NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING VIA CONFERENCE CALL
WEDNESDAY, MAY 27, 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 7:04 p.m. by NENEDD Executive Director Thomas L. Higginbotham, Jr., who informed the public about the location of the Open Meetings Act LB 898 and that it was accessible to the public. All board members attended the meeting via conference call as per Gov. Pete Ricketts’ Executive Order No. 20-03.

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

Board Members Present:
Mike Frank, retired Northeast Community College
Shannon Stuchlik, Midwest Bank of Pierce
Brad Albers, Vice President, Business Owner
Jim McCarville, Secretary/Treasurer, Northeast Community College

Board Members Absent:
Megan Weaver, Wakefield Progressive, Inc.
John F. Lohr, President, City of Columbus
Jerry Engdahl, Platte County

Others Present:
Thomas L. Higginbotham, Jr., NENEDD
Kristen Rosner, NENEDD
Jeff Christensen, NENEDD
Grace Petersen, NENEDD
Barb Siedlik, Columbus Downtown Business Association

III. Introduction of Guests: NENEDD Executive Director Thomas L. Higginbotham, Jr., asked everyone attending the meeting to introduce themselves to the group.

IV. Secretary’s Report
A. Consideration for approval of the May 27, 2020, agenda and the April 29, 2020, meeting minutes: Brad Albers made a motion to approve the May 27, 2020, agenda and the April 29, 2020, meeting minutes. Jim McCarville seconded the motion. AYES: Mike Frank, Jim McCarville, Brad Albers and Shannon Stuchlik. NAYS: None. ABSENT: John F. Lohr, Jerry Engdahl and Megan Weaver. Motion carried.

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

VI. Action Items
A. Recommendation to approve a $30,000 loan for 3C’s Cleveland’s Café and Catering, LLC, d/b/a The Knotty Pine. NENEDD Business Loan Specialist Jeff Christensen presented. Hannah and Patrick Cleveland purchased the Knotty Pine in July 2019. It is located on Highway 14 in Petersburg. They are requesting $30,000 for renovations, which includes insulating and finishing walls/ceiling, adding some outlets, and replacing windows with more efficient ones in the south room. They also will put a new floor in the main part of the building and some sewer repairs. The total project costs are estimated to be $96,600, including the original purchase of the Knotty Pine and initial renovations. NED, Inc. will lend 3C’s Cleveland Café and Catering, LLC, $30,000 for renovations to the Knotty Pine in Petersburg. This loan will have a term of 15 years at an interest rate of 5.00% (fixed). NED, Inc. will have a subordinate (2nd) lien position on the business personal property and real estate of the Knotty Pine. NED, Inc. will file Deeds of Trust on Cleveland’s personal residences in Petersburg and 3C’s Café in Albion, require personal guaranty from Patrick and Hannah Cleveland, and assignments of life insurance from Patrick and Hannah Cleveland for the amount of the loan, for the life of the loan. Shannon Stuchlik made a motion to approve a $30,000 loan for 3C’s Cleveland’s Café and Catering, LLC, d/b/a The Knotty Pine. Jim McCarville seconded the motion. **AYES:** Mike Frank, Jim McCarville, Brad Albers and Shannon Stuchlik. **NAYS:** None. **ABSENT:** John F. Lohr, Jerry Engdahl and Megan Weaver. Motion carried.

B. Recommendation to approve a $200,000 loan for Del Peterson & Associates, Inc. d/b/a DPA Auctions. NENEDD Business Loan Specialist Jeff Christensen presented. DPA Auctions is an online auction business specializing in selling heavy machinery in the agricultural, construction, and transportation industries. Del Peterson & Associates, Inc. d/b/a DPA Auctions are planning the construction of a new office facility in the southeast portion of Fremont. The total project costs are estimated to be $5,729,000. NED, Inc. will lend DPA Auctions $200,000 for the construction of their business expansion to the Nelson Business Park in Fremont. This loan will have a term of 20 years at an interest rate of 5.50% (fixed). NED, Inc. will have a subordinate (2nd) lien position on the business real estate at Nelson Business Park and business personal property owned by Del Peterson and Associates, Inc. d/b/a DPA Auctions. NED, Inc. will require a personal guaranty and life insurance assignment from Steven Peterson for the amount of the loan, for the life of the loan. NED, Inc. also will file a Deed of Trust on 114 acres of farmland near Oakland. Shannon Stuchlik made a motion to approve a $200,000 loan for Del Peterson & Associates, Inc. d/b/a DPA Auctions. Mike Frank seconded the motion. **AYES:** Mike Frank, Jim McCarville, Brad Albers and Shannon Stuchlik. **NAYS:** None. **ABSENT:** John F. Lohr, Jerry Engdahl and Megan Weaver. Motion carried.

**VII. President/Board Comments:** Thomas L. Higginbotham, Jr., executive director of NENEDD, talked about the Economic Development Administration’s plans to disburse funds that will go toward helping businesses affected by COVID-19. NENEDD is eligible to apply for $2 million on Friday, June 5.

**VIII. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, June 24, 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.

**IX. Adjournment:** Mike Frank made a motion to adjourn the meeting. Jim McCarville seconded the motion. **AYES:** Mike Frank, Jim McCarville, Brad Albers and Shannon Stuchlik. **NAYS:** None. **ABSENT:** John F. Lohr, Jerry Engdahl and Megan Weaver. Motion carried. NENEDD Executive Director Thomas L. Higginbotham, Jr., adjourned the meeting at 7:30 p.m.