

**CITY OF LEXINGTON
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, July 24, 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, KRVN Radio 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 7-10-2012 Minutes of the Regular meeting held Tuesday, July 10, 2012, were presented for Council approval. Moved by Bennett, seconded by Tomasek, to approve Minutes as presented. Roll Call. Voting “aye” were Miller, Salem, Tomasek, Bennett, Fagot. Motion carried.

CLAIMS & BILLS: Claims and Bills in the amount of \$1,675,115.70 were presented for Council’s consideration and approval. Upon review of the Claims and Bills as listed, moved by Miller, seconded by Tomasek, to approve the Claims and Bills as listed, and authorize the City Treasurer to transfer \$295,109.40 from the General Fund, \$1,324,989.40 from LEXUS, \$29,215.48 from Sanitation, \$4,918.05 from Landfill, \$5,846.63 from Ambulance Fund, \$10,755.51 from Health Fund, and \$4,281.23 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Bennett, Salem, Tomasek, Miller, Fagot. Motion carried.

CITY OF LEXINGTON
ACCOUNTS PAYABLE
July 24, 2012

AFLAC	Premium	1,277.30
Alamar Uniform Co	Police Uniform Expense	43.29
All-American Sewer & Drain Cleaning	SW Service	150.00
Anderson Graphics	Library Service	64.50
Aqua-Tronics, Inc.	Repair Cable Fault Locator	817.22
Axis Capital, Inc.	Mail Machine Payment	840.00
Bob's Auto Repair & Service, Inc.	WWTP Vehicle Repair	120.00
Business Card		
Holiday Inn	Police Conference	231.00
SQ*Ear Gems	Ear Plugs	86.00
U-Stop	Fuel	40.00
PaintStore	Brushes / Strainers	233.96
Sprinkler Warehouse Sales	Sprinklers / Parts	419.28

Double Radius	Antenna's	283.86
Cash-Wa Distributing	Food & Supplies	4,514.48
Center Point Large Print	Library Books	85.08
Central Community College	CPR for Firemen	94.00
Central Garage Fund	Service / Repair	2,480.02
Coca Cola/Dr Pepper Bottling of Kearney	Beverages	450.80
Conney Safety Products	ST Supplies	290.08
Consolidated Management Company	Meals at Police School	139.50
Copper, Michael	Yard Clean-up	150.00
Dan's Sanitation, Inc.	Sanitation Fees	2,051.10
Dash Medical Gloves, Inc.	Police Supplies	149.80
Data-Pac Mailing Systems	Postage	1,500.00
Davis Energy, Inc.	Fuel / LFAC Supplies	3,702.82
Dawson Public Power District	Power Purchase	5,912.90
Dell Marketing L P	GGC Computer Supplies	189.99
Designer Craft Woodworking, Inc.	Police Casework / Upper Cabinets	14,827.00
Electric Fixture & Supply	Muni Bldg Supplies	64.50
EMS Billing Services, Inc.	Ambulance Billing Service	1,556.79
Eustis Body Shop, Inc.	GGC Vehicle Repair	95.13
Exchange Bank	Copier Payments	1,195.44
Fagot Refrigeration & Electric	LFAC / WR Repairs	92.48
Farmer Brothers Coffee	Food	233.46
Fed Ex	Police Freight Chgs	101.19
Fifth Street Automotive, Inc.	Fire Truck Repair	35.50
Fisher Scientific	WWTP Testing Supplies	114.95
Five Star Flooring	Police Dept Flooring	4,221.53
Fox Bros Hay Co., Inc.	Wood Grinding	5,793.75
FYR-TEK, Inc.	Fire Dept Supplies	175.56
Gale Group, The	Library Books	44.83
Gnirk Lawn Care, Inc.	Ground Sterilant	1,106.20
Gonzalez, Hansel	Mileage to School	99.90
Great Western Bank-Lib. Petty Cash	Postage / Stamps / Meals	62.04
Health Claims Fund	Claims	5,187.71
Holbein, Dahlas D.	Fire Dept Maint/Cleaning Service	1,000.00
Ingram Library Services	Library Books	183.10
Johnstone Supply	DC Opp Ctr/Muni Bldg Supplies	502.36
Kinney, Joel	Mileage to School	99.90
Kirk's Trenching and Septic Service	WWTP Service	1,050.00
Lexington Newspapers, Inc.	Publications	501.35
Lexington Volunteer Fire Dept	Ambulance Fees	2,972.21
Lien, Inc.	Library Sprinkler Repair	280.98
M & J Signs	WWTP Antenna Install	416.05
Mead Lumber & Rental-Lexington	Muni Bldg/Cem/WWTP Supplies	279.98
Milco Environmental Services	WR Analysis/Landfill Disposal	4,918.05
Miller & Associates, Inc.	SW Corridor/Greater Lex Addn/Stormwater Svcs	186.00
Moore Medical LLC	Ambulance Supplies	561.22
Mr. Automotive	Police Vehicle Parts	13.86
National Pen Company	Library Supplies	118.80
Nebraska Bureau of Animal Industry	License Fee	150.00
Nebraska Crane, Inc.	Crane Rental	1,590.00
Nebraska Public Power District	Power Purchase	1,140,810.75
Nebraska State Treasurer	Unclaimed Property	465.16
OCLC, Inc.	Library Subscription	24.28
Oliver Consulting Services, Inc.	Library Computer Service	180.00
Overton Community Center	Meals On Wheels	100.00
Overton Sand & Gravel	White Rock	170.77

Platte Valley Auto Mart, Inc.	Central Garage Supplies	120.12
Platte Valley Communications of Kearney	Mo Maintenance	90.00
Plum Creek Market Place	Food	82.60
QA Balance Services	WWTP Testing Supplies	125.00
Regional Books, Inc.	Library Books	19.62
Roberts Dairy Company	Beverages & Food	374.06
S & W Auto Parts, Inc.	CG/WWTP/Cem/ST/Police	551.03
Schwan's Sales Ent	Food	72.52
Service Master Mid Nebraska	Cleaning Service	4,969.75
Sterling West	PK Supplies	239.85
T.O. Haas Tire Co., Inc.	PK / Rec Supplies / Repair	34.44
TASC - Client Invoices	Fees	174.65
Team Detail & Quicklube	Car Washes	50.00
Thompson Co., The	Food & Supplies	887.09
Titan Access Account (Case Credit)	Central Garage / WWTP Supplies	839.60
Tyler Technologies, Inc.	Annual Software Maintenance	11,298.00
U-Save Business Equipment	Postage/UPS/Library Supplies	158.12
Unisan Products	Rec Supplies	311.56
Utility Service Co., Inc.	WR Tower Maintenance	26,211.04
Village Uniform	GGC Service / LFAC Supplies	70.70
Walmart	Supplies	767.83
Arbor Day Foundation	Membership Dues	15.00
Business Card		
Rocket Lawyer	Forms	299.95
Logmein	Software	299.00
Service Fees	Fees	10.96
Card Center/Orscheln	PK/ST/WWTP/LFAC/WR Spls	620.26
Cash-Wa Distributing	Food & Supplies	19.43
Central Contracting Corp.	DC Opportunity Center - Phase III	47,087.35
Coca Cola/Dr Pepper Bottling of Kearney	Beverages	411.60
Consolidated Management Company	Meals at Police School	176.50
Dan's Sanitation, Inc.	Sanitation Fees	29,215.48
Dutton-Lainson Company	EL Meters / Supplies	807.62
Eustis Body Shop, Inc.	Towing Expense	245.00
Fastenal	ST Supplies	215.63
Great Western Bank-City Petty Cash	Postage/Food/Fuel/Carwash/Vehicle	
	Licensing/Cable	87.56
Hach Company	WWTP Testing Supplies	76.00
Health Claims Fund	Claims	4,115.85
In The Swim	LFAC Supplies	397.93
Ingram Library Services	Library Books	281.07
Jakes Toro Sprinklers	Sprinkler Repair	1,908.40
JEO Consulting Group, Inc.	Park Plan PJ	3,731.50
Jerry Baker	Library Book	37.75
Lexington Girls Fast Pitch Association	St Softball Tourney-Support Personnel	1,000.00
Lexington Newspapers, Inc.	Publications	480.67
Lexington Utilities System	Utilities	41,158.96
Lexington, City of	Franchise Fees	77,441.38
Lexington City Payroll Account		
Payroll	Wages	149,672.93
Social Security	Employer Portion / FICA Med	11,093.20
Union Bank & Trust	Employer Portion / Pension	3,865.41
Union Bank & Trust	Police Pension	1,834.03
ICMA	City Manager Pension	463.85

Matheson Tri-Gas, Inc.	Ambulance Supplies	52.81
MC 2, Inc.	WWTP UV Ballasts	2,184.47
Mead Lumber & Rental-Lexington	Muni Bldg / Bldg Insp Supplies	20.76
Midland Scientific, Inc.	WWTP Testing Supplies	550.80
Miller & Associates, Inc.	Muni Well #12 Relining PJ	744.60
Nebraska Dept of Roads	Jackson ST Prelim Improvements	19,936.74
Nebraska Dept of Health & Human	Services UTL Refund	3,686.81
Paulsen, Inc.	Concrete	1,275.86
Pepplitsch, Joe	Meals	51.82
Platte Valley Communications of Kearney	ST Radio Repair	35.00
Plum Creek Promotions	ST Softball Tournament Shirts	2,129.95
Progressive Business Publications	Subscription	230.00
Schwan's Sales Ent	Food	51.55
Sign Pro	DTR II / Secret Fashion Deals	635.00
Titan Access Account (Case Credit)	WWTP Repair	248.54
Tri-City Tribune	Subscription	29.50
Verizon Wireless	Cellphone Service	366.03
Walmart	Supplies	94.38
Wilson Bohannon Padlock Co., The	ST Supplies	273.47
	TOTAL CLAIMS:	1,675,115.70

SE BUSINESS PARK:

Pepplitsch reviewed bids received for the SE Business Park Improvement project. He noted Blessing Construction was the apparent low bidder with a bid of \$1,130,531.01, and concurrence of award would need to be gained from EDA. Following discussion, moved by Tomasek, seconded by Bennett, to accept the bids as presented, to award a contract to Blessing Construction contingent upon EDA concurrence, and authorize the execution of necessary project documents. Roll call. Voting "aye" were Miller, Salem, Bennett, Tomasek, Fagot. Motion carried.

RESOLUTION:

Resolution No. 2012-14 was presented. Following discussion, moved by Salem, seconded by Miller, to approve Resolution No. 2012-14. Roll call. Voting "aye" were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

RESOLUTION NO. 2012-14

WHEREAS, CITY OF LEXINGTON is submitting an application for 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 is committing \$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; and

WHEREAS, Lexington Regional Health Center is the recipient for the initial 0% interest loan for ten years, and with a deferred initial payment, for telemedicine technology upgrades to improve the provision of rural health care, retain jobs, and attract new jobs and investment to the Lexington, Nebraska area; and

WHEREAS, CITY OF LEXINGTON is an eligible Rural Utility Service borrower and is therefore eligible to participate in the Rural Economic Development Grant & Loan Program and has legal authority under its Charter

to enter into a grant agreement in accordance with the provisions of 7 CFR Part 4280.

NOW, THEREFORE BE IT RESOLVED, that the City Council agrees to the provisions of the USDA regulations including all subparts of the Grant agreement and authorizes the City Manager to represent the city on all commitments and management of the application;

BE IT FURTHER RESOLVED, that the City Council does hereby certify that the project does not violate 4280.27 regarding ineligible purposes and 4280.30 regarding restrictions on the uses of REDG and REDL funds of 7 CFR Part 4280 and that there is not conflict of interest, potential conflict of interest, or appearance of a conflict of interest known by the City of Lexington; and,

BE IT FURTHER RESOLVED, that the City Manager and/or City Treasurer be empowered and authorized to requisition grant funds under the program; and,

BE IT FURTHER RESOLVED, that the City Manager be authorized to execute and deliver on behalf of the City of Lexington the certification Form AD-109, regarding a drug-free workplace program; and

BE IT FURTHER RESOLVED, that the appropriate staff be authorized and directed to prepare and execute the necessary documents and certifications in order to carry out the intent of this resolution, subject to review and approval of Rural Business and Cooperative Development Service loan documents by the City of Lexington or its agent, and further subject to other governing documents deemed necessary by the City of Lexington or its agent at their sole discretion, with such documents prepared by counsel.

PASSED AND APPROVED this 24th day of July, 2012.

CITY OF LEXINGTON, NEBRASKA

BY: John Fagot, Mayor

ATTEST: Pamela Berke, City Clerk

MANAGER APPLICATION: Pepplitsch reviewed a manager application for Liquor License #B-13010, Bosselman's Pump & Pantry Inc. Brian Fausch has been named manager for the local store. Moved by Miller, seconded by Salem, to recommend approval of the application as presented. Roll call. Voting "aye" were Bennett, Tomasek, Salem, Miller, Fagot. Motion carried.

MOU: Pepplitsch reviewed a Memorandum of Understanding (MOU) between the Orthman Investments LLC, CDA, and the City for the development of real property and the construction of a manufacturing building in Redevelopment Area #1. The MOU would allow Orthman to begin to incur reimbursable project costs while a redevelopment contract with tax increment financing is considered. Following discussion, moved by Tomasek, seconded by Bennett, to approve the MOU as presented. Roll call. Voting "aye" were Miller, Salem, Bennett, Tomasek, Fagot. Motion carried.

RESOLUTION: Resolution No. 2012-15 was presented. Following discussion, moved by Miller, seconded by Tomasek, to approve Resolution No. 2012-15 as presented. Roll call. Voting "aye" were Bennett, Salem, Tomasek, Miller, Fagot. Motion carried.

RESOLUTION NO. 2012-15

WHEREAS, the Lexington Airport Authority has requested an allocation of a part of the City of Lexington property tax levy for budget purposes.

BE IT RESOLVED, by the Mayor and Council of the City of Lexington, Nebraska, that \$120,000.00 of the City of Lexington Property Tax Levy Authority is hereby allocated to the Lexington Airport Authority for the fiscal year 2012-2013.

Passed and approved this 24th day of July 2012.

CITY OF LEXINGTON, NEBRASKA

BY: John Fagot, Mayor

ATTEST: Pamela Berke, City Clerk

FINANCIAL REPORT:

Pepplitsch presented a financial report for June 2012. Following discussion, moved by Salem, seconded by Miller, to approve the financial report as presented. Roll call. Voting "aye" were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

ROUNDTABLE DISCUSSION:

Pepplitsch reported that the electric and water systems are keeping up with the demand from the current weather. He also noted that budget discussions with the council will begin in August with the budget hearing scheduled for September 11, 2012.

Burnside gave an update on the current road construction projects.

Hodges noted that statutory vesting changes to the police pension plan will be a future agenda item.

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