,

available public parking and a draft CUP agreement were also discussed. There were no other public comments and the public hearing was closed. Following discussion, moved by Roberts, seconded by Vivas, to approve the Application for Conditional Use Permit and draft conditional use agreement as presented. Roll call. Voting "aye" were Smith, Vivas, Roberts, Fagot. Voting "nay" was Salem. Motion carries.

AUDIT REPORT: Amy Barth, Contryman Associates, presented the 2018 Audit Report, stating an unqualified opinion was issued. Following her report, moved by Smith, seconded by Roberts, to accept the 2018 Audit Report as presented. Roll call. Voting "aye" were Vivas, Salem, Roberts, Smith, Fagot. Motion carried.

PUBLIC HEARING: Mayor Fagot opened a public hearing to present and receive public comment on the proposed Lexington Economic Development Program 2020-2030 under the Local Option Municipal Economic Development Act. Peplitsch reviewed the proposed program, highlighting eligible activities and activities of past programs. Following the presentation and no public comments, the public hearing was closed.

RESOLUTION: Resolution No. 2019-04 was presented. Following discussion, moved by Salem, seconded by Roberts, to approve Resolution No. 2019-04. Roll call. Voting "aye" were Vivas, Smith, Roberts, Salem, Fagot. Motion carried.

RESOLUTION NO. 2019-04

A RESOLUTION OF THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA, AUTHORIZING AND DIRECTING THAT A BALLOT ISSUE BE PLACED ON A SPECIAL ELECTION OF MAY 14, 2019 FOR CONSIDERATION BY THE ELECTORS OF THIS MUNICIPALITY TO CONSIDER THE ADOPTION OF THE LEXINGTON ECONOMIC DEVELOPMENT PROGRAM AS PRESENTED PER THE LOCAL OPTION MUNICIPAL ECONOMIC DEVELOPMENT ACT.

WHEREAS, the growth of the economy of the City of Lexington is critical to the city's ability to grow and prosper in the future; and

WHEREAS, it is vital for Lexington to develop techniques that will encourage this necessary economic growth; and

WHEREAS, the Nebraska Legislature adopted the Local Option Municipal Economic Development Act giving cities the opportunity to use locally derived municipal revenues for economic and industrial development purposes; and

WHEREAS, this plan by state statute must include specific components, including the statement of a general economic development strategy; a statement of purpose describing general intent and goals; a description of the types of businesses and activities that will be eligible for assistance under the program; a description of the amount of funds to be collected from local sources; a statement of the length of time that the program will be in existence; a preliminary budget for the program; an application process for financial assistance to businesses; an administrative system for the program; a process to assure that laws and regulations are being met by municipalities and businesses; a process by which industrial lands might be identified for purchase; and a description of various detailed aspects of an economic development loan program; and

WHEREAS, to satisfy these requirements, the City of Lexington has caused the completion of and Economic Development Plan that meets these statutory requirements and presents a program that is appropriate to the needs of the community; and

WHEREAS, the Mayor and City Council desire to proceed with a local option municipal economic development program based upon this plan;

WHEREAS, the Mayor and City Council have held a public hearing regarding the adoption of an Economic Development Program using funds from existing local option sales tax;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF LEXINGTON THAT:

1. The attached Economic Development Program is adopted as the official Economic Development Program for the City of Lexington, pursuant to the requirements of Section 11 of the Local Option Municipal Economic Development Act of 1991; and
2. That this Plan shall be maintained on file with the City Clerk, who shall make it available for the public to review during regular business hours; and
3. It is the intent of the Mayor and City Council to place approval of a local option economic development program to implement this Plan before the voters of the City of Lexington on May 14, 2019.
4. That the County Clerk of Dawson County, Nebraska, is directed to submit to the voters of said City the following proposition:

Issue #1

“Shall the City of Lexington establish an Economic Development Program as described in its adopted Economic Development Plan by appropriating annually from local sources of revenue \$167,500.00 for 10 years?”

- [] YES (For the Program)
- [] NO (Against the Program)

Terms and Conditions of the Program.

- A. The goals of the program shall be to create well-paying jobs for the citizens of Lexington; to expand labor markets of Lexington and Dawson County; to attract new capital investment to the community to broaden the tax base; to retain existing jobs and make existing businesses more competitive and profitable; and provide economic diversification to ensure economic stability and vitality for the City of Lexington and surrounding areas.
- B. Funds for the program may be used for the following purposes: public works improvements, job credits, purchase of real estate, technical assistance, recruitment expenses, loans or grants for fixed assets or working capital, location expenses, loan guarantees, job training assistance, building rehabilitation, small business development, tourism, contracting for administration of program, issuance of bonds, construction or rehabilitation of workforce housing, and as otherwise established by Nebraska law.
- C. The Program shall commence May 1, 2020, and end April 30, 2030, a ten (10) year period.
- D. Collection of funds shall begin May 1, 2020 and end April 30, 2030.
- E. The source from which funds are to be collected shall be \$167,500 annually (approximately 1/8th) of the City’s existing 1% Local Option Sales Tax.
- F. The total amount to be collected from the local sources of revenue for the Economic Development Program will be \$1,675,000 over a 10-year period, or \$167,500 annually.

Passed and approved this 26th day of February, 2019.

RESOLUTION: Resolution No. 2019-05 was presented. Following discussion, moved by Vivas, seconded by Smith, to approve Resolution No. 2019-05. Roll call. Voting “aye” were Salem, Roberts, Smith, Vivas, Fagot. Motion carried.

RESOLUTION NO. 2019-05

A RESOLUTION OF THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA, AUTHORIZING AND DIRECTING THAT A BALLOT ISSUE BE PLACED ON A SPECIAL ELECTION ON MAY 14, 2019 FOR CONSIDERATION BY THE ELECTORS OF THIS MUNICIPALITY TO CONSIDER THE USE OF EXISTING SALES TAX REVENUE TO FUND THE LEXINGTON ECONOMIC DEVELOPMENT PROGRAM AS PRESENTED PER THE LOCAL OPTION MUNICIPAL ECONOMIC DEVELOPMENT ACT.

WHEREAS, the Lexington City Council has approved the Lexington Economic Development Program Plan as authorized by the Local Option Municipal Economic Development Act; and

WHEREAS, said Local Option Municipal Economic Development Act authorizes the municipality to utilize city sales tax for the funding of said economic development program upon approval of the electors of the municipality.

BE IT THEREFORE RESOLVED BY THE MAYOR AND CITY COUNCIL OF LEXINGTON, DAWSON COUNTY, NEBRASKA:

1. There shall be submitted to the electors of the City of Lexington, at a special election to be held May 14, 2019, the issue of whether the City of Lexington should adopt an ordinance authorizing use of \$167,500 annually (approximately 1/8th) of the City’s existing 1% Local Option Sales Tax to fund the Lexington Economic Development Program.

2. That the County Clerk of Dawson County, Nebraska, is directed to submit to the voters of said City the following proposition:

Issue #2

“Shall the Mayor and the City Council of the City of Lexington, Nebraska, be authorized to use \$167,500 annually (approximately 1/8th) of the City’s existing 1% Local Option Sales Tax to fund the Lexington Economic Development Program to create jobs and ensure the economic stability and vitality of Lexington, Nebraska for a ten-year period beginning May 1, 2020 and ending April 30, 2030.”

[] Yes

[] No

Passed and approved this 26th day of February, 2019.

PUBLIC HEARING: Mayor Fagot opened a public hearing to discuss the proposed 1- & 6-Year Street Improvement Plan. Peplitsch review the proposed plan. Following discussion, the public hearing was closed. Resolution No. 2019-06 was presented. Moved by Roberts, seconded by Salem, to approve Resolution No. 2019-06. Roll call. Voting “aye” were Vivas, Smith, Salem, Roberts, Fagot. Motion carried.

RESOLUTION OF ADOPTION 2019-06

BE IT RESOLVED by the Mayor and City Council of Lexington, Nebraska that the attached One- and Six-Year Street Improvement Programs are hereby adopted by said City Council.

BE IT FURTHER RESOLVED, this Program was approved:

Approved as presented

Date: February 26, 2019.

PROJECT: Peplitsch presented plans and specifications for the Workforce Training Space project at the Dawson County Opportunity Center and requested authorization to solicit bids. Following discussion, moved by Salem, seconded by Vivas, to approve plans and specifications for the Workforce Training Space project and to authorize the City Manager to solicit bids for project. Roll call. Voting “aye” were Smith, Roberts, Vivas, Salem, Fagot. Motion carried.

ACTION PLAN: Peplitsch presented a final draft of the 2019 Development Action Plan. Following discussion, moved by Salem, seconded by Smith, to approve the 2019 Development Action Plan as presented. Roll call. Voting “aye” were Vivas, Roberts, Smith, Salem, Fagot. Motion carried.

ROUNDTABLE DISCUSSION: There were no items for discussion.

ADJOURNMENT: There being no further business to come before the Council, Fagot declared the meeting adjourned.

John Fagot, Mayor

Pamela Baruth, City Clerk

I, the undersigned City Clerk for the City of Lexington, Nebraska, hereby certify that all of the subjects included in the foregoing proceedings were contained in the Agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk during regular business hours prior to said meeting; that the Minutes of the Mayor and Council of the City of Lexington, Nebraska, from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meeting of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

/s/ Pamela Baruth, City Clerk