NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT – NENEDD
BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 26, 2020 – 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 7:15 p.m. by NENEDD Chairman Loren Kucera 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:
Loren Kucera, Chairman, Nebraska Business Development Center (NBDC), Wayne
Judy Mutzenberger, Secretary/Treasurer, Cuming County
Gary Jackson, City of Norfolk
Tina Biteghe Bi Ndong, West Point Chamber of Commerce
Troy Uhlir, Madison County
Glen Ellis, City of Fremont
Charlie Bahr, City of Columbus

Board Members Absent:
Dan Kathol, Vice Chairman, Hartington Community Development Corporation

Others Present:
Jim McCarville, Northeast Community College
Rich Jablonski, City of Columbus
Don Andersen, Dixon County
Thomas L. Higginbotham, Jr., NENEDD
Jeff Christensen, NENED
Kristen Rosner, NENED
Judy Joy, NENED
Martin Griffith, NENED
Mandy Gear, NENED
Grace Petersen, NENED

III. Introduction of Guests: NENEDD Chairman Loren Kucera asked everyone attending the meeting to introduce themselves to the group.

IV. Secretary’s Report
A. Consideration to approve the August 26, 2020, agenda and the July 29, 2020, minutes:
Judy Mutzenberger made a motion to approve the August 26, 2020, agenda and the July 29, 2020, minutes. Troy Uhlir seconded the motion. AYES: Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. NAYS: None. ABSENT: Dan Kathol. Motion carried.

V. Treasurer’s Report
A. Consideration for acceptance of the July 2020 Treasurer’s Report. NENEDD Fiscal Officer Kristen Rosner presented the report. Troy Uhlir made the motion to accept the July 2020 Treasurer’s Report. Gary Jackson seconded the motion. AYES: Tina Biteghe Bi Ndong, Gary

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VI. Action Items

A. Consideration to approve a $30,000 loan to Michael and Annie Bahns, d/b/a Bahns Automotive Repair – Clarkson. NENEDD Business Loan Specialist Jeff Christensen presented. Michael and Annie Bahns are planning the start of their own business, Bahns Automotive Repair, which will be a full-service auto repair shop. The plans are to purchase a building located at 110 W. 2nd St. in Clarkson that is now owned by the Coop. Michael will purchase $25,000 in equipment and inventory, including a hoist, tire machine and balancer. The total project costs are $92,500. NENEDD will loan Michael and Annie Bahns, d/b/a Bahns Automotive Repair, $30,000 to purchase real estate, equipment, and inventory. This loan will have a term of 10 years at an interest rate of 4.50% (fixed). NENEDD will have a subordinate (2nd) lien position on the real estate and business personal property and personal guaranty from Michael & Annie Bahns. NENEDD will file a Deed of Trust on the Bahns’ personal acreage in rural Stanton County and require an assignment of life insurance from Michael for the amount of the loan for the life of the loan. Tina Biteghe Bi Ndong made a motion to approve a $30,000 loan to Michael and Annie Bahns, d/b/a Bahns Automotive Repair – Clarkson. Troy Uhlir seconded the motion. 

AYES: Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. NAYS: None. ABSENT: Dan Kathol. Motion carried.

B. Consideration to approve a $151,750 EDA CARES ACT loan to Hartington Auto and Truck Parts, Inc. – Hartington. NENEDD Business Loan Specialist Jeff Christensen presented. Eric and Jana Eickhoff are planning the purchase of the local NAPA auto parts store located at 108 W. Main St. in Hartington. The total project costs are estimated to be $745,150, which includes the purchase of the inventory, furniture, fixtures, equipment, working capital, and a line of credit. NENEDD will lend $150,000 to purchase the NAPA auto parts store inventory. NENEDD’s 1% loan processing fee ($1,500) and loan closing fee ($250) will be incorporated in the total loan amount. The $151,750 NENEDD EDA CARES loan will have a term of 10 years at 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 of Hartington Auto and Truck Parts, Inc. NENEDD also will file a Deed of Trust on Eickhoff’s personal residence in Hartington and require life insurance assignments from Eric for the amount of the loan for the life of the loan. Troy Uhlir made a motion to approve a $151,750 EDA CARES ACT loan to Hartington Auto and Truck Parts, Inc. – Hartington. Gary Jackson seconded the motion.

AYES: Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. NAYS: None. ABSENT: Dan Kathol. Motion carried.

C. Consideration to fill a vacancy on the Board of Directors. NENEDD Executive Director Thomas L. Higginbotham presented. The NENEDD board vacancy will be filled by Andrew L. Devine, City Administrator/Clerk/Treasurer for the City of Albion (first term to end 6/30/2023). Tina Biteghe Bi Ndong made a motion to fill a vacancy on the Board of Directors. Judy Mutzenberger seconded the motion. 

AYES: Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. NAYS: None. ABSENT: Dan Kathol. Motion carried.

D. Consideration for approval to open an account at BankFirst for EDA CARES-RLF. NENEDD Fiscal Officer Kristen Rosner presented. The Economic Development Administration (EDA) has approved NENEDD’s application for a $2,211,000 EDA investment to capitalize a Revolving Loan Fund. These funds are to be used to address the economic impact on businesses
caused by the COVID-19 pandemic. The Specific Award Conditions state that the funds should be in a separate, interest-bearing bank account. Troy Uhlir made a motion for approval to open an account at BankFirst for EDA CARES-RLF. Charlie Bahr seconded the motion. **AYES:** Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. **NAYS:** None. **ABSENT:** Dan Kathol. Motion carried.

**E. Consideration for approval to open a Line of Credit.** NENEDD Fiscal Officer Kristen Rosner presented. The Economic Development Administration (EDA) approved NENEDD’s application for a $2,211,000 EDA investment to capitalize a Revolving Loan Fund. The funds include administration along with $2,010,000 in loan capital to assist businesses impacted by the COVID-19 pandemic. There is a time delay between obtaining board approval of the loan, EDA approval for disbursement, and receiving the funds. A line of credit will help cash flow. The interest will be minimal, but it is an eligible expense for the administration of the grant. Interest will be set according to the current prime rate (3.25% on 08/21/2020). There is no fee for the line of credit. Tina Biteghe Bi Ndong made a motion for approval to open a Line of Credit. Judy Mutzenberger seconded the motion. **AYES:** Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. **NAYS:** None. **ABSENT:** Dan Kathol. Motion carried.

**F. Consideration for approval of the Resolution for League Association of Risk Management (LARM) Insurance.** NENEDD Fiscal Officer Kristen Rosner presented. LARM has been approved since 2013 to provide NENEDD’s workers’ compensation, general liability, errors & omissions, auto liability, auto physical damage, and commercial property insurance coverage. NENEDD sent Request for Proposals to area insurance providers and selected LARM for a three-year period beginning with the 2019-2020 pool year. Troy Uhlir made a motion for approval of the Resolution for League Association of Risk Management (LARM) Insurance. Gary Jackson seconded the motion. **AYES:** Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. **NAYS:** None. **ABSENT:** Dan Kathol. Motion carried.

**VII. Chairman’s/Board Comments:** None.

**VIII. Next Meeting Date:** The next NENEDD Board of Directors meeting will be held on Wednesday, September 30, 2020, at 7:15 p.m. or following the NED, Inc. meeting. The meeting will be held at the City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.

**IX. Adjournment:** Tina Biteghe Bi Ndong made a motion to adjourn the meeting. Troy Uhlir seconded the motion. **AYES:** Tina Biteghe Bi Ndong, Gary Jackson, Troy Uhlir, Judy Mutzenberger, Charlie Bahr, Glen Ellis, and Loren Kucera. **NAYS:** None. **ABSENT:** Dan Kathol. Motion carried. Loren Kucera adjourned the meeting at 7:41 p.m.