

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

A Regular Meeting of the Lexington City Council was held Tuesday, April 12, 2016, at the Lexington City Hall, 406 E. 7<sup>th</sup> Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were John Fagot, John Salem, Linda Miller, and Jeremy Roberts. Dora Vivas was excused. City Officials present were City Manager Joe Pepplichtsch, Assistant City Manager Dennis Burnside, City Attorney Brian Copley, Finance Director Barb Hodges, Police Chief Tracy Wolf, and City Clerk Pamela Baruth. The press was represented by KRVN and 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 City Hall, located at 406 E. 7<sup>th</sup> Street, Lexington, Nebraska.

**MINUTES – REGULAR MEETING 3-22-16:** Minutes of the Regular meeting held Tuesday, March 22, 2016, were presented. Moved by Miller, seconded by Roberts, to approve the minutes as presented. Roll call. Voting “aye” were Salem, Roberts, Miller, Fagot. Motion carried.

**MINUTES – WORK SESSION 3-26-16:** Minutes of the Work Session held Saturday, March 26, 2016 were presented. Moved by Salem, seconded by Roberts, to approve the minutes as presented. Roll call. Voting “aye” were Miller, Roberts, Salem, Fagot. Motion carried.

**CLAIMS & BILLS:** Claims and Bills in the amount of \$1,838,283.80 were presented for Council consideration and approval. Upon review of the Claims and Bills as listed, moved by Roberts, seconded by Miller, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$356,359.38 from the General Fund, \$113,565.74 from Street Fund, \$83,135.89 from TIF, \$1,244,593.96 from LEXUS, \$10,000.00 from Sanitation, \$5,689.17 from Ambulance, \$19,631.49 from Health Fund, and \$5,308.17 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Salem, Miller, Roberts, Fagot. Motion carried.

**CITY OF LEXINGTON  
ACCOUNTS PAYABLE  
April 12, 2016**

Aesseal, Inc.	WWTP Sludge Packs	821.95
Amazon	Library Books	10.88
Anytime Fitness	Wellness	107.00
Ask Supply, Co.	ST Masks & Oil	197.55
Awards Plus	Locker Plates	28.00
Baker & Taylor	Library Books	1,070.49
Bauer Built Tire	Tire Repair & Replacement	135.00
Bennett Advertising Specialties	Stormwater Promotional Materials	1,498.25
Bliven, Lonnie	Plum Creek Park Shelter Repair	1,004.67
Cash-Wa Distributing	Food & Supplies	2,149.50
Coca-Cola Bottling of Kearney, Inc.	Beverages	204.00
Computer Warehouse	Developmental Services Cable	14.19
Country Sampler	Library Subscription	19.97
Culligan Water Conditioning Co.	Soft Water Supplies	297.05
Dan's Sanitation, Inc.	Sanitation Fees	14,807.40

Davis Energy, Inc.	Fuel & Oil	4,565.24
Dawson County	Dispatch Fees	27,500.00
Dawson County Register of Deeds	Filing Fees	54.00
Dawson County Surveyor's Office	Survey & Plat for Walnut 1st Addition	1,300.00
Dawson County Treasurer	TIF Wilkinson Refund	83,135.89
Dawson Pest Control	GGC / Fire Hall Service	91.35
Dawson Public Power District	Power Purchase	9,523.50
Dell Marketing	WWTP Computer	1,300.00
Depository Trust, Co.	2015 GO Bond / 2013B CURRB Interest	38,973.75
Diamond Vogel Paint	ST Paint	1,238.76
Downey Drilling, Inc.	WWTP CEL Line Repair	3,083.08
Dutton-Lainson, Co.	Meter Sockets	141.63
Eakes Office Solutions	Library Supplies	117.08
Eilers Machine & Welding, Inc.	PK Mower Repair	140.00
Electronic Systems, Inc.	Library Fire Alarm Inspection	45.00
EMS Billing Services, Inc.	Ambulance Fee	1,240.67
Fastenal Company	SW / WR / ST Tools & Parts	412.88
Fat Brain Toys	Library Activity Kits & Sets	916.81
Fyr-Tek	Gear Wash	42.65
G & V, Inc.	NW Drain/Stormwater Ditch Maintenance	15,300.00
Gale/Cengage Learning	Library Books	432.44
Grainger	WWTP Support Fac Fittings/Smoke Emitters	266.27
Halsen Products, Co.	ST Safety Vests	196.15
Health Claims Fund	Claims	19,445.29
Heldt & McKeone Law Offices	Professional Fees	5,016.07
HD Supply Waterworks	WR Couplings & Tubing	1,718.05
Holbein, Dahlas	Fire Hall Yard Care	55.00
Hiland Dairy Foods Company LLC	Food & Beverages	356.32
Ingram Library Services	Library Books	164.79
Intellicom Computer Consulting	PK Patch Cable	32.10
J & N Sales	WWTP Hub Assembly	1,671.10
JEO Consulting Group, Inc.	Plum Creek Park Lake Restoration	2,350.00
Jim Phillips Construction	Street & Sidewalk Repair	17,848.00
John Deere Financial	ST / SW / WR / PK / Cemetery Supplies	1,402.39
Johnson, Ryan	EL Rebate	1,625.00
Jones Plumbing & Heating, Inc.	Driving Range/WR/PK Spls/Opp Center Svc	2,482.18
Justa, LLC	Trucking Fee	550.00
Latina	Library Subscription	14.97
Lecher, John	EL Rebate	18,150.00
Lexington Animal Clinic	Animal Care	587.50
Lexington Area Solid Waste	Landfill	1,587.20
Lexington, City of	Franchise Fees/Interdepartment Svc Fees	64,379.58
Lexington, City of - Street Dept	Fuel	7,937.18
Lexington City Payroll Account		
Payroll	Wages	135,173.79
Social Security	Employer Portion / FICA Med	10,031.73
Union Bank & Trust	Employer Portion / Pension	4,520.53
Union Bank & Trust	Police Pension	2,596.68
ICMA	City Manager Pension	865.69
Lexington Community Foundation	Fieldhouse Donations	995.84
Lexington Health Fund	Self-funding	52,321.22
Lexington Newspapers, Inc.	Publications	817.35
Lexington Postmaster	GGC Postage	165.00
Lexington Volunteer Fire Dept	Ambulance Billing	4,301.50
Matheson Tri-Gas, Inc.	Ambulance Supplies	97.02
Mead Lumber & Rental - Lexington	Driving Range Bldg/SW/PK/ST/Dev Svc Spls	2,502.76

Meritain Health	Health Premium	24,360.46
Midlands Contracting, Inc.	NW 3rd Addition Project Labor	23,704.76
Midwest Laboratories	Lab Reference Testing	1,950.00
Mid-American Research Chemical	ST Supplies	156.69
Municipal Supply, Inc.	WR Pipe & Valve box	2,578.27
Nebraska Department of Revenue	Sales & Use Tax	53,515.25
Nebraska Economic Developers Assoc.	Conference	175.00
Nebraska Environmental Products	ST Vehicle Parts	51.83
NE Law Enforcement Training Center	TABE Testing	10.00
Nebraska Library Commission	Library Subscription	228.00
Nebraska Machinery	ST Vehicle Parts / ST Vehicle Repair	1,365.40
Nebraska Municipal Clerk's Assoc.	Membership	35.00
Nebraska Public Power District	Power Purchase	816,107.12
Oliver Consulting Services, Inc.	Library Windows Upgrade	136.40
One Call Concepts, Inc.	Locate Fees	198.42
Orthman Community YMCA	Wellness	971.90
Overton Sand & Gravel	Gravel	874.38
O'Hanlon Seed, Inc.	Plum Creek Park Grass Seed	2,369.00
O'Hara Lindsay & Associates	Lobbying Service	1,000.00
O'Reilly Auto Parts	ST Parts	173.62
Paulsen, Inc.	Concrete & Gravel	2,797.61
Platte Valley Auto Mart	Police Vehicle Service	548.32
Platte Valley Excavating, Inc.	PK Tree Stump Removal	210.00
Plum Creek Market Place	GGC Food	15.18
Plum Creek Promotions	ST Uniforms	1,170.67
Precision Detail	Fire Hall Cleaning	300.00
Presto-X	Library Pest Service	75.00
Primary Electric, Inc.	WWTP Internet Radio Relocation	875.00
Principal	Dental Premium	3,173.09
Rasmussen Mechanical Services	Heat Pump Repair	811.03
RYDE Transit	Transportation Service	28.00
S & W Auto Parts, Inc.	SW Equipment / ST / PK Parts	1,850.21
Schmidt, Michael	LFAC Lawn Care	240.00
Service Master of Mid Nebraska	Cleaning Service	4,239.47
Sirchie Fingerprint Laboratories	Police Supplies	225.01
Source Gas	Gas Service	7,005.60
Standard Life Insurance Company	Premiums	923.12
Statewide Collections, LLC	Collection Fees	350.16
Subway @ Walmart	Food	39.40
T.O. Haas	Police Tires	561.42
Tasc-Client Invoices	Admin Fees	186.20
Thompson Company, The	Food & Supplies	1,301.10
Tyler Technologies	UTL Payment Fees / Phone Notifications	1,083.60
USA Communications	Internet Service	345.60
U-Save Business Equipment	Supplies	3,178.37
Village Uniform	GGC Supplies	51.86
VSP / Vision Service Plan	Vision Premium	881.61
Wal-Mart	Supplies	643.47
Yung, Mark	Conference Expenses	367.20
Baird Holm, LLP	Pension Plan Services	188.80
Coca-Cola Bottling of Kearney, Inc.	Rec / GGC Beverages	1,130.40
Dawson Pest Control	Opportunity Center Service	57.75
Great Western Bank-City Petty Cash	EL Rebates / Postage / Meals	61.65
Jim Phillips Construction	Support Facility Entrance/St & Fence Rep	15,803.00
Keim, Bob	Service Building Ice Machine Service	165.00
Lexington City Payroll Account		
Payroll	Wages	136,440.85

Social Security	Employer Portion / FICA Med	10,128.66
Union Bank & Trust	Employer Portion / Pension	4,492.50
Union Bank & Trust	Police Pension	2,520.17
ICMA	City Manager Pension	865.69
Lexington Recreation Program	Rec Concessions Start-up Money	500.00
Mead Lumber & Rental - Lexington	SW Tools	15.45
Mr. Automotive	ST Vehicle Parts	59.25
National Assn of School Recourse Officers	Memberships	80.00
Nebraska Public Power District	O & M	108,928.34
Nebraska Tech & Telecomm, Inc.	Telephone Expense	1,379.25
Odeys, Inc.	Ball Field Conditioner Materials	14,135.93
S & W Auto Parts, Inc.	PK Tools	16.56
S & D Contractors	Driving Range Building Materials	2,884.00
Service Master of Mid Nebraska	GGC / City Hall Floor Maintenance	384.00
T.O. Haas	PK Mower Tire	103.93
Wal-Mart	Supplies	358.94
	<b>TOTAL CLAIMS:</b>	<b>1,838,283.80</b>

**LIQUOR LICENSE:** Mayor Fagot opened a public hearing to consider a liquor license application for Class D License # 116274 for Country Cooperative Partners DBA Cenex Ampride. Peplitsch explained the need for a change in the licensee as there is a change in ownership name of All Points Cooperative. There were no public comments. The public hearing was closed. Moved by Salem, seconded by Roberts, to recommend approval of the liquor license for Class D License #116274 application as presented. Roll call. Voting “aye” were Miller, Robert, Salem, Fagot. Motion carried.

**PROJECT RESOLUTION:** Mayor Fagot opened a public hearing to consider a redevelopment plan for Redevelopment Area #1. Peplitsch reviewed the plan for Designer Craft Woodworking to add a 10,000 SF addition to their facility with access and utility modifications, with a project value in excess of \$500,000. A TIF bond in the amount of \$85,000 will be issued by the CDA for the project to assist with allowable project costs. There being no public comments, the public hearing was closed. Following discussion, Resolution No. 2016-07 was presented. Moved by Miller, seconded by Salem, to approve Resolution No. 2016-07. Roll call. Voting “aye” were Roberts, Salem, Miller, Fagot. Motion carried.

#### **RESOLUTION NO. 2016-07**

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 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 Lexington, Nebraska (the “Agency”) has prepared or caused to be prepared 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 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 18-2147 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 Agency and City Manager 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 12th day of April, 2016.**

**ONE & SIX YEAR STREET PLAN:** Mayor Fagot opened a public hearing to receive comments on the 2016 1 & 6 Year Street Improvement plan. Following discussion and public comment, the public hearing was closed. Resolution No. 2016-08 was presented. Moved by Salem, seconded by Roberts, to approve Resolution No. 2016-08. Roll call. Voting “aye” were Miller, Roberts, Salem, Fagot. Motion carried.

**RESOLUTION OF ADOPTION 2016-08**

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 as presented.

**Date: April 12, 2016.**

**CIS IMPROVEMENTS:** Peplitsch reviewed bids received for the 2016 CIS Improvements project. One bid was received from Paulsen Inc. for \$570,895.25, which was 21% under the engineer’s estimate. Following discussion, moved by Miller, seconded by Salem, to accept the bid, award a contract to Paulsen Inc. for the project, and authorize the execution of necessary documents. Roll call. Voting “aye” were Roberts, Miller, Salem, Fagot. Motion carried.

**PUBLIC TRANSIT:** Charles McGraw, Executive Director of RYDE-Transit, requested Council support of an application for public transportation assistance funds for RYDE Transit for FY 2016-2017, and reviewed the local operations to date. Resolution No. 2016-09 was presented. Following discussion, moved by Salem, seconded by Roberts, to approve Resolution No. 2016-09. Roll call. Voting “aye” were Miller, Roberts, Salem, Fagot. Motion carried.

**RESOLUTION # 2016-09**

WHEREAS, there are federal funds available under Section 5311 of the Federal Transit Act and for the Nebraska Public Transportation Assistance Program, and

WHEREAS, the Community Action Partnership of Mid Nebraska – RYDE Transit desires to apply for said funds to provide public transportation in Dawson County.

NOW THEREFORE, BE IT RESOLVED the City Council of Lexington, NE, hereby instructs the Community Action Partnership of Mid Nebraska – RYDE Transit to apply for said funds.

Said funds are to be used for the Community Action Partnership of Mid Nebraska – RYDE Transit transportation operations in the FY 2016-2017 Application for Public Transportation Assistance.

**Approved this 12th day of April, 2016.**

McGraw also requested City financial assistance on the purchase of new buses for fleet use in the amount of \$9,000. Following discussion, moved by Miller, seconded by Roberts, to approve the requested assistance as presented. Roll call. Voting “aye” were Salem, Roberts, Miller, Fagot. Motion carried.

**LVFD ROSTER:** Peplitsch reviewed the current LVFD membership roster which includes four new active members and three resignations. Moved by Salem, seconded by Miller, to approve the current LVFD roster as presented. Roll call. Voting “aye” were Roberts, Miller, Salem, Fagot. Motion carried.

**NCEA AGREEMENT:** Peplitsch presented amendments to the current Nebraska Community Energy Alliance interlocal agreement, noting the amendments are related to operational issues. Resolution No. 2016-10 was presented. Following discussion, moved by Roberts, seconded by Miller, to approve Resolution No. 2016-10. Roll call. Voting “aye” were Salem, Miller, Roberts, Fagot. Motion carried.

## **RESOLUTION NO. 2016-10**

### **NCEA MEMBERSHIP AND APPOINTMENT**

WHEREAS, the City of Lexington, Nebraska, on July 8, 2014, entered into an agreement to create the Nebraska Community Energy Alliance and became a member thereof, for the purpose of identifying, applying for, administering or otherwise making available grants and funding sources to members thereof; and

WHEREAS, the NCEA subsequently amended its Interlocal Agreement document;

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

That the City of Lexington approves the Nebraska Community Energy Alliance Interlocal Cooperation Agreement (Amended and Restated as of October 2015).

**PASSED AND APPROVED this 12th day of April 2016.**

**EXECUTIVE SESSION:** An executive session was schedule, but not held.

**ROUNDTABLE DISCUSSION:** Peplitsch gave an update on various projects throughout the city, and stated he would be attending the NEDA conference April 13-15.

**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