

**CITY OF LEXINGTON  
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, September 25, 2012, 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 John Fagot, Joni Bennett, Steve Tomasek, 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. Dana Daniels, Miller & Associates, was also in attendance. 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. 7<sup>th</sup> Street, Lexington, Nebraska.

**MINUTES – REGULAR MEETING 9-11-2012** Minutes of the Regular meeting held Tuesday, September 11, 2012, were presented for Council approval. Moved by Miller, seconded by Bennett, to approve Minutes as presented. Roll Call. Voting “aye” were Salem, Tomasek, Bennett, Miller, Fagot. Motion carried.

**CLAIMS & BILLS:** Claims and Bills in the amount of \$506,139.61 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Salem, seconded by Tomasek, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$184,135.91 from the General Fund, \$19,460.00 from TIF, \$218,832.44 from LEXUS, \$42,043.49 from Sanitation, \$13,508.42 from Ambulance Fund, \$14,429.20 from Health Fund, and \$13,730.15 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Bennett, Miller, Tomasek, Salem, Fagot. Motion carried.

CITY OF LEXINGTON  
ACCOUNTS PAYABLE  
September 25, 2012

AFLAC	Premium	1277.30
Axis Capital, Inc.	Mail Machine Payment	840.00
Bader's Highway & Street	Seal Cracks in Streets	12,308.00
Baker, Michael	Mileage to School	199.80
Baltazar, Pedro	UTL Refund	44.52
Barco Municipal Products, Inc.	ST Supplies	219.20
Brown Traffic Products	Traffic Light Supplies	399.25
Business Card		
National Fire Protection Assn	Amb Poster/Banner/Brochure/Fire Extinguishers	134.50
Alert All Corp.	Fire Dept Pencils / Stickers	410.00
Doubleradius Inc.	In-car Camera Equipment Returned	-135.00
Newegg.com	In-car Cameras	793.91

Card Center/Orscheln	ST / PK / WWTP / WR / Fire Supplies	2,120.41
Cash-Wa Distributing	Food	462.98
Center Point Large Print	Library Books	85.08
Community Development Agency	Miller & Associates Legend Oaks II	660.00
Consolidated Management Co	Police School Meals	106.75
Danko Emergency Equipment Co.	Fire Dept Supplies	350.64
Davis Energy, Inc.	Fuel / Oil	8,718.69
Dawson Area Development	Admin Fees DTR / SE Business PK	6,000.00
Dawson County Surveyor	Elevation Shots	90.00
Dawson Public Power District	Power Purchase	6,467.73
Demco, Inc.	Library Supplies	69.84
Downey Drilling, Inc.	Well 12 Motor Repair	4,155.30
Electric Fixture & Supply	Police / EL Supplies	68.70
Exchange Bank	Copier Payments	1,195.44
Fastenal	WWTP Repair	121.37
Fisher Scientific	WWTP Supplies	141.08
FYR-TEK, Inc.	Fire Dept Supplies	280.12
Gale Group, The	Library Books	209.86
Great Western Bank-Lib. Petty Cash	Postage / Stamps	161.01
HD Supply Waterworks	WR Supplies	2,097.09
Health Claims Fund	Claims	6,949.17
Heartland Scuba Center	Ambulance Supplies	14.35
Hoehner Turf	Sprinkler Supplies	690.30
Holbein, Dahlas D.	Fire Dept Maint / Cleaning Service	1,000.00
Ingram Library Services	Library Books	548.38
Intellicom Computer Consulting	Computer Service	112.00
Knapp Electric, Inc.	Lift station Pump Repair	1,588.99
Lauby, Tracy	Mileage to EMS School	213.12
Lexington Community Foundation	Memorial Book Sales	1,176.94
Lexington Newspapers, Inc.	Publications	303.52
Lexington Postmaster	GGC Mailing Permit	190.00
Lexington Public Schools	Refund to Schools	6,055.00
Lexington City Payroll Account		
Payroll	Wages	114,904.38
Social Security	Employer Portion / FICA Med	8,430.87
Union Bank & Trust	Employer Portion / Pension	3,883.40
Union Bank & Trust	Police Pension	1,884.72
ICMA	City Manager Pension	470.77
Lien, Inc.	Tree Stump Removal/Sprinkler Rep Parts	5,076.29
Martin Electric, Inc.	Fire Dept Supplies	12.96
Mead Lumber & Rental-Lexington	WWTP Supplies	44.29
Mid-Plains Power, Inc.	UTL Refund	21.12
Mid-State Units	Rental	900.00
Midland Scientific, Inc.	WWTP Testing Supplies	64.49
Miller & Associates, Inc.	PK / Admin Service	300.00
Municipal Supply	Tapping / Gate Valves	2,552.80
Nebraska Amateur Softball Assn	State Softball Tournament Fees	7,250.00
Nebraska Department of Revenue	Waste Reduction & Recycle Fee	25.00
NE Law Enforcement Training Ctr	TABE Tests	40.00
Nebraska Machinery	ST Equipment Parts	111.07
Nebraskaland Tire	Bldg Insp Tires	629.42
North Platte Telegraph, The	Muni Bldg Subscription	149.95
OCLC, Inc.	Library Subscription	24.51
Overton Community Center	Meals On Wheels	100.00
Platte Valley Communications	Maint/Radio Rep/Camera Rep/Pagers	3,799.06
Platte Valley Glass & Trailers	Windshield Repair	40.00

Plum Creek Medical Group	Flu shots	1,813.00
Price's Tree Service, Inc.	Haul Compost Debris	1,187.50
Roberts Dairy Company	Beverages	140.08
Rodale, Inc.	Library Book	39.94
Rural Community Insurance Svc	Crop Insurance	310.00
Service Master Mid Nebraska	Cleaning Service	4,741.00
Subway @ Wal-Mart	Meals	58.20
T. O. Haas Tire Co., Inc.	Tire Repair	29.74
TASC - Client Invoices	Fees	174.65
Thompson Co., The	Food & Supplies	288.62
U-Save Business Equipment	Postage/UPS/ST/Fire Dept Supplies	87.35
Village Uniform	GGC Service	155.82
Wal-Mart	Supplies	307.56
Baird Holm LLP	Professional Service	225.00
Business Card		
Theresa Moseley/Plum Creek Promos	Police Uniform Expense	86.95
C & B Equipment	WR Pump	223.42
Group Mobile	Computer Equipment for Ambulance	2,556.00
Card Center/Orscheln	ST Supplies	3.98
Cash-Wa Distributing	Food & Supplies	697.15
Community Development Agency	Legend Oaks II	18,800.00
Consolidated Management Co	Police School Meals	106.75
Dan's Sanitation, Inc.	Sanitation Fees	26,954.46
Electric Fixture & Supply	EL Supplies	16.22
Energy Pioneer Solutions	Energy Assessment Payments	953.00
Family Advocacy Network	Subscription Fee	1,000.00
Fastenal	WWTP Supplies	23.71
Garcia, Billie	Translation Svc-Comprehensive Plan Mtg	25.00
Great Western Bank-City Petty Cash	Beverages / Postage	60.42
Great Western Bank-Lib Petty Cash	Postage / Stamps / Meal	34.77
Health Claims Fund	Claims	4,459.08
Intellicom Computer Consulting	Computer Service	455.33
Lexington, City of	Interdepartmental Service Fees	88,500.00
Lexington, City of	Franchise Fees	71,409.42
Lexington, City of - Landfill	Replenish Landfill Post-Closure Fund	15,089.03
Lexington Utilities System	Utilities	36,386.80
Lincoln Winwater Works	WR Saw Chains / Bar	1,145.98
Menards - Kearney	WWTP Supplies	77.13
Midland Scientific, Inc.	WWTP Supplies	30.31
Paulsen, Inc.	Concrete	1,377.75
Platte Valley Communications	Police Cameras Installed	1,050.00
Plum Creek Medical Group	Flu Shot	52.00
Roberts Dairy Company	Beverages	169.51
Rowan, Erik	Cemetery Space Refund	1,600.00
Scholastic Library Publishing	Library Books	152.10
Statewide Collections, LLC	Collection Fees	743.13
Thompson Co., The	Food & Supplies	772.84
Thompson-Hill & Associates	WWTP Supplies	189.02
Tyler Technologies, Inc.	Consultation Fees	1,187.50
Verizon Wireless	Cellphone Service	366.57
Wal-Mart	Supplies	215.38
	<b>TOTAL CLAIMS:</b>	<b>506,139.61</b>

**PUBLIC HEARING:**

Mayor Fagot opened a public hearing to consider a proposed redevelopment contract from Orthman Investments, LLC for an 115,000 square foot facility in Redevelopment Area #1. Pepplitsch reviewed the plan and contract, noting the

responsibilities and obligations of each entity. Following the review and discussion, the public hearing was closed. Resolution No. 2012-21 was presented. Moved by Salem, seconded by Miller, to approve Resolution No. 2012-21 as presented. Roll call. Voting "aye" were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

#### RESOLUTION NO. 2012-21

#### A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA APPROVING A REDEVELOPMENT PLAN, INCLUDING A REDEVELOPMENT CONTRACT; AND RELATED MATTERS

WHEREAS, the city of Lexington, Nebraska, a municipal corporation (the "City"), has determined it to be desirable to undertake and carry out urban redevelopment projects in certain areas of the City that are determined to be blighted and substandard and in need of redevelopment; and

WHEREAS, the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects; and

WHEREAS, the City has previously declared the area legally described in Attachment 1 attached hereto (the "Redevelopment Project Area") to be blighted and substandard and in need of redevelopment pursuant to the Act; and

WHEREAS, the Community Development Agency of the city of Lexington, Nebraska (the "Agency") has received a Redevelopment Plan, including a Redevelopment Contract (collectively, the "Redevelopment Plan"), in the form attached hereto as Attachment 2, for the redevelopment of the Redevelopment Project Area; and

WHEREAS, the Community Development Agency and the Planning Commission of the City (the "Planning Commission") have both reviewed the Redevelopment Plan and recommended its approval by the Mayor and City Council of the City; and

WHEREAS, the City published and mailed notices of a public hearing regarding the consideration of the approval of the Redevelopment Plan pursuant to Section 18-2115 of the Act, and has on the date of this Resolution held a public hearing on the proposal to approve the Redevelopment Plan; and

WHEREAS, the City has reviewed the Redevelopment Plan and determined that the proposed land uses and building requirements described therein are designed with the general purpose of accomplishing a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency in economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provisions for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and

efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight.

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

Section 1. The Redevelopment Plan is hereby determined to be feasible and in conformity with the general plan for the development of the City as a whole, and the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act; and it is hereby found and determined, based on the analysis conducted by the Community Development Agency, that (a) the redevelopment project described in the Redevelopment Plan would not be economically feasible without the Project Area without the use of tax-increment financing, and (b) the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the City, and the demand for public and private services have been analyzed by the City and have been found to be in the long-term best interest of the community impacted by the redevelopment project. The City acknowledges receipt of notice of intent to enter into the redevelopment contract included within the Redevelopment Plan in accordance with Section 18-2119 of the Act, and the recommendations of the Agency and the Planning Commission with respect to the Redevelopment Plan.

Section 2. The Redevelopment Plan, which provides for construction of a project that involves acquiring, constructing, furnishing and equipping an approximately 115,000 square foot manufacturing facility located within the Lexington Southeast Business Park, within Dawson County, Nebraska, is within a blighted area located within Dawson County, Nebraska, is hereby approved in substantially the form attached hereto, with such immaterial changes, additions, or deletions thereto as may be determined to be necessary by the Agency. The Agency is hereby authorized to execute the redevelopment contract contained within the Redevelopment Plan in accordance with the Act.

Section 3. In accordance with Section 18-2147 of the Act, the City hereby provides that any ad valorem tax on real property in the Project Area for the benefit of any public body be divided as follows for a period of 15 years after the effective date of this provision as provided in Section 18-2147 of the Act, which effective date shall be as provided in the Redevelopment Contract, as follows:

(a) That proportion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the Redevelopment Project Valuation (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and

(b) That proportion of the ad valorem tax on real property in the Project Area in excess of such amount (the Redevelopment Project Valuation), if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Agency to pay the principal of, the interest on, and any premiums due in connection with the bonds, loans, notes or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Agency for financing or refinancing, in whole or in part, the Project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premium due have been paid, the Agency shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in the Project Area shall be paid into the funds of the respective public bodies.

Section 4. The Mayor and Clerk are hereby authorized and directed to execute such documents and take such further actions as are necessary to carry out the purposes and intent of this Resolution and the Redevelopment Plan.

PASSED AND APPROVED this 25th day of September 2012.

CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA

By: John Fagot, Mayor

ATTEST: Pamela Berke, Clerk

**INFRASTRUCTURE  
IMPROVEMENTS:**

Pepplitsch presented Resolution No. 2012-22 which authorizes and directs the execution of negotiated construction contracts in south Lexington. As contractors are mobilized and working in the immediate project area under separate contract and there is a pending need to complete additional utility and paving work by the end of 2012 to accommodate economic development projects, it is prudent and cost effective to use existing unit pricing and mobilized contractors to build the necessary improvements. Following a review of the projects and cost estimates, Resolution No. 2012-22 was presented for Council consideration. Moved by Miller, seconded by Bennett, to approve Resolution No. 2012-22 as presented. Roll call. Voting "aye" were Salem, Tomasek, Bennett, Miller, Fagot. Motion carried.

RESOLUTION NO. 2012 - 22

A RESOLUTION TO AUTHORIZE AND AWARD CONTRACTS FOR CONSTRUCTION OF IMPROVEMENTS IN PROJECTS 127-A1-085-12 AND 127-D1-052-12.

Whereas, Plans and specifications for South Lexington Utility Improvements and Commerce Road Paving Improvements have been prepared; and

Whereas Contractors are currently under contract with the City of Lexington working on an adjacent job site and are willing to construct the improvements in Projects 127-A1-085-12 and 127-D1-052-12 at the same unit prices as previously bid and accepted by the City of Lexington; and,

Whereas an emergency exists requiring the completion of said Projects to allow progress on adjacent economic development projects;

BE IT THEREFORE RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA as follows:

1. That the City Manager is directed and authorized to enter into construction contracts with Blessing, LLC for Project 127-A1-085-12, Commerce Road Paving Improvements, and with Midlands Contracting Inc. for Project 127-D1-052-12, South Lexington Utility Improvements.

Passed and approved September 25, 2012.

John Fagot, Mayor

Attest: Pamela Berke, City Clerk

**LAND ACQUISITION:**

Pepplitsch presented a resolution which authorizes the Community Development Agency to acquire undeveloped and vacant property located in

Redevelopment Area #1. He explained the CDA intends to purchase two five acre lots from Greater Lexington Corporation for potential development projects. Following discussion, moved by Salem, seconded by Tomasek, to approve Resolution No. 2012-23 as presented. Roll call. Voting "aye" were Miller, Bennett, Tomasek, Salem, Fagot. Motion carried.

RESOLUTION NO. 2012 - 23

RESOLUTION OF THE CITY OF LEXINGTON FINDING THAT THE ACQUISITION AND DEVELOPMENT OF UNDEVELOPED AND VACANT LAND IS ESSENTIAL TO THE PROPER CLEARANCE AND REDEVELOPMENT OF SUBSTANDARD AND BLIGHTED AREAS AND IS A NECESSARY PART OF THE GENERAL COMMUNITY REDEVELOPMENT PROGRAM AND AUTHORIZING THE ACQUISITION OF THE SAME BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA.

WHEREAS, Section 18-2123 R.R.S provides that a Community Development Agency may acquire undeveloped land when the same is essential to the proper clearance or redevelopment of a substandard or blighted area; and

WHEREAS, the governing body of the City of Lexington has determined that the property described herein is necessary for the proper clearance and redevelopment of substandard and blighted areas within the City of Lexington; and

WHEREAS, the governing body determines that the acquisition of such an area is beneficial to the removal of blight and substandard conditions in redevelopment areas within the City; and

WHEREAS, the governing body has determined that it is in the best interests of the City and the Agency to acquire the real estate hereafter described;

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

Section 1. The governing body of the City finds that the following described lands are located within the limits of the City; that said lands are vacant and undeveloped; are essential to the proper clearance or redevelopment of substandard or blighted areas; and are a necessary part of the general community redevelopment program of the city, to wit:

Lot 16 and Lot 17, Greater Lexington Addition to the City of Lexington, Dawson County, Nebraska.

Section 2. The Community Development Agency of the City of Lexington is hereby authorized and directed to acquire and provide for the development and redevelopment of said lands according to the Community Development Law.

Passed and approved this 25th day of September, 2012.

CITY OF LEXINGTON, NEBRASKA.

John Fagot, Mayor

ATTEST: Pamela Berke, City Clerk

**PAY REQUEST:** Peplitsch reviewed Pay Request #1 from Blessing LLC for the Southeast Business Park Improvements project in the amount of \$89,538.30. Following a project update, moved by Salem, seconded by Miller, to approve Pay Request #1 as presented. Roll call. Voting "aye" were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

**FINANCIAL REPORT:** Peplitsch presented a financial report for August 2012. Following discussion, moved by Bennett, seconded by Tomasek, to accept the financial report as presented. Roll call. Voting "aye" were Miller, Salem, Tomasek, Bennett, Fagot. Motion carried.

**ROUNDTABLE DISCUSSION:** Peplitsch reminded Council of a work session scheduled for Saturday, September 29, 2012, at 8 am. He also gave a brief update of the DTR project.

Miller noted that she will be absent from the October 9, 2012, council meeting.

**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.

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City Clerk