



**Snohomish Health District  
Board of Health Minutes  
Regular Meeting  
August 9, 2016**

Meeting was held at Snohomish Health District, 3020 Rucker Ave., first floor Auditorium

**Members Present**

Christine Cook, Councilmember, Mukilteo  
Adrienne Fraley-Monillas, Councilmember, Edmonds – BOH Vice Chair  
Benjamin Goodwin, Councilmember, Lynnwood  
Kurt Hilt, Councilmember, Lake Stevens  
Ken Klein, County Councilmember  
Scott Murphy, Councilmember, Everett  
Jeff Rasmussen, Councilmember, Monroe  
Terry Ryan, County Councilmember  
Brian Sullivan, County Councilmember – BOH Chair  
Donna Wright, Councilmember, Marysville

**Members Absent**

Mark Bond, Councilmember, Mill Creek  
Hans Dunshee, County Councilmember  
Dan Rankin, Mayor, Darrington  
Sean Richards, Councilmember, Mountlake Terrace  
Stephanie Wright, County Councilmember

**Call to Order**

The August meeting of the Board of Health was called to order at 3:07 p.m. by Board Chair Brian Sullivan in the auditorium of the Snohomish Health District Rucker Building. Roll call was taken by Linda Carl who reported there was a quorum present.

**Minutes**

It was moved by Vice Chair Adrienne Fraley-Monillas and seconded by Mr. Scott Murphy to approve the minutes of the regular meeting held July 12, 2016. The motion passed unanimously.

**Consent Agenda**

It was moved by Mr. Ken Klein and seconded by Ms. Donna Wright to approve Resolution 16-012 authorizing July 2016 public health expenditures and voucher check numbers 62682 through 62846 totaling \$1,409,994.95, and to approve the Site Hazardous Assessment Contract (SR 16-047). The motion passed unanimously.

## Public Comment

There were no volunteers to speak during public comment. Chair Sullivan closed the public comment period.

## Action Items

2016 Mid-Year Financial Report and Budget Amendments (SR 16-050):

Judy Chapman, Business Manager, gave the oral report as of the second quarter. She reported on the current budget, actuals, and adjustments. Included in the 2016 budget is a significant capital expenditure budget, and we're relying upon \$1.9M of fund balance to fund this year's operations and capital improvements. Sixty-five percent of the agency's funds are restricted (or categorical) and can only be used for specific purposes. The remaining resources are static or declining and are unpredictable, which limits the Health District's ability to institute change. Intergovernmental revenues are fluctuating, licenses and permit revenues are up in the Environmental Health division, Medicaid administrative match is dropping, the WIC caseload continues to drop, and the 1/10<sup>th</sup> of 1% mental health sales tax funding for First Steps will end this year. Expenditures continue to increase. We continue to do selective hiring and realignment of positions. Charges for services are going down. Our budget anticipated increased revenues for third-party insurance billings based on a consultant's analysis; however, those revenues are not materializing.

License and permits collections are higher at the beginning of the year due to food permits, and there is a slight uptick in May due to seasonal pools. So far in 2016, the trend continues except for a 24% increase in onsite sewage permits, which is identified in the budget adjustment. We've received the Solid Waste contract, which will reimburse the 2015 solid waste expenditures in the fund balance and is also included the budget adjustment. Other contract renewals are on track. Charges for services are significantly lower than past years partly due to closing the immunization clinic. Miscellaneous revenue includes rent in the Rucker Building, which is on track. We've employed a new agent to more aggressively market the Lynnwood space and anticipate cost-savings or additional revenue once a new tenant is found. We're currently on track with salaries and benefits; we have eight current vacancies – five of which are actively being recruited.

Capital expenditures represent the majority of under-spending so far this year; these expenditures will be made later in the year. Some phases of the EH system have been implemented, with go-live on time and attendance launched on June 6. The financial system software for human resources and payroll is in phase one with implementation in progress; phase two will implement purchasing, accounts payable, cash disbursement, and general ledger. We're reviewing the requirements and will include electronic payments, purchasing cards, streamlining the purchasing function, while increasing oversight to continue sound practices and reduce administrative overhead. The IS system upgrades have started and we're working on an email upgrade; we're negotiating with Snohomish County to redesign our network infrastructure and required preliminary work has begun. Rucker Building upgrades/renovation are on hold to obtain more direction from the Board.

There are several adjustments, detailed in Exhibit B of the staff report. In the general fund, we have an adjustment of about \$50K to fund balance, including revenue and minus some expenses, with a .9 FTE increase request. In the PHEPR fund, there's a slight increase in revenue offset by a slight increase in



associated expenditures. In the 2015 reimbursement line, it's the total sum of the contracts renewed to reimburse us for 2015 EH shortfall. It will go directly to fund balance. Next steps: we'll continue to scrutinize vacancies, monitor third-party billing and other charges for services, monitor federal grant revenues that expire in September and make sure we get our renewals. We'll come back with another review at the end of the third quarter.

Mr. Murphy asked about the billings to insurance companies – have we gone back to the consultant and asked what assumptions were not panning out? Ms. Chapman responded that no, we haven't done that analysis. Mr. Murphy asked if staff could go back and review what it is that's causing us to fall short.

Ms. Fraley-Monillas asked the amount in reserves. Ms. Chapman said the projected ending fund balance (without reserves) is \$5.5M, with \$2.2M in working capital/emergency fund reserves. We also set aside compensated absences that don't show on the financial statements; after excluding that set-aside, the available fund balance is about \$1.5M.

Mr. Murphy moved and Mr. Kurt Hilt seconded the motion to amend the 2016 Snohomish Health District budget to reflect an increase to the 2016 operating budget revenues of \$200,940 and \$150,324 in expenditures for a total net impact to fund balance of \$50,616 and 0.9 FTE, and the motion to reimburse the general fund for 2015 expenses in the amount of \$581,347. The motions passed unanimously.

Environmental Health Customer Service Staffing Request (SR 16-049):

Mr. Jeff Ketchel, Environmental Health Director, introduced staff report 16-049 regarding a request to add a customer service specialist position for EH and vital records. Mr. Ketchel explained there has been a sharp increase in all areas of the customer service section; additionally, there are several pending retirements in the division. The new position would provide customer service and timely responses to the permits and applications process, as well as be trained in preparation for inevitable retirements.

Mr. Klein commented that he's heard from people who are interested in having the permitting timeline move faster, so he supports this motion.

Mr. Klein moved and Mr. Hilt seconded the motion to authorize the addition of a 1.0 FTE Program Specialist 2 in the Customer Service Section, funded from current revenues in the Environmental Health Land Use Section, and the motion to amend the agency's 2016 budget to reflect \$39,988 in additional personnel costs. The motions passed unanimously.

### **Program, Committee, and Standing Reports**

Ms. Nancy Furness, Communicable Disease Director, gave a report on recent events in the division. She reported that late on July 18 Health District received reports of two children with E.coli bacteria, which has a 5 to 10% risk of causing potentially life-threatening kidney complications. Both children were hospitalized and both children attend the Monroe Montessori School. One of the children attended the school for five days while ill, creating a high risk of exposure to staff and other children. Health District staff assessed the facility the next day and found deficiencies in cleaning and sanitizing as well as inconsistent and unsupervised hand-washing of the children. Parents were notified of the possible exposure, and a Health Officer's order was issued to close the school on July 20. Response included

working with school staff to ensure thorough cleaning and disinfection of the facility; once all requirements were met, the school was allowed to reopen. Parents were asked to not send their children to alternate child care while the school was closed since even asymptomatic children could be contagious. Health District staff worked closely with the Department of Early Learning; they reviewed and revised school practices, such as hand-washing. To prevent the spread of E.coli, all children and staff were required to be tested (provided for free). Eighty-three staff and children were tested; one child with symptoms was sent to the family's primary care provider.

The Health District activated incident command because the event required resources beyond the CD division. Over two weeks, about 20 Health District staff were involved across several departments.

The school reopened on July 25. Health District staff were onsite for three days to screen children and staff for symptoms. No additional cases of E.coli were found, and both children who were hospitalized have been released from the hospital and have been cleared to return to normal activities, including school.

Ms. Furness noted the partnerships necessary to respond to such an event, including those within and outside Health District. Ms. Thea Heineman, director of the Montessori School, thanked Health District staff for their help during the experience, including working weekends. She said it was a daunting project, but with support of parents and staff, they were able to reopen quickly.

Mr. Hilt asked how many staff are employed through the PHEPR grant; Ms. Furness responded that there are four full-time staff.

Mr. Pete Mayer, Deputy Director, added that one challenge for local public health is maintaining the skills and capabilities for "surge" events such as this. He indicated that the Health District relies on a shared response among divisions; if there were multiple events at the same time, we'd have to rely more on local and state partners. He noted this event was extensive, and the staff responded commendably. Dr. Gary Goldbaum, Health Officer, added that this was truly a partnership with the State Department of Health. We employed brand-new technology that provided test results within 24 hours; it was the first time this technology was used locally. This is a reminder of how we all work effectively together.

Next, Mr. Brant Wood, Chair of the Public Health Advisory Council, gave a brief report on the PHAC's July 27 meeting. He reported that Dr. Goldbaum gave a presentation that will be provided to city councils in the next few months and asked for the PHAC's feedback. Members of the PHAC felt the \$2 per capita was a good start to help with the Health District's funding.

### **Chair's Report**

There was no Chair's report.

### **Health Officer Report (SR 16-046)**

Dr. Goldbaum reported that there have been two new developments in the Zika virus outbreak. The first is that local mosquito-borne transmission has been reported in Florida (outside Miami). The CDC's

recommendation is for pregnant women to avoid travel to that area. Also, it was discovered that the virus can be sexually transmitted from women to men.

The Seattle Pain Clinic, operated by Dr. Frank Lee, has been closed due to the suspension of Dr. Lee's license. About 11,000 patients on chronic opioid therapy have been affected; we're working with the State Department of Health, which has activated its incident command, and with the medical community on convening local providers to address how we can assure adequate access to pain management in the community. We have to rely on primary care providers to help care for these patients.

Dr. Goldbaum continues to work on making opioid overdose a notifiable condition. Providence Emergency Department and the Medical Examiner's Office have agreed to provide reports; eventually he'd like the EMS community to provide reports as well. We're trying to understand the magnitude of the problem; right now we know that deaths are increasing. Our resources to respond, however, are limited.

### **Work Session – Facilitated discussion exploring Health District's \$2 per capita investment proposal (SR 16-051)**

Dr. Goldbaum welcomed invited guests and noted that today's message is similar to the presentations that Health District staff are providing to city councils in August and September. At the heart of this message is that the Health District's purpose is to protect the public and promote good health. He began the presentation with a brief history of public health achievements in the last 100 years in preventing disease and protecting health. However, there's more work to be done in the 21<sup>st</sup> century, such as addressing emerging diseases, childhood obesity, the opioid epidemic and more.

Dr. Goldbaum then reviewed the Health District's revenue and expense trends from 1997. Nationwide the average is \$41 per capita spent on public health; in Snohomish County it's \$22 per capita (second from the bottom in Washington State, with only Yakima spending less at \$13 per capita). Without added funding, layoffs loom and vital services are at risk, including the Health District's response to emergencies (such as H1N1 and the SR530 slide) and emerging issues (like the opioid epidemic). However, if all Snohomish County cities contribute \$2 per capita, the Health District can continue to ensure addressing public health issues, at both the county and city levels. Health District staff will also approach the legislature for funding of foundational public health services.

Mayor John Spencer (city of Lake Stevens) asked the definition of "trauma-informed care." Dr. Goldbaum explained that trauma-informed care asks "why" children act out and then addresses the issue and helps them to overcome it so they have a better chance to be successful in school.

Ms. Margaret Norton Arnold facilitated the following discussion regarding the Health District's \$2 per capita request to cities and the County.

Mr. Bob Bolerjack (executive director, city of Everett) noted that public health is upstream of issues. In regards to the per capita ask, he stated that every city has to be "all in."

Mr. Hilt said this topic is relevant to issues that are discussed in Lake Stevens, such as addressing homelessness, the opioid epidemic, and emergency preparedness.



Mayor Spencer said his city's Facebook site receives a lot of comments regarding homeless camps. He let his staff know today that \$2 per capita needs to be included in the budget. He asked if the county has a utility tax. Dr. Goldbaum noted that the Health District has no taxing authority; Chair Sullivan added that the County cannot tax utilities – only cities have this capability.

Ms. Fraley-Monillas gave feedback from staff's presentation to the Edmonds City Council. She reported there was some support but they'd like more information. They also asked about a one-year contract that included reviewing the budget again next year.

Ms. D. Wright said she hasn't received specific feedback from her council (Marysville) as of yet; more discussion is needed.

Mr. Murphy wants to make sure the priorities for funding are foundational, countywide services, rather than services that can be provided by other agencies; there may also be additional opportunities for cost-savings.

Ms. Fraley-Monillas agreed that basic, foundational services are the priority. A list of what cannot be accomplished if there's not additional funding is also important information to share with cities.

Mayor Spencer added that the Health District addresses issues the cities can't do alone, such as the opioid issue and its effect on citizens.

Mr. Hilt said messaging is important. The Board needs to be able to articulate what public health does and be able to communicate that message. A tool that might help is a one-page flyer with talking points.

Mr. Mayer said that the challenge for staff is adequately educating the Board during monthly meetings, balanced with Board members possibly being on the Board only one year.

Mayor Spencer said that communicating in a persuasive way is challenging, but there are those who can tailor the message effectively for cities. A message he found effective, for instance, is the Sheriff's statement that "we can't police our way out" of the opioid epidemic.

Ms. Fraley-Monillas acknowledged that Board members rotate, and maybe staff can focus on four or five countywide issues, such as the opioid epidemic, that affects every city, regardless of size.

Board members noted that the challenge for cities is that budgets are tight. Mr. Mayer noted that the Health District is a junior special-purpose district and as such doesn't have taxing authority. It also doesn't have a vehicle-replacement or capital-replacement fund; in addition, many revenues are restricted.

Ms. D. Wright mentioned that perhaps city money could go to capital improvements; Mr. Murphy said that it might be less compelling, however, to get the cities onboard.

Mr. Jeff Rasmussen is waiting to hear from the other cities he represents after they have their council presentations. He said having talking points would help provide a tangible connection for cities. He noted that a longer-term plan would be helpful and asked if a document could be developed that shows the effects if some cities don't contribute.

Mr. Murphy added that a one-year commitment doesn't offer staff the ability to plan ahead.

Ms. Heather Thomas, Public and Government Affairs Manager, clarified that the model is based on every city and the County contributing \$2 per capita. The Health District will work with cities on what makes sense for them regarding the length of their commitment.

Mr. Bolerjack commented that it has to look equitable, and Mr. Murphy said the structure should be the same for all cities.

Dr. Goldbaum stated that the Health District is asking each of the Board members to pitch in and be onboard with this proposal.

Michael Stevens (councilmember, city of Marysville) asked about putting a sustainable financial program in place. Steve Uberti, Health District general legal counsel, responded that there's no state law providing a mechanism for sustainable public health funding.

Mayor Spencer requested a list of goals/deliverables that can be addressed using city contributions. He added that the Health District has cut the fat and now we're to the point of cutting muscle.

Ms. Chris Cook agreed that deliverables and partnerships are important. She indicated that sometimes it's hard to define what the Health District does because when things are going well, public health is invisible; people think about it only when there's a crisis. The Mukilteo city council asked what will be cut if they don't contribute, and they asked why the County is not funding at the previous level.

Chair Sullivan responded that Snohomish County is currently funding at \$400K/year higher than what it's required to fund. Previously it had been as much as \$1.2M/year over the required amount. Post-recession, the County is using money from the CDMH (sales tax on mental health) funds. This is supplantation, which the County is required to stop doing per state law. He added that in the past, cities contributed to public health, and in the 1980s it was included in the MVET (motor vehicle excise tax); however, I-695 eliminated that funding. The legislature backfilled for many years, but that funding has been flat. Mr. Mayer added that staff can provide this brief history to the Board and will add it to the presentations.

Mr. Terry Ryan added that it would be great if cities could start contributing.

Mr. Mayer reviewed the cities that are scheduled for council presentations in the next few weeks. He noted that the \$2 per capita proposal will go to the budget ad hoc committee in September.

Chair Sullivan said that administering 20 interlocal agreements each year would be a big undertaking. The issue is heartfelt and we all need to work together. He asked Board members to express to their city councils what services the Health District provides, how well we provide them, how we've done more with less, and how we're now doing less with less.



Ms. Fraley-Monillas then gave an update on the hiring process for the Health District's legal counsel. She reported that she and Mr. Murphy participated in the interview process with Health District leadership. Summit Law is the selected firm for employment/labor counsel; references are currently being checked for the top firm for general legal counsel. In September the contract for general legal services will be brought forward to the Board.

Mr. Rasmussen thanked Health District staff for all their work on recent issues in Monroe, and he gave kudos to the Monroe School District and Monroe Montessori School for all their efforts in dealing with recent challenges.

Chair Sullivan noted that the next Board meeting is September 13.

### **Adjournment**

The meeting was adjourned at 5:11 p.m.

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Brian Sullivan, Chair

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