

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 26, 2019- 7:00 P.M.**

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701

MINUTES

Ratification: A quorum was not available during the Secretary’s Report and Treasurer’s Report. The Secretary’s Report and Treasurer’s Report will be ratified at the July 31, 2019 meeting.

- I. Call to Order:** The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:02 p.m. by NED, Inc. President Tina Biteghe Bi Ndong. Tina Biteghe Bi Ndong informed the public about the location of the Open Meetings Act LB 898 and that it is accessible to the public.
- II. Roll Call:** NENEDD Administrative Assistant, Brittany O’Brien, read roll call.

Board Members Present:

Tina Biteghe Bi Ndong, President, West Point Chamber of Commerce
John F. Lohr, Vice President, City of Columbus
Mike Frank, Retired Northeast Community College

Board Members Absent:

Megan Weaver, Wayne Community Housing Development Corporation
Jerry Engdahl, Platte County
Brad Albers, Secretary/Treasurer, Business Owner
Shannon Stuchlik, City of Pierce

Others Present:

Thomas L. Higginbotham, NENEDD
Tina Engelbart, NENEDD
Kristen Rosner, NENEDD
Brittany O’Brien, NENEDD
Jeff Christensen, NENEDD
Judy Joy, NENEDD
Jan Merrill, NENEDD
Lowell Schroeder, NENEDD
Dick Pfeil, Chairman, Norfolk City Council
Jim McCarville, Northeast Community College
Dan Kathol, City of Hartington
Judy Mutzenberger, Cuming County
Christian Ohl, Madison County Commissioner
Glen Ellis, City of Fremont
Loren Kucera, Nebraska Business Development Center (NBDC), Wayne
Greta Kraemer, NENEDD Council of Officials, Dixon County

- III. Introduction of Guests:** NED, Inc. President Tina Biteghe Bi Ndong asked everyone attending the meeting to introduce themselves to the group.
- IV. Secretary’s Report**

- A. Consideration for approval of June 26, 2019 Agenda amended with the removal of Action Item E and May 29, 2019 meeting minutes:** NENEDD Administrative Assistant Brittany O'Brien, presented. Mike Frank made a motion to approve the June 26, 2019 agenda, as amended, and the May 29, 2019 meeting minutes. John F. Lohr seconded the motion. **AYES:** Mike Frank, Tina Biteghe Bi Ndong, John F. Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Brad Albers, Jerry Engdahl and Megan Weaver. Motion carried.

V. Treasurer's Report

- A. Consideration for acceptance of the May 2019 Treasurer's Report:** NENEDD Fiscal Officer Kristen Rosner presented the report. John F. Lohr made a motion to accept the May 2019 Treasurer's Report as presented. Mike Frank seconded the motion. **AYES:** Mike Frank, Tina Biteghe Bi Ndong, John F. Lohr. **NAYS:** None. **ABSENT:** Brad Albers, Shannon Stuchlik, Jerry Engdahl and Megan Weaver. Motion carried.

VI. Discussion Items

- A. 2019-2020 Meeting Dates and Locations & Annual Meeting Reminder:** NENEDD Executive Director Thomas Higginbotham presented. Thomas Higginbotham informed the board and guests of the upcoming Board Meeting dates and locations. He also reminded the board and guests of the 2018 – 2019 NENEDD and NED, Inc. Annual Meeting to be held on July 25, 2019 at The Stables.

***Brad Albers joined the meeting at 7:12 p.m. making a quorum for the meeting.**

VII. Action Items

- A. Consideration for approval of applicant #101547 for housing rehabilitation funds up to the amount of \$25,000:** NENEDD Housing Loan Specialist Judy Joy presented. The house under consideration is structurally sound, in good condition, and, after repairs, will meet or exceed all of the required Minimum Rehabilitation Standards. Therefore, it is deemed economically feasible for the Housing Rehabilitation Program. Funding will be provided by NED, Inc. Reuse. Brad Albers made a motion to approve applicant #101547 for housing rehabilitation funds up to the amount of \$25,000. John F. Lohr seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.
- B. Consideration for approval for down payment assistance applicant #101558 in the amount of \$30,000:** NENEDD Housing Loan Specialist Judy Joy presented. NENEDD staff has reviewed the application and is recommending approval for down payment assistance in the amount of \$30,000 for applicant #101558. Brad Albers made a motion to approve applicant #101558 for down payment assistance in the amount of \$30,000. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.
- C. Consideration for approval of an additional \$45,000 loan to CK Grill and Bar, LLC as presented and recommended by NENEDD staff and the Northeast RLF Committee:** NENEDD Business Loan Specialist Jeff Christiansen presented. CK Grill and Bar, LLC is requesting an additional \$45,000 from NED, Inc. to purchase equipment as they expand their business. Total project costs of the building purchase, cleaning/renovation, and equipment purchase is approximately \$133,500. Members of CK Grill and Bar, LLC include Kenny Kallenbach and Chelsea Kallenbach. NED, Inc.

recently closed a \$36,000 loan in December 2018. In April, NED, Inc. approved \$13,850 of disaster funding (0.00%) to purchase equipment that was damaged in the flood. Due to the short amount of time since financing the original purchase in December, NED, Inc. will roll the existing loan into the new financing loan. NED, Inc. will keep the \$13,850 disaster loan in place as a separate loan at 0.00%. NED, Inc. will lend an additional \$45,000 for the purchase of equipment for their expansion. As mentioned above, it will be combined with NED, Inc. loan #619007 which has a \$35,298.03 balance, for a total new loan of \$80,298.03. This loan will have a term of 15 years at an interest rate of 5.00% (fixed). The end result will have NED, Inc. filing a subordinate Deed of Trust on the existing and newly acquired business real estate and deed of trust on Kenny Kallenbach's personal residence in Butler County. Kenny & Chelsea will also each provide a personal guaranty and life insurance assignment for the amount of the loan. NED, Inc. will also subordinate its existing Deed of Trust and UCC filing on the disaster funds to Pinnacle Bank. Mike Frank made a motion to approve an additional \$45,000 loan to CK Grill and Bar, LLC as presented and recommended by NENEDD Staff and the Northeast RLF Committee. John F. Lohr seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

D. Consideration for approval of a \$28,530 loan to Maple Creek Publishing, LLC as presented and recommended by NENEDD staff and the Northeast RLF Committee: NENEDD Business Loan Specialist Jeff Christensen presented. NED, Inc. will lend \$28,530 for the repairs to the newspaper office and to replace furniture, fixtures, equipment, and fees. The loan includes the 1% (\$280) loan application fee and standard \$250 loan closing fee. NED, Inc.'s loan will have a term of 15 years at an interest rate of 0.00% (fixed). NED, Inc. will have a primary lien position on the business real estate located at 732 Main St. in North Bend and all business property owned by Maple Creek Publishing, LLC. NED, Inc. will require life insurance on Nathan Arneal for the amount of the loan for the life of the loan and a personal guaranty will be provided by Mr. Arneal. Brad Albers made a motion to approve a \$28,530 loan to Maple Creek Publishing, LLC as presented and recommended by NENEDD staff and the Northeast RLF Committee. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

E. Action Item E was removed from the agenda.

F. Consideration to adopt the 2019-2020 NED, Inc. budget as recommended by the Budget Committee: NENEDD Executive Director Thomas L. Higginbotham Jr. presented. June 20, 2019 at 9:00 a.m., the NED, Inc. Budget committee, comprised of John F. Lohr, Brad Albers, and Jerry Engdahl, met via conference call to review the proposed Annual budget. Each line item was discussed in detail. The committee recommends approval of the proposed 2019-2020 Annual budget as presented. Mike Frank made a motion to adopt the 2019-2020 NED, Inc. budget as recommended by the Budget Committee. John F. Lohr seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

G. Consideration for approval of proposed amendments to the NED, Inc. Administrative Procedures: NENEDD Deputy Director Tina Engelbart presented. The following amendments were proposed: Remove the term "Independent Consultant" in the

Section 1 Authority, A. General, and throughout the entire document; Remove Fiscal Officer from the delegation section as this is not consistent with the NENEDD Personnel Policies & Procedures Manual; and add additional signator for checks. Last fall the board expressed concerns about using the same auditor for multiple years in a row. The following provides the intent of the procurement process: It is intended that the auditing firms selected may not be contracted for more than two consecutive procurement periods (six years total). The sentence, "These programs include, but are not limited to, new construction, owner occupied rehabilitation, down payment assistance and nuisance abatement," Will be removed from section IX. News Blasts, A. Usage, so the procedures don't need amended when a program is added or no longer offered. John F. Lohr made a motion to approve the proposed amendments to the NED, Inc. Administrative Procedures. Brad Albers seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

- H. Consideration for approval of proposed amendments to the NED, Inc. By-laws:** NENEDD Deputy Director Tina Engelbart presented. The following amendments were proposed: Add language to clarify when vacancies can be voted on by the board of directors; Add additional signator for checks as was done in the Administrative Procedures and clean up language. Brad Albers made a motion to approve the proposed amendments to the NED, Inc. By-laws. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.
- I. Nomination and Election of 2019-2020 Board of Directors:** NENEDD Executive Director Thomas L. Higginbotham Jr. presented. The nominating committee, comprised of John F. Lohr, Brad Albers, and Jerry Engdahl, met via conference call and made the following recommendations: Jim McCarville, Northeast Community College (1st Term to end 6/30/2022), Brad Albers, Non-Elected Business Owner (2nd Term to end 6/30/2022), Megan Weaver, Wakefield Progressive, Inc. (2nd Term to end 6/30/2022). Mike Frank made a motion to elect the individuals as presented to the Northeast Economic Development Inc. Board of Directors for a three-year term. John F. Lohr seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.
- J. Nomination and Election of 2019-2020 Officers:** NENEDD Executive Director Thomas L. Higginbotham Jr. presented. The nominating committee, comprised of John F. Lohr, Brad Albers, and Jerry Engdahl, met via conference call and made the following recommendations: President – John F. Lohr, City of Columbus, Vice President – Brad Albers, Business Owner, and Secretary/Treasurer – Jim McCarville, Northeast Community College. Mike Frank made a motion to elect the NED, Inc. Officers for 2019-2020 as presented. John F. Lohr seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.
- K. Consideration to approve the reappointment of Troy Weyhrich and Jan Wietfeld to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee as recommended by NENEDD staff:** NENEDD Business Loan Specialist Jeff Christiansen presented. The Northeast RLF Committee has nine members; each with a three-year rotating term. The terms of Troy Weyhrich and Jan Wietfeld are due for renewal. Both of them have agreed to stay on for another three-year term. Troy is the owner of Renegade

Stores in Norfolk and Sioux Falls, SD. Jan is a Loan Officer at Citizens State Bank in Leigh. Brad Albers made a motion to appoint Troy Weyhrich and Jan Wietfield to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee as recommended by NENEDD staff. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

L. Consideration to approve the General Corporate Resolution as Presented: NENEDD Fiscal Officer Kristen Rosner presented. This is the general corporate resolution stating who is authorized to sign documents. Most often this document is used when working with the life insurance companies for business loan clients. This resolution was suggested and reviewed by attorney Michael Brogan. Brad Albers made a motion to approve the general corporate resolution as presented. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

M. Consideration for approval of the corporate resolutions with BankFirst, Pinnacle Bank, Security Bank, Midwest Bank and Elkhorn Valley Bank: NENEDD Fiscal Officer Kristen Rosner presented. With the change in officers effective July 1, 2019, the Board of Directors need to approve who can sign on NED, Inc.'s bank accounts and certificates of deposit. The resolutions will be for the following banks: BankFirst, Midwest Bank, Pinnacle Bank, Security Bank and Elkhorn Valley Bank. The signors on the accounts will be the President, Vice President, Secretary/Treasurer, Executive Director and Deputy Director. Brad Albers made a motion to approve the corporate resolutions with BankFirst, Pinnacle Bank, Security Bank, Midwest Bank and Elkhorn Valley Bank. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver.

VIII. President/Board Comments: None

IX. Next Meeting Date: The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, July 31st, 2019 at 7:00 p.m. The meeting will be held at the Historic Hartington Hotel, 202 N Broadway, Hartington, NE 68739

X. Adjournment: Brad Albers made a motion to adjourn the meeting. Mike Frank seconded the motion. **AYES:** Brad Albers, Tina Biteghe Bi Ndong, Loren Kucera, and John Lohr. **NAYS:** None. **ABSENT:** Shannon Stuchlik, Jerry Engdahl and Megan Weaver. Motion carried. NED, Inc. President Tina Biteghe Bi Ndong adjourned the meeting at 7:41 p.m.