



THREE RIVERS COMMUNITY ACTION, INC.  
Board of Director's Meeting Minutes  
Wednesday, June 15, 2022  
Three Rivers Community Action, Inc.  
1414 Northstar Drive, Zumbrota MN, and Remote via Zoom  
9:00 a.m. to 10:15 a.m.

**Members Participating:** Galen Malecha, Erick Maki, Jo Anne Krier, Julie Steberg, ReJean Schulte, Ruth Boudet, Stephanie Podulke, Meredith Erickson

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**Staff Participating:**

Jenny Larson, Executive Director  
Clara Krause, Associate Executive Director  
Kindra Papenfus, Chief Financial Officer  
Leah Hall, Community Development Director  
Peter Schepers, Transportation Director  
Donna Stamschror, Administrative Support Manager  
Carla Pearson, Older Adult Services Coordinator

**Members Excused:** Heather Robins, Maritza Navarro, Dave Windhorst, Abdullah Hared, Paul Drotos, Bob Walkes, Jodi Johnson

**Call to Order:** Meeting was called to order at 9:00 am by Chair, Galen Malecha.

**Determination of Quorum:** Quorum was met.

**\*Approval of the May 18, 2022, Meeting Minutes**

Julie Steberg made a motion to approve the May 18, 2022, meeting minutes, Ruth Boudet seconded, motion unanimously approved.

**\*Approval of the June 15, 2022, Meeting Agenda**

Meredith Erickson made a motion to approve the June 15, 2022, meeting agenda with the removal of Individual Action Item B - Tax returns for the year ended December 31, 2021, including Internal Revenue Service Form 990 and 990T, Minnesota Revenue form M4NP and Minnesota Charitable Organization Annual report, ReJean Schulte seconded, motion unanimously approved.

**Director's Report**

Jenny gave the Executive Director's report.

1. **State Legislative Session** – The Minnesota legislature adjourned in May without passing the spending or bonding bills that were under consideration. There is still a chance some action could come if there is a special session called, but as time goes on that does not seem likely.

2. **State Legislators on the Move** - Many of our local representatives and senators have announced their retirement, including Senator Goggin (Red Wing/Wabasha/Zumbrota), Senator Senjem (Rochester), Rep Lippert (Northfield), Rep Haley (Red Wing/Wabasha), and Rep Pierson (Rochester). Additionally, Rep. Bolden (Rochester) and Rep. Draskowski (Zumbrota/Plainview) have announced that they are running for the state Senate rather than House. Re-districting has put Senator Draheim out of our service area (his district previously included Northfield). These moves, along with regular election change, mean that we will have several new elected officials representing our service area in the coming year. We will be sending out thank you notes to all of our retiring legislators to thank them for their work.
3. **Community Services Block Grant Re-authorization** – In the US Congress, the House of Representatives passed the bill to re-authorize the Community Services Block Grant (HR 5129) on May 13. This bill had bi-partisan support, including support from MN-02 Representative Angie Craig. CSBG reauthorization now moves to the Senate, where Senator Tina Smith is a key member of the HELP (Health, Education, Labor & Pensions) Committee where the bill will be heard. The nation-wide Community Action network is asking all supporters of CSBG to contact their Senators to ask them to take up the re-authorization of the CSBG program. I would appreciate any board members sending in a quick note. There is a VERY simple contact form to reach both Senator Smith and Senator Klobuchar on this topic here: <https://www.ncaf.org/action-center/>
4. **Driver Shortage** – The driver shortage has affected our public transit program. Due to a shortage of drivers, we have had to temporarily adjust service in Red Wing. Routes have been suspended, and all passengers are being served with Dial-A-Ride. We are working our regular hours, 4:30 a.m. – 9:00 p.m. weekdays, and 7:00 – 5:00 pm weekends, but all passengers must book in advance rather than waiting at designated bus stops. We are diligently working to hire and train more drivers and hope to be back to regular service soon.
5. **Board Governance Committee** – At the Annual Board meeting in January, there was discussion about convening an ad-hoc committee to discuss governance and officer succession planning for the Three Rivers Board. The Board chair appointed himself, Heather Robins, Meredith Erickson, Paul Drotos to sit on this committee plus one member from Olmsted County. We plan to convene this group this summer as schedules allow, in preparation for future action by the full board.
6. **Site Visit** – We were pleased to host Joaquin Altoro, USDA Rural Development’s Rural Housing Administrator visiting from Washington DC, at our Riverwood Apartment project in Cannon Falls. Also on the visit were Rural Development’s State Director Colleen Landkamer, Minnesota Housing Commissioner Jennifer Ho and Assistant Commissioner James Lenhoff, and Rural Development staff members Chuck Phillips and Brian Stockland. Our visitors heard from our Three Rivers staff, Lloyd Management (property management) staff, and one of our tenants who opened his home to the visitors. This was a great opportunity for Three Rivers to show off our work and provide some important feedback to our funding partners.

Stephanie Podulke announced that she is not running for re-election to the Olmsted County board, along with three other Olmsted County Commissioners. Galen thanked her for her service, including service on the Three Rivers board which will end when her term in office ends. She said this is the easiest board because the meetings are organized and the organization is stellar.

### **Action Items:**

#### **\*Consent Agenda**

ReJean Schulte made a motion to approve the consent agenda, Ruth Boudet seconded, motion unanimously approved.

#### **\*Individual Action Items**

- a) Audited Consolidated Financial Statements for the year ended December 31, 2021. Presented by Marie Primus, CPA, CGMA – Partner, BerganKDV (emailed to board members and on the board page of the website)

Marie reviewed the preliminary independent auditor's report, communications letter, summary of material weaknesses and significant deficiencies (none), and consolidated financial statements with the board, to be finalized pending board approval. Three Rivers received a clean opinion on the financial statements. There are no material weaknesses and no significant deficiencies.

Marie said the tax return documents are very close to completion.

Marie thanked Kindra, the fiscal team, and Jenny for their efforts to complete the audit. She shared her contact information and told the board they can reach out to her anytime.

Jenny thanked Kindra and her staff for all the work they did to prepare for the audit. She also thanked program staff who also provide information for the audit.

Julie Steberg made a motion to approve the Audited Consolidated Financial Statements for the year ended December 31, 2021, Meredith Erickson seconded, motion unanimously approved.

- b) Hiawathaland Public Transportation 2023 Grant Approvals:
- Approval of Operating Grant Request to MnDOT – up to \$5 million
  - Approval of Capital Grant Request to MnDOT for bus cameras and a mechanic van – \$140,000
  - Approval of Vehicle Grant Request to MnDOT for replacement of 2 buses – \$206,000
  - RESOLUTION 2022-09 – approving the local share requirements for the MnDOT grants

Jenny said this is the time of year we apply for grants to MnDOT to operate public transportation in Goodhue, Rice & Wabasha counties. She reviewed the grant requests and resolution.

Stephanie Podulke made a motion to approve the application of the Operating Grant Request to MnDOT – up to \$5 million, Capital Grant Request to MnDOT for bus cameras and a mechanic van – \$140,000, Vehicle Grant Request to MnDOT for replacement of 2 buses – \$206,000, and Resolution #2022-09 – approving the local share requirements for the MnDOT grants, Erick Maki seconded, motion unanimously approved.

c) Spring Creek II, Northfield

Leah reviewed the project background and provided an update on the project, including the finance package. She provided the board a list of financial sources and uses. The project is in closing process, and final approval from the board was requested.

1. Approve the attached MHFA Borrowing Resolution #2022-10

Erick Maki made a motion to approve the MHFA Borrowing Resolution #2022-10, ReJean Schulte seconded, motion unanimously approved.

2. Approve the attached Resolution #2022-11 for Cinnaire; the Three Rivers LIHTC Investment Resolution

Ruth Boudet made a motion to approve Resolution #2022-11 for Cinnaire; the Three Rivers LIHTC Investment Resolution, Jo Anne Krier seconded, motion unanimously approved.

d) 1<sup>st</sup> & 3<sup>rd</sup> Apartments, Austin, MN - Approve staff to apply for financing for the construction of 1<sup>st</sup> & 3<sup>rd</sup> Apartments through the Minnesota Housing Multifamily RFP due July 14, 2022

Leah said Three Rivers has been working with staff at the City of Austin and the Austin HRA to develop an affordable housing project using state and federal resources, including tax credits. This will be our second project developed in partnership with local partners in Austin. She explained the background, proposal, and project details. She provided the board financial sources and uses. There is strong local support for the project.

Stephanie Podulke made a motion to approve staff to apply for financing for the construction of 1<sup>st</sup> & 3<sup>rd</sup> Apartments through the Minnesota Housing Multifamily RFP due July 14, 2022, Ruth Boudet seconded, motion unanimously approved.

e) Faribault Single-Family - Approve staff to apply for financing for Value Gap and Affordability Gap through the Minnesota Housing Impact Fund Round due July 14, 2022.

Leah said the Rice County HRA has been working closely with Three Rivers' Achieve Homeownership Program and other local housing providers over the years to help facilitate new homeownership opportunities for first time homebuyers in Rice County. In particular, there is a need for homes for large, diverse families. Three Rivers will work closely with the HRA and other local partners to develop a homeownership project on land owned by Rice County. Leah reviewed the background, proposal summary and project details.

Erick Maki made a motion to approve staff to apply for financing for Value Gap and Affordability Gap through the Minnesota Housing Impact Fund Round due July 14, 2022, Stephanie Podulke seconded, motion unanimously approved.

## Policy Discussion Item

### a) Older Adults Annual Report by Carla Pearson, Older Adults Services Coordinator

The program presentation this month was an overview of the Older Adults programs at Three Rivers. Carla gave an overview of Meals on Wheels and Caregiver Support programs, reviewed the department organization flowchart, funding sources, program demographics, and future plans including Meals on Wheels expansion in Lonsdale in process now.

Board members thanked Carla for her presentation and for the great work being done by her team, including all of the great volunteers we have delivering meals.

### b) Strategic Plan Input and Discussion

Jenny said every five years we update our strategic plan. We have been using Real Time Strategic Planning since 2017. Real Time allows us to look at the opportunities as they come up and evaluate using a screening tool. This spring, staff worked with the same consultant from 5 years ago to review our strategic plan and make suggestions before we approve it as a current plan. It is now time for the Board of Directors to provide feedback as well. Staff will incorporate Board feedback and put it into the final 2022 Strategic Planning report for approval at a future meeting.

Mission Statement – Board members reviewed the organization’s mission statement: “Three Rivers Community Action works with community partners to address basic human needs of people in our service area, thereby improving the quality of life of the individual, family and community.” Board members discussed and like it as it is.

Seven Core Values – Board members reviewed the organization’s core values, which are: Respect the people we work with, Embrace diversity, Inspire mutual trust, Listen to community needs, Seek collaborative solutions, Lead with integrity, & Promote empowerment and self-sufficiency. Staff were interested in adding a statement that includes equity, and proposed a change to the last value: *Promote equity and empowerment and self-sufficiency*. Board members want to keep self-sufficiency in the value and proposed: Promote equity, empowerment, and self-sufficiency. This change will be made in our final report

Jenny reviewed the Real Time Strategic Planning process’s strategy screening tool. This tool is used to evaluate new opportunities and make strategic decisions. The tool involves using 7 screening questions:

- Does it support our mission?
- Does it build on our unique strengths or position?
- Does it duplicate other services?
- Does it create opportunity for collaboration?
- Is there an identifiable funding source?

- Do we have or can we get/build the capacity for this?
- Have the tradeoffs been identified?

The Board discussed and had no recommended changes.

The Board then reviewed proposed Strategic Initiative topics proposed by staff. Strategic topics that are continued from last time are Communication, Outreach, Public Policy, and Funding. Jenny said staff have suggested two additions to the strategic initiative topics. Organizational Stability to continually stay aware of community and organizational trends and the capacity to adapt to changing needs. We also added Employer of Choice to recruit and retain a workforce that represents our communities. Are we doing everything we can to attract new staff and retain the quality staff that we have? Are we providing existing staff an opportunity to move up in organization? Board discussed and shared ideas on the strategic priorities. Members also shared examples of what they do in their own organizations. Jenny thanked everyone for the discussion and ideas that were shared today. She said we will bring back the Strategic Planning report at a future meeting for further review and approval.

### **Advisory Committee**

- a) Head Start Policy Council met on May 19, 2022. Minutes are in the agenda packet. Next Head Start Policy Council meeting is on August 18, 2022.

**Comments from the public:** None

**Date, Time, and Location of Next Meeting:** 9:00 a.m., August 17, 2022, Three Rivers Conference Room, 1414 Northstar Drive, Zumbrota, MN or via Zoom.

### **Adjournment**

Meredith Erickson made a motion to adjourn the meeting, Julie Steberg seconded, motion unanimously approved.

Galen Malecha  
Chair

August 17, 2022  
Date