

**CITY OF LEXINGTON
LEXINGTON, NEBRASKA**

A Regular Meeting of the Lexington City Council was held Tuesday, July 13, 2010, at the Lexington Municipal Building, located at 406 E. 7th Street, Lexington, Nebraska at 5:30 p.m. Members of the Council present were Mayor 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 Mills and Deputy City Clerk Pamela Berke. The press was represented by the Kearney Hub, Lexington Clipper-Herald, and KRVN. Also in attendance were Dana Daniels – Miller & Associates, Deb Jensen – Dawson Area Development, Austin Thornburg, Dale Mooberry, Leo Marin, Juan Rodriguez, and Victor Diaz.

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 6-22-10 Minutes of the Regular meeting held Tuesday, June 22, 2010, were presented for Council approval. Moved by Salem, seconded by Miller, to approve Minutes as presented. Roll Call. Voting “aye” were Tomasek, Bennett, Miller, Salem, Fagot. Motion carried.

MINUTES – PLANNING SESSION 6-26-10 Minutes of the Planning Session held Saturday, June 26, 2010, 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 \$2,274,989.29 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 \$417,505.68 from the General Fund, \$77,025.17 from Economic Development, \$14,852.91 from TIF, \$8,209.17 from ED Reuse, \$1,720,847.36 from LEXUS, \$10,000.00 from Sanitation, \$5,560.14 from Ambulance Fund, \$13,924.09 from Health Fund, and \$7,064.77 from Meals on Wheels to the City of Lexington’s Operating Account. Roll call. Voting “aye” were Miller, Bennett, Tomasek, Salem, Fagot. Motion carried.

**CITY OF LEXINGTON
ACCOUNTS PAYABLE
July 13, 2010**

Alamar Uniform Co.	Uniform Expense	5,913.60
American Cancer Society	St SB Tournament- Personnel	250.00
Anderson Graphics	Rec / Lib Supplies	198.50
Associated Supply Company, Inc.	Aquatic Center Supplies	736.12

Audio Editions	Books	49.29
Awards Unlimited	Rec Supplies	305.15
Axis Capital, Inc.	Mail Machine Pmt	915.00
B & D Office City	Time Cards	156.10
Bader's Highway & Street	Seal Cracks in ST	10,056.12
Baker & Taylor	Books	162.95
Bamford, Inc.	Sprinkler System Repair	236.22
Barco Municipal Products	ST Supplies	816.12
Barmore Drug Store, Inc.	Supplies	40.64
Bennett Advertising Specialties	St Softball Supplies	1,214.43
Beringer Ciaccio Dennell Mabrey	D C Opportunity Center-Phase II	8,389.50
Berke, David	Yard Clean-up	400.00
Bert Gurney & Associates, Inc.	WWTP Mechanical Seals	3,154.13
Better Homes And Gardens	Book	28.91
Card Center/Orscheln	ST / WWTP / Rec / WR Supplies	396.17
Cash-Wa Distributing	Food / Supplies	4,702.64
Central Community College	CPR Classes	810.00
Central Garage Fund	Fuel	9,819.95
Coca Cola/Dr. Pepper Bottling of Kearney	Beverages	1,628.00
Community Redevelopment Authority	CRA Land Purchase	14,852.91
Conney Safety Products	ST Supplies	91.89
Culligan Water Conditioning Co.	Soft Water Supplies	186.00
Dan's Sanitation	Sanitation Fees	13,760.00
Data-Pac Mailing Systems	Annual Meter Rental	900.00
Davis Energy, Inc.	Fuel / Propane	4,557.27
Dawson County Handibus	Transportation	50.00
Dawson County Treasurer	Annual GIS Mapping	3,500.00
Dawson Pest Control	GGC Service	35.00
Dawson Public Power District	Power Purchase	3,823.72
Dell Marketing L P	Video Equipment	679.15
Demco	Lib Supplies	103.15
Diamond Vogel Paint	PK Supplies	156.71
Eakes Office Plus	Lib Supplies	32.84
Electric Fixture & Supply	Aquatic Center / WWTP Supplies	54.60
Eustis Body Shop	Tow Charges	415.00
Fagot Refrigeration & Electric	AC / GGC Repair-Service	1,228.25
Farmer Brothers Coffee	Food & Supplies	187.83
Fastenal	WR Supplies	351.98
Fifth Street Automotive	Service	118.50
Fox Bros. Hay Co., Inc.	Tree Grinding	6,014.60
G & V Inc.	Haul Tree Grindings	2,070.00
Gale Group, The	Books	171.78
Garden, Lawn & Landscaping	Yard Clean-up	150.00
Gnirk Lawn Care, Inc.	Ground Sterilant	613.00
Gould, Stanley E.	Soccer Field Concession Bldg	1,067.40
Great Plains One-Call Service	Locates	20.96
HD Supply Waterworks	WR Supplies	1,514.06
Health Claims Fund	Claims	7,866.08
Holbein, Dahlas D.	Lawn Service / Yard Clean-up	640.00
Ingram Library Services	Books	847.20
John Deere Credit	WWTP Tractor Pmt	7,316.99
Johnson Service Company	SW Service	1,410.90
Jones Plumbing & Heating	AC/Rec Rep/GGC Svc/Heat Pumps	10,319.55
Kapco	Lib Supplies	72.64
Lexington Animal Clinic	Animal Care	678.00
Lexington Area Chamber of Commerce	Lib Supplies	35.00
Lexington Area Solid Waste Agency	Landfill	1,811.34

Lexington Girls Fast Pitch Association	St SB Tournament-Personnel	500.00
Lexington Health Fund	Self Funding	32,662.44
Lexington Newspapers, Inc.	Publications	286.36
Lexington Postmaster	Postage	150.00
Lexington, City of	Franchise Fees	96.15
Payroll	Wages	135,655.28
Social Security	Employer Portion / FICA Med	10,065.74
First National Bank	Employer Portion / Pension	3,504.60
First National Bank	Police Pension	1,622.26
ICMA	City Manager Pension	423.46
Linda's Stitches & Creations	Employee Shirts	2,505.28
Linden's Plumbing	Lib Repair	186.59
Linweld	Ambulance Supplies	70.00
Martin's Flag Company	Flags	503.29
McCookNet Internet Service	Service / Repair	224.00
Mead Lumber & Rental-Lexington	WWTP/PK/Rec/AC Supplies	507.09
Meritain Health	Premium	21,439.49
Miller & Associates	Spruce-Elm/CED/NW Add/FEMA	7,973.11
Mohawk USA	PK Supplies	217.81
Morris Press	GGC Supplies	73.00
Naumann, Sondra	Cleaning Service	168.00
Nebraska Amateur Softball Association	St Softball Tournament Fees	2,550.00
NE Dept of Economic Development	Mid Plains/Orthman's CDBG Pmts	8,209.17
NE Floodplain & Stormwater Mngrs Assoc.	Conference	40.00
Nebraska National Bank	Copier Pmts	1,195.44
Nebraska Public Power District	Power Purchase	1,033,263.91
Nebraska Public Power District	O & M	65,500.00
Nebraska Waste Handlers	Sludge Removal	6,570.00
Neopost	Postage	1,000.00
Northern Safety Co., Inc.	WWTP Supplies	289.49
Northern Tool & Equipment Co.	ST / WWTP Supplies	234.52
Overton Sand & Gravel	Road Gravel	631.10
Oxmoor House	Book	36.91
Paulsen, Inc.	PK Supplies	473.40
Platte Valley Communication of Kearney	Maint / Repair	95.90
Plum Creek Market Place	Food & Supplies	281.39
Plum Creek Motors	Service	151.23
Plum Creek Promotions	St SB Tournament/Fun Run Shirts	4,341.22
Plum Creek Telephone	GGC Repair	75.00
Precision Industries	WWTP Supplies	180.50
Presto-X	Lib Service	88.00
Principal	Dental Premium	1,559.88
Quill Corporation	Lib Supplies	134.99
Rasmussen Mechanical Service, Inc.	Lib Service	1,404.58
Reliable Maintenance	Aquatic Center Supplies	193.65
Roberts Dairy Company	Beverages / Food	361.05
Rodale	Book	39.94
Schwan's Sales ENT	Food	180.36
Service Master Mid Nebraska	Cleaning Service	124.12
Source Gas, LLC	Gas Service	4,088.35
Sport Supply Group, Inc.	PK Supplies	189.40
Statewide Collections LLC	Collection Fees	375.27
Steve's Lock & Key	Lib Supplies	19.60
Subway Sandwiches & Salads	Food	83.76
Sund Investments LLC	Spec Bldg Lot #2 Industrial Track	77,025.17
T. O. Haas Tire Co., Inc.	Repair	28.70
Team Detail & Quicklube	Car Washes / Uniform Repair	97.96

Thompson Co., The	Food & Supplies	911.09
Total Lawn Care	Lawn Service	3,141.00
Tri-City Tribune	Publications	80.00
Tri-County Hospital	Wellness / Ambulance Supplies	297.00
U-Save Business Equipment	Lib/GGC/EL/AC Spls/Pstg/UPS	912.79
Verizon Wireless	Cellphone Service	132.32
Village Uniform	GGC Supplies	35.90
Wal-Mart	Supplies	305.94
Western Engineering Company, Inc.	ST Patch	1,381.05
Wolf, Tracy	Conference	178.00
A C Technologies, LLC	Lib Repair	450.00
All Points Cooperative	Fuel / Weed Spray	1,013.71
Better Homes and Gardens	Book	31.91
Bibliographical Center for Research	Subscription	22.51
Card Center/Orscheln	Central Garage / Fire / ST Supplies	363.69
Case Credit Advantage	Central Garage Supplies	112.54
Cash-Wa Distributing	Food & Supplies	1,560.49
Central Garage Fund	Repair / Service	7,769.88
Data-Pac Mailing Systems	Postage	1,500.00
Davis Energy, Inc.	Central Garage Supplies	732.67
Eakes Office Plus	Lib Supplies	26.99
Easy Dinners Healthy Recipes	Book	30.93
Eilers Machine & Welding	Central Garage Supplies	45.20
Electric Fixture & Supply	EL Supplies	214.62
EMS Billing Services, Inc.	Ambulance Service	1,465.92
Fagot Refrigeration & Electric	WR Service / Repair	110.00
Farm Plan (Landmark Implement)	Central Garage Supplies	774.41
Fastenal	SW Supplies	20.20
Flynn, Jeff	Rain Gear	53.45
Garden, Lawn & Landscaping	Yard Clean-up	250.00
Gnirk Lawn Care, Inc.	Ground Sterilant	1,510.93
Health Claims Fund	Claims	4,498.13
Ingram Library Services	Books	208.91
Knapp Electric	Lift Station Motor Repair	1,585.50
Lexington Newspapers	Publications	38.44
Lexington Volunteer Fire Dept.	Ambulance Fees	3,169.71
Payroll	Wages	135,361.30
Social Security	Employer Portion / FICA Med	10,039.04
First National Bank	Employer Portion / Pension	3,484.43
First National Bank	Police Pension	1,689.56
ICMA	City Manager Pension	423.46
Mac's Short Stop	Food & Supplies	678.86
Nebraska Department of Revenue	Sales & Use Tax	46,454.11
Nebraska Public Power District	Multiple Capital Projects	462,831.94
Nebraska Tech & Telecomm, Inc.	Telephone Expense	1,250.13
Nebraska Transport	Freight Chgs	486.45
Paulsen, Inc.	Concrete	3,096.57
Platte Valley Auto Mart	Central Garage Supplies	26.89
Platte Valley Comm. Of Kearney	Radio Repair / Service	1,560.16
Plum Creek Cleaners	Supplies	376.50
Plum Creek Market	Food & Supplies	53.49
Roberts Dairy Company	Beverages / Food	445.63
S & W Auto Parts, Inc.	Central Garage / WWTP Supplies	925.69
Schwan's Sales Ent	Food	38.47
Shultz, Betty	Cemetery Space Refund	87.50
Sund, Dennis	Boots	14.75
T. L. Sund Constructors, Inc.	Rec Supplies	9.50

T. O. Haas Tire Co., Inc.	Repair	165.90
Team Detail & Quicklube	Uniform Repair	15.00
Thompson Co., The	Food & Supplies	992.31
U-Save Business Equipment	Fire / ST Supplies / Postage	83.81
Van Diest Supply Company	Mosquito Control	1,224.00
Village Uniform	GGC Supplies	132.00
Wal-Mart	Supplies	74.26
	TOTAL CLAIMS:	2,274,989.29

PUBLIC HEARING:

Mayor Fagot opened a public hearing to discuss a grant application to the Downtown Revitalization Program. Deb Jensen, DAD, explained that the study portion of the program was completed, and the City was invited to apply for up to \$350,000.00 in grant funds for the project portion of the program. She outlined proposed improvements to include infrastructure, facades, property acquisition, demolition, and energy efficiency upgrades; and noted that the budget could be amended based upon project needs prior to project implementation. Pepplitsch noted that the City would be required to provide \$112,000 in matching funds, being a mixture of public and private dollars. Following discussion, the public hearing was closed.

Resolution No. 2010-14 was presented for Council consideration. Moved by Salem, seconded by Miller, to approve Resolution No. 2010-14 as presented. Roll call. Voting “aye” were Bennett, Tomasek, Miller, Salem, Fagot. Motion carried.

RESOLUTION NO. 2010-14

RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR CDBG FUNDS

Whereas, the City of Lexington, Nebraska, is an eligible unit of a general local government authorized to file an application under the Housing and Community Development Act of 1974 as Amended for Small Cities Community Development Block Grant Program, and,

Whereas, the City of Lexington, Nebraska, has obtained its citizens’ comments on community development and housing needs; and has conducted a public hearing upon the proposed application and received favorable public comment respecting the application for an amount of \$350,000 for the implementation of a downtown revitalization project; and,

NOW, THEREFORE, BE IT RESOLVED BY

the Lexington City Council of the City of Lexington, that the President of said Council and City Manager be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between the City of Lexington and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

Signed: John Fagot
 President of the Lexington City Council
 Date: July 13, 2010

Signed: Joe Pepplitsch
 City Manager
 Date: July 13, 2010

ORDINANCE:

Ordinance No. 2283 entitled "AN ORDINANCE TO AMEND SECTION 3-6 OF THE LEXINGTON CITY CODE; TO PROVIDE FOR 2:00 A.M CLOSING HOURS FOR SALE OF ALCOHOLIC LIQUOR FOR CONSUMPTION ON THE PREMISES; TO REPEAL ORIGINAL SECTION 3-6, AND ALL OTHER ORDINANCES OR SECTIONS OF ORDINANCES IN CONFLICT HEREWITH; AND TO PROVIDE FOR AN EFFECTIVE DATE AND FOR PUBLICATION IN PAMPHLET FORM" was presented for Council consideration as requested by local business owners. Austin Thornburg, Leo Marin, Juan Rodriguez, and Dale Mooberry spoke in favor of the ordinance as this would provide an increased opportunity for business and additional tax revenue. Victor Diaz distributed statistical information from Project Extra Mile on alcohol use, spoke against the passage of the ordinance, and requested that a sunset clause be considered if the ordinance advances towards approval. Following discussion, the ordinance was read by title and no action was taken by the Council.

FRONTIER STREET:

Pepplitsch presented a development agreement with Wal-Mart for proposed street improvements on Frontier Street at the Highway 283 intersection. He explained the conceptual plan includes lane widening, turn radius expansion, and the relocation of traffic signal poles. He noted Wal-Mart agrees to contribute 25% of the cost of the project, up to \$50,000, contingent upon a completion date of October 2011. Following discussion, moved by Miller, seconded by Tomasek, to approve the development agreement and authorize the execution of necessary documents. Roll call. Voting "aye" were Salem, Bennett, Tomasek, Miller, Fagot. Motion carried.

WATER TOWERS:

Pepplitsch presented a proposal from Utility Services Co. Inc. for a maintenance program for the two local water towers. The proposed five year maintenance program includes interior and exterior painting of the towers, bi-annual cleaning and inspection, riser pipe rehabilitation, and vent cap upgrades. He noted that the program is an option to spread the pending maintenance costs out over five years, rather than having large expenditures over the next two years. Following review of the proposal and discussion, moved by Salem, seconded by Tomasek, to authorize the City Manager to enter into an agreement with Utility Services Co for a water tower maintenance program. Roll call. Voting "aye" were Miller, Bennett, Tomasek, Salem, Fagot. Motion carried.

PROGRAM ADMINISTRATOR:

Resolution No. 2010-15 was presented at the request of the Lexington Volunteer Fire Department. Moved by Salem, seconded by Miller, to approve Resolution No. 2010-15 as presented. Roll call. Voting "aye" were Tomasek, Bennett, Miller, Salem, Fagot. Motion carried.

RESOLUTION NO. 2010-15

WHEREAS, the Lexington Volunteer Fire Department has designated Kerry Teetor as the Certification Administrator for the LVFD Service Award Program.

BE IT RESOLVED by the Mayor and Council of the City of Lexington, Nebraska that Kerry Teetor is hereby approved and certified as the Certification Administrator for the LVFD Service Award Program.

Passed and Approved this 13th day of July 2010.

CITY OF LEXINGTON, NEBRASKA

BY: John Fagot, Mayor

ATTEST: Pam Berke, Deputy City Clerk

RESOLUTION:

Resolution No. 2010-16 was presented. Peplitsch noted that the utility service deposits had not been adjusted to coincide with average monthly utility costs over the last 15+ years, and increased deposits would help offset annual account write-offs. Following discussion, moved by Miller, seconded by Bennett, to approve Resolution No. 2010-16 as presented. Roll call. Voting "aye" were Salem, Tomasek, Bennett, Miller, Fagot. Motion carried.

RESOLUTION NO. 2010-16

A RESOLUTION SETTING UTILITY SERVICE DEPOSITS.

WHEREAS, the Lexington City Code Section 26A-3 authorizes the Lexington City Council to establish by Resolution Utility Service Deposits;

BE IT THEREFORE RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA, that the following Utility Service Deposits shall become effective on August 1, 2010:

1. Residential utility services -- \$150.00.
2. Commercial utility services -- as determined by the City Manager up to a maximum of \$2,000.00.
3. Industrial utility services -- as determined by the City Manager.

PASSED AND APPROVED this 13th day of July, 2010.

CITY OF LEXINGTON, NEBRASKA

John Fagot, Council President

ATTEST: Pamela Berke, Deputy City Clerk

PAY REQUEST:

Peplitsch presented Pay Request #3 from Paulsen Inc. for the Soccer Fields Facility Project in the amount of \$45,819.00. Following a project update, moved by Miller, seconded by Tomasek, to approve the pay request as presented. Roll call. Voting "aye" were Bennett, Salem, Tomasek, Miller, Fagot. Motion carried.

PAY REQUEST:

Peplitsch presented Pay Request #5 from Paulsen Inc. for the Municipal Building Renovation Project in the amount of \$94,605.062. Following a project update, moved by Salem, seconded by Bennett, to approve the pay request as presented. Roll call. Voting "aye" were Tomasek, Miller, Bennett, Salem, Fagot. Motion carried.

RESOLUTION:

Resolution No. 2010-17 was presented. Peplitsch noted that the resolution would authorize the City to borrow funds to pay for Paving District 09-02 Improvements to be paid back via special assessments. Following discussion, moved by Miller, seconded by Tomasek, to approve Resolution No. 2010-17 as presented. Roll call. Voting "aye" were Bennett, Salem, Tomasek, Miller, Fagot. Motion carried.

RESOLUTION 2010-17

A RESOLUTION AUTHORIZING THE CITY OF LEXINGTON TO OBTAIN FINANCING FOR INFRASTRUCTURE IMPROVEMENTS TO BE KNOWN AS IMPROVEMENT DISTRICT 09-02.

WHEREAS, the City of Lexington, Nebraska has entered into contracts for the construction of infrastructure (paving, sanitary sewer, storm sewer, water line) including amounts for contingency and engineering; and

WHEREAS, it is necessary and advisable for the City to borrow funds for the payment of such construction; and

WHEREAS, the City is authorized by law to borrow funds to pay the cost of capital additions.

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

1. That the City of Lexington, Nebraska is hereby authorized to contract for financing with Homestead Bank, Lexington Nebraska. The loan amount shall not exceed \$500,000.00.
2. That Joe Peplitsch, City Manager, is hereby directed and authorized, on behalf of the City of Lexington, Nebraska to execute all necessary documents.

Passed and approved this 13th day of July 2010.

City of Lexington, NEBRASKA

John Fagot, Mayor

ATTEST: Pamela Berke, Deputy City Clerk

PAY REQUEST:

Peplitsch presented Pay Request #2 from Simon Contractors for the Dawson County Opportunity Center Phase 2 in the amount of \$97,371.00. Following a project update, moved by Bennett, and seconded by Tomasek, to approve the pay requests as presented. Roll call. Voting "aye" were Salem, Miller, Tomasek, Bennett, Fagot. Motion carried.

ROUNDTABLE:

Peplitsch gave a brief update on current projects and noted that budget hearings will be scheduled soon. He also indicated that he would propose dates for a future planning session.

ADJOURNMENT:

There being no further business to come before the Council, Mayor Fagot declared the meeting adjourned.

John Fagot
Mayor

Pamela Berke
Deputy City Clerk

I, the undersigned Deputy 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.

Deputy City Clerk