

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT – NENEDD
BOARD OF DIRECTORS MEETING VIA ZOOM
WEDNESDAY, APRIL 28, 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 7:16 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, extended by Executive Order No. 21-02.

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
Charlie Bahr, City of Columbus
Tina Biteghe Bi Ndong, West Point Chamber of Commerce
Blake Denton, BankFirst-West Point
Troy Uhlir, Madison County

Board members absent:

Gary Jackson, City of Norfolk; Sally Ganem, City of Fremont.

NED Inc. Board Members Present:

None.

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Jeff Christensen, Kristen Rosner, Jan Merrill, Andrea Larson, Kirk Brown, Mandy Gear, Martin Griffith, and Grace Petersen.

III. Introduction of Guests: NENEDD Chairman Loren Kucera introduced guests. The following guest was present: Carl Pearson, Burt County. New NENEDD Community Planner, Kirk Brown, introduced himself to the board.

IV. Secretary's Report

A. Consideration to approve the April 28, 2021, agenda and the February 24, 2021, minutes:

Troy Uhlir made a motion to approve the April 28, 2021, agenda and the February 24, 2021, minutes. Tina Biteghe Bi Ndong seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

V. Treasurer's Report

A. Consideration to accept the February 2021 Treasurer's Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Judy Mutzenberger made a motion to accept the February 2021 Treasurer's Report as presented. Troy Uhlir seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

B. Consideration to accept the March 2021 Treasurer's Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Dan Kathol made a motion to accept the March 2021

Treasurer's Report as presented. Troy Uhlir seconded that motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

VI. Discussion Items

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

B. Staff Quarterly Reports. NENEDD staff provided the Board with reports that detailed their activities from January through March 2021. NENEDD Executive Director Thomas L. Higginbotham Jr. discussed the passage of Legislative Bill 208 – which will appropriate \$1 million from the General Fund for each fiscal years 2021-22 and 2022-23 to fund development districts.

VII. Action Items

A. Consideration to approve a \$101,250 loan to Wolken Therapy and Wellness, LLC-Oakland. NENEDD Business Loan Specialist Jeff Christensen presented. Ryan Wolken, member of Wolken Therapy and Wellness, LLC is planning the purchase of Johnson Rehabilitation and Sports Performance in Oakland, including the building/real estate, equipment, and patient/provider charting, staff, and nursing home contract. The owner of Johnson Rehabilitation and Sports Performance has decided to transition to a different career in PT due to recent and possible future private practice financial concerns following COVID-19. Total project costs are \$250,000. NENEDD will lend \$100,000 to purchase the Johnson Rehabilitation and Sports Performance business in Oakland. The associated fees of 1% (\$1,000) loan processing fee and \$250 loan closing fee will be included as part of the loan for a total loan of \$101,250. The \$101,250 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 assignment from Ryan for the amount of the loan for the life of the loan and personal guaranty from Ryan and Hilary Wolken. NENEDD will also file a deed of trust on Ryan and Hilary's personal residence in Norfolk. Tina Biteghe Bi Ndong made a motion to approve a \$101,250 loan to Wolken Therapy and Wellness, LLC-Oakland. Troy Uhlir seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

B. Consideration to approve a \$202,250 loan to Cuming County Industries, LLC to purchase inventory and raw materials for their business in Bancroft. NENEDD Business Loan Specialist Jeff Christensen presented. Adam Rief and Jon Toft, members of Cuming County Industries (CCI), LLC are requesting \$200,000 to purchase inventory and raw materials for their business. CCI is a holding company for Rief Design & Manufacturing, LLC, and Progressive Industries of Nebraska, LLC. It also is contracted to manage and operate RM-Sales, LLC. Because of COVID, they are seeing longer lead times on ordering materials and certain types of steel are out of stock for an undetermined amount of time. They have already pre-ordered a lot of this year's needs for auger components, but anticipate the need for further pre-ordering for next year due to the effects COVID has had on manufacturing. Total inventory and raw material costs are estimated to be \$203,500. NENEDD will lend \$200,000 to purchase inventory and raw materials. Also included in the loan will be the \$2,000 loan application fee and \$250 loan closing fee, bringing the total to \$202,250. The \$202,250 NENEDD EDA CARES loan will have a term of 5 years at an interest rate of 2.00% for years 1 & 2, then 4.00% (fixed) for years 3-5. NENEDD will file a deed of trust on the business real estate owned by Rief Design & Manufacturing at 2275 N Road, Bancroft, and file a UCC lien on the business personal property of Cuming County Industries, LLC. NENEDD also will have life insurance assignments from Adam & Jon, each for the amount of the loan for the life of the loan. NENEDD will require a personal guaranty from Adam Rief and Jon Toft. NENEDD also will require company guaranties from Rief Design & Manufacturing, LLC and Midplains Crane Works, LLC as additional

collateral for this loan. Troy Uhlir made a motion to approve a \$202,250 loan to Cuming County Industries, LLC to purchase inventory and raw materials for their business in Bancroft. Tina Biteghe Bi Ndong seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

C. Consideration to approve a \$26,510 loan to Kordale Strivens to purchase Ray's Pumping Service in Allen. NENEDD Business Loan Specialist Jeff Christensen presented. Kordale Strivens is planning the purchase of Ray's Pumping Service in Allen. The current owner is concerned about his exposure to COVID-19 as part of his job, and wishes to sell the business. The business involves pumping septic tanks from primarily personal residences within about a 30-mile radius of Allen. Total project costs are \$65,000. NENEDD will lend \$26,000 to purchase Ray's Pumping Service in Allen. The associated fees of 1% (\$260) loan processing fee and \$250 loan closing fee will be included as part of the loan for a total loan of \$26,510. The \$26,510 NENEDD EDA CARES loan will have a term of 10 years as an interest rate of 2.00% for years 1 & 2, then 4.50% (fixed) for years 3-10. NENEDD will have a subordinate UCC lien on the business personal property and require life insurance assignment from Kordale for the amount of the loan for the life of the loan. NENEDD also will file a 2nd lien on the F550 truck/tank, and 2nd lien on Kordale's 2005 GMC 2500 pickup. Troy Uhlir made a motion to approve a \$26,510 loan to Kordale Strivens to purchase Ray's Pumping Service in Allen. Judy Mutzenberger seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

D. Consideration to appoint a budget and nominating committee. NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. On an annual basis, a budget and nominating committee is appointed to review and recommend to the full board of directors the next fiscal year's budget as prepared by staff and to review and recommend to the full board of director's new board members and new officers. Tina Biteghe Bi Ndong, Blake Denton and Sally Ganem were appointed. Tina Biteghe Bi Ndong made a motion to appoint a budget and nominating committee. Judy Mutzenberger seconded that motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried.

VIII. Chairman's/Board Comments: None.

IX. Next Meeting Date: The NENEDD Board of Directors meeting will be held on Wednesday, May 26, 2021, at 7:15 p.m. or following the NED, Inc. meeting. The meeting will be held at the following location: City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.

X. Adjournment: Troy Uhlir made a motion to adjourn the meeting. Tina Biteghe Bi Ndong seconded the motion. **AYES:** Judy Mutzenberger, Loren Kucera, Tina Biteghe Bi Ndong, Charlie Bahr, Troy Uhlir, Dan Kathol, and Blake Denton. **NAYS:** None. **ABSENT:** Gary Jackson and Sally Ganem. Motion carried. NENEDD Chairman Loren Kucera adjourned the meeting at 7:44 p.m.