

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT – NENEDD
BOARD OF DIRECTORS MEETING VIA ZOOM
WEDNESDAY, JANUARY 27, 2021 – 7:15 P.M.**

MINUTES

I. Call to Order: The Northeast Nebraska Economic Development District (NENEDD) Board of Directors meeting was called to order at 7:34 p.m. by NENEDD Chairman Loren Kucera who informed the public about the location of the Open Meetings Act and that it was accessible to the public. All board members attended the meeting via conference call as per Gov. Pete Ricketts' Executive Order 20-36.

II. Roll Call: NENEDD Administrative Assistant, Grace Petersen, read roll call.

Board Members Present:

Loren Kucera, Chairman, Nebraska Business Development Center (NBDC), Wayne
Dan Kathol, Vice Chairman, Hartington Community Development Corporation
Judy Mutzenberger, Secretary/Treasurer, Cuming County
Gary Jackson, City of Norfolk
Charlie Bahr, City of Columbus
Tina Biteghe Bi Ndong, West Point Chamber of Commerce
Troy Uhlir, Madison County

Board Members Absent:

Glen Ellis, City of Fremont

NED Inc. Board Members Present:

None.

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Jeff Christensen, Kristen Rosner, and Grace Petersen.

III. Introduction of Guests: NENEDD Executive Director Thomas L. Higginbotham, Jr. introduced guests. The following guests were present: Blake Denton, BankFirst-West Point; and David Branch, Cuming County Economic Development.

IV. Secretary's Report

A. Consideration to approve the January 27, 2021, agenda and the December 16, 2020, minutes:

Troy Uhlir made a motion to approve the January 27, 2021, agenda and the December 16, 2020, minutes. Tina Biteghe Bi Ndong seconded the motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhlir. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

V. Treasurer's Report

A. Consideration to accept the December 2020 Treasurer's Report as presented. NENEDD Fiscal

Officer Kristen Rosner presented the report. Troy Uhlir made a motion to accept the December 2020 Treasurer's Report as presented. Gary Jackson seconded the motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhlir. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

VI. Discussion Items

A. Quarterly Loan Review. NENEDD Fiscal Officer Kristen Rosner presented the report.

VII. Action Items

A. Consideration to approve a \$81,050 loan to Steve Gaunt, d/b/a Kool Katz Sanitation-Beemer.

NENEDD Business Loan Specialist Jeff Christensen presented. Steve Gaunt started Kool Katz Sanitation in July 2018 with a \$42,000 NENEDD loan to purchase a building with the existing residential sanitation business in Beemer. Steve is now planning an expansion to purchase Smidt Sanitation in West Point. This will add more than 700 new customers. The total project costs are estimated to be \$210,000. NENEDD will lend \$80,000 to purchase Smidt Sanitation in West Point. The associated fees of a 1% (\$800) loan processing fee and \$250 loan closing fee will be included as part of the loan for a total loan of \$81,050. The \$81,050 NENEDD EDA CARES loan will have a term of 10 years at an interest rate of 2.00% for years 1 & 2, then 4.50% (fixed) for years 3-10. NENEDD will file an additional subordinate deed of trust on the business real estate in Beemer and UCC lien on all of the business personal property. NENEDD's original loan did not include a personal residence deed of trust. Now that Steve has purchased a home, NENEDD also will file a deed of trust on Steve's personal residence in Wisner and require additional life insurance assignments for the life of the loan. Tina Biteghe Bi Ndong made a motion to approve a \$81,050 loan to Steve Gaunt, d/b/a Kool Katz Sanitation-Beemer. Charlie Bahr seconded that motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhlir. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

B. Consideration to approve a \$202,250 loan to Roberts Whalen Holding, LLC-Laurel.

NENEDD Business Loan Specialist Jeff Christensen presented. James Roberts and Brenda Whalen, husband and wife, are planning the purchase of Gary's Foodtown in Laurel. The couple have formed Roberts Whalen Holding, LLC, d/b/a Laurel's Hometown Market. Being a sole community provider, the store offers grocery products for the community and the surrounding area. The purchase includes building/real estate, equipment, inventory, and good will. The total project costs are \$506,000. NENEDD will lend \$200,000 to purchase Gary's Foodtown in Laurel. The associated fees of a 1% (\$2,000) loan processing fee and \$250 loan closing fee will be included as part of the loan for a total loan of \$202,250. The \$202,250 NENEDD EDA CARES loan will have a term of 15 years at an interest rate of 2.00% for years 1 & 2, then 5.00% (fixed) for years 3-15. NENEDD will have a subordinate deed of trust on the business real estate and UCC lien on the business personal property. NENEDD will require life insurance assignments from James and Brenda for the amount of the loan for the life of the loan, and personal guaranty from James and Brenda. NENEDD also will file a deed of trust on James and Brenda's personal residence in Laurel. Troy Uhlir made a motion to approve a \$202,250 loan to Roberts Whalen Holding, LLC. Tina Biteghe Bi Ndong seconded that motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhlir. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

C. Consideration to appoint Blake Denton to the NENEDD Board of Directors for a three-year term.

NENEDD Executive Director Thomas L. Higginbotham Jr. presented. The NENEDD board vacancy will be filled by Blake Denton, BankFirst of West Point (first term to end 6/30/2023). Tina Biteghe Bi Ndong made a motion to appoint Blake Denton to the NENEDD Board of Directors for a three-year term. Dan Kathol seconded that motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhlir. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

D. Consideration to appoint Schumacher, Smejkal, Brockhaus & Herley, PC, as the NENEDD auditor for the fiscal years ending 2021, 2022, and 2023.

NENEDD Fiscal Officer Kristen Rosner presented. Every three years, NENEDD is required to procure for auditing services. Request for Proposals were sent to 11 firms, of which two submitted proposals. The Executive Director, Deputy Director, Fiscal Officer, and board members reviewed and scored the submitted proposals. Charlie

Bahr made a motion to appoint Schumacher, Smejkal, Brockhaus & Herley, PC, as the NENEDD auditor for the fiscal years ending 2021, 2022, and 2023. Tina Biteghe Bi Ndong seconded that motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhler. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

E. Consideration to approve an additional \$10,000.00 for the purchase of new windows.

NENEDD Executive Director Thomas L. Higginbotham Jr. presented. At the June 2020 Annual Council of Officials meeting, the Board of Directors approved as part of the budget a \$25,000 (50% cost) expenditure for window replacement. Since that time, the City of Norfolk put the project out to bid and received two bids, one for \$70,000 and one for \$97,000. NENEDD staff and City staff have been reviewing the bids and discussing options. Due to the condition of the windows and the unknown cost increases if the project was put on hold, NENEDD and City staff are recommending moving forward with the low bid of \$70,000. NENEDD total cost share will be \$35,000. Troy Uhler made a motion to approve an additional \$10,000.00 for the purchase of new windows. Tina Biteghe Bi Ndong seconded that motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhler. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried.

VIII. Chairman's/Board Comments: NENEDD Executive Director Thomas Higginbotham, Jr., gave an update on LB208, State Funding for Development Districts. The bill would increase funding from \$700,000 to \$1 million for each of Fiscal Years 2021-22 and 2022-23.

IX. Next Meeting Date: The NENEDD Board of Directors meeting will be held on Wednesday, February 24, 2021, at 7:15 p.m. or following the NED, Inc. meeting. The meeting will be held via Zoom.

X. Adjournment: Troy Uhler made a motion to adjourn the meeting. Charlie Bahr seconded the motion. **AYES:** Gary Jackson, Judy Mutzenberger, Loren Kucera, Dan Kathol, Tina Biteghe Bi Ndong, Charlie Bahr, and Troy Uhler. **NAYS:** None. **ABSENT:** Glen Ellis. Motion carried. Loren Kucera adjourned the meeting at 8:05 p.m.