



***Snohomish Health District  
Board of Health Minutes  
Regular Meeting  
October 14, 2014***

**Members Present**

Suzie Ashworth, Councilmember, Granite Falls  
Adrienne Fraley-Monillas, Councilmember, Edmonds  
Linda Grafer, Councilmember, Mukilteo  
Karen Guzak, Mayor, Snohomish  
Sam Low, Councilmember, Lake Stevens  
Scott Murphy, Councilmember, Everett  
Sean Richards, Councilmember, Mountlake Terrace  
Sid Roberts, Councilmember, Lynnwood  
Dave Somers, County Councilmember  
Donna Wright, Councilmember, Marysville  
Stephanie Wright, County Councilmember, Chair

**Members Absent**

John Joplin, Councilmember, Brier  
Ken Klein, County Councilmember  
Terry Ryan, County Councilmember  
Brian Sullivan, County Councilmember

**Call to Order**

The regular monthly meeting of the Board of Health was convened at 3:06 p.m. by Chair Stephanie Wright in the Auditorium of the Snohomish Health District Rucker Building. Roll call was taken by Lorie Ochmann, who reported there was a quorum present.

**Minutes**

It was moved by Ms. Guzak and seconded by Mr. Low to approve the minutes of the regular meeting held September 9, 2014. The motion carried unanimously.

**Consent Agenda**

It was moved by Ms. Fraley-Monillas and seconded by Ms. D. Wright to approve the following items on the Consent Agenda: (a) vouchers 59260-59395 totaling \$1,230,742.14 for September 2014; and (b) Resolution 14-12 authorizing September 2014 expenditures for Health District and PHEPR funds. The motion carried unanimously.



## **Public Comment**

Public comment was given by Hanna Welander, representing Washington State Nurses Association.

## **Chair's Report**

Chair Wright had no report.

## **Health Officer's Report**

### **Ebola Virus Disease**

As of October 3, 7470 cases had been reported to the World Health Organization (WHO), including 3431 deaths. This is more than double the number of cases as of a month ago. As of October 7, there have been no suspect cases in Washington State and only one case diagnosed in the U.S. The Centers for Disease Control & Prevention (CDC) and the state Department of Health have issued guidance that staff has shared with the local medical community. Staff believes that the medical community, including first responders who might transport suspect cases, is well prepared. In addition, the Health District has longstanding protocols for dealing with challenging infectious diseases (such as smallpox and tuberculosis) that engender high public concern. Of particular importance, we are fully prepared to investigate and manage contacts. Departure screening is occurring at airports in West Africa as well as arrival screening at five major airports in the US. Ninety percent of all travels from affected countries arrive at these select airports. Until Ebola is contained at its source in Africa, there is no assurance another case will not reach the US. Close monitoring for symptoms of travelers from affected countries is the best strategy for containing virus spread. Asymptomatic travelers are not being quarantined.

Mr. Murphy asked how SHD knows who is arriving from an affected country. Dr. Goldbaum explained that the Quarantine Service at SeaTac is setting up a notification system with Department of Health and in turn local health jurisdictions to track known travelers from affected areas.

A report on Enterovirus D68 (EV-D68) was included in Board Member packets.

## **Committee and Standing Reports**

### **Finance Report**

Ms. Fraley-Monillas asked for details of the annual State Auditor's Office Audit Finding.

Judy Chapman, SHD Business Manager explained that the audit for 2013 consisted of three simultaneous audits; an Accountability Audit, Financial Statement Audit and a Federal Grant Compliance Audit. The Auditor's Office issued an unmodified opinion on the financial statements which means they believe the statements are presented fairly in all material respects.



They did, however, issue a finding in regard to the District's internal controls over accounting and financial statement preparation. This means that even though they found no material misstatements, the lack of secondary review of the final financial statements and year end journal entries might lead to misstatements. We acknowledge this weakness and have taken actions to train additional staff so that there is a second level of review of all journal entries and the financial statements. We are beginning the recruiting process to replace a former accountant position that was eliminated in June 2013.

#### **Public Health Advisory Council**

Brant Wood, Vice Chair of the Public Health Advisory Council (PHAC) reported that the PHAC received a thorough briefing from SHD Policy Analyst, Pam Wessel-Estes about the current RCW and the proposed language changes in the local code to provide clear definitions of some terms therein. After discussion, the PHAC members agreed with staff that this is the right way to go for an initial clarification that "smoke" includes all kinds of tobacco products as well as marijuana as well as the other clarifications proposed. The PHAC is also interested in eventually bringing vapor devices under this RCW and we understand the need to accomplish that as a separate item.

#### **Ad-Hoc Policy Committee**

Mr. Low reported that the Committee Members John Joplin, Ken Klein and he met on September 16<sup>th</sup>. The group had previously discussed funding concerns regarding the First Steps Program. Although the County Executive proposed funding for the program for another year, the County Council still has some decisions to make. Tough choices remain in order to balance the SHD budget.

#### **Ad-Hoc Policy Committee**

Ms. Fraley-Monillas reported that the Committee Members Ms. Guzak, Ms. D. Wright and she have met twice to discuss proposed changes to Smoking in Public Places language. The proposed changes do include marijuana but do not include vapor devices or pertain to activities in the home. Details of the proposal were provided in the Program Briefing later in the meeting.

#### **Governance and Finance Committee**

Dr. Goldbaum asked for Board Member volunteers to participate on a Governance and Finance Ad-Hoc Committee. This Committee will review the structure of the health district and the Board. Ms. Ashworth, Ms. Fraley-Monillas, and Ms. Guzak (as alternate) volunteered to participate. The Committee will meet twice before the end of the year. Dr. Goldbaum will email Board Members additional details.



## Action Items

### Smoking in Public Places (SIPP)

Pam Wessel-Estes, SHD Policy Analyst provided background on Smoking in Public Places legislation. WA State voters approved I-901 amending 70.160 RCW (formerly Washington State Clean Indoor Air Act). Now known as Smoking in Public Places (SIPP) Act, this law protects people in public places and workplaces from second hand smoke exposure. Challenges with the current law include (1) lack of clarity with a number of definitions; (2) smoking of non-tobacco products is not clearly defined; (3) difficulty in providing definitive answers to the public; and (4) the mandate is unfunded. Ms. Wessel-Estes discussed a two stage plan to adopt and amend SIPP for Snohomish County. Stage One: Amend SIPP to (1) include marijuana and hookah smoking and (2) clarify existing definitions for smoke and smoking, employer and employee, public place, and place of employment. Proposed Language:

Add language to definition of "smoke and smoking" to include marijuana and hookah:

*"Smoke" or "smoking" means the carrying, use or smoking of any kind of lighted, combustible, smoldering, or burning cigarette, pipe, cigar or other lighted smoking equipment including but not limited to tobacco, flavored tobacco products such as shisha (used with hookah smoking), or marijuana.*

Proposed language to clarify "Public place":

*"Public place" also means any public or private place that is open to the general public regardless of whether dues, cover charges or a fee is charged or there are restrictions such as an age requirement for the privilege of admission, and includes any place used by a membership association or club at which non-member guests are present or permitted.*

Proposed language to clarify "Place of employment":

*"Place of employment" also means an outdoor venue or workspace that is adjacent to or enjoined with a business enterprise or work environment where employees are required to pass through during the course of employment; including but not limited to food/drink service areas such as on decks or outdoor areas.*

Proposed language to clarify "Employer":

*"Employer" means any person, sole proprietorship, partnership, corporation, association, nonprofit organization, or other entity of any kind that pays another person direct or indirect monetary wages, profit, or provides any other benefit in consideration for such other person's providing services on the premises of the employer. "Employer" shall also mean the owner(s), shareholders or member(s) respectively of a sole proprietorship, corporation or Limited Liability Corporation, association, nonprofit organization, or other business entity.*

Proposed language to clarify "Employee":

*"Employee" means any individual who is employed by an employer in return for the payment of direct or indirect monetary wages, benefit, or profit, any individual who volunteers his or her services to an employer for no monetary compensation or any individual who performs work or renders services, for any period of time, at the explicit or implicit direction of an owner, shareholder, member, lessee or other person in charge of a place that is subject to the provisions of this ordinance.*



The proposed timeline for Stage I is as follows: July – present SIPP proposal to PHAC for comments; August – present SIPP proposal to BOH policy ad hoc; begin accepting public comment; September – update BOH on process; October – first reading at BOH meeting and obtain additional public comments; and December – second reading, public hearing, and BOH vote on proposed amendments.

Stage II: Begin process to consider adding vapor devices to local SIPP in 2015. Objectives in phase include (1) develop staff report on vapor devices with most current research; (2) plan and implement public comment period; (3) meet with PHAC (Public Health advisory Council) and Ad Hoc Policy Committee to present findings; and (4) bring proposed amendments to BOH for vote before the end of 2015.

It was moved by Ms. Fraley-Monillas and seconded by Mr. Murphy to conduct a first reading of proposed language amending Snohomish Health District Sanitary Code to incorporate Smoking in Public Places regulations and set a second reading and public hearing for December 9, 2014. The motion carried unanimously.

Ms. Guzak thanked staff for the great work on this project.

Mr. Murphy inquired about the timeline for Stage II, noting it is substantially longer than Stage I. Ms. Wessel-Estes responded that the timeline allows for potential controversy and possible additional public or community meetings.

## **Program Briefings**

A Quarterly Strategic Plan Briefing was included in Board Member packets.

### **2015 Budget Process Update**

Pete Mayer, SHD Deputy Director introduced the agency's preliminary budget proposal, thanked staff for contributions, and explained the format of the presentation. Mr. Mayer reminded the Board of SHD's Financial Policies adopted in 2013: to achieve a balanced, stable and sustainable budget; to provide an extended six year planning horizon to increase awareness of future potential challenges & opportunities; to set aside discrete reserves for contingencies and replacement of capital assets; to plan for the capital needs of the District; to increase transparency & accountability in managing District finances and operations; and to seek new/expanded revenues where feasible while prudently controlling costs. In the coming months staff will seek to appoint a Blue Ribbon Commission to address sustainable funding for public health.

Dr. Goldbaum, SHD Health Officer and Director provided Board Members with background of the agency budget challenges since the recession that ultimately led to reductions of staffing from 228 FTE in 2008 to fewer than 140 FTE in 2015. To balance the 2015 budget, SHD again needs to make some reductions to District programs and staffing. The Strategic Plan Update adopted in July of this year provides a strong framework for moving forward, but does not address the funding shortfall. Dr. Goldbaum reminded the Board that there was dedicated funding



from cities and counties for public health prior to 1999, when the legislature decided to use Motor Vehicle Excise Tax (MVET) to share the responsibility between incorporated and unincorporated areas. In 2000 MVET was dramatically cut and thereby cutting funding for public health. Although the state did backfill some of the funding, that funding has remained flat, while costs continue to increase.

Mr. Mayer discussed the changes in staffing, moving forward to fill some vacant positions while realigning their focus to be consistent with the Strategic Plan priorities. The District has avoided forced layoffs the past few years, relying on attrition savings (eliminating vacant positions). The 2015 budget proposal again captures savings from the elimination of some vacant positions throughout the District. However, this is not a sustainable strategy and SHD must re-invest in some select positions to deliver and support future programs and services. In total, the agency anticipates a net reduction of 6.0 full-time equivalents (FTE's) vacant positions effective January 1, 2015 and an additional 5.9 full-time equivalent (FTE's) vacant and filled positions effective July 1, 2015. The total agency request for 2015 is \$17,157,489. This represents a decrease of \$929,299 from 2014. The proposed budget includes 145.20 FTE as of January 1, 2015 and 139.30 FTE as of July 1, 2015, for a total decrease of 9.4 FTE from the 2014 Budget.

Nancy Furness, Communicable Disease (CD) Division Director highlighted elements of the CD Division and Emergency Preparedness and Response (PHEPR) Program. The 2015 Budget assures provision of basic public health services to protect the population's health and safety and expands partnerships to share resources and responsibilities for the public's health. Staff is exploring leveraging technology to support staff that is on-call 24/7. In the TB Program staff is pursuing using Skype or other video technology for directly observed therapy. Based on evaluation and recommendation of a contractor engaged by SHD, 3<sup>rd</sup> party billing for TB services is also being looked at. As stated in the Strategic Plan, the agency will continue to move patients into medical homes and transition Immunizations and Travel Clinic services (5.9 FTE's eliminated by July 1). Additional innovations and opportunities will be explored in TB services. Total revenue for the CD Division is \$3,216,871 with total expenses (including Indirect & Overhead) \$4,179,691. Work Plan items for the PHEPR Program include: fulfill the duties of ESF 8/Health and Medical role at the County's Emergency Operations Center; determine SHD's roles and responsibilities in Family Assistance Centers during an emergency response; and updating SHD's emergency plan to be compliant with the Public Health Accreditation Standards. Total revenue for the PHEPR Program is \$671,752 with total expenses (including Indirect & Overhead) \$671,752.

Mr. Somers expressed concern for existing Immunization Clinic clients in locating suitable medical home and inquired about a gap analysis. Ms. Furness responded that we serve a very small percentage of the population, approximately 4500-4700 clients per year, half of which have medical insurance. Staff is working with the federally qualified healthcare centers, which have received funding under the Affordable Care Act specifically for transitioning clients and have indicated they have capacity. Refugee services will require additional consideration. Although no formal gap analysis has been completed, staff believes sufficient resources are available.

Charlene Shambach, Community Health (CH) Division Director highlighted three work plan items in CH. The first item, to lay a foundation to co-locate Maternal Child Health staff in community settings will embed some of our staff in community settings. A recently submitted



grant, Growing Healthy Together would support this initiative. The second initiative, to develop a Healthy Communities Action Plan will aim to help our residents make healthy nutrition choices, increase physical activity, and reduce exposure to nicotine and tobacco products in order to reduce chronic diseases. Finally, additional priority public health issues will be identified. Total revenue for the CH Division is \$4,541,380 with total expenses (including Indirect & Overhead) \$5,585,154.

Randy Darst, Environmental Health (EH) Division Director presented initiatives in the EH Division. The first initiative, to improve Environmental Health business practices includes selection and implementation of new Environmental Health software in the first half of 2015. With new technology, staff will be exploring mobile office opportunities which would allow remote access to information and reduce time in the office for field staff. A review of viability of other service locations, such as locating a staff person at the county is in the very beginning stages. Second, the agency will standardize Food Safety procedures to FDA certification standards. This is already underway and will lead to consistency between inspections. Updating Chapter 7 and 8, SHD Sanitary Code, to be consistent with WAC is also underway. Environmental Health revenues are strong. Total revenue for the EH Division is \$5,516,039 with total expenses (including Indirect & Overhead) \$5,443,064. There are five minor fee adjustments proposed: reduced fee for coordinated farmers market vendors; new fee for limited risk food category; new fee for school concession permit; new fee for exempt from permit category; and new fee for operating without a permit.

Mr. Mayer Provided an overview of the Administration Division 2015 Budget Proposal. Four of the seven Administration initiatives are from the Strategic Plan: reduce administrative overhead; institute workforce development; improve health district finance and governance; continue process for national accreditation; and integrate Q.I. The next quarterly report will include updates on these four initiatives. The agency Health Policy Analyst, Pam Wesel-Estes will be working with Dr. Goldbaum on agency-wide policy issues to develop and implement public health policies. As SHD contracts and engages in strategic realignment, staff has identified a need for a community relations strategist to assist in community outreach and expand public relations. Finally, improving technology, data collection, analysis and performance management will be necessary in the coming year. Total revenue for Administration is \$2,640,831 with total expenses (including Indirect & Overhead) \$3,917,838.

Judy Chapman, SHD Business Manager provided an overview of the six-year financial forecast. The forecast is a tool for focusing on the long range changes to the fund balance given the current trajectory. In 2015, reductions continue with a drop in WIC revenues (\$190,000), the anticipated loss of all Medicaid Administrative Match funds (approximately \$80,000) and a loss of an HIV grant (\$77,000). Such reductions continue to erode critical revenues that offset costs of delivering services. The projection assumes renewal of federal grants at current levels. The sun-setting of the mental health funding at the end of 2016 is included in the projection. Estimates include a 2% increase in the cost of supplies and services. The bulk of the expenditures are in salaries, in excess of 80%. SHD is currently in negotiations with all three labor units. The impact of those deliberations is yet unknown. Medical and PERS rates are also increasing. Ms. Chapman also highlighted capital requests, much of which is carry-over from 2014. The forecast also



includes the line item Compensated Absences, the unfunded liability for compensated absences payable to employees when they separate from service. Absent new revenues, the District will be forced to reduce services and programs further into the future.

Next steps include an overview of Capital Outlay and Capital Improvement Plan, budget updates/follow-up and a Public Hearing at the November 4<sup>th</sup> Board Meeting and 2015 Final Budget Adoption at the December 9<sup>th</sup> Board Meeting.

Mr. Murphy commented on the generosity of the compensated absences policy, this is inconsistent with private industry. The 2% increase in retirement contributions are a real cost to the agency and benefit to the employee, which should be considered in labor negotiations. He also inquired about cost sharing of medical benefits for staff and dependents. Teri Smith, SHD Human Resources Manager responded that the cost of medical coverage is shared with staff.

Mr. Somers requested staff develop specifics on the potential model that would be proposed to city contributions.

Several Board Members concurred that it would be very helpful to know exactly what would be asked of the cities.

Ms. Fraley-Monillas stated that cities are operating in the red and meaningful contributions to public health mean cuts somewhere else.

Mr. Somers commented that the county is in the same boat, costs exceed taxing authority.

### **Information Items**

A calendar for scheduled meetings in October and November 2014 was provided to Board Members in their packets.

### **Adjournment**

The meeting was adjourned at 5:10 PM.

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Stephanie Wright, Chair

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Gary Goldbaum, M.D., M.P.H., Secretary