

NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT

Board of Directors Meeting
Norfolk City Council Conference Room
309 Madison Ave, Norfolk NE 68701
Wednesday, November 26, 2011
Minutes

I. Call to Order: The Northeast Nebraska Economic Development District Board of Directors meeting was called to order at 7:32 p.m. by John F. Lohr, Chairman. John F. Lohr informed the public about the location of the Open Meetings Act LB 898 and that it is accessible to the public.

II. Roll Call: Tom Higginbotham read roll call.

Board Members Present:

John Lohr, NENEDD Chairman, City of Columbus
Kelvin Wurdeman, NENEDD Vice Chairman, Wayne County Commissioner
Gaylord Wilcox, NENEDD Board Member, Homestead Bank,
Schuyler/Howells/Albion
Ken Luettel, NENEDD Board Member, Boone County Commissioner, Petersburg
Chris Miller, NENEDD Board Member, Don Miller Land Company, Hartington
Kendrick Marshall, NENEDD Board Member, Nebraska Department of Labor,
Columbus
Mayor Scott Getzschman, NENEDD Board Member, City of Fremont

Board Members Absent:

Rob Merrill, NENEDD Secretary/Treasurer, City of Norfolk
Tina Biteghe Bi Ndong, NENEDD Board Member, West Point Chamber of
Commerce

Others Present:

Rick Uhlir, NED, Inc President, Private Representative, Norfolk
Mike Crosley, NED, Inc Vice President, Santee Economic Development
Mayor Shannon Stuchlik, Council of Officials, City of Pierce
Martin Griffith, Council Officials, Madison County Commissioner
Tom Higginbotham, NENEDD
Mickella Brabec, NENEDD
Judy Joy, NENEDD
Patsy Taylor, NENEDD
Jeff Christensen, NENEDD
Tina Engelbart, NENEDD
Holly Quinn, NENEDD
Jamie Arens, NENEDD

III. Introduction of Council of Officials Members: Council of Officials Representatives attending the meeting was Mayor Shannon Stuchlik, City of Pierce and Martin Griffith, Madison County Commissioner.

- IV. Secretary's Report:** Kendrick Marshall made a motion to approve the agenda and October 2011 minutes as published. Kelvin Wurdeman seconded the motion. Ayes: Wurdeman, Marshall, Wilcox, Luettel, and Getzschman. Nays: None. Absent: Biteghe Bi Ndong and Merrill. Motion carried.
- V. Treasurer's Report:** Patsy Taylor presented the October 2011 Treasurer's report. Mayor Scott Getzschman made a motion to approve the October 2011 Treasurer's report. Kelvin Wurdeman seconded the motion. Ayes: Wurdeman, Marshall, Wilcox, Luettel, and Getzschman. Nays: None. Absent: Biteghe Bi Ndong and Merrill. Motion carried.
- VI. Discussion Items**
- A. Open Meetings Act Discussion:** Tom Higginbotham led discussion. After the October 26, 2011 board meetings, questions were raised about the conference call. After discussing the questions raised with the League of Municipalities, it has been determined that NENEDD meetings by conference call will be handled differently than in the past. Staff will be working with board members to determine locations to use for meetings.
- VII. Action Items**
- A. Business RLF – Collateral Change for Azonic Products, Inc.:** Jeff Christensen led discussion. A \$50,000 NENEDD loan was placed on 12-2-08 with a term of 7 years at 6.00% interest. All payments have been on time and there have been no problems with this loan. Collateral includes a subordinate lien position to the bank on all business and personal property. The business did not own the building and has been leasing from the previous owner. NENEDD has a Deed of Trust on the owners Wesley Buck and Connie Pelster's personal residence in Nebraska, and Len Melanson's personal residence in Ohio as additional collateral for this loan. NENEDD also has a personal guaranty from Wesley Buck, Connie Pelster and Len Melanson and life insurance on the three owners for the amount of the loan for the life of the loan. Mr. Melanson has agreed to sell his one third of the business for \$3,000.00. Wesley Buck and Connie Pelster, now the only two owners, have formed a separate LLC (Wisker Disk, LLC) that has purchased the leased building for \$40,000.00. Homestead Bank has agreed to loan \$28,000 on the building. Wesley and Connie have adequate cash to make the down payment on the building and buy out Mr. Melanson without any additional loans. Now that Mr. Melanson no longer has any interest in this business, he has requested that NENEDD release his personal guaranty, life insurance assignment, and the Deed of Trust on his residence in Ohio. NENEDD staff recommends that we honor his request. In place of this collateral NENEDD will file a subordinate Deed of Trust to Homestead Bank on the business real estate. Kendrick Marshall made a motion to approve the request of Mr. Melanson to release his personal guaranty, life insurance assignment, and the Deed of Trust on his residence in Ohio as it relates to NENEDD loan # 309004, and file a subordinate Deed of Trust on the business real estate owned by Wisk Disk, LLC, at 502 W. Main Street in Albion, NE. Kelvin Wurdeman seconded the motion. Ayes: Wurdeman, Marshall, Luettel, and Getzschman. Nays: None. Abstain: Wilcox. Absent: Biteghe Bi Ndong and Merrill. Motion carried.
- B. Approve NENEDD Audit:** Patsy Taylor led discussion. Board members were presented the FY 2011 audit at the October, 2011 meeting and had a month to review to address any questions or concerns. Mayor Scott Getzschman made a motion to

approve the FY 2011 NENEDD audit as presented. Gaylord Wilcox seconded the motion. Ayes: Wurdeman, Marshall, Wilcox, Luettel, and Getzschman. Nays: None. Absent: Biteghe Bi Ndong and Merrill. Motion carried.

- VIII. Chairman's/Board Comments** – John Lohr thanked the staff for their hard work and the board members for attending the meeting.
- IX. Next Meeting Date:** The Semi Annual Council of Officials meeting will be Wednesday, January 4, 2012 at 7:15 p.m. at the Norfolk City Council Conference Room, 309 Madison Ave, in Norfolk, NE.
- X. Adjournment:** Chris Miller made a motion to adjourn the meeting at 7:47 p.m. Mayor Scott Getzschman seconded the motion. Ayes: Wurdeman, Marshall, Wilcox, Luettel, and Getzschman. Nays: None. Absent: Biteghe Bi Ndong and Merrill. Motion carried.