

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

A Regular Meeting of the Lexington City Council was held Tuesday, March 14, 2017, 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, Dora Vivas, Steve Smith and Jeremy Roberts. City Officials present were City Manager Joe Pepplichtsch, Assistant City Manager Dennis Burnside, City Attorney Brian Copley, Finance Director Barb Hodges, 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, 406 E. 7<sup>th</sup> Street, Lexington, Nebraska.

**MINUTES – REGULAR MEETING 2-28-17:** Minutes of the Regular meeting held Tuesday, February 28 2017 were presented. Moved by Vivas, seconded by Smith, to approve the minutes as presented. Roll call. Voting “aye” were Salem, Roberts, Smith, Vivas, Fagot. Motion carried.

**CLAIMS & BILLS:** Claims and Bills in the amount of \$2,033,406.20 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 \$436,627.51 from General Fund, \$57,204.56 from Street Fund, \$199,998.94 from Economic Development, \$26,862.32 from TIF, \$5,175.00 from Housing Reuse, \$1,254,965.65 from LEXUS, \$10,122.58 from Sanitation, \$523.70 from Landfill, \$3,358.94 from Ambulance, \$33,024.51 from Health Fund, and \$5,542.49 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Vivas, Roberts, Salem, Roberts, Fagot. Motion carried.

**ACCOUNTS PAYABLE**

American Fence Co	PK / Fence Repair	103.72
Baker & Taylor	LB / Books	428.94
Bamford Inc	FD / Equipment Inspection	225.00
Barco Municipal Products	ST / Signs	173.81
Baruth, Pam	City / Conference Mileage / Parking	201.19
Best Books Inc	LB / Books	25.49
Black Hills Energy	Gas Service	7,611.41
Bob's True Value	WWTP / Hose Bender	11.98
Burnside, Dennis	City / Conference Mileage / Parking	189.94
Cash-Wa Distributing	City / GGC / PK / OC / ST / Supplies	2,917.03
Central Community College	Ambulance / CPR Instructor Course	200.00
Chesterman Coca-Cola	PK / Beverages	224.40
Comfort Inn	PD / Training Lodging	82.95
Community Development Agency	2016 Property Tax	11,612.32
Contryman Associates	Audit Fees	17,000.00

Copper, Al	City / Instructor / First Aid / CPR	480.00
Culligan	Soft Water Supplies	344.43
Danko Emergency Equipment	FD / Uniform Lettering / Boots	347.56
Dan's Sanitation	Sanitation Fees	13,439.40
Davis Energy, Inc.	Ambulance / FD / ST / Fuel / Grease	153.64
Dawson Area Development	CIS / OOR / Admin Fees	10,175.00
Dawson Pest Control	FD / GGC / OC / Pest Control	149.10
Dawson Public Power District	Power Purchase	9,947.34
Demco Inc	LB / Supplies	625.15
Depository Trust Company, The	2016 CURRB / Interest	6,531.25
Downey Drilling Inc	City/WWTP/Property/Line Replacement	201,133.85
Dutton-Lainson Co	ST / Light Poles	14,250.00
Eakes Office Solutions	LB / Office Supplies	918.06
Electro Industries / Gauge Tech	EL / Meter Freight	40.00
EMS Billing Services	Ambulance Billing	2,199.62
Fagot Refrigeration & Electric Inc	EL / GGC / OC / Lights / Water Pumps	3,158.89
Fagot, John	City / Conference Mileage	178.69
Gale/Cengage Learning	LB / Books	248.66
Gnirk Lawn Care Inc	AC / Grounds Maintenance	5,305.50
Health Claims Fund	Claims	31,706.46
Heldt & McKeone Law Offices	City / Professional Fee	2,720.00
Hiland Dairy Foods	GGC / Dairy Products	584.65
Ingram Library Services	LB / Books	177.33
J & N Sales	WWTP / PTO Shaft	1,060.69
John Deere Financial	ST/WR/WWTP/Posts/Equipment/Spls	962.01
Johnny On The Spot	Rental	75.00
Johnstone Supply	OC / Filters	44.46
Jones Plumbing & Heating	OC/PK/WR/Sprinkler/Water Nozzle/Rep	172.93
Kovels	LB / Books	34.94
League of Nebraska Municipalities	Midwinter Conference	2,600.00
Lexington Animal Clinic	Animal Care	492.50
Lexington Area Solid Waste	Waste	1,264.30
Lexington, City of	General Fund / Property Purchase	199,998.94
Lexington, City of	Franchise / Interdepartment Service Fees	57,240.50
Lexington, City Street Department	Fuel	9,951.02
Lexington Community Foundation	Fieldhouse Donations	140.00
Lexington Health Fund	Self-funding	49,862.33
Lexington Newspapers	Publications	498.82
Lexington Regional Health Center	Ambulance / Supplies	175.00
Lexington Volunteer Fire Department	FD / EMS Training	163.71
Martin Electric Co	FD / Filters	69.00
Matt Friend Truck Equipment	WWTP / Crane Services	4,585.00
Mead Lumber & Rental - Lexington	PK / Hardware / Lumber	742.50
Meritain Health	Health Premium	21,233.92
Menards	PK / Fence Repair	305.69
Midwest Automatic Fire Sprinkler Co	LB / Contract	450.00
Midwest Laboratories Inc	WWTP / Testing	1,236.00
Milco Environmental Services	Landfill / Professional Services	523.70
Miller & Associates Inc	ST/ WWTP / Professional Services	5,991.55
Moore Medical	Ambulance / Supplies	538.51
Municipal Supply	WR / Pipe Lube / Gaskets	2,725.39
Nebraska Dept of Revenue	Sales and Use Tax	62,068.45
Nebraska Machinery	ST / Brake Repair	381.99
Nebraska State Historical Society	LB / Membership	32.00

O'Hare Lindsay and Associates	Monthly Lobbying Services	1,000.00
Oliver Consulting Services	LB / Computer / Software Repair	682.50
Omaha Slings Inc	WR / Pipe Lifting Sling	270.21
One Call Concepts, Inc.	Locate Fees	37.74
Oriental Trading Co	LB / Supplies	15.97
Overton Sand & Gravel Co	EL / Solar Project	2,160.98
Paper Tiger	City / Shredding	35.00
Paulsen Inc	PK / WR / Sand / Gravel	187.34
Peplitsch, Joe	City / Conference Meals	288.27
Platte Valley Auto Mart	PD / Vehicle / Maintenance	32,698.09
Platte Valley Communications	FD/PD/WR/Mo Svc/Well Control/Locks	2,318.69
Platte Valley Excavating Inc	ST/NW 5th Addition/Load & Deliver Dirt	13,980.00
Plum Creek Market Place	GGC / Produce	41.18
Principal	Dental Premium	3,328.51
Rasmussen Mechanical Services Inc	LB / Mechanical Services Contract	1,265.00
Recorded Books Inc	LB / Books	675.41
Regional Books Inc	LB / Books	428.05
RuralMED Management Resources	GGC / Foot Clinic	155.00
Smith, Steve	City/Conference Meals/Mileage/Parking	239.59
Service Master of Mid Nebraska	Janitorial Services	4,174.47
Standard Insurance Company	Life Insurance Premiums	923.62
Statewide Collections	Utility Collections	22.46
Sterling West	PK / Rubber Mulch	2,509.00
Subway @ Walmart	Civil Service Meeting Lunch	46.40
Team Detail	DV SRV / Detailing	262.00
Terryberry	PD / Service Award	606.99
Thalman, Julie / Precision Detail	FD / Cleaning	240.00
The Thompson Co	GGC / Food / Supplies	2,033.48
Titan Machinery	ST / Hardware / Vehicle Repair	839.88
T O Haas Tire Co Inc	WWTP / Tire Replacement	320.61
USA Communications	City Internet Services	345.60
U-Save Business Equipment	City / GGC / St / Office Supplies	328.18
Village Uniform	GGC / Supplies	50.84
VSP / Vision Service Plan	Vision Premium	946.31
Walmart Stores Inc	City / LB / Office Supplies	173.37
Weathercraft Companies	OC / Roof Repair	256.00
21EIGHTY	LB / Domain Contract	119.40
AFLAC	Premiums	1,318.05
Anderson, Lydia / Anderson Graphics	LB / Monthly Hosting Charges	65.00
Bob's True Value	WWTP / Hardware	6.58
Brecks, Bill	DV SRV/ICC Conference/Mileage/Meals	508.45
Central Hydraulic Co	ST / Snow Plow Cutting Edges	1,731.58
Community Development Agency	TIF / CDA / Commerce Road Drive	15,250.00
Davis Energy	ST / Fuel	1,674.09
Dawson County Court	Court Costs	49.00
Eilers Machine and Welding Inc	PK / Trailer Repair	618.42
GIS Workshop	Web GIS Site Subscription	1,800.00
Government Finance Officers Assn	Membership	190.00
Hach Co	WWTP / Testing Supplies	143.34
Holbein Lawn Service	ST / Sidewalk Snow Removal	175.00
Intellicom	Computer Services	1,797.25
Kohl Welding	AC / Vacuum / Replace Fittings	158.00
Lexington, City Payroll Account: Payroll	Wages	131,545.72

Social Security	Employer Portion / FICA Med	9,763.99
Union Bank & Trust	Employer Portion / Pension	4,364.13
Union Bank & Trust	Police Pension	2,567.54
ICMA	City Manager Pension	870.93
Lexington Newspapers Inc	Notices/Minutes/Seasonal Help	333.59
Martin Electric	WWTP / Ballast / Replacement Parts	233.95
Nebraska Public Power District	Power Purchase	1,009,600.61
Nebraska Technology & Telecom	Phone Service	1,417.60
Nebraskaland Tire Inc	PK / Tire Repair	19.83
NebraskaLink	LB / Internet Service	15.00
Overton Sand & Gravel Co	WR / Gravel / NW 5th Addition	464.12
Paulsen Inc	WR / Gravel / NW 5th Addition	96.84
Sterling West	PK / Chain / Toddler Swing Set	675.00
Tri-City Tribune	PK / Youth Baseball Ad	231.00
Walmart	PD / ST / Office Supplies	271.84
	<b>TOTAL CLAIMS:</b>	<b>2,033,406.20</b>

**PUBLIC HEARING:** Mayor Fagot opened a public hearing to consider a proposed redevelopment plan amendment for Redevelopment Area #5. Peplitsch reviewed a cost benefit analysis for a 3-phase housing development in the Southwest First Addition. He noted the CDA and Planning Commission have both recommend approval of the proposed plan amendment. The public hearing was closed. Following discussion, Resolution No. 2017-09 was presented. Moved by Salem, seconded by Vivas, to approve Resolution No. 2017-09. Roll call. Voting “aye” were Roberts, Smith, Vivas, Salem, Fagot. Motion carried.

#### **RESOLUTION NO. 2017-09**

#### **A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA APPROVING AN AMENDED REDEVELOPMENT PLAN 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 Exhibit A 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 “Community Development Agency”) has prepared an Amended Redevelopment Plan (the “Redevelopment Plan”), in the form attached hereto as Exhibit B, 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 (c) 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.

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 in its sole and absolute discretion.

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 for a period of 15 years after the effective dates for such division as provided in a redevelopment contract and amendments thereto, related to the Plan, as provided in Section 18-2147 of the Act. 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 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 14<sup>th</sup> day of March, 2017.**

**PUBLIC HEARING:** Mayor Fagot opened a public hearing to consider the annexation of the Beans 2<sup>nd</sup> Subdivision. Peplitsch noted the owners, the Beans Family Estate and the City, are requesting the annexation of the new subdivision, and the Planning Commission has recommended approval. The public hearing was closed. Following discussion, Resolution No. 2017-10 was presented. Moved by Roberts, seconded by Smith, to approve Resolution No. 2017-10. Roll call. Voting “aye” were Vivas, Salem, Smith, Roberts, Fagot. Motion carried.

**RESOLUTION NO. 2017-10**

**BEANS 2ND SUBDIVISION  
ANNEXATION**

**BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA, AS FOLLOWS:**

That the BEANS 2ND SUBDIVISION, being a part of the Southwest Quarter of Section 8, Township 9 North, Range 21 West of the Sixth Principal Meridian, Dawson County, Nebraska, shall be included within the corporate limits of the City and become a part of the City for all purposes whatsoever and the inhabitants of the Subdivision shall be entitled to all the rights and privileges and be subject to all the laws, ordinances, rules and regulations of the City.

**PASSED AND APPROVED this 14<sup>th</sup> day of March, 2017.**

**ONE & SIX YEAR STREET PLAN:** Mayor Fagot opened a public hearing to receive comments on the 2017 1&6 Year Street Improvement plan. Following discussion, the public hearing was closed. Resolution No. 2017-11 was presented. Moved by Smith, seconded by Salem, to approve Resolution No. 2017-11. Roll call. Voting “aye” were Vivas, Roberts, Salem, Smith, Fagot. Motion carried.

**RESOLUTION OF ADOPTION 2017-11**

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:

Approved as presented

**Date: March 14, 2017.**

**PURCHASE AGREEMENT:** Peplitsch reviewed a purchase agreement for property at 611 South Adams Street. He noted the property is being purchased for future development options abutting the Southwest First Addition. Following discussion moved by Salem, seconded by Vivas, to approve the purchase agreement as presented and to authorize the execution of necessary documents. Voting “aye” were Roberts, Smith, Vivas, Salem, Fagot. Motion carried.

**ED PROGRAM:** Peplitsch reviewed an application to the Lexington Economic Development Program from the City of Lexington to utilize funds for the purchase of property at 611 South Adams. He stated any proceeds realized from the future sale or disposition of the property would be returned to the program.

Following discussion, moved by Roberts, seconded by Salem, to approve the application and authorize the City Manager to use the funds for development property purchase. Roll call. Voting "aye" were Vivas, Smith, Salem, Roberts, Fagot. Motion carried.

**RESOLUTION:** Peplitsch reviewed a resolution authorizing the execution of a deed to convey property. He stated no comments had been received during the remonstrance period for the sale of lots to Peque Roofing Inc. Resolution No. 2017-12 was presented. Following discussion, moved by Vivas, seconded by Smith, to approve Resolution No. 2017-12. Roll call. Voting "aye" were Roberts, Salem, Smith, Vivas, Fagot. Motion carried.

#### **RESOLUTION NO. 2017-12**

WHEREAS, the City has by Ordinance No. 2386 approved the sale of the following described real estate owned by the City of Lexington, to-wit:

The East 5 feet of Lot 11 and all of Lot 12, Block 5, J.L. May's Addition to the City of Lexington, Dawson County, Nebraska, and the North One-Half of Lots 1 & 2, Block 6, J.L. May's Addition to the City of Lexington, Dawson County, Nebraska.

WHEREAS, Notice of such Ordinance has been duly published and the time for remonstrance has passed, and no petition against such sale has been filed.

BE IT THEREFORE RESOLVED by the Council and President of the Council of the City of Lexington, Nebraska, that Joe Peplitsch, as City Manager, is hereby directed and authorized on behalf of the City to execute a deed, and other necessary documents, in order to convey the above described property to PEQUE ROOFING, INC., a Nebraska Corporation, the purchaser thereof, in accordance with the terms and conditions for such sale as set forth in Ordinance No. 2386.

#### **PASSED AND APPROVED March 14, 2017**

**PAY REQUEST:** Peplitsch reviewed Pay Request #1 for the Dawson County Opportunity Center Incubator Space project from TFC Services in the amount of \$78,987.60. Following an update of the project, moved by Roberts, seconded by Salem, to approve Pay Request #1 as presented. Roll call. Voting "aye" were Vivas, Smith, Salem, Roberts, Fagot. Motion carried.

**ROUNDTABLE:** Peplitsch reviewed current projects and stated he will send potential dates for a work session.

**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.

---

City Clerk