NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 24, 2020 – 7 P.M.

MINUTES

I. Call to Order: The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:09 p.m. by NED, Inc. President John F. Lohr who informed the public about the location of the Open Meetings Act LB 898 and that it was accessible to the public.

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

Board Members Present:
John F. Lohr, President, City of Columbus
Mike Frank, retired Northeast Community College
Brad Albers, Vice President, Business Owner
Jerry Engdahl, Platte County

Board Members Absent:
Shannon Stuchlik, Midwest Bank of Pierce
Megan Weaver, Wakefield Progressive, Inc.
Jim McCarville, Secretary/Treasurer, Northeast Community College

Others Present:
Rich Jablonski, City of Columbus
Charlie Bahr, City of Columbus
Loren Kucera, Nebraska Business Development Center (NBDC), Wayne
Judy Mutzenberger, Cuming County
Gary Jackson, City of Norfolk
Glen Ellis, City of Fremont
Tina Biteghe Bi Ndong, West Point Chamber of Commerce
Dan Kathol, Hartington Community Development Corporation
David Branch, Cuming County Economic Development
Carl Pearson, Burt County
Thomas L. Higginbotham, Jr., NENEDD
Tina M. Engelbart, NENEDD
Jeff Christensen, NENEDD
Kristen Rosner, NENEDD
Judy Joy, NENEDD
Martin Griffith, NENEDD
Jan Merrill, NENEDD
Lowell Schroeder, NENEDD
Mandy Gear, NENEDD
Andrea Larson, NENEDD
Grace Petersen, NENEDD

III. Introduction of Guests: NED, Inc. President John F. Lohr asked everyone attending the meeting to introduce themselves to the group.

IV. Secretary’s Report
A. Consideration for approval of the June 24, 2020, agenda and the May 27, 2020, minutes: Brad Albers made a motion to approve the June 24, 2020, agenda and the May 27, 2020, minutes. Mike Frank seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

V. Treasurer’s Report  
A. Consideration for acceptance of the May 2020 Treasurer’s Report. Fiscal officer Kristen Rosner presented the report. Mike Frank made the motion to accept the May 2020 Treasurer’s Report. Brad Albers seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

VI. Discussion Items  
A. 2020-2021 Meeting Dates & Locations. NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. He informed the board and guests of the upcoming Board Meeting dates and locations.

VII. Action Items  
A. Consideration for approval of applicant #101593 for owner occupied housing rehabilitation funds up to the amount of $25,000. NENEDD Housing Specialist Martin Griffith presented. The property is located in Norfolk, is 1,740 square feet and cost of repairs per square foot is $14.00. The house is structurally sound, in good condition, and after repairs, will meet or exceed all of the required Minimum Rehabilitation Standards. The property is deemed economically feasible for the NED, Inc. Owner Occupied Rehabilitation Program. Funding will be provided by NED, Inc. housing reuse funds. The loan will be 100% forgivable up to 10 years. Brad Albers made a motion to approve applicant #101593 for owner occupied housing rehabilitation funds up to the amount of $25,000. Jerry Engdahl seconded. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

B. Consideration for approval of applicant #101596 for owner occupied housing rehabilitation funds up to the amount of $25,000. NENEDD Housing Specialist Martin Griffith presented. The property is located in Uehling, is 1,008 square feet and cost of repairs per square foot is $24.00. The house is structurally sound, in good condition, and after repairs, will meet or exceed all of the required Minimum Rehabilitation Standards. The property is deemed economically feasible for the NED, Inc. Owner Occupied Rehabilitation Program. Funding will be provided by NED, Inc. housing reuse funds. The loan will be 100% forgivable up to 10 years. Mike Frank made a motion to approve applicant #101596 for owner occupied housing rehabilitation funds up to the amount of $25,000. Jerry Engdahl seconded. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

C. Consideration for denial of applicant #101607 for housing rehabilitation funds of $60,345.00 due to economic infeasibility. NENEDD Housing Specialist Martin Griffith presented. The property is located in Oakdale, is 2,344 square feet, and cost of repairs per square foot is $26.00. The house is in considerable disrepair and is not structurally sound. The cost of repairs needed for this house to meet the required Minimum Rehabilitation Standards will greatly exceed the rehabilitation project cost limits listed in Section 4.5 (Economic Feasibility for Rehabilitation of the Housing Rehabilitation) of the Program Guidelines. The property is deemed not economically feasible for the Housing Rehabilitation Program. Jerry Engdahl made a motion
for denial of applicant #101607 for housing rehabilitation funds of $60,345.00 due to economic infeasiability. Brad Albers seconded. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**D. Consideration for approval of $150,000 loan to Brian Armbrust, d/b/a ABC Mobile Storage in Norfolk.** NENEDD Business Loan Specialist Jeff Christensen presented. Brian Armbrust is negotiating the purchase of ABC Mobile Storage (ABC) located at 1707 U.S. Highway 24, just on the southeast edge of Norfolk. The current owners are downsizing as they prepare to retire. ABC is an established mobile storage business that buys, sells, and rents various sizes of shipping containers. The purchase includes 250 new and used containers (with 200 said containers currently under rental contract), 4 semi tractors, 4 landoll container trailers, 12 chassis container trailers, 2 Caterpillar forklifts, 1 yard pickup, all tools and equipment required for container modification, and all other assets pertaining to the mobile storage business. The project also includes a 5-year lease-to-own agreement to purchase 10 acres of prime commercially zoned highway frontage land, including one large mechanic shop with five truck bays and three buildings for $500,000. Total project costs are estimated to be $1,498,624, which includes the purchase of ABC Mobile Storage, line of credit, and real estate lease/purchase. NED, Inc. will lend $150,000 for the purchase of ABC Mobile Storage. The loan will have a term of 10 years at an interest rate of 4.50% (fixed). NED, Inc. will have a subordinate UCC lien on the business personal property and will file of Deed of Trust on the business real estate being purchased on contract sale. NED, Inc. will require personal guaranty from Brian Armbrust and a life insurance assignment from Brian for the amount of the loan for the life of the loan. Mike Frank made a motion to approve a $150,000 loan to Brain Armbrust, d/b/a ABC Mobile Storage in Norfolk. Brad Albers seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**E. Consideration to adopt the 2020-2021 NED, Inc. budget as recommended by the Budget Committee.** NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. On June 18, 2020, at 1:30 p.m., the NED, Inc. Budget Committee met with staff to review the proposed Annual Budget. The committee recommends approval of the proposed 2020-2021 Annual Budget as presented. Jerry Engdahl made a motion to adopt the 2020-2021 NED, Inc. budget as recommended by the Budget Committee. Mike Frank seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**F. Consideration to appoint the individuals as presented to the NED, Inc. Board of Directors for a three-year term.** NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. The committee met June 18, 2020, and is making the following recommendations: Rich Jablonski, business representative from City of Columbus, (first term to end 6/30/2023); and Jerry Engdahl, Platte County, (second term to end 6/30/2023). Brad Albers made a motion to appoint the individuals as presented to the NED, Inc. Board of Directors for a three-year term. Mike Frank seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**G. Consideration to elect the NED, Inc. Officers for 2020-2021 as presented.** NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. The committee met June 18, 2020, and is making the following recommendations: President: Jim McCarville, Northeast Community College; Vice President: Brad Albers, business owner; and Secretary/Treasurer: Shannon
Stuchlik, Midwest Bank. Jerry Engdahl made a motion to elect NED, Inc. Officers for 2020-2021 as presented. Mike Frank seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**H. Consideration to approve the reappointment of Lori Schrader, Brian Yosten, and Ryan Steffensmeier to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee as recommended by the NENEDD staff.** NENEDD Business Loan Specialist Jeff Christensen presented. The Northeast RLF Loan Committee is a nine-member group that reviews business loans for NENEDD, NED, Inc. and local communities, and makes recommendations for approval. It consists of three bankers; three business owners representing service, retail, and manufacturing; a city administrator; a local economic development professional; and a small business consultant. Each term is three years. The terms of Lori Schrader, Brian Yosten, and Ryan Steffensmeier are due for renewal. All three have agreed to stay on for another three-year term. Lori is a loan specialist with the Center for Rural Affairs-Reap; Brian is the owner of Cedar Valley Insurance; and Ryan is vice president at First Community Bank in Beemer. Brad Albers made a motion to approve the reappointment of Lori Schrader, Brian Yosten, and Ryan Steffensmeier to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee as recommended by the NENEDD staff. Jerry Engdahl seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**I. Consideration for approval of 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 is suggested and reviewed by attorney Michael Brogan. Brad Albers made a motion to approve the general corporate resolution as presented. Jerry Engdahl seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**J. Consideration for approval of corporate resolutions with BankFirst, Elkhorn Valley Bank, Midwest Bank, Pinnacle Bank, and Security Bank.** NENEDD Fiscal Officer Kristen Rosner presented. With the change in officers effective July 1, 2020, 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, Elkhorn Valley Bank, Midwest Bank, and Pinnacle Bank. The signors on the accounts will be the President, Vice President, Secretary/Treasurer, Executive Director, and Deputy Director. Mike Frank made a motion to approve the corporate resolutions with BankFirst, Elkhorn Logan Valley Bank, Midwest Bank, Pinnacle Bank, and Security Bank. Jerry Engdahl seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried.

**VIII. President/Board Comments:** None.

**IX. Next Meeting Date:** The next NED, Inc. Board of Directors meeting will be held on Wednesday, July 29, 2020, at 7 p.m. The meeting will be held at the City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.

**X. Adjournment:** Jerry Engdahl made a motion to adjourn the meeting. Mike Frank seconded the motion. **AYES:** Brad Albers, John F. Lohr, Mike Frank, and Jerry Engdahl. **NAYS:** None.
**ABSENT:** Jim McCarville, Shannon Stuchlik, and Megan Weaver. Motion carried. John F. Lohr adjourned the meeting at 7:48 p.m.