

**CITY OF LEXINGTON  
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, March 10, 2009, at the Lexington Municipal Building, located at 406 E. 7<sup>th</sup> Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were Mayor John Fagot, Steve Tomasek, Joni Bennett, and Linda Miller. John Salem was absent. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Will Weinhold, and Finance Director Barb Mills. The press was represented by the Kearney Hub and the Lexington Clipper-Herald. Also in attendance were Irving Hiatt, Toby Owens, Diane Adams, Cory Cetak, and Dana Daniels.

**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 Municipal Building, located at 406 E. 7<sup>th</sup> Street, Lexington, Nebraska.

**MINUTES – REGULAR MEETING 2-24-09** Minutes of the Regular meeting held Tuesday, February 24, 2009, were presented for Council approval. Moved by Tomasek, seconded by Bennett, to approve Minutes as presented. Roll Call. Voting “aye” were Miller, Bennett, Tomasek, Fagot. Motion carried.

**MINUTES – PLANNING SESSION 2-21-09** Minutes of the Planning session held Saturday, February 21, 2009 were presented for Council approval. Moved by Miller, seconded by Tomasek, to approve Minutes as presented. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Fagot. Motion carried.

**CLAIMS & BILLS:** Claims and Bills in the amount of \$1,373,897.06 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Bennett, seconded by Miller, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$189,367.49 from the General Fund, \$42,650.02 from Housing Reuse, \$1,117,149.47 from LEXUS, \$10,000.00 from Sanitation, \$762.84 from Ambulance Fund, \$7,989.04 from Health Fund, and \$5,978.20 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Salem, Bennett, Tomasek, Miller, Fagot. Motion carried.

**CITY OF LEXINGTON  
ACCOUNTS PAYABLE  
March 10, 2009**

All Points Cooperative	Fuel/Supplies	301.93
Anderson Graphics	Lib. Supplies	161.00
Automotive Sales & Services Co.	Central Garage Supplies	133.10
Axis Capital, Inc.	Mail Machine Pmt.	527.37
B & D Office City	Supplies	13.14
Benefit Consultants Group	Fire Dept. Pension Fees	2,400.00

Bert Gurney & Associates, Inc.	WWTP Supplies	3,374.69
Burnside, Dennis	Conference	182.60
Card Center/Orscheln	Supplies	84.55
Cash-Wa Distributing	Food/Supplies	2,728.64
Central Community College	EMT/Fire Dept. Classes	175.00
Central Garage Fund	Fuel/Service/Repair	7,776.87
Coca-Cola/Dr. Pepper Bottling of Kearney	Beverages	20.00
Construction Rental GI	Central Garage Supplies	144.82
Cozad Services, Inc.	GGC Supplies	39.84
Culligan Water Conditioning Co.	Soft Water Supplies	259.57
Cummins Central Power	WWTP Service	695.33
D & R Computing	ST Supplies	69.99
Dan's Sanitation	Sanitation Fees	13,346.82
Dawson Pest Control	GGC Service	35.00
Deeter Foundry, Inc.	SW Supplies	718.00
Delta Dental of Nebraska	Premium	1,538.75
Depository Trust Company	02/04 Combined UTL Bond Pmt.	57,286.25
Dutton-Lainson Company	EL Supplies	200.00
Eakes Office Plus	Police/Lib. Supplies	139.36
Eilers Machine & Welding	WWTP Supplies	221.08
Fagot Refrigeration & Electric	OOR Housing/GGC Svc/Repair	4,761.80
Farmer Brothers Coffee	Food & Supplies	168.04
Freedom Account FBO/LVFD Plan #657193	Fire Dept. Pension	18,000.00
FYR-TEK	Fire Dept. Supplies	426.72
G'Schwind, Amanda	EL Rebate	1,025.00
Gale Group, The	Books	398.39
Galls, Inc.	Uniform Expense	37.11
Government Finance Officers Association	Membership Dues	190.00
Graphic Arts Shop	Police Supplies	246.00
Great Plains One-Call Service	Locates	34.99
HD Supply Waterworks	WR Supplies	178.58
Health Claims Fund	Claims	3,825.92
Hometown Leasing	Copier Payments	561.94
Husker Ag Sales	Central Garage Supplies	269.55
Ingram Library Services	Books	754.07
Jones Plumbing & Heating	Repair/Supplies	206.10
K Lawn	Lawn Service	3,865.17
League of Nebraska Municipalities	Conference	2,531.00
Lexington Animal Clinic	Animal Care	738.50
Lexington Area Chamber of Commerce	Annual Banquet	300.00
Lexington Area Solid Waste Agency	Landfill	959.76
Lexington Glass Company	Repair	185.00
Lexington Health Fund	Self-funding	34,385.29
Lexington Newspapers, Inc.	Publications	63.39
Lexington Postmaster	Postage	150.00
Lexington True Value	Supplies	122.40
Lexington, City of	Franchise/Service Fees	47,749.04
Linden's Plumbing	Repair	40.00
Linweld	Ambulance Supplies	182.98
May Engineering	EL Service	37.14
McCookNet Internet Service	Service/Repair	139.00
Mead Lumber & Rental-Lexington	ST/PK Supplies	684.55
Meritain Health	Premium	21,440.44
Miller & Associates	Retainer/Service	1,119.00
Moore Medical Corp.	Ambulance Supplies	266.87
Morris Press	GGC Supplies	152.00
Municipal Automation & Control	WWTP Service	425.87

Municipal Supply	WR Supplies	14.83
NE Dept. of Health & Human Services	Aquatic Center Renewal Fee	40.00
Nebraska Library Commission	Seminars	105.00
Nebraska Machinery	Central Garage Supplies	102.25
Nebraska Public Power District	O & M	67,000.00
Nebraska Public Power District	N. Sub Feeder 104 Conversion	135,000.00
Nebraskaland Tire Truck Center	Tires	1,951.71
Nelson, Margie L.	Cleaning Service	500.00
NE Floodplain/Stormwater Manager's Assn	Membership Dues	35.00
Oxbow Construction	Secondary Digester Rehab	7,108.73
Oxmoor House	Book	36.91
Paulsen, Inc.	Concrete/Supplies	798.10
Pepplitsch, Joe	Conference/Seminars	464.61
Platte Valley Auto Mart	Service	38.04
Platte Valley Communications	Service/Supplies	856.14
Plum Creek Laser Wash	Car Washes	14.00
Plum Creek Market Place	Food & Supplies	39.23
Plum Creek Promotions	T-Shirts	584.50
Prasch, Stacey	Refund	82.50
Precision Industries	WWTP Supplies	286.10
Price's Tree Service	Stump Removal	385.00
Rand Materials Handling	ST Supplies	516.83
Roberts Dairy Company	Beverages/Food	407.60
Run-N-Iron	Police Supplies	120.00
S & W Auto Parts, Inc.	Central Garage/WWTP Supplies	543.48
Salem, John	Conference	176.00
Scholastic Library Publishing	Books	240.50
Service Master Mid Nebraska	Cleaning Service	1,385.18
SourceGas, Inc.	Gas Service	12,647.31
Spirituality & Health	Subscription	19.95
State Wide Collections	Collection Fees	249.10
Sunland Books, Inc.	Books	350.15
T. O. Haas Tire Co., Inc.	Repair	65.50
Team Detail & Quicklube	Police Supplies	21.00
Thomas Bouregy & Company, Inc.	Books	139.50
Thompson Co., The	Food	2,138.64
TierOne-Lib. Petty Cash	Postage/Supplies	42.75
Tri-County Hospital	Wellness	209.00
U-Save Business Equipment	Supplies/Postage	175.15
Upstart	Lib. Supplies	44.40
W P C I	Policy Update	75.00
Wal-Mart	Supplies	444.63
Water Environment Federation	Membership Dues	53.00
Wesco Distribution, Inc.	EL Supplies	462.24
Alltel	Cellphone Service	133.26
Anderson, Barry	Ambulance Refund	10.00
Blocker, Sandy	EL Rebate	125.00
Career Services, Inc.	Able House #2	31,364.88
Cash-Wa Distributing	Food & Supplies	521.70
Coca-Cola/Dr. Pepper Bottling of Kearney	Beverages	30.00
Dan's Sanitation	Sanitation Fees	2,640.00
Dawson County Public Power	Power Purchase	435.73
Demars Gordon Olson & Zalewski	Professional Service	2,408.00
Dukes, Michael	Seminars	135.00
Electric Fixture	EL/PK Supplies	190.94
Eustis Body Shop	Police/Repair	2,038.10
Fastenal	WWTP/PK Supplies	107.67

Gibson, Jean	EL Rebate	200.00
Health Claims Fund	Claims	2,549.37
Hubbard Insulation	OOR Housing	6,894.13
Ingram Library Services	Books	103.50
Keim, Bob	Freon Removal	135.00
Lexington Newspapers, Inc.	Publication	215.95
Payroll	Wages	98,264.69
Social Security	Employer Portion / FICA Med	7,252.73
First National Bank	Employer Portion / Pension	3,305.93
First National Bank	Police Pension	0.00
ICMA	City Manager Pension	399.23
McCookNet Internet Services	Server Battery Backup	598.68
Mead Lumber & Rental-Lexington	ST Supplies	3.98
Nebraska Department of Revenue	Sales & Use Tax	46,621.60
Nebraska Public Power District	Power Purchase	676,529.22
Nebraska Tech & Telecomm, Inc.	Telephone Expense	1,284.94
Nebraska Waste Handlers	Sludge Removal	4,672.00
Nelson, Margie	Cleaning Service	35.00
Oxbow Construction	Secondary Digester Rehab	7,986.75
Plum Creek Cleaners	Supplies	207.50
Reutlinger, Troy	Seminars	231.80
Roberts Dairy Company	Beverages	79.84
Service Master Mid Nebraska	Cleaning Service	531.80
TierOne-City Petty Cash	Food/Fuel	29.08
TierOne-Lib. Petty Cash	Postage/Seminar/Book	35.38
Treat America Food Service	Food	44.97
Vasquez, Anabela	EL Rebate	300.00
Wal-Mart	Supplies	78.84
	<b>TOTAL CLAIMS:</b>	<b>1,373,897.06</b>

**SUBDIVISION AGMT:**

Peplitsch reviewed the history and issues of the Westminster Woods Subdivision and highlighted areas of interest in a subdivision agreement. He noted that the agreement stipulates that prior to any use or development on four lots zoned M-1, a public hearing was needed for Council approval through the special use process. Following discussion, moved by Miller, seconded by Tomasek, to approve the subdivision agreement as presented. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Fagot. Motion carried.

**ORDINANCE:**

An ordinance entitled “AN ORDINANCE TO REZONE LOTS 1, 2, 3, & 4, WESTMINSTER WOODS SUBDIVISION, FROM A-1 AGRICULTURAL DISTRICT TO M-1 LIGHT INDUSTRIAL DISTRICT; TO REZONE LOTS 5, 6, & 7 FROM A-1 AGRICULTURAL DISTRICT TO R-2 RESIDENTIAL DISTRICT; TO REPEAL ALL ORDINANCES OR SECTIONS OF ORDINANCES IN CONFLICT HEREWITH; TO PROVIDE FOR AN EFFECTIVE DATE AND FOR PUBLICATION IN PAMPHLET FORM” was read on second reading. Moved by Tomasek, seconded by Bennett, to suspend the rules regarding reading of an ordinance on three separate occasions. Roll call. Voting “aye” were Miller, Bennett, Tomasek, Fagot. Motion carried.

Ordinance No. 2259 was read by title. Moved by Bennett, seconded by Tomasek, to approve Ordinance No. 2259 on final reading. Roll call. Voting “aye” were Miller, Tomasek, Bennett, Fagot. Motion carried.

**PUBLIC HEARING:**

Mayor Fagot opened the public hearing to take public comment on the proposed Lexington Economic Development Program 2010-2020. Peplitsch gave an overview of the program. Toby Owens, CED vice-president, provided CED support for the program as an indispensable funding mechanism for the community. Being no further comments, the public hearing was closed.

**RESOLUTION:**

Resolution No. 09-06 was read by title. Peplitsch gave an overview of a special election process related to the economic development program. Moved by Tomasek, seconded by Bennett, to approve Resolution No. 09-06 as presented. Roll call. Voting "aye" were Miller, Bennett, Tomasek, Fagot. Motion carried.

RESOLUTION NO. 09-06

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 12, 2009 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 an 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 12, 2009.
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, and as otherwise established by Nebraska law.
- C. The Program shall commence May 1, 2010, and end April 30, 2020, a ten (10) year period.
- D. Collection of funds shall begin May 1, 2010 and end April 30, 2020.

E. The source from which funds are to be collected shall be 1/5 of the existing 1% City Local Option Sales Tax.

F. The total amount to be collected from the local sources of revenue for the Economic Development Program will be \$1,675,000.00 over a 10-year period, or \$167,500.00 annually.

Passed and approved this 10th day of March, 2009.

John Fagot, Mayor

Attest: Joe Pepplichtsch, City Clerk

**RESOLUTION:**

Resolution No. 09-07 was read by title. Moved by Tomasek, seconded by Miller, to approve Resolution No. 09-07. Roll call. Voting "aye" were Bennett, Miller, Tomasek, Fagot. Motion carried.

**RESOLUTION NO. 09-07**

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 12, 2009 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 12, 2009, the issue of whether the City of Lexington should adopt an ordinance authorizing use of 1/5 of the 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 1/5 of the 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, 2010 and ending April 30, 2020.”

[ ] Yes [ ] No

Passed and approved this 10<sup>th</sup> day of March, 2009.

John Fagot, Mayor

Attest: Joe Peplitsch, City Clerk

**PUBLIC HEARING:**

Mayor Fagot opened the public hearing for rezoning Blk 3, Parkview Addition from R-3 Multi-family Residential to RP-3 Planned Residential. Peplitsch presented the development plan of the Legend Oaks Housing Project and explained the need for the planned unit zoning designation. Corey Cetak, a resident on Sunset Drive, voiced his concerns regarding traffic safety at the proposed 18<sup>th</sup> and Adams Streets intersection. The public hearing was closed.

An ordinance entitled “AN ORDINANCE TO REZONE BLOCK 3, PARKVIEW ADDITION, FROM R-3 MULTI-FAMILY RESIDENTIAL DISTRICT TO RP-3 PLANNED MULTI-FAMILY RESIDENTIAL DISTRICT; TO REPEAL ALL ORDINANCES OR SECTIONS OF ORDINANCES IN CONFLICT HEREWITH; TO PROVIDE FOR AN EFFECTIVE DATE AND FOR PUBLICATION IN PAMPHLET FORM” was read by title. Moved by Tomasek, seconded by Bennett, to suspend the rules requiring the reading of an ordinance on three separate occasions. Roll call. Voting “aye” were Miller, Bennett, Tomasek, Fagot. Motion carried.

Ordinance No. 2260 was read by title. Moved by Miller, seconded by Tomasek, to approve Ordinance No. 2260 on final reading. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Fagot. Motion carried.

**ELECTRIC PROJECT:**

Peplitsch requested Council approval of an electric system capital improvement project, the installation of substation transformer in the East Walnut substation. Following discussion, moved by Miller, seconded by Bennett, to approve Electric Project Order No. 4662614 as presented. Roll call. Voting “aye” were Tomasek, Bennett, Miller, Fagot. Motion carried.

**PARK WORK PLAN:**

Burnside gave an overview of the Park Improvement Committee’s proposed 2009 park work plan. These items included additional skate park equipment and playground equipment in Arbor Park. Peplitsch also gave an update on meetings with the School’s Building & Grounds committee related to the soccer field project. Following discussion, moved by Miller, seconded by Bennett, to approve the 2009 Park Improvement Plan as presented. Roll call. Voting “aye” were Tomasek, Bennett, Miller, Fagot. Motion carried.

**FORECLOSED PROPERTIES:**

Peplitsch reported that two properties with city assessments levied against them are scheduled for sheriff’s sale on March 25, 2009. Following discussion, moved by Tomasek, seconded by Bennett, to authorize the City Manager to protect the city’s interest in these



properties. Roll call. Voting “aye” were Miller, Bennett, Tomasek, Fagot. Motion carried.

**SALE OF PROPERTY:**

An ordinance entitled “AN ORDINANCE DIRECTING THE SALE OF THE SOUTH 78.6 FEET OF LOTS 7 and 8, BLOCK 19, MacCOLL AND LEFLANG’S SECOND ADDITION TO THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA; TO PROVIDE FOR PUBLICATION AND THE RIGHT OF REMONSTRANCE” was read by title. Following discussion regarding the sale of the property to the CED, moved by Tomasek, seconded by Miller, to suspend the rules regarding reading an ordinance on three separate occasions. Roll call. Voting “aye” were Bennett, Miller, Tomasek, Fagot. Motion carried.

Ordinance No. 2261 was read by title. Moved by Miller, seconded by Tomasek, to approve Ordinance No. 2261 on final reading. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Fagot. Motion carried.

**ROUNDTABLE:**

Pepplitsch reminded Council members about expense reports from the League conference and a reception honoring Ivan Riege for 40 years of service and his retirement. He also noted that he will be taking some personal time in the next few weeks. He reported on some upcoming agenda items.

Burnside announced that Pam Berke would be at Clerk School during the week of March 16-20 and that one of the police officers has been called to active duty in the military.

**ADJOURNMENT:**

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

John Fagot  
Mayor

Joe Pepplitsch  
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.

---

City Clerk