

**CITY OF LEXINGTON
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, June 10, 2014, at the Lexington City Hall, located at 406 E. 7th Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were John Fagot, John Salem, Linda Miller, Dora Vivas and Jeremy Roberts. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Will Weinhold, Finance Director Barb Hodges, Development Services Director Bill Brecks, Police Chief Tracy Wolf and City Clerk Pamela Baruth. The press was represented by Lexington Clipper-Herald, KRVN Radio and Kearney Hub. **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, located at 406 E. 7th Street, Lexington, Nebraska.

MINUTES – REGULAR MEETING 5-27-2014 Minutes of the Regular meeting held Tuesday, May 27, 2014, were presented for Council consideration. Moved by Vivas, seconded by Miller, to approve Minutes as presented. Roll call. Voting “aye” were Salem, Roberts, Miller, Vivas, Fagot. Motion carried.

CLAIMS & BILLS: Claims and Bills in the amount of \$2,916,076.21 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Roberts, seconded by Salem, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$941,564.26 from the General Fund, \$186,061.89 from Street Fund, \$223,797.55 from TIF, \$1,537,791.94 from LEXUS, \$10,000.00 from Sanitation, \$1,603.34 from Ambulance, \$11,163.84 from Health Fund, and \$4,093.39 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Miller, Vivas, Salem, Roberts, Fagot. Motion carried.

CITY OF LEXINGTON
ACCOUNTS PAYABLE
June 10, 2014

All Points Cooperative	Fuel / Fertilizer / Weed Killer	4,333.84
American Fence Co/Lincoln Inc.	WWTP Fence	12,595.76
Anytime Fitness	Wellness	235.40
Arnold Pool Company	LFAC Chemicals / Supplies	187.57
Arrowhead Scientific, Inc.	Police Supplies	40.26
ASK Supply Co.	ST Supplies	127.26
Associated Supply Company, Inc.	LFAC Supplies	928.97
Assn State Floodplain Managers	Membership Dues	120.00
Brown Traffic Products, Inc.	Traffic Signal Supplies	186.00
Bruce Hanson DDS	Dental Service / Luis Landa	169.00
Cash-Wa Distributing	Food & Supplies	6,034.19
Central Garage	Fuel / Service / Repairs	25,328.54
Central Tire & Tread, Inc.	Tires / Repairs	203.68
City Directory, Inc.	Advertising in Directory	962.00
CocaCola/Dr Pepper Bottling Krny	Beverages	1,574.70
Copper, Michael	Yard Clean-up	200.00
Culligan Water Conditioning Co.	Soft Water Supplies	202.38
Dan's Sanitation	Sanitation Fees	11,992.16
Data-Pak Mailing Machine	Postage	1,500.00
Davis Energy, Inc.	Fuel	8,575.91

Dawson County Register Deeds	Filing Fees	68.00
Dawson Pest Control	GGC Service	36.75
Depository Trust Company	08 GO Bond/09 Combined UTL Bond	229,956.25
Digital-Ally	Police Car Cameras	7,050.00
Eakes Office Plus	SB/Pol/Lbry/Muni Bldg Copies/Lib Spls	1,702.28
Eilers Machine & Welding, Inc.	Central Garage Supplies	109.20
Electric Engineering/Equipment	EL Supplies	782.22
EMS Billing Services	Ambulance Billing Service	1,295.51
Express Laundry Center	Rug Service	152.09
Fagot Refrigeration & Electric Inc	Library Lighting / WWTP Repair	8,575.62
Gale/Cengage Learning	Library Books	279.22
Health Claims Fund	Claims	10,945.56
Hiland Dairy Foods	Beverages / Food	263.31
HOA Solutions, Inc.	WWTP Web Service	5,161.38
Holbein, Dahlas	Lawn Care	495.00
Holiday Inn	Fire Training at Grand Island	4,586.15
Ingram Library	Library Books	160.70
Jakes Toro Sprinklers	LFAC Sprinkler Repair	823.25
JEO Consulting Group, Inc.	Lexington Comprehensive Plan Update	814.47
John Deere Financials	Central Garage Supplies	697.42
Jones Plumbing & Heating, Inc.	LFAC / PK Service & Repair	2,348.83
Lexington Animal Clinic	Animal Care	797.50
Lex Community Facility Agency	LCFA Agreement	125,000.00
Lex Family Eyecare	Safety Glasses	290.00
Lexington Health Fund	Self-funding	46,014.35
Lexington Newspapers, Inc.	Publications	327.01
Lexington Postmaster	Postage	165.00
Lexington Public Schools	CDBG / Majestic Theatre	906.00
Lexington Regional Health Center	Wellness/Ambulance Spls/Police Tests	364.00
Lex Volunteer Fire Department	Fire Training at Grand Island	6,236.40
Lexington, City of - General Fund	Interdepartmental Service Fees	284,291.25
Lexington, City of - Street	TIF Funding -18th St/Heartland Road	219,749.45
Lexington City Payroll Account		
Payroll	Wages	139,215.07
Social Security	Employer Portion / FICA Med	10,350.77
Union Bank & Trust	Employer Portion / Pension	4,236.51
Union Bank & Trust	Police Pension	2,277.86
ICMA	City Manager Pension	836.93
Lien, Inc.	Pershing School/Triangle Sod/Tree Planting	12,713.13
Linda's Stitches & Creations	Police / Development Services Shirts	201.95
Mac's Short Stop	Rec / LFAC Food & Supplies	359.57
Martin Electric, Inc.	Fire Dept Repair	40.00
Matheson Tri-Gas	Ambulance Supplies	72.52
Mead Lumber	Development Services / PK Supplies	97.74
Meritain Health	Health Premium	20,080.85
Miller & Associates	Wash & 13th Wr Main Rprs/WWTP Imp	80,878.45
Morris Press	GGC Service	244.00
Musco Sports Lighting LLC	Rec Complex Lighting PJ	350,000.00
NE Public Health Environmental Lab	WR Testing	1,308.00
NE Dept Environmental Quality	Loan Interest	38,133.20
NE Dept Environmental Quality	WWTP Dues	150.00
NE Environmental Products	Central Garage Supplies	2,777.68
NebraskaLink	City / Library Service	395.00
Nebraska Public Power District	Power Purchase	908,358.22
One Call Concepts	Locates	127.70
Oriental Trading Company, Inc.	Library Supplies	253.54
Original Watermen, Inc.	LFAC Swim Suits/Whistles/Lanyards	1,890.00

Overton Community Center	Meals on Wheels	100.00
Overton Sand & Gravel Co.	Road Gravel	697.48
Paulsen, Inc.	Concrete / White Rock	985.80
Platte Valley Glass & Trailers	Muni Bldg Lock Repair	132.29
Plum Creek Promotions	Rec Shirts	397.75
Principal	Dental Premium	2,654.89
Richardson Mowing	Library Lawn Care	195.00
S & W Auto Parts, Inc.	Central Garage / WWTP Supplies	1,648.91
S and D Contractors	Yard Cleanup	150.00
South Central Area Law Enforcement Svcs	Annual Dues	1,000.00
Schmidt, Cynthia	Pool Operator Clinic	40.00
Schwan's Home Service, Inc.	LFAC Food	58.20
Service Master of Mid Nebraska	Cleaning Service	4,114.12
Sirchie Fingerprint Laboratories	Police Supplies	71.83
Source Gas, LLC	Gas Service	4,349.93
Standard Life	Life Premium	695.05
State Fire Marshal Training Dvsn	Fireman Certification	50.00
Statewide Collections LLC	Collection Fee	1,020.96
Summit Supply Corp Colorado	PK Table Frames	3,615.00
T. O. Haas Tire Co.	WWTP / PK / Police Tires / Repair	401.81
TASC - Client Invoices	Fees	218.28
Team Detail & Quicklube	Car Washes / Uniform Repair	91.00
Thalman, Julie	Cleaning Service	200.00
Thompson Co., The	Food	677.13
Titan Machinery	Central Garage/Fire Dept Repair/Supplies	2,158.07
Total Lawn Care	LFAC Lawn Care	1,125.00
Tri-City Tribune	Publications	218.63
Tyler Technologies	Software Education	350.00
Unisan Nebraska LLC	ST Supplies	67.21
Upstart	Library Supplies	445.24
Village Uniform	GGC Supplies	142.20
Vision Internet Providers, Inc.	Web Hosting Fee	231.52
VSP / Vision Service Plan	Vision Premium	626.09
Wal-Mart	Supplies	1,258.25
Weekly Bulletin	Admin Subscription	178.00
Wilke's True Value	PK / Cem Supplies	256.48
Baird Holm Attorneys at Law	Legal Expense / Pension	275.00
Berens-Tate Consulting Group	2014 Bond Issuance Costs	3,000.00
BSN Sports, Inc.	Rec Supplies	114.01
Cash-Wa Distributing	Food & Supplies	911.67
CocaCola/Dr Pepper Bottling Krny	Beverages	1,873.90
Community Development Agency	TIF / HWY 283 Median Improvement	4,048.10
Dan's Sanitation	Sanitation Fees	3,008.28
Davis Energy, Inc.	Propane	36.00
Dawson County Surveyor's Office	Survey 1005 N Tyler	200.00
Dawson Public Power	Power Purchase	8,322.41
Dugan Business Forms	UTL Envelopes	792.80
Fastenal	WWTP Supplies	106.25
Fire-Extrication-Hazemat Billing	Ambulance Billing	10.00
FYR-TEK, Inc.	Fire Dept Repair	384.85
Holbein, Dahlas	Yard Clean-up	100.00
Ingram Library Services	Library Books	88.31
Intellicom Computer Consulting	Monthly Billing / Business Office Service	305.87
Jakes Toro Sprinklers	LFAC Sprinkler Repair	169.00
John Deere Financial	Central Garage Supplies	1,003.69
Jones Plumbing & Heating, Inc.	WWTP / WR Supplies	1,251.15
LexArea Solid Waste Agency	Landfill	862.90

Lexington Newspapers, Inc.	Publications	513.27
Lexington, City of	Franchise Fees	90.56
Lexington City Payroll Account		
Payroll	Wages	170,946.31
Social Security	Employer Portion / FICA Med	12,777.57
Union Bank & Trust	Employer Portion / Pension	4,327.78
Union Bank & Trust	Police Pension	2,825.25
ICMA	City Manager Pension	836.93
Martin Electric Co.	LFAC Repair	67.91
Mead Lumber & Rental-Lex	PK Maint Bldg Supplies	217.21
Menards-Kearney	Fire Dept Supplies	66.29
Miller & Associates	Pro Service	4,012.50
NE Dept Health & Human Services	UTL Refund	853.22
Nebraska Department of Revenue	Sales & Use Tax	47,358.35
Nebraska Tech & Telecomm, Inc.	Telephone Expense	1,343.88
Peak Interests LLC	Meals	44.98
Plum Creek Cleaners	Rug Service	174.45
Repco Marketing	Police Supplies	40.50
S and D Contractors	Yard Clean-up	100.00
Service Master of Mid Nebraska	Cleaning Service	100.00
U-Save Business Equipment	GGC/Lbry/ST/Dev Serv/Rec/Pol Spls/UPS	563.17
Village Uniform	GGC Supplies	50.20
Wal-Mart	Supplies	339.09
	TOTAL CLAIMS:	2,916,076.21

PUBLIC HEARING: Mayor Fagot opened a public hearing to consider an amended redevelopment contract and plan proposal from Orthman Real Estate Holdings, LLC. Pepplitsch reviewed the amended plan. Following discussion, the public hearing was closed. Resolution No. 2014-18 was presented. Moved by Salem, seconded by Roberts, to approve Resolution No. 2014-18. Roll call. Voting “aye” were Miller, Vivas, Roberts, Salem, Fagot. Motion carried.

RESOLUTION NO. 2014-18

A RESOLUTION OF THE MAYOR AND 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 and city of the first class (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 Exhibit 1 attached hereto (the “Redevelopment Area”) to be blighted and substandard and in need of redevelopment pursuant to the Act; and

WHEREAS, the Community Development Agency of Lexington, Nebraska (the “Agency”) has prepared or caused to be prepared an Amended Redevelopment Plan, including a Redevelopment Contract (collectively, the “Redevelopment Plan”), in the form attached hereto as Exhibit 1, for the redevelopment of the Redevelopment Area; and

WHEREAS, the 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 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 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 Agency, that the plan uses funds authorized in Section 18-5147 of the Act; (i) the redevelopment project in the plan would not be economically feasible without the use of tax-increment financing; (ii) the redevelopment project would not occur in the community redevelopment area without the use of tax-increment financing; and (iii) the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body 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 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 and to take all actions necessary and convenient to implement the Redevelopment Plan.

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 Redevelopment Area for the benefit of any public body be divided as follows for a period of 15 years after the effective date as provided in Section 18-2147 of the Act, which effective date shall be set forth in the Redevelopment Contract. Said tax shall be divided 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 City Manager is 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 10th day of June, 2014.

BOARD OF EQUALIZATION: Mayor Fagot opened a public hearing for Council to sit as a Board of Equalization to consider assessments for delinquent property maintenance abatement fees. Following discussion and no public comments, the public hearing was closed. Ordinance No. 2349 entitled “AN ORDINANCE TO ASSESS THE COST OF PROPERTY MAINTENANCE AGAINST CERTAIN PROPERTIES; TO PROVIDE FOR AN EFFECTIVE DATE AND FOR PUBLICATION IN PAMPHLET FORM” was presented. Moved by Salem, seconded by Miller, to suspend the rules regarding the reading of an ordinance on three separate occasions. Roll call. Voting “aye” were Vivas, Roberts, Miller, Salem, Fagot. Motion carried.

Moved by Salem, seconded by Roberts, to approve Ordinance No. 2349 on final reading. Voting “aye” were Miller, Vivas, Roberts, Salem, Fagot. Motion carried.

PAY REQUEST: Peplitsch reviewed Pay Request #1 from Paulsen Inc. for the 18th Street/Heartland Road Paving project in the amount of \$219,749.45. Following a project update and discussion, moved by Miller, seconded by Salem, to approve the pay request as presented. Roll call. Voting “aye” were Vivas, Roberts, Salem, Miller, Fagot. Motion carried.

PROJECT CLOSEOUT: Peplitsch reviewed close out documents for the Wastewater Treatment Plan Improvement project. The documents included Change Order #2, final Pay Request #14, Certificate of Substantial Completion and Certificate of Final Completion. Following discussion, moved by Roberts, seconded by Vivas, to approve the documents as presented. Roll call. Voting “aye” were Miller, Salem, Vivas, Roberts, Fagot. Motion carried.

AGREEMENT: Peplitsch reviewed an agreement with NDOR for Project No. STP-21-2(111) Improving Highway N-21 in Lexington, Control No. 61514, noting limited city responsibilities for the project and a likely construction start date in mid-2015. Resolution No. 2014-19 was presented. Moved by Miller, seconded by Roberts, to approve Resolution No. 2014-19. Roll call. Voting “aye” were Vivas, Salem, Roberts, Miller, Fagot. Motion carried.

RESOLUTION NO 2014-19

WHEREAS: The City of Lexington desires to enter into an Agreement with the State of Nebraska Department of Roads, to proceed with construction of Project No. STP-21-2(111), Improving Highway N-21 in Lexington, Control No. 61514;

NOW BE IT RESOLVED by the City Council, City of Lexington, Nebraska, that the Agreement for the above described Project, attached hereto, is hereby approved, and that John Fagot, as President of the Council, is hereby directed and authorized to sign said Agreement on behalf of the City of Lexington, Nebraska.

PASSED AND APPROVED this 10th day of June, 2014.

ROUNDTABLE DISCUSSION: Peplitsch indicated that construction on the 6th Street project is scheduled to begin June 16 with Jackson from 5th to 8th being the first phase. Paving on 13th Street will begin the week of June 23rd. Weinhold encourage all to attend Plum Creek Days activities.

ADJOURNMENT: There being no further business to come before the Council, Mayor 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