

**CITY OF LEXINGTON
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, June 26, 2012, at the Lexington Municipal Building, located at 406 E. 7th Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were John Fagot, Steve Tomasek, Joni Bennett, Linda Miller, and John Salem. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Will Weinhold, Finance Director Barb Hodges and City Clerk Pamela Berke. The press was represented by Kearney Hub and Lexington Clipper-Herald.

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. 7th Street, Lexington, Nebraska.

MINUTES – REGULAR MEETING 6-12-2012 Minutes of the Regular meeting held Tuesday, June 12, 2012, were presented for Council approval. Moved by Salem, seconded by Tomasek, to approve Minutes as presented. Roll Call. Voting “aye” were Miller, Bennett, Tomasek, Salem, Fagot. Motion carried.

MINUTES – WORK SESSION 6-16-12 Minutes of the Work Session held Saturday, June 16, 2012 were presented for Council approval. Moved by Miller, seconded by Bennett, to approve Minutes as presented. Roll Call. Voting “aye” were Tomasek, Salem, Bennett, Miller, Fagot. Motion carried.

CLAIMS & BILLS: Claims and Bills in the amount of \$547,374.60 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Bennett, seconded by Tomasek, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$323,331.91 from the General Fund, \$13,173.25 from TIF, \$165,855.08 from LEXUS, \$29,435.68 from Sanitation, \$414.31 from Ambulance Fund, \$10,471.02 from Health Fund, and \$4,693.35 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Miller, Salem, Tomasek, Bennett, Fagot. Motion carried.

**CITY OF LEXINGTON
ACCOUNTS PAYABLE
June 26, 2012**

Advanced Water Company, Inc.	WWTP Service Contract	400.00
AFLAC	Premium	1,317.21
Amax Contracting, Inc.	Muni Bldg Supplies	480.00
Anderson Graphics	Library Service	64.35
Associated Pool Builders, Inc.	Aquatic Center Service & Repair	1,870.00
Axis Capital, Inc.	Mail Machine Payment	840.00
Berke, David	Yard Clean-up	30.00
Better Homes and Gardens	Library Books	69.82

Bob's Auto Repair & Service, Inc.	ST Vehicle Repair	184.05
Capstone Press, Inc.	Library Books	44.46
Card Center/Orscheln	Cem/PK/ST/Rec/WWTP/WR Supplies	1,029.92
Case Credit Advantage	WWTP Supplies	21.39
Cash-Wa Distributing	Food & Supplies	3,165.62
Center Point Publishing	Library Books	85.08
Central Community College	CPR for Lifeguards	52.00
Clarke Mosquito Control Products, Inc.	ST Supplies	49.67
Coca Cola/Dr Pepper Bottling of Kearney	Beverages	259.48
Consolidated Management Company	Meals at Police School	213.50
Cook's Illustrated	Library Subscription	28.95
Davis Energy, Inc.	Fuel / WWTP Supplies	3,990.52
Dawson Public Power District	Power Purchase	6,128.24
Dell Marketing L P	Council Chambers Computer	670.67
Demco, Inc.	Library Supplies	69.43
Digital-Ally	Police Vehicle Cameras	13,185.00
Dutton-Lainson Company	ST Supplies / Meters	688.64
Egan Supply Company	Muni Bldg / ST Supplies	628.16
Eilers Machine & Welding, Inc.	PK Supplies	18.36
Electric Fixture & Supply	WR Supplies	45.79
Eustis Body Shop, Inc.	Towing Expense	130.00
Exchange Bank	Copier Payments	1,195.44
Fagot Refrigeration & Electric	Service & Repair	1,343.61
Fastenal	WWTP Supplies	75.38
Ferguson, Judy	Travel Expense	207.96
FYR-TEK, Inc.	Fire Dept Supplies	78.40
Gale Group, The	Library Books	69.52
GIS Workshop	Web GIS Support	7,500.00
Great Plains One-Call Service	Locates	127.55
Great Western Bank-Lib. Petty Cash	Postage/Stamps/Meals/Books/Supplies	224.40
HD Supply Waterworks	WR Meter / Supplies	2,353.56
Health Claims Fund	Claims	7,015.49
Holbein, Dahlas D.	Fire Dept Maint / Cleaning Service	1,000.00
Ingram Library Services	Library Books	676.52
Intellicom Computer Consulting, Inc.	Computer Service	301.00
Jakes Toro Sprinklers	Sprinkler Repairs	229.69
Jim Phillips Const.	Curb Repair	524.00
Johnstone Supply	DC Opp Cntr Supplies	59.80
Juel, Michael	EL Rebate	1,025.00
Leininger, Ronald	Energy Efficiency Incentive	261.00
Lexington Glass Co., Inc.	Window Repair Supplies	17.88
Lexington Newspapers, Inc.	Publications	232.34
Matheson Tri-Gas, Inc.	Oxygen Supplies	52.81
Matt Parrott/Storey Kenworthy	Business Office Supplies	254.70
Mead Lumber & Rental-Lexington	Muni Bldg/Cem/WWTP/ST/WR Supplies	567.34
Mid-State Units	Rental	900.00
Midland Scientific, Inc.	WWTP Testing Supplies	523.03
Miller & Associates, Inc.	SE Business Park / Greater Lex Addition	94,750.00
Misko Sports	Rec Supplies	356.55
Municipal Supply	Valve Box / WR Supplies	4,273.99
National League of Cities	Membership Dues	1,489.00
NE Law Enforcement Training Center	Certification Expense	150.00
Northern Tool & Equipment Co.	WWTP Supplies	242.61
OCLC, Inc.	Library Subscription	30.04
Overton Community Center	Meals On Wheels	100.00
Oxmoor House	Library Books	73.82
Patrick, Alfred	Library Books	28.00

Platte Valley Communications of Kearney	Mo Maint/Radio Repairs/Scada Repairs	1,854.89
Presto-X	Fire Dept Service	87.15
Randy's Body Shop	Towing Expense	100.00
Rasmussen Mechanical Services	Library A/C Repair	848.99
Reader's Digest Large Print	Library Subscription	27.96
S & W Auto Parts, Inc.	ST / Cem / WWTP Supplies	329.91
Schwan's Sales Ent	Food	199.90
Service Master Mid Nebraska	Cleaning Service	4,741.00
T.O. Haas Tire Co., Inc.	Truck Tires	255.88
TASC - Client Invoices	Fees	184.63
Team Detail & Quicklube	Car Washes / Clean	75.00
U-Save Business Equipment	UPS Charges/CG/ST/Bldg Insp Supplies	629.31
Unisan Products	WWTP / ST Supplies	209.58
Upstart	Library Supplies	75.00
Verizon Wireless	Cellphone Service	366.65
Walmart	Supplies	594.28
American Chamber of Commerce Resources	Personnel Manuals	210.00
Business Card		
Target.Com	Office Chair	143.48
Copycat Printing	Storm Water Brochures	606.30
UNO Bookstore	Invoice paid twice	-299.07
Microsoft Office	Software	199.95
Kearney Park & Rec	Pool Clinic	75.00
Microsoft Store	Windows 10	1,460.47
Wilke's True Value	Trimmer / Line	135.44
Pump & Pantry	Ice for Shipping	7.98
iTunes	Spanish-English Translators	90.77
Menards	Mortar Mix	8.47
Card Center/Orschel	Central Garage Supplies	27.77
Cash-Wa Distributing	Food & Supplies	1,800.64
Central Garage Fund	Service / Repair	3,808.48
Central Tire & Tread, Inc.	Tire Repair	30.00
Coca Cola/Dr Pepper Bottling of Kearney	Beverages	393.20
Community Development Agency Property	Taxes-TIF	13,173.25
Consolidated Management Company	Meals at Police School	241.00
Dan's Sanitation, Inc.	Sanitation Fees	29,435.68
Davis Energy, Inc.	Fuel Additive	77.00
Eilers Machine & Welding, Inc.	Central Garage Repair	8.83
Farmer Brothers Coffee	Food & Supplies	376.44
Fastenal	ST Supplies	225.92
Great Western Bank-City Petty Cash	Postage / Food / Fuel	276.47
Health Claims Fund	Claims	953.69
JEO Consulting Group, Inc.	Park Plan PJ	1,020.00
Lexington Newspapers, Inc.	Publications	251.94
Lexington Recreation Program	State SB Tourney Start-up/Umpire Exp	13,900.00
Lexington Utilities System	Utilities	47,924.39
Lexington, City of	Franchise Fees	72,462.13
Lexington City Payroll Account		
Payroll	Wages	147,906.08
Social Security	Employer Portion / FICA Med	10,952.23
Union Bank & Trust	Employer Portion / Pension	3,835.48
Union Bank & Trust	Police Pension	1,829.48
ICMA	City Manager Pension	463.85
Mead Lumber & Rental-Lexington	Central Garage / Muni Bldg / Cem Supplies	224.84
Mid-American Research Chemical	ST Supplies	734.52
Midwest Radar & Equipment	Police Antenna Repair	61.50
Misko Sports	Void Invoice per Ann	-356.55

Nebraskaland Tire	Tire Repair	14.50
Paulsen, Inc.	ST / Sidewalk Repair	1,837.00
Platte Valley Auto Mart, Inc.	Central Garage Supplies	26.04
Reiman Publications	Library Subscription	19.97
Reliance Standard	Insurance Binder Pmt	1,000.00
Roberts Dairy Company	Beverages	386.68
S & W Auto Parts, Inc.	Central Garage Supplies	223.89
Sport Supply Group, Inc.	PK Supplies	105.23
Statewide Collections LLC	Collections Fees	426.01
Subway @ Wal-Mart	Meals	83.55
T. L. Sund Constructors, Inc.	Sidewalk Repair	2,985.00
Thompson Co., The	Food & Supplies	1,523.83
Univar USA, Inc.	Caustic Soda	9,230.46
Village Uniform	GGC Supplies	109.20
Wal-Mart	Supplies	75.32
	TOTAL CLAIMS:	547,374.60

PUBLIC HEARING:

Mayor Fagot opened a public hearing to consider an application to the Lexington CDBG Reuse Fund. Peplitsch explained the application is from the City for a \$190,000 grant to be used as matching funds for the Southeast Business Park Improvements project. He noted that these funds were budgeted and anticipated to be used for this project. There being no further public comment, the public hearing was closed. Moved by Miller, seconded by Salem, to approve the application and to authorize the execution of necessary documents. Roll call. Voting “aye” were Bennett, Tomasek, Salem, Miller, Fagot. Motion carried.

REUSE LOANS:

Resolution No. 2012-11 was presented. Peplitsch reviewed Nebraska Department of Economic Development (DED) correspondence outlining options to either continue or cease operation of the Lexington CDBG Reuse Fund. He indicated this was a statewide issue and not Lexington specific. He reviewed active loans from this fund and recommended that the remaining balances be forgiven and any unallocated funds be returned to DED for administration. Following discussion, moved by Salem, seconded by Miller, to approve Resolution No. 2012-11 as presented. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

RESOLUTION NO. 2012-11

WHEREAS, the City of Lexington is responsible for the administration of Community Development Block Grant (CDBG) Program Income Reuse Fund; and,

WHEREAS, loans made by the City of Lexington from the Lexington CDBG Program Income Reuse Fund have been expended for economic development purposes consistent with national objectives of the CDBG Program.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Lexington, Nebraska, that in consideration of the benefit received by the community from the administration of the Lexington CDBG Program Income Reuse Fund, the loans listed on “Exhibit 1” attached hereto, should be and hereby are released from further liability for payment.

BE IT FURTHER RESOLVED that the City of Lexington will cease to operate and administer the Lexington CDBG Program Income Reuse Fund effective July 5, 2012.

PASSED AND APPROVED this 26th day of June, 2012.

CITY OF LEXINGTON, NEBRASKA

BY: John Fagot, Mayor

ATTEST: Pamela Berke, City Clerk

REDLG:

Resolution No. 2012-12 was presented. Peplitsch discussed how USDA Rural Development grant funds will be used to establish and operate a Revolving Loan fund. He indicated that this reuse plan was approved during the grant application process, and USDA is requesting re-approval as a grant award condition. Following discussion, moved by Bennett, seconded by Tomasek, to approve Resolution No. 2012-12 as presented. Roll call. Voting "aye" were Miller, Salem, Tomasek, Bennett, Fagot. Motion carried.

RESOLUTION NO. 2012-12

WHEREAS, CITY OF LEXINGTON has been conditionally awarded a \$300,000 Rural Economic Development Grant which will establish a revolving loan fund for the purpose of sustaining rural economic development and job creation projects; and

WHEREAS, CITY OF LEXINGTON has committed \$60,000 from its economic development funds to meet the matching dollar requirements for creating a revolving loan fund and these matching funds will remain in the newly created revolving loan fund.

NOW, THEREFORE BE IT RESOLVED, that the CITY OF LEXINGTON City Council hereby adopts the City of Lexington Rural Development Plan and Scope of Work, as attached to this resolution.

PASSED AND APPROVED this 26th day of June, 2012.

CITY OF LEXINGTON, NEBRASKA

BY: John Fagot, Mayor

ATTEST: Pamela Berke, City Clerk

DTR:

Peplitsch reviewed a bid tabulation for the Downtown Improvements project and the engineer's recommendation. A low bid of \$179,973.50 was received, which is 15% below the Engineer's estimate of \$213,000. Following discussion, moved by Miller, seconded by Tomasek to accept the bids received for the Downtown Improvements, award a contract to Paulsen, Inc. as low bidder, and authorize the execution of contract documents. Roll call. Voting "aye" were Bennett, Salem Tomasek, Miller, Fagot. Motion carried.

SE BUSINESS PARK:

Peplitsch presented plans and specifications for the Southeast Business Park Improvements project and requested authorization to solicit bids. He noted a bid opening would be scheduled on July 23, 2012. Following discussion, moved by Miller, seconded by Tomasek, to approve the plans

and specifications as presented and to authorized the solicitation of bids for the project. Roll call. Voting “aye” were Bennett, Salem, Tomasek, Miller, Fagot. Motion carried.

ACCESS EASEMENT:

Peplitsch reviewed a cross access easement agreement with O’Reilly Automotive Stores Inc for a potential business development in an out-lot east of the Opportunity Center. Following review and discussion, moved by Miller, seconded by Bennett, to approve the easement agreement as presented and to authorize the execution of required documents. Roll call. Voting “aye” were Salem, Tomasek, Bennett, Miller, Fagot. Motion carried.

FINANCIAL REPORT:

Peplitsch reviewed a financial report for May 2012. Following discussion, moved by Salem, seconded by Tomasek, to accept the May 2012 financial report as presented. Roll call. Voting “aye” were Miller, Bennett, Tomasek, Salem. Motion carried.

ROUNDTABLE DISCUSSION:

Burnside provided updates on current paving projects.

Hodges noted that migration of new accounting software will begin shortly and should be complete within six months.

ADJOURNMENT:

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

John Fagot
Mayor

Pamela Berke
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