

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 28, 2024 - 7 P.M.

City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701
West Point Chamber of Commerce, 200 Anna Stalp Ave., West Point, NE 68788
Columbus Public Library, 2500 14th St., Columbus, NE 68601
Fremont City Hall, 400 E. Military Ave., Fremont, NE 68025

MINUTES

- I. Call to Order:** The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:00 by NED, Inc. President Rich Jablonski, who informed the public about the location of the open meetings act and that it was accessible to the public.
- II. Roll Call:** NENEDD Administrative Assistant, Mary Fleer, read roll call.
- Board Members Present:**
Rich Jablonski, President, Columbus City Council (Columbus)
Kurt Dostal, Vice President, Citizens State Bank (Norfolk)
Loren Kucera, Secretary/Treasurer, Nebraska Business Development Center (Norfolk)
Sally Ganem, Fremont City Council (Fremont)
Jim McCarville, Northeast Community College (Norfolk)
Tod William Voss, M.D., Village of McLean (Norfolk)
- Board Members Absent:** Jim Hans, Village of Wynot
- NENEDD Board Members Present:**
Charlie Bahr (Columbus)
Tina Biteghe Bi Ndong (West Point)
Blake Denton (West Point)
Troy Uhlir (Norfolk)
Meghann Buresh (Norfolk)
- NENEDD Staff Present:**
Shannon Stuchlik (Norfolk)
Kristen Rosner (Norfolk)
Mary Fleer (Norfolk)
Mandy Gear (Norfolk)
Jeff Christensen (Norfolk)
Andrea Larson (Norfolk)
Grace Petersen (Norfolk)
- III. Introduction of Guests:**
Ron Schilling, Columbus City Council (Columbus)
Judy Mutzenberger, Cuming County Supervisor (West Point)
- IV. Secretary's Report**
- A. Consideration for approval of the February 28, 2024, agenda and January 31, 2024, meeting minutes.** Tod W. Voss, M.D., made a motion to approve the February 28, 2024, agenda and the January 31, 2024, meeting minutes. Kurt

Dostal seconded the motion. **AYES:** Kurt Dostal, Loren Kucera, Jim McCarville, Tod W. Voss, M.D. **NAYS:** None. **ABSENT:** Sally Ganem, Jim Hans. Motion carried.

Sally Ganem entered the meeting.

V. Treasurer's Report:

A. Consideration for acceptance of the January 2024 Treasurer's Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Kurt Dostal made a motion to accept the January 2024 Treasurer's Report as presented. Loren Kucera seconded the motion. **AYES:** Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, M.D., Kurt Dostal. **NAYS:** None. **ABSENT:** Jim Hans. Motion carried.

VI. Discussion Items: None.

VII. Action Items:

A. Consideration to waive the requirement for multiple proposals and appoint Herley & Reinke Accounting, P.C. as the NED, Inc. auditor for the fiscal years ending 2024, 2025 and 2026. NENEDD Fiscal Officer Kristen Rosner presented. Every three years NED, Inc. is required to procure auditing services and a minimum of two proposals should be presented to the Board for their decision. As Herley & Reinke Accounting, P.C., was the only firm submitting a proposal, consideration is made to waive the requirement for multiple proposals and appoint Herley & Reinke Accounting, P.C. as the NED, Inc. auditor for the fiscal years ending in 2024, 2025 and 2026. Sally Ganem made a motion to waive the requirement for multiple proposals and appoint Herley & Reinke Accounting, P.C. as the NED, Inc. auditor for the fiscal years ending 2024, 2025 and 2026. Tod W. Voss, M.D. seconded the motion. **AYES:** Sally Ganem, Jim McCarville, Tod W. Voss, M.D., Kurt Dostal, Loren Kucera. **NAYS:** None. **ABSENT:** Jim Hans. Motion carried.

B. Consideration of a \$70,000 loan to Steinkraus, LLC, d/b/a 3 Brothers Car Wash in Plainview. NENEDD Business Loan Specialist Jeff Christensen presented. The members of Steinkraus, LLC, are planning the construction of a touchless car wash called 3 Brothers Car Wash, to be located in Plainview's downtown commercial district. It will be moderately priced and have a full-service/automatic bay and a self-service bay. The total project costs are \$521,275 which includes lot purchase, site prep, electrical and plumbing, building construction, carwash equipment, construction financing and contingency. Steinkraus, LLC and Madison County Bank in Plainview are requesting that NED, Inc. provide a loan in the amount of \$70,000 for the purchase of equipment. The project will create two jobs as the owners. The loan will have a term of 25 years at an interest rate of 6.00% (fixed). NED, Inc. will file a subordinate deed of trust on the car wash real estate and have a subordinate lien on all business property of Steinkraus, LLC, d/b/a 3 Brothers Car Wash. NED, Inc. will have a personal guaranty from the members of Steinkraus, LLC and will file a deed of trust on the members' personal residence in Plainview. NED, Inc. will also request an assignment of life insurance from one member of the LLC for the amount of the loan for the life of the loan. Tod W. Voss, M.D. made a motion to approve a \$70,000 loan to Steinkraus, LLC, d/b/a 3 Brothers Car Wash in Plainview. Kurt Dostal seconded the motion. **AYES:** Jim McCarville, Tod W. Voss, M.D., Kurt

Dostal, Sally Ganem. **NAYS:** None. **ABSTAIN:** Loren Kucera. **ABSENT:** Jim Hans. Motion carried.

C. Consideration of a \$67,500 loan to Main Street Sports, LLC in Albion.

NENEDD Business Loan Specialist Jeff Christensen presented. Two individuals/members of Main Street Sports, LLC are planning the startup of a sporting goods store to be located in Albion. Main Street Sports will sell quality sporting goods equipment and apparel for the entire family, primarily focused on and specializing in area sports apparel and accessories from major manufacturers. In the first year, they will build and market an online store while revamping the new retail space. The total project costs are \$183,570 which includes furniture, fixtures and equipment, fees and insurance, inventory, working capital and costs for renovation of approximately 1,500 square feet of the front part of one owner's business building. The members of Main Street Sports, LLC and Cornerstone Bank in Albion are requesting that NED, Inc. provide a loan in the amount of \$67,500 to purchase inventory. The project will create five jobs including the two members. The loan will have a term of 10 years at an interest rate of 4.50% (fixed). NED, Inc. will have a subordinate lien on all business personal property of Main Street Sports, LLC, and a personal guaranty from both members and member A's spouse. NED, Inc. will file a deed of trust on member A's personal residence in Albion and a deed of trust on the building owned by member B. NED, Inc. will also request an assignment of life insurance from member A for the amount of the loan for the life of the loan. Tod W. Voss, M.D. made a motion to approve a \$67,500 loan to Main Street Sports, LLC in Albion. Jim McCarville seconded the motion. **AYES:** Tod W. Voss, M.D., Kurt Dostal, Sally Ganem, Jim McCarville. **NAYS:** None. **ABSTAIN:** Loren Kucera. **ABSENT:** Jim Hans. Motion carried.

D. Consideration of a \$14,300 loan to Sharper Edges Lawn Edging and Aeration in Norfolk.

NENEDD Business Loan Specialist Jeff Christensen presented. The owner of Sharper Edges Lawn Edging and Aeration is requesting funds to purchase a lawn aerator with a seed box attachment to expand his start-up lawn care business which offers sidewalk, driveway and curb edging along with aeration. The owner sees the opportunity to increase his business with his own aeration/seeding equipment. The total costs are estimated to be \$16,770 for the purchase of the lawn aerator and seed box. There is no bank involved in this project. The project will create one job. NED, Inc. will lend \$14,300 to the owner of Sharper Edges Lawn Edging and Aeration to purchase a lawn aerator to expand his lawn care business. The loan will have a term of 10 years at an interest rate of 4.50% (fixed). NED, Inc. will file a first position UCC filing on all the business personal property. NED, Inc. will request a life insurance assignment from the business owner for the total amount of the loan for the life of the loan. NED, Inc. will also file a deed of trust on the business owner's personal residence in Norfolk. Tod W. Voss, M.D. made a motion to approve a \$14,300 loan to Sharper Edges Lawn Edging and Aeration in Norfolk. Kurt Dostal seconded the motion. **AYES:** Kurt Dostal, Sally Ganem, Jim McCarville, Tod W. Voss, M.D. **NAYS:** None. **ABSTAIN:** Loren Kucera. **ABSENT:** Jim Hans. Motion carried.

E. Consideration to waive the \$25.00 per square foot limit and for approval of applicant #101750 for housing rehabilitation funds up to the amount of \$25,000.

NENEDD Housing Loan Specialist Mandy Gear presented. The property is located in Wayne and is 904 square feet. The cost of repairs per square foot is \$27.00. The

loan will be a 2% loan for up to 20 years. The house is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards and therefore, it is deemed economically feasible for the Housing Rehabilitation Program. Funding will be provided by NED, Inc. Home Reuse funds. Tod W. Voss, M.D. made a motion to waive the \$25.00 per square foot limit and approve applicant #101750 for owner occupied housing rehabilitation funds up to the amount of \$25,000. Kurt Dostal seconded the motion. **AYES:** Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, M.D., Kurt Dostal. **NAYS:** None. **ABSTAIN:** None. **ABSENT:** Jim Hans. Motion carried.

VIII. President/Board Comments: None.

IX. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, March 27, 2024, at 7 p.m. The meeting will be held via conference call.

X. Adjournment: Loren Kucera made a motion to adjourn the meeting. Sally Ganem seconded the motion. **AYES:** Kurt Dostal, Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, M.D. **NAYS:** None. **ABSENT:** Jim Hans. Motion carried. President Rich Jablonski adjourned the meeting at 7:25 p.m.