

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
BOARD OF COMMISSIONERS
Regular Meeting
AGENDA
August 24, 2022
8:00 a.m. to 10:00 a.m.

The public can participate in person at the Verdant Community Wellness Center or join via Zoom by visiting <https://us02web.zoom.us/j/81877444580> Meeting ID: 818 7744 4580 or the call-in number is 253-215-8782.

	<u>ACTION</u>	<u>TIME</u>	<u>PAGE</u>
A. Call to Order	---	8:00	---
B. Approval of Minutes	Action	8:01	
1. July 27, 2022 Regular Board Meeting			2
2. August 8, 2022 Special Board Meeting			15
3. August 11, 2022 Special Board Meeting			21
4. August 17, 2022 Special Board Meeting			27
C. Public Comments (limit 3 minutes per speaker)	Information	8:05	---
D. Presentation: Jody Early and Sandra Huber, Mental Health Matters	Information	8:14	---
E. Superintendent Report	Information	8:34	---
1. Verdant Operations			
2. Community Outreach Update			
F. Executive Committee Report	Information	8:40	---
1. Board Agenda			
2. Strategic Planning update			
G. Finance Committee Report			
1. Review Financial Statements & Cash Activity	Information	8:45	35
2. Authorization of Payments of Vouchers and Payroll	Action	8:55	44
3. Approval of HVAC RFP	Action	9:00	47
4. 2023 Budget Timeline	Information	9:05	70
5. Property Updates	Information	9:15	
6. Value Village LOI Extension and Appraisals	Action	9:25	
H. Program Committee Report			
1. Conflicts of Interest	Information	9:35	
2. COVID Grant Request	Action	9:36	71
3. Q3 Grant Requests and Remaining Funding	Information	9:40	
I. Public Comments (limit 3 minutes per speaker)	Information	9:46	---
J. Commissioner Comments	Information	9:55	---
K. Adjournment		10:00	

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
VERDANT HEALTH COMMISSION

BOARD OF COMMISSIONERS

Regular Meeting

Hybrid: In-Person at Verdant Community Wellness Center and via Zoom

July 27, 2022

8:00 a.m.-10:00 a.m.

**Commissioners
Present**

Jim Distelhorst, MD, President
Deana Knutsen, Commissioner
Carolyn Brennan, Commissioner
Karianna Wilson, Commissioner
Bob Knowles, Commissioner

Staff

Dr. Lisa Edwards, Superintendent
Riene Simpson, CPA, Director of Finance
Zoe Reese, MPA, Director of Community Impact & Grantmaking
Sandra Huber, Community Engagement Manager
Kaysi Kelly, Executive Assistant/Office Manager
Maggie Konstanski, Grants Manager
Kirk Mathis, Digital Marketing & Communications Manager
Monika Star, Wellness Center Assistant

Guests

Darren Redick
Joel Wasserman, CMO Swedish-Edmonds
Jen Culbertson, CNO Swedish-Edmonds
Bradley Berg
Omar Gamez
Amber Rogers
Laura Gonzalez
Lauren Long
Patricia Schaut
Haddy Faye-Cham
Lauren Armstrong
Holly Fitzpatrick
Chad Thomas
Carol McMahon
Breonna Countryman – Edmonds Birth Center
Nicole Grayson – Edmonds Birth Center
Andrea V. – Edmonds Birth Center
Michele– Swedish Birth Center
Jillian – Edmonds Birth Center
Jen – Edmonds Birth Center
Rachel – Edmonds Birth Center
Deborah Johnson – Edmonds Birth Center
Tammy Latschaw – Edmonds Birth Center
Jennifer – Edmonds Birth Center
Carin Chase
Maralyn Chase

Shirley Buono
Sally Ault
Vicki Roberts-Gassler
Pat Weber
Isabelle Breda
Danielle Curtis
Ashleigh Bonadio – Edmonds Birth Center
Kat Cornelius – Edmonds Birth Center
Lisa Udder
Tressa
Cyndie Bray
Dr. Bourne
Jessica Oba

Call to Order

The regular meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:01 a.m. by President Distelhorst.

Approval of Minutes

Motion was made by Commissioner Knowles, seconded by Commissioner Knutsen and passed unanimously to approve the minutes of the regular Board Meeting on, June 29, 2022 (E:59:22)

Public Comments

**Presentation:
Darren Redick**

Mr. Darren Redick, Chief Executive of Providence-Swedish, expressed that the healthcare industry has faced many challenges during the COVID-19 pandemic. For Swedish-Edmonds, this includes staffing issues to maintain nursing and physician staff. In the first 6 months of 2022, Swedish-Edmonds has lost 42 nurses and is seeing this trend of the loss of workforce continuing. There is a national crisis around nursing and there are hospitals around the country which are having to close departments and losing more nurses than they are able to hire which is reducing the workforce. Many hospitals are reducing bed capacity since they can't staff them. To move forward and mitigate these challenges in the coming months, one idea hospital executives had was to combine workforces with Providence-Everett and have a temporary move and consolidation of OB services from Swedish-Edmonds. He stressed that the goal is to have safe and viable services for the community. This would be a temporary move and not a permanent closure. This is a strategy to deal with an unprecedented circumstance in healthcare. The goal is to be thoughtful and look ahead, and to provide enough time to work together and provide safe transition plans. Mr. Redick continued that what he is personally worried about is waiting until it's to a point of crisis and we have to react which creates more risk for a bad outcome. Looking ahead, they're recognizing the very serious workforce trend they want to address, and they have

begun the process of investigating this transition of services in detail. This is all moving very quickly, and they need the help of everybody to come up with a transition plan. Today's presentation is meant to provide a brief update and not an exact plan. The biggest concern of Swedish-Edmonds executives is a workforce deficit they are seeing in mid-August 2022.

President Distelhorst asked if any Commissioners had a comment.

Commissioner Brennan commented that the service delivery of Swedish-Edmonds is the most important aspect to our community. If you can't deliver a baby at the hospital in August, that is a concern. She asked Mr. Redick to speak more about the staffing shortages and what prompted it.

- Mr. Redick answered that the U.S. has been struggling to find adequate nursing staff. There have been many nurses who left the profession throughout the pandemic, due to a tremendous pressure on nurses. Hospitals are choosing to close parts of their hospital due to staffing shortages. What Providence-Swedish is trying to manage is trying to recruit and retain nurses in their hospitals. Hospitals are losing more nurses than they are able to hire, and this is creating a strain on the workforce.

Commissioner Brennan asked Mr. Redick to provide specifics for Swedish-Edmonds, such as how many nurses and why did they leave. She asked if there is another solution to this staffing shortage here locally. She understands there are people who have worked at Swedish-Edmonds for a very long time and this solution the hospital executives are proposing would really disrupt that team environment.

Commissioner Knutsen commented that she had all three of her children at Swedish-Edmonds (when it was previously Stevens Hospital). She belongs in this community at that is where she wanted to have her kids – there is a community link. Everett is not the same as Edmonds. She has even further concerns that Swedish-Edmonds is a secular institution and Providence-Everett is a faith-based service provider. Swedish-Edmonds provides other services than giving birth – it is a reproductive health concern. By switching this to Providence-Everett we lose that secular definition that allows us to provide services that Providence does not want to provide. There are laws in this state that say we have to provide certain services. This is an intense time for reproductive health, on a national level, and now we are seeing it locally to be pushed into a position to make choices she finds would be detrimental to the community. There is a strong group of nurses that have worked for a long

time at Swedish-Edmonds. We, as Commissioners, have to look very closely at what would be best for our community in the long term.

Commissioner Wilson asked Mr. Redick to speak to the process that SEIU (Service Employees International Union), is now engaged in and how that impacts all units. Why is it that labor and delivery can't be pulled out in a separate conversation? She asked to hear about more creative problem solving in partnership with the caregivers to determine the best solution.

- Mr. Redick answered that the executive team here believes we need an OB service in Edmonds. What they are really talking about here is to maintain *safe* services. The long-term plan here is to maintain OB services in Edmonds. Over the past two years we have been managing this workforce, we have tried strategies to bring in nurses such as sign-on bonuses. The SEIU contracts were set in February 2020 and the Swedish leadership and HR team recognizes this is creating a challenge for OB and other nursing units. There have been discussions with SEIU for over a month to come to an agreement to re-open discussions about these contracts, especially around wages. Teams have been put together to have these wage discussions, starting in August. Frankly, these solutions around pay would not solve the staffing issue fast enough so there is a timing issue with this.
- Commissioner Wilson expressed her concern that if there is a massive problem with staffing, why is the leadership from SEIU and Swedish-Edmonds not having conversations specific to this issue, separately from the staffing issues they see coming up in August-October?

Commissioner Knowles commented that clearly there needs to be a larger discussion with the Board and Swedish-Edmonds leadership. There is something that needs to be addressed internally within the organization.

President Distelhorst asked Provide-Swedish leadership if they had any further comments before we moved to Public Comments on the meeting agenda.

Dr. Joel Wasserman commented that their goal is to have a healthy Ob program at Swedish-Edmonds, in this community, and for this community. What is difficult is *how* we get to that goal safely. There is disagreement on the situation we are in. He listens to the comments from his colleagues and sees the situation differently. He recognizes they are asking people to work in situations where there is limited staffing, and this wears people down and creates safety issues. What hospital leadership

has put forward today is an idea on how to keep things safe and maintain staff until labor markets have shifted and we are able to hire staff to sustain OB at Swedish-Edmonds over the next year.

Commissioner Brennan asked what the plan is for Swedish and Verdant to work together on these large issues to avoid these moments where we're all in a room together and it is the first time some of our Commissioners are hearing about this plan?

- Mr. Redick reiterated the crisis of healthcare and that perhaps that is one of the issues of the healthcare system not making it clear to the community how significant this crisis is. Financial troubles of hospitals right now are mostly driven by the lack of workforce available and the expense of trying to manage with a high agency percentage of your staff. Snohomish County is under strain, not just in OB. There are constant, daily conversations about how to deal with patients. It is crushing to be in this situation, and this is why we see some people leaving the workforce. This is why we are here - so we don't see a collapse in services for Snohomish County.

Commissioner Knutsen pointed out some comments in the Zoom chat stating that Providence-Swedish has removed all the traveling nurses and have not had these conversations with existing staff. She is aware there are conversations between SEIU and the hospital and reiterated Commissioner Wilson's question asking how many conversations have been had with existing staff around next steps. She continued to raise her concern that shutting down the OB staff of Swedish-Edmonds for 6-months would mean this workforce is not in use and nothing would be built at Swedish-Edmonds, just moved to another place.

- Mr. Redick responded that the idea is to combine the OB staff of Swedish-Edmonds and Providence-Everett to provide these reproductive services to the community up in Everett. The idea is to consolidate the short workforces in Snohomish County together to pool resources for a short period of time and provide services in one location.
- Commissioner Knutsen pointed out more details coming through in the Zoom meeting chat that these discussions have not happened with the nursing staff.
- Mr. Redick added that this transition plan is not finalized. They have notified the OB team on Monday 7/25, the caregivers team of SEIU on Tuesday, 7/26, and Verdant today. This is just the beginning. The hospital leadership team is sharing this news now. They have not planned all the solutions and worked through all of the details without notifying the team.

- Commissioner Knutsen is not comfortable getting rid of this level of service for our community. She wants to assure there is not any other option before moving this huge portion of services.

Commissioner Wilson pointed out a comment in the Zoom meeting chat that someone said "CNO Jenn Culbertson said 'this is happening'" and from that we can assume the transition of Swedish-Edmonds to Providence-Everett is happening. If we are in a true partnership, both parties have to be willing to sit down together to figure out a solution. SEIU has to come to the table with us to figure it out and negotiate.

- Mr. Redick agrees that this conversation needs to happen, but we have a crisis on our hands and patient-safety is serious.

Commissioner Brennan is grateful that Swedish leadership is here and recognizes it is tough to make these decisions, but decisions have been made and she is worried how the partnership with Swedish will come back from this.

- Dr. Wasserman agrees we are all worried. There is no clear-cut way to do this. There are real problems we are facing in the near future. Maybe we can get through it, maybe we can rally, maybe we won't. There are certain things you can't come back from. Hospital leadership sees this and hears the concerns. They need people who can handle the emergency situations and keep staff/patient ratios correct.
- Commissioner Wilson asked the Swedish leadership team to talk about the other staffing shortages outside of OB and nursing staff. She also asked him to comment on traveler nurse contracts being cancelled and if there is a plan to bring them back.
- Mr. Redick answered that the usage of traveler nurses at Swedish has more than tripled in the past year. Usage of traveler nurses has reached a level that is not sustainable. Traveler nurses who filter out of the workforce in 13-26 weeks create a liability by switching nursing staff frequently. With these short-term nurses there isn't that same workforce who have worked together for several years and understand each other's skills and how to work together. From a financial standpoint, it is completely unsustainable to use traveler nurses. As we hit peak traveler nurse counts, we have to limit the number of traveler nurses we use in our region. We are trying to manage the resources we have while building our resources back up. There were some traveler contracts which were not extended and were permanently canceled.

- Ms. Culbertson spoke about her background working in the NICU. She talked about the open OB technician and surgical technician positions that can't be filled. There are sick calls in early August resulting in only 5 nurses available on the OB unit. She has to decide by this Friday what to do about next week's staffing in the NICU since she has only one nurse scheduled.
- Commissioner Knutsen expressed concern that she has not heard about this huge crisis with Swedish-Edmonds, as partners for this hospital, even though she was on the strategic collaboration committee with Verdant and the Hospital.

President Distelhorst reiterated his concern about transferring services from a secular to religious service practice. Our district does not include Providence-Everett. During the two years Dr. Edwards has been Superintendent at Verdant, she has worked with five different Swedish Chief Executives. We have concern that once this OB unit is closed, it will not come back, and it will be lost forever.

**Public Comments
(moved up from
second half of
agenda)**

Lauren Armstrong: Delegate Executive Board Member, the highest level of leadership as a worker at Swedish. She is on several committees, one of which works on contracts for staff. She said they have been screaming about staffing shortages for years. Staff is complaining about being treated as widgets, being moved to wherever Swedish leadership sees fit. These caregivers have committed their careers to Swedish and love their community. They deliver multiple children within a family. She was glad to hear Commissioner Knutsen raise the concern about moving these OB services to faith-based Providence-Everett. There is a war on women's health and closing an OB department at Swedish-Edmonds and assuming they will go to Providence-Everett is a problem. Swedish doesn't listen to the staff who brings their concerns to SEIU. Nurses are concerned that traveler nurse contracts were not extended. Nurses agree that wages need to change but they have no idea if Swedish intends to bargain in good faith. The contract committee she is on has provided a timeline to Swedish to start bargaining the economic re-opener in August-September. There will be meetings every Tuesday and Thursday through the end of September.

Jessica Oh: The crisis feels a little manufactured. Travel nurses were cancelled and then there was a "crisis" of staffing. She said nurses have been asking to be trained as scrub technicians so they can step in when needed. She feels the management group at Swedish needs to work with this OB unit. When their unit was closed during the pandemic to make beds for COVID patients, the nurses went to Swedish First Hill and they stuck it

out for the sake of their community. This issue now is not a pandemic crisis. The nurses we have now would leave if there is a temporary 6-month transition. These would be the most senior experienced nurses.

Dr. Chad Thomas: Newest OBGYN at Swedish-Edmonds, started 3 weeks ago. He has delivered 12 babies since he has worked at Swedish-Edmonds and works with an amazing staff. When he asks his nursing staff why they work at Swedish-Edmonds, they say they do not want to work at Providence-Everett. He moved here so his family could be a part of this community, so his kids could go to school in this district. He doesn't want to work in Everett either. We owe something to this community

Lisa Udder: Community member. She asked if there will not be an OB unit at Swedish Edmonds next week? Commissioner Distelhorst clarified this change would happen in mid-August. Her concern is removing the secular practice of Swedish-Edmonds since there are women who would not want to go to Providence for their reproductive services. As a Public Hospital District, she urged Commissioners to push Swedish on this issue.

Trisha: Traveler nurse for 6 years and tried many hospitals. It took her 10 years to find Swedish-Edmonds (when it was Stevens Hospital) since she could do her best work. She has been at Swedish-Edmonds for 24 years. Whenever there are traveler nurses who come to work, the nurses try to get them to stay and once they go through the HR process, they are not interested in staying. Our community wants Swedish-Edmonds' style of birthing, not a place that does 500 deliveries per year. We can salvage births of women who had traumatic experiences at birthing centers. She wants Stevens Hospital back. Nurses want to provide excellent care to their community. The nurses will do what it takes to keep the department going. They will sign up for extra shifts, but nobody has asked. There has not been a meeting to tell nurses about the crisis and ask for help.

Amber Rogers: This hurts her heart, deeply. She feels there was never conversation about the situation being so dire. There were staffing meetings scheduled on Monday 7/25 which were canceled on Monday 7/25 with a notice of "change team" and transition teams were to be in place. The rumor mill started, and the nurses went to their supervisor asking what was happening and were told they couldn't tell them anything. The nurses called a Zoom meeting and came together. By Tuesday 7/26 morning, they were told it was so dire, their OB unit was being shut down for 6 to 12 months. She will not come back after 12 months. Twelve months isn't temporary, that is time to find a new career. They went through a strike and came back

stronger. The OB unit got shut down for COVID because that was a priority, it was significant for the community, and it had to be done. The nurses came back after this shutdown and were stronger than ever. They have been raising issues about the HR process for years. There are people on staff willing to cross-train, but this is not an option. For a temporary closure, you will not get the staff back and there will be less staff than before. Other solutions can be done first. The women and the families of our community don't deserve this treatment.

Karen Volleyball: Has worked at Swedish since March 2020. She worked at Swedish Ballard initially and in July 2020, Swedish Ballard said they would not maintain the OB unit. In retrospect, they had shut down the critical services to keep the unit working. Ultimately, the Swedish-Ballard OB nurses were farmed out to other hospitals. She estimates that half of the workers did not stay once they were requested to transfer hospitals. There is a crisis in women's healthcare with Roe v. Wade being overturned and Swedish-Edmonds provides services that Providence-Everett will not provide. This community will suffer if the OB unit doesn't stay open. This is the best unit she has worked at in 30 years.

Laura: Nightshift worker. She has been on the staffing committee for the OB unit for 24 years and knows what it takes to staff the night shifts. She is not a part of the union since she started long enough ago to not have to be forced into the union. She did the strike since she believes in safe staffing. The strike didn't work, and she will never strike again. When the OB unit shut down during COVID, she transferred to the ICU. While working in the ICU, there was a hospital code for someone coming to the ER to deliver a baby. She was the only person in the hospital who could deliver the baby. She had to work out of her scope and teach the ER doctor how to deliver the baby. Last night, a woman came in and she had a baby 5 minutes later. Where would she have had that baby if Swedish-Edmonds wasn't open? She lived in Edmonds. This is real, this is her community, she cares.

Deborah Johnson: Charge nurse on day shift. Has been at Swedish Edmonds for 35 years (her entire nursing career). This is her home. She loves the culture at Swedish-Edmonds birth center. She would have hoped to retire at Swedish-Edmonds. As the most senior charge nurse, she has had many opportunities to train nurses. If the OB unit closes, she will not come back, and Swedish-Edmonds will lose her 35 years of experience to help train and groom the future nurses and charge nurses. She implores Swedish leadership to please think this through carefully and do not close the OB unit.

Executive Session	<p>President Distelhorst thanked the almost two dozen members of the public who joined us for this meeting. He adjourned for Executive session at 9:35am until 10:00am. No action would be taken during this time. Executive Session was extended an additional 20 minutes to 10:20am.</p> <ol style="list-style-type: none">1. To consider the legal risks of potential litigation.
Open Session	<p>Commissioner Distelhorst opened the meeting back to the public at 10:20am. Commissioner Knowles was excused from the Executive Session at 10:00am.</p> <p>Commissioner Wilson asked Dr. Edwards to prepare a written statement for the Executive Committee to review which expresses the Board's extreme displeasure in the possible transition of the OBGYN services from Swedish Edmonds to Providence Everett. The Commissioners are not in support of this effort. Commissioner Wilson motioned for this written statement, Commissioner Knutsen seconded. Motion passed. Commissioner Knowles was not present for the vote.</p>
Superintendent Report:	<p>Dr. Edwards provided thanks to the Verdant team for their extensive outreach efforts to get out in the community to represent Verdant. Verdant continues to work through environmental issues with Value Village in preparation of the sale of the property. We are also working through a large HVAC project for Kruger Clinic. We are looking forward to launching the Kruger Clinic refresh project. She meets almost weekly with Darren Redick from Swedish-Edmonds and looks forward to continuing these meetings to learn more about the hospital operations. Dr. Edwards and Zoe Reese attended a tour of Edmonds College and discussed how to expand their training programs to produce a pipeline of talent into the hospital.</p>
Executive Committee Report	<p>President Distelhorst reported that the Executive Committee met on Wednesday, July 20, 2022 to review the agenda for the July 27, 2022 board meeting. No action was taken at this time.</p>
Finance Committee Report:	<p>The Finance Committee met on July 14, 2022 to review warrants and financial reports for the July 27th board meeting.</p>
Review of Financial Statements	<p>Ms. Simpson reviewed the financial statement and cash activity for June 2022 and noted any variances in income and expenses from the prior month (E:60:22).</p>
Authorization for payment of vouchers and payroll	<p>Authorization for payment of vouchers and payroll: Warrant numbers 15566-15628 and warrant references B-C for payment in June 2022 in the amount of \$257,603.20, were presented for approval. (E:61:22)</p>

Motion was made by Commissioner Wilson, seconded by Commissioner Brennan and passed unanimously to approve the June warrants. Commissioner Knowles was not present for the vote.

**Resolution
2022:07
Disposition of
Assets**

Commissioners reviewed a request from Swedish-Edmonds to dispose of District property no longer fit for use. This disposal includes \$243k in ventilators. **Commissioner Wilson made a motion to approve the disposal of assets, Commissioner Brennan seconded, motion passed.** Commissioner Knowles was not present for the vote.

**Program
Committee Report**

Commissioner Knutsen provided an overview of program activity and grantmaking for June 2022. (E:62:22)

**Conflict of
Interest**

None.

Expiring Contracts

Commissioner Knutsen presented a list of expiring contracts that will be required to submit a new application or a year 2/3 request. These programs have been notified.

Agency	Program	Current Annual Award	Contract Expiration Date	Year of expiring contract	Total Years of Funding Received
Cancer Lifeline	Whole Patient Services for Cancer Patients	\$14,000.00	9/30/2022	1	1
DVS	Education, Outreach, and Prevention	\$80,000.00	9/30/2022	1	10
Girls on the Run	Girls on the Run/Heart and Sole	\$24,605.00	9/30/2022	1	6
Jean Kim Foundation	Hygiene Center	\$246,633.00	9/30/2022	1	1
Korean Community Service Center	Mind Body and Soul for Korean Americans	\$115,000.00	9/30/2022	1	1
Medical Teams International	Care & Connect	\$150,000.00	9/30/2022	1	11
Parent Trust	Conscious Fathering	\$7,900.00	9/30/2022	1	5
Prescription Drug Assistance Program	Prescription Drug Assistance Network	\$55,000.00	9/15/2022	3	10
Washington West African Center	Drop-in Center	\$114,600.00	9/30/2022	1	1
		Total			
		\$807,738			

**COVID Grant
Request**

Ms. Reese, MPA, provided details about the one COVID grant request for Board review and approval.

COVID Grant Requests

Agency	Program	Request	Description	Committee Recommendation
The Hand Up Project (THUP)	The Respite Program-South County Expansion	\$73,096 7/1/22-12/31/22	Seeking funds to pilot an expansion of intensive outreach to people experiencing homelessness and to add two respite motel rooms with intensive case management, onsite treatment and 24/7 security for Verdant Social Worker to refer clients to.	Fund as requested with re-submitted budget clarification.

Commissioner Knutsen made a motion to approve, Commissioner Distelhorst seconded, motion passed.
Commissioner Knowles was not present for the vote.

Confirmation of Existing Funding Guidelines and Definitions

Commissioner Knutsen presented a current version of definitions, grant budget guidance and non-renewal procedure which is a compilation of what has already been approved by the Board. The goal is to provide a clear policy of grant guidelines which is approved in the Board minutes. This will help us be transparent to grantees and communicate to long term grant partners these fully approved and current guidelines.

Commissioner Brennan suggested to remove the term "generally" from the definition of Administrative Expenses to take out the ambiguity of what will be allowed or not. Ms. Reese, MPA, commented that this was not recommended by our attorney Brad Berg to allow Commissioners the opportunity to consider, for example, a new program or a start-up that they feel very strongly to support but that needs more than 10% of Administrative Expenses covered to get started.

Commissioner Brennan asked if the "non-renewal procedure" was clear enough that grant partners know they need to re-apply? Ms. Reese, MPA, clarified that yes, grant partners are notified of their options during intensive 1:1 support by the Verdant grantmaking team.

Commissioner Wilson asked if the \$807,738 in expiring grant contracts is already in process, and that the Board will vote on these at the meeting in September for an October start date? Ms. Reese, MPA, answered that yes, these contracts are in process and pointed to the "key funding dates" timeline for the Q3 grantmaking process on page 26 of the Board packet.

Commissioner Brennan asked if transition funding is provided to every grant partner who is notified of non-renewal? Ms. Reese, MPA, answered that yes this was approved at the end of 2021 by Program Committee and approved by the Board. This policy provides that at the end of their current contract, if the partner is no longer receiving funding, they will have a transition time to find other funding. She continued to explain this policy is partly in place due to the cadence of our grantmaking which sometimes only allows one day in between grant cycles. The Board felt this was not enough time to notify and cut funding for our partners and agreed to the three-month transition funding upon non-renewal.

Commissioner Knutsen made a motion to accept the definitions as presented, Commissioner Brennan

seconded. Motion passed. Commissioner Knowles was not present for the vote.

**Superintendent's
Discretionary**

None.

**Brief Presentation
of CHNA Survey
Results**

Ms. Konstanski provided a summary of survey results from the Community Health Needs Assessment survey completed by Verdant in May. The binder which was provided to the Board ahead of this meeting includes a lot of additional data points for this survey. A highlight of the survey is a lot of consistency on how the community defines health. A lot of survey respondents had varying definitions of what "healthcare access" means. The issue of affordability was consistent across all groups, regardless of having health insurance. There was a significant emphasis on people facing barriers of cultural and linguistic nature when looking for healthcare. Mental health services came up multiple times as a need for our community. The community emphasized a need for a safe gathering place for community members. (E:63:22)

**Commissioner
Comments**

Commissioners thanked Verdant staff for their hard work in preparing the documents for today's meeting and the strategic planning binders.

Commissioner Wilson reiterated the concern Commissioner Brennan brought up at the June meeting regarding the remaining grant funds for new partners. She is concerned about the trajectory of grantmaking and feels we are not on a stable course. She looks forward to the upcoming strategic planning meetings to discuss where we need to make some cuts. Today's meeting was a wake-up call that our number one priority is to maintain hospital services for the residents of our community.

Adjournment

The meeting was adjourned at 10:24 a.m. by President Distelhorst.

ATTEST BY:

President

Secretary

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
VERDANT HEALTH COMMISSION

BOARD OF COMMISSIONERS

Special Meeting

Hybrid: In-Person at Verdant Community Wellness Center and via Zoom

August 8, 2022

4:00 p.m.-8:00 p.m.

Commissioners Present	Jim Distelhorst, MD, President Deana Knutsen, Commissioner Carolyn Brennan, Commissioner Karianna Wilson, Commissioner Bob Knowles, Commissioner
Staff	Dr. Lisa Edwards, Superintendent Riene Simpson, CPA, Director of Finance Maggie Konstanski, Grants Manager Kaysi Kelly, Executive Assistant/Office Manager Sandra Huber, Community Engagement Manager Nancy Budd, Community Social Worker Monika Star, Wellness Center Assistant
Guests	Margot Helphand, Facilitator
Call to Order	The special meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 4:06 p.m. by President Distelhorst.
Community Health Needs Assessment	Ms. Konstanski provided an overview of key themes for the CHNA survey Verdant did of our District residents. (E:65:22) She discussed the methodology of collecting, ranking, and analyzing the data. She discussed the limitations of available data for certain populations. For purposes of our survey data, Verdant is using the definition of “social determinants of health” from the US Department of Health and Human Services. Commissioner Wilson asked if Verdant collected demographic data for its survey respondents. Ms. Konstanski answered that the only demographic data that was collected was respondent addresses to ensure the survey was collecting data within the Verdant service district.
Key Findings:	Ms. Konstanski spoke about the six key themes that came about from the CHNA survey. <ol style="list-style-type: none">1. Healthcare Access and Quality2. Mental Health3. Economic Stability4. Housing5. Food Security

6. A Safe and Connected Community

Commissioner Wilson asked if our survey data was able to track, for example, “33% of the 473 respondents selected X as a priority health need.” Ms. Konstanski answered that the survey analysis included frequency matrices which tally how often one of the key themes was mentioned. See tab #16 in the read-ahead binder. These matrices will be provided to Commissioners as a follow up item.

Community Demographics

Ms. Konstanski spoke about the growth in our service area, as Seattle has seen an outflux of 10,000 households during the 2020 pandemic. Racial and ethnic diversity of our service area is growing as well.

Community Health

Ms. Konstanski provided a report on the overall health ranking of Snohomish County (#5 in the state for health outcome, #8 for health factors). She spoke about health equity which is ensuring that resources are allocated based on each person’s circumstances to ensure everyone can reach an equal outcome. She presented a graph sourced from The Neighborhood Atlas showing an area deprivation index which highlights the health disparities of our service area compared to the rest of the state. Ms. Konstanski showed graphs to highlight the high percentage of opioid deaths in Snohomish County. Snohomish County, for example, had a 74% increase in annual opioid deaths from January 2020 to January 2021.

Unfortunately, the data shows a significant increase in cost of goods and housing, yet income has not increased at the same rate.

Proposed Priorities

Tab 8 of Commissioner binders (E:64:22) show a matrix of proposed Verdant priorities for 2023-2026. Ms. Konstanski explained this proposal does not remove childhood obesity and supporting seniors as priority areas, but rather would integrate these priority areas into other priorities. She spoke about confusion some of our grantees have brought forward who may support seniors’ mental health needs and whether or not they would select that they are supporting seniors or mental health. One of Verdant’s current priorities, “Other Education and Prevention” would be transitioned to a new priority area of “Health Education Access and Quality” to make it clearer and better align the priority with *health* and not just any type of education.

In Tab 9 of Commissioner binders, you will see the funding allocation by Verdant’s current eight priority areas. Ms. Konstanski showed a new graph of how funding priorities would look if we re-imagined Verdant’s priority areas.

**CHNA Results
Discussion:**

Commissioner Knutsen has concerns that some of our current priorities do not explicitly mention “health” and this would be a requirement from RCWs. She is concerned we could get some push back from auditors.

Commissioner Wilson asked Margot Helphand to explain to the Board what our goals are for these next three 4-hour strategic planning meetings. Ms. Helphand explained that today, 8/8, is a lot of information presentation to facilitate future discussions. On Thursday, 8/11, the full 4-hours is for discussion. On the final strategic planning session on 8/17, we will further discuss and refine strategic priority areas. At the August Board meeting on 8/24, the Board will present their first draft of strategic priorities, if ready, and these would be officially adopted at the 9/28 regular monthly Board meeting.

Commissioner Knutsen asked if, during this strategic planning process we would also be revisiting the “building healthy communities” fund, Superintendent’s Discretionary, and small capital grants. Dr. Edwards answered that yes, Riene Simpson will be covering these pockets of money as part of her financial presentation later today.

Commissioner Brennan is processing these data points. If she had to vote right here, right now, she would fund mental health priorities and maintaining the services of the hospital, cut some of the grantmaking, and reduce the number of grant cycles.

Commissioner Knowles commented that he would not be interested in funding housing as a priority, except for emergency hotel voucher support and wrap around services.

**State of Verdant
Financials:**

Ms. Simpson began her financial review of a historical walkthrough of Verdant’s financial activity over the past 5 years, starting with a look at revenue. (E:66:22)

Commissioner Wilson pointed out that the hospital rent’s annual increase of 3% goes through 2025, then that rental income will be flat. This is something the Board needs to consider as they are planning for additional expenses in a few years of our strategic plan.

Ms. Simpson walked the Board through a breakdown of different types of expenses we can track over the period 2018-2022. She explained any outlier expense which would cause a large fluctuation or whether it would even out in another period. For the next eighteen years of the Swedish lease, the capital investment requirement is terminated so Swedish is no longer required to spend \$6MM per year on capital improvements. As

of year-end 2021, Swedish is only required to improve the facility by what is required to be updated, what they deem fit. Tab 11 of Commissioner binders - Financial Performance: Ms. Simpson explained that her financial report during our monthly Board meetings doesn't give a chance to show the trend of expenses and income year-over-year. She asked if Commissioner Knutsen would have some time to sit down with her to get some history on the Pavilion Ground lease since the rent payments do not agree with the rental agreement.

There was a typo in the first bullet of page 1 in Tab 12 in the Commissioner binder. The lease revenue from Swedish will flatten in the year 2025, not 2015.

Ms. Simpson presented five recommendations for Verdant financials, below.

1. Establish 5-year facility planning cycles
2. Create hospital operations contingency plan
3. Establish defined budget methodology
4. Establish a reserve policy
5. Increase finance headcount.

Commissioner Knowles commented that the Board has done work to define the reserve strategy, having 90 days of cash on hand to manage hospital operations.

Ms. Simpson explained the grant funding scenarios for 2023 that Zoe Reese, Director of Community Impact & Grantmaking, has prepared to show the Commissioners multiple options for grantmaking in the 2023 budget. Commissioners will focus on finding their priorities so we can better align the budget for those purposes. If needed, and we have 90-days to find the money to run the hospital operations then we would cut our program expenses by 50% to get that money in the short term.

Dr. Edwards offered that staff could provide Commissioners with funding breakdowns for what Verdant promotes in the community (ARPA funding, etc.).

President Distelhorst's #1 priority for the District is to maintain the hospital and keep its line of services to the community. He would like Ms. Simpson to come prepared on Thursday 8/11 with a recommendation on how much money we should have in the reserve.

Commissioner Wilson asked how long we will support these organizations for? For example, five years of funding or do we limit it even more than that?

Commissioner Brennan would like to explore these three grantmaking scenarios in more depth. Dr. Edwards suggested

she and Ms. Simpson can bring back the March 2021 analysis from Howard Thomas showing a recommendation of \$35MM in the reserve.

Commissioner Knowles commented this reserve policy needs to be black and white. There needs to be a clear allocation of funds.

Commissioner Discussion

Ms. Helphand asked Commissioners what assumptions they can make about the future, based on what themes have emerged from tonight's discussion.

- Commissioner Brennan would love to see some goals or measurements to work toward within the strategic plan. This is why she is leaning toward just one priority so we can be known for that one focus. She would like to make sure we are transparent about our survey results and communicate this back to the community.
- Commissioner Wilson noticed that a lot of the comments that came about from survey respondents are very large systemic issues. She doesn't feel that Verdant could make an impact on some of these issues since it's not in our wheelhouse to necessarily correct these larger systemic issues.
- Commissioner Knutsen was very interested in the Community Health Needs Assessment data. She said that we are not alone in this fight for South Snohomish County. We have partners who can help us address these difficult systemic issues, via capacity-building.
- Dr. Edwards thanked Maggie for her hard work in preparing this data for the Commissioners and for gathering data from multiple sources to get information from the community directly, and not second-hand opinions on what the community needs.

Ms. Helphand said there seems to be two goals for Thursday's discussion, (1) getting a handle on the reserve, and (2) determining Verdant's priorities. She is getting the sense from Commissioners that eight funding priorities are too many.

Commissioner Knutsen thanked the staff for their hard work in preparing this information for the strategic planning meetings, and to Margot for facilitating.

Next Steps

Further strategic planning at the next special meeting on Wednesday, 8/11 at 4:00-8:00pm. Ms. Helphand will attend in-person at the Verdant Community Wellness Center.

Commissioners Meeting
August 8, 2022

Adjournment

The meeting was adjourned at 7:43 p.m. by President Distelhorst.

ATTEST BY:

President

Secretary

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
VERDANT HEALTH COMMISSION

BOARD OF COMMISSIONERS

Special Meeting

Hybrid: In-Person at Verdant Community Wellness Center and via Zoom

August 11, 2022

4:00 p.m.-8:00 p.m.

**Commissioners
Present**

Jim Distelhorst, MD, President
Deana Knutsen, Commissioner
Carolyn Brennan, Commissioner
Karianna Wilson, Commissioner
Bob Knowles, Commissioner

Staff

Dr. Lisa Edwards, Superintendent
Riene Simpson, CPA, Director of Finance
Maggie Konstanski, Grants Manager
Kaysi Kelly, Executive Assistant/Office Manager
Sandra Huber, Community Engagement Manager
Nancy Budd, Community Social Worker
Monika Star, Wellness Center Assistant

Guests

Margot Helphand, Facilitator
Mark Lamb, Carney Bradley Spellman Law
Howard Thomas, Consultant
John Kim, PHPDA

Call to Order

The special meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 4:06 p.m. by President Distelhorst.

**Strategic Planning
Assumptions:**

Ms. Helphand started the meeting with goal-setting for this meeting and the subsequent strategic planning meetings. She asked the Commissioners to think back on the mission and why we do what we do.

Commissioner Brennan asked who in the room is supposed to participate in these decisions and whether this is a decision for the Board or for Board and staff. President Distelhorst answered that if anyone here, including staff, has something to say, they are welcome to. Dr. Edwards added that if public joins the meeting it is more for viewing purposes and not for public comment for this special meeting. There is no public comment on the agenda for these special meetings.

Commissioner Brennan also asked how the Board is supposed to communicate with each other and with the Verdant staff. How is she able to email other Board members, talk to them, meet in-person?

Commissioner Knutsen added that some of these communication intricacies are law, and is a requirement of RCWs.

Ms. Helphand asked Commissioners, what outcomes would we like to accomplish by 8pm tonight?

1. Affirm the mission
2. Confirm key planning assumptions/trends
3. Determine next steps in strategic planning
4. Agreement on reserve policy and what we need for the next 2-5 years (2023-2026); target amount to be proposed by Finance Committee to the rest of the Board
5. Draft funding priorities

Commissioner Wilson asked why there is a supplemental meeting scheduled Friday 8/12 with just Lisa, Margot, and two Commissioners to create the framework. Her concern is that only two Board members would be setting priorities, versus all five of them. Dr. Edwards clarified that the workgroup is only to create the framework and wordsmith, not to pick the priorities on their own.

**Priority
Development:**

Commissioner Wilson commented that part of maintaining the service of the hospital is to have a hospital partner who is compliant with the lease agreement.

Mr. Thomas said one of the things a Public Hospital District *must* do is to provide certain services from the hospital. This can be written in the lease agreement, and it will be critical to maintain those agreements, per Public Hospital District law.

Ms. Helphand spoke about the “how” for maintaining the mission and asked Commissioners to bullet what they think is the “how” of propelling the mission forward.

- Ensure we have a hospital partner who is compliant with the operating agreement and lease of the hospital
- Grantmaking
- Capacity building
- Direct services

Ms. Helphand asked Commissioners to list internal and external assumptions we can use to assist with priority development.

External assumptions:

Commissioner Wilson suggested the healthcare system itself and its disparities. These systemic issues are larger than Verdant and she feels it is not our role to deal with this larger issues. She wants to find what is something smaller we can do within the larger issue.

Commissioner Brennan agreed Verdant is *one part* of the bigger community.

Commissioner Knutsen commented that when she first moved into this community there were very few services in South Snohomish County, and you had to travel to Everett or Seattle to get resources and care. Ms. Konstanski reminded Commissioners that Verdant is a part of this increase in services for South Snohomish County. Commissioner Knutsen continued that once we do determine our funding priorities, they need to always come back to the social determinants of health.

Internal assumptions:

While the District's revenue is increasing on paper in certain areas, there are expenses increasing as well that offset that increase in revenue. We need to consider both.

Must-do: ensure the hospital agreement is met and be prepared for any breach/outcome.

Mr. Thomas asked Commissioners to determine what is the probability that the hospital operating agreement would be breached? Commissioner Brennan asked what would have happened if Swedish had moved their OBGYN services from Swedish-Edmonds to Providence-Everett, without Verdant being able to interfere? Mr. Thomas answered that the District would have filed an injunction.

Commissioner Knowles commented that even though what happened at the July board meeting was a surprise, it wasn't unprecedented. Swedish has come to the Board a few times to ask if they can remove services to reduce expenses. Dr. Edwards recalled that in March 2022 they came to remove rehab services and now in July 2022 to remove OBGYN services. Regarding the move of OB services to Providence-Everett, we asked for the proposal from Swedish in writing and it was never received.

Executive Session:

President Distelhorst announced that executive session would begin at 5:18pm, after a short break, and go for one hour.

1. To consider the legal risks of a proposed action of the district.
2. To review and consider proposed sale of real estate.

Executive session was extended 10 minutes, to 6:28pm.

Executive session was extended 10 minutes, to 6:38pm.

Open Session:

President Distelhorst re-opened the meeting for public session at 6:38pm.

Ms. Helphand suggested the Board cancels their workgroup meeting on Friday 8/12.

President Distelhorst asked if there was a motion from the Board for what amount they would like in the Reserve.

Commissioner Knowles motioned to move 20% of the 2023 annual hospital lease revenue into the Reserve (just over ~\$2MM/year). Commissioner Wilson seconded. Commissioner Knutsen voted nay. Motion passed.

Commissioner Knutsen proposed taking two years off the Reserve balance so there is three years of Reserve since there isn't a risk of losing the hospital within two years. Commissioner Wilson agrees.

Commissioner Knowles clarified the Board will review the Reserve on an annual basis as part of their budget process.

Ms. Simpson commented that based off where we forecast right now in 2022, we would have to shave off \$1.7MM of the budget to accommodate moving the 20% into the Reserve.

Finance Committee will review the Reserve policy earlier in the year so it can be fully reviewed at the annual budget meeting.

**Priorities
Discussion:**

Ms. Helphand asked the Commissioners to say what their priorities are.

- Commissioner Wilson: Behavioral Health #1
- President Distelhorst: Access to Behavioral Health, with a priority subset for suicide prevention and opioid overdose prevention.
- Commissioner Knowles: Access to healthcare services (dental and medical specifically) through mobile clinics, direct patient care services #1, Behavioral Health #2
- Commissioner Knutsen: access to dental and medical, behavioral health, access to Food, public health (like what we just went through with the COVID pandemic), and domestic violence services. President Distelhorst commented that DVS could fall under access to healthcare. She asked where the Wonderland, Kinderling, and Parent Trust programs would lie. President Distelhorst answered that he believes those ACES programs would fall into access to healthcare.
- Commissioner Brennan: Behavioral health, access to healthcare services

Ms. Konstanski pointed out that the Board would need to decide what to do with the "Other Education and Prevention" priority since a lot of grantees fall under this category. President

Distelhorst commented that he feels these early-intervention programs would fall under Access to Healthcare.

Commissioner Knutsen wants to be able to assist organizations in finding other funding. Commissioner Brennan agreed to be able to be a *resource* for organizations outside of funding, such as helping them find partners to assist in their needs. Commissioner Knutsen commented that we need to review internal programs provided at the Wellness Center to make sure they align with the new priorities. She asked, what do we need internally as a staff count?

Ms. Helphand asked Commissioners to speak about the priorities they do not want to continue prioritizing.

- Commissioner Wilson: Childhood obesity and “other education & prevention” – she doesn’t want a “catch-all” category.
- Commissioner Knutsen: She assumes we are removing big capital projects, but do we want to continue to do small capital funding (such as buying an organization a refrigerator)?

Commissioner Knutsen is inclined to have three grant cycles, not just two. She wants the Program Committee to be as effective as possible. Dr. Edwards reiterated Ms. Helphand’s point that as the Board creates these priorities, it is up to staff, and the grantmaking team particularly, who have to implement a new grant cycle.

Commissioner Wilson is not in favor of a 3-year grant term since it would put us in the situation to be obligated to fund these organizations. Commissioner Knutsen pointed out that a one-year grant cycle is a lot of work for the Program Committee and staff to maintain and it gives people a chance to dramatically increase their funding request annually instead of waiting until their 2- or 3-year term.

Mr. Lamb spoke about the excitement for South Snohomish County when the hospital was taken over by Verdant, by a community health organization. Verdant has the opportunity to bring healthcare services to their community that weren’t there before, that the community needs.

**Next steps in
strategic
planning:**

For the August 17th meeting, Verdant staff will draft definitions of the three priorities (behavioral health, access to healthcare, food security) with measurable impact goals. The Board still needs to discuss transition planning to the new priorities. Commissioner Knutsen commented that there will be upheaval in the community about our changing priorities.

NEXT STEPS:

1. Create definitions with greater clarity and transparency to allow Commissioners to be comfortable saying No.
2. Create a transition plan to new priorities
3. Communication messaging for the public (timeline and strategy), with a message on our website
4. Commissioner Knutsen: make sure there aren't any areas we missed, such as capital funding

**Closing
Commissioner
Comments:**

Commissioner Brennan: She feels good that we met the goals of the meeting today.

Commissioner Knutsen: She feels good, might not agree on everything but feels we are making progress. Really wants to have a communication plan in place for how to deal with the push back from our community.

Commissioner Knowles: He suggested we could push the 8/17 meeting off another week to allow time to process. We need to revisit our Values since we're redoing our priorities.

Commissioner Wilson: She is open to keeping the 8/17 meeting or pushing it one week. She feels we had a good conversation about adjusting.

President Distelhorst: He would like to keep the 8/17 meeting to maintain momentum, with the possibility of another meeting for planning if we need it.

Adjournment

The meeting was adjourned at 7:59 p.m. by President Distelhorst.

ATTEST BY:

President

Secretary

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
VERDANT HEALTH COMMISSION

BOARD OF COMMISSIONERS

Special Meeting

Hybrid: In-Person at Verdant Community Wellness Center and via Zoom

August 17, 2022

4:00 p.m.-8:00 p.m.

**Commissioners
Present**

Jim Distelhorst, MD, President
Deana Knutsen, Commissioner
Carolyn Brennan, Commissioner
Karianna Wilson, Commissioner
Bob Knowles, Commissioner

Staff

Dr. Lisa Edwards, Superintendent
Riene Simpson, CPA, Director of Finance
Maggie Konstanski, Grants Manager
Kaysi Kelly, Executive Assistant/Office Manager
Sandra Huber, Community Engagement Manager
Nancy Budd, Community Social Worker
Monika Star, Wellness Center Assistant

Guests

Margot Helphand, Facilitator
"Test"
"A.S."
Liz Flores-Marcus
Jody Early
Kevin Harris
Marissa

Call to Order

The special meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 4:01 p.m. by President Distelhorst.

**Review of 3
Priorities –**

Ms. Helphand started the meeting by introducing a handout "Anatomy of a Plan" (E:67:22) to guide commissioners through the process of creating a strategic plan. She urged the Commissioners to consider the implications of reducing their priorities from eight to three. She reminded commissioners that this process is not just talking about grant money and their decisions have actual human implications for the community and for staff to implement the transition plan.

**Measurable
Outcomes**

Commissioner Brennan had a concern about discussing measurable outcomes as it is too early on the process to work on that.

**Definitions:
Goal(s)**

Dr. Edwards presented the updated draft definitions and goals for the proposed three priority areas. (E:68:22) Each of the

priorities had draft definitions also included a list of current partners who fit into the new priorities. Access to Quality Healthcare

1. Access to Behavioral Health
2. Food Access and Security
3. Access to Healthcare

Commissioner Discussions:

- Implications of Change in Priorities
- What will discontinue?
- Impact on Operating Budget?

Ms. Reese, MPA, presented the list of current grant partners who would not fit into the newly defined priority areas.

Commissioner Knutsen asked why certain programs were listed as not being within the new priorities, such as drowning prevention and domestic violence which could be considered Access to Quality Healthcare. Ms. Reese answered that these programs self-selected the priority area that they felt fit their program best, and that is what staff used.

Commissioner Brennan pointed out that for messaging, she wants it to be clear that we are reducing priorities as a means to maintain the hospital, which is our main priority.

Access to Quality Healthcare:

Commissioner Knutsen commented that moving the \$2MM to the Reserve fund for maintaining the hospital, should count as one of the goals. Dr. Edwards suggested we can add this fourth goal/priority of putting the \$2MM in the Reserve. Commissioner Knutsen warned that we would need to be careful how we word this so the hospital doesn't think that we are going to give them that money.

Commissioner Knowles believes we should simply include "maintaining the hospital" as a goal under the priority of Access to Quality Healthcare.

Commissioner Wilson can go either way to include maintaining the hospital under the priority Access to Quality Healthcare or having it as its own separate priority. Her concern is to make sure the focus is maintaining a compliant hospital partner with our agreement. She suggested that commissioners might even need to re-evaluate what we include in Access to Quality Healthcare to remove vision or even dental.

Commissioners discussed whether to include dental as a priority, or to reduce the amount of funding toward dental.

Commissioner Wilson asked Commissioners if they would like to narrow the definition of Access to Quality Healthcare. For example, "...feeling of wellbeing" when someone could argue that going to the gym makes them feel well but this doesn't

sound like what the Board would consider “access to healthcare.”

Access to Behavioral Health:

Commissioner Knutsen pointed out that mental health is also listed under Access to Quality Healthcare when it could be under just Access to Behavioral Health.

Commissioner Brennan believes Girls on the Run and the drowning prevention programs would fit into Access to Quality Healthcare. She pointed out that mental health was a prevalent response in the Community Health Needs Assessment and if Verdant can focus on behavioral health, we would be directly responding to the community needs survey we did. Dr. Edwards agreed that it will be difficult to determine which programs fit into which priority if they could possibly be within a different priority because of their focus and outcomes.

Food Access and Security:

Commissioner Wilson discussed the phrase “residents do not go hungry” as too broad under the goal section of this priority. Dr. Edwards proposed the wording “Residents can have equitable access to nutritious food...”

Dr. Edwards proposed the Verdant team can further clarify the definitions to make them less broad (remove vision, hearing, move mental health to just Access to Behavioral Health, and add a 4th goal of maintaining the hospital).

Commissioner Knutsen asked how long these would be our priorities? Commissioner Brennan suggested we could re-evaluate our priorities once we see we have achieved a measurable outcome. Commissioner Knowles understood this would be a 3-year strategic plan and would be reviewed annually to review priorities. President Distelhorst and Commissioner Knutsen agreed with a 3 year term.

Ms. Reese presented the list of grant partners who would not align with the newly defined priorities. The \$8.4MM presented was from discussions about moving 20% of the 2023 hospital lease revenue to the Reserve.

Commissioner Wilson asked where the proposed \$8.4MM grant budget amount for 2023 comes from. Ms. Reese pointed to the 2023 Grant Forecast handout, page 1, which summarizes the scenario of \$8.4MM in grantmaking.

Ms. Simpson presented a financial projection of 2023 revenue with moving 20% of hospital lease revenue into the Reserve. The projection doesn’t include any surprise expenses which we are not forecasting. If we have \$8.7MM total available for

programmatic spending, this would include internal programming/direct services such as CHART, VOA 2-1-1, Superintendent's Discretionary, and COVID. Commissioner Knutsen asked if the 2023 projection of \$3MM in operating expenses includes staffing at its current levels? Ms. Simpson clarified that this 2023 forecast includes a slight increase in the 2022 budget and assumes the same level of staffing and salary.

Ms. Helphand asked Commissioners to take a step back and consider the broader implications of this reduction in priorities. Commissioner Brennan commented that this is a big ship that we're turning, and we have to be careful not to break anything. She said it will take time to be thoughtful about this move.

Ms. Helphand asked Commissioners how this move would impact the community?

- Commissioner Wilson commented that this conversation is very helpful for the Board. She wants the Commissioners to be able to support the staff in this transition.
- Commissioner Knutsen said we are entering another transition similar to being understaffed a few years ago and people might wonder if Verdant is able to continue, if we're hoarding money, why we need X amount in the Reserve. Ms. Simpson added that the \$2MM doesn't have to all come from Programs, but we can still try to save money with operating expenses.
- Commissioner Distelhorst is optimistic that we are *still* able to contribute \$8MM into the community, which is a multiple of other grant organizations.
- Commissioner Wilson reiterated that we are cutting these Program costs solely due to putting money in the Reserve, to maintain the hospital, which is one of our priorities and that ensures access to healthcare.

Commissioner Discussions:

-Current Status of Funding
- Status of multi-year grants in new priority areas?
- New application process for all 2023 funding for 60 community partners?

Ms. Reese spoke about the current funding status of grants. We are in the process of scoring Q3 grants, totaling \$2.2MM, and only \$457k of these requests would be a part of the 2022 budget. Of the \$2.2MM in Q3, there are four partners who are brand new to Verdant.

Commissioner Knowles commented that we need to operate under "business as usual" for Q3 funding. As we transition our priorities, we need to get the documentation out for Q4 applicants. Commissioner Knutsen agrees with Commissioner Knowles. She doesn't want to change anything without notifying the public of what is coming up.

Commissioners Meeting
August 17, 2022

- How much would we have for new grants in 2023?
- How many funding cycles?
- How to allocate funding? By Priority? By Funding Cycle?

Commissioner Brennan suggested that we halt on Q4 grantmaking until we know what we'd like to communicate with grant partners. Commissioner Wilson spoke about the transition period of 90 days if we decide not to continue with a grant contract. She suggested we could provide transition funding for Q3 applicants, move those grant partners to Q4 process, be very clear about what priorities we are changing so they can adjust for Q4, and then have the chance to cancel or continue those Q3/Q4 contracts once they reapply under the new priorities. She struggles to see how we can provide \$8.4MM in grantmaking which doesn't include internal programs, VOA 2-1-1, and CHART.

Commissioner Knutsen clarified that we have already had conversations with these Q3 applications, and they are expecting funding and she worries we could get in trouble with the auditors.

Dr. Edwards clarified the proposal. An applicant who applied for Q3 funding, would receive transition funding through Q3, and then could re-apply under the new priorities for Q4. Our attorney explained that we have established our funding criteria and does not recommend making changes mid-cycle, but we could revise the criteria for Q4.

Ms. Reese asked how she and Maggie should proceed with talking to interested applicants?

- Commissioner Brennan answered everything is on the table.
- Commissioner Wilson asked how we can assure equity moving forward as we make funding decisions? There are partners requesting double the amount of funding for a renewal and we have to discuss how to handle these funding situations.
- Commissioner Knutsen clarified the Program Committee doesn't have to accept all funding requests. They can have conversations with partners to explain our reasoning. She expressed her concern that the \$8.4MM in 2023 grant funding would not include *new* grants in 2023. She has reservations about turning the ship this late in the game and it's unfair for partners.
- It was agreed upon that the message should be that "we are not taking on new funding right now" since that is the responsible thing as we don't know what the budget will be. Commissioner Knutsen suggested we could budget on a quarterly basis, specifying we will provide \$X money per quarter.

Ms. Helphand asked if Commissioners would like to move forward with one-year grant awards.

- Commissioner Knowles: Yes
- Commissioner Knutsen: Yes, for right now
- Commissioner Brennan: We need a consistent project period since all contracts are coming up on different cycles
- Commissioner Distelhorst: Yes
- Commissioner Wilson: Yes

Commissioner Wilson suggested Program Committee and the Board have to make some tough decisions to cut funding/programs. Ms. Konstanski stated that we are not only cutting funding, but changing criteria, and the grants team needs guidance on what that criteria is for deciding to cut programs, so it is consistent across all partners.

Dr. Edwards summarized the recent discussions with Commissioners. We have the \$450k in play for Q3 applications. If it is legal, we will provide 90-day transition funding to these applicants for Q3 and then having them re-apply for the Q4 cycle under the revised priorities. Dr. Edwards will clarify with Brad Berg if we can provide transition funding in this way.

Commissioner Wilson requested a sheet, by program, showing what is committed for 2022 and what is carried into 2023.

Dr. Edwards stated if Commissioners are committed to getting \$2MM into the Reserve, there either needs to be a phased approach to the grantmaking transition or push the clean grantmaking cycle to 2024 to start 1/1/24. Alternatively, we could provide extensions to get everyone on the same grantmaking period.

- Commissioner Brennan: Need \$2MM in Reserve
- Commissioner Wilson: Need \$2MM in Reserve, OK with one grant cycle per year, but would prefer two per year. It is OK to not accept all grant renewals at 100% of what they ask for.
- Commissioner Knutsen: Prefers two cycles, need to work on figuring out the transition.
- Commissioner Knowles: Need \$2MM in Reserve, two cycles per year (1st and 3rd quarter). Doesn't want to make a partner wait 12 months to begin a program that could have a large community impact. OK with pushing Q3 applicants to Q4.
- President Distelhorst: Need \$2MM in Reserve. Good with 2 funding cycles in the year, putting off Q3 apps to Q4 is pending Brad Berg's determination of transition funding.
- Verdant Staff recommends one grant cycle per year.

Commissioner Knutsen asked Ms. Reese if partners are aware that they may not be funded. Ms. Reese answered that yes,

they know it is a competitive process, that the Board scores and approves, and that funding is not guaranteed. Ms. Reese's clarified that she is hearing from partners "why did you have a grant cycle if you don't know what your priorities are?" and "why did you have a grant cycle if you don't have the money?"

Commissioner Brennan asked if we could ask Brad Berg whether we can negotiate contracts or revise contracts.

Commissioner Knutsen pointed out there are some operational expenses we paid in 2022 (surprise facility expenses) that we will not be paying in 2023. She asked to determine the levy to assist in these decisions. She wants to see what the property costs are, broken down by property. Dr. Edwards said we will know the levy amount in October 2022 when we are preparing the 2023 budget.

Proposed timeline and transition plan

Dr. Edwards presented the one-page draft of the proposed communication plan.

Commissioner Brennan thinks we should have more public announcements of these changes, or longer forums to allow additional comments.

Commissioner Wilson suggests 1 or 2 Commissioners participate in the community forums. She recommends pushing the Canopy mailing out to after elections, after 10/31, but before the holidays.

Commissioner Knutsen commented that either Verdant talks about what we are doing, or our partners talk about what we are doing with each other.

Commissioner Knowles agreed that yes, we have to write our own story.

Review and update operating agreement

Did not review at 8/17/22 meeting, will review at the next meeting on 8/25/22.

Next steps in strategic planning:

Ms. Helphand summarized next steps and assignments for the strategic planning process.

1. Refine goals and objectives (staff), review and confirm on 8/25 (Board)
2. Finalize transition options for Q3 > Q4 funding (staff/Board, discussion with Brad Berg)
3. Operation costs/assumptions (staff)
4. Revised Communication Plan (staff)

Dr. Edwards requested that Commissioners come up with a decision about what to do about *new* 2023 funding at the next strategic planning meeting on 8/25.

Commissioner Wilson asked staff if they knew what was asked to be prepared for next week's meeting. Ms. Konstanski

answered that she does have the data but is still confused how to present the data, depending on if we are funding new grants in 2023 and if there will be one or two grant cycles.

Commissioners could weigh the three priorities to rank as #1 top priority, #2, etc. and put specific priorities in the first or second funding cycles.

Commissioner Wilson requested a document showing current grant partners, quarterly, by category (not just the 3 new ones), with contract end date and what would continue in 2023.

Adjournment

The meeting was adjourned at 8:01 p.m. by President Distelhorst.

ATTEST BY:

President

Secretary

Balance Sheet
As of December 31, 2021 and July 31, 2022

	Dec 31, 2021	July 31, 2022	\$ Change	Comments:
ASSETS				
Current Assets				
1 Cash Balance	3,206,323	3,660,981	454,658	
2 Accounts Receivable	(58,972)	166,364	225,337	July 22-invoiced for 2022 CAM adjustments 139,492.88
Other Current Assets	-			
3 Investments	55,369,936	54,329,089	(1,040,847)	Payden and Rygel/US Bank Custodial
4 Prepaid Expenses & Others	66,516	22,626	(43,890)	Prepaid Insurances, Other Prepaid Expenses
5 M&O Tax Levy Receivable	35,795	121,149	85,354	7 months x \$207k less payments received to date
6 Subtotal Other Current Assets	55,472,247	54,472,865	(999,382)	
7 Total Current Assets	58,619,598	58,300,211	(319,388)	
8 Fixed Assets-Net of Depreciation	22,612,579	21,997,178	(615,401)	Roofing 50% pmt to construction in progress July 2022 \$140k
9 Other Assets	19,234,604	19,159,047	(75,557)	Deferred Rent-Pavillion, Hospital, Clinic & TI Allowances
Total Assets	100,466,781	99,456,436	(1,010,345)	
LIABILITIES & NET POSITION				
Liabilities				
Current Liabilities				
10 Accounts Payable	234,537	52,012	(182,525)	Operating accounts payable \$4k, and unclaimed property \$48k
11 Credit Cards	(674)	(1,491)	(817)	Pmt by transfer and check
Other Current Liabilities	-			
12 Tenant Prepaid Rents	904,910	936,444	31,534	Swedish Hospital and Clinics July rents paid in June
13 Other Payables & Accruals	164,359	155,663	(8,696)	Business Taxes, Accrued Operating Expenses, Tenant Security Deposits
14 Accrued Salary & Benefits	30,221	49,858	19,637	5 work days accrued at 7/31/2022
15 Estimated Self-Insured Reserve	126,084	124,714	(1,371)	Reserve and accrued expenses for self funded L&I set at \$125k. Reserve is currently under review with Administrator for reduction; only 2 active claims remain
16 Subtotal Other Current Liabilities	1,225,574	1,266,678	41,104	
17 Total Liabilities	1,459,437	1,317,199	(142,238)	
18 Equity	99,007,344	98,139,236	(868,108)	Change = CY22 YTD Net Income/(Loss) through 7/31/2022
Total Liabilities and Equity	100,466,781	99,456,436	(1,010,347)	

Statement of Income-Actual
Months Ending June 30th and July 31st, 2022

	Month of June 2022	Month of July 2022	Month Change Inc/(dec)	Comments:
1 Operating Revenue				
2 Lease Revenues (Base, CAM, Taxes)	1,011,704	1,141,274	129,571	June includes 2021 CAM expense adjustments billed to tenants \$50k; July includes 2022 CAM expense reconciliations billed to tenants \$130k
3 Deferred Rent Adjustments	(981)	(3,774)		
4 Grant Repayment	38,984	-	(38,984)	June-Grantee repayment of 2021 funding -underspent
5 Total Operating Revenue	1,049,707	1,137,500	90,587	Revenue increase over prior month
6 Program Funding and Operating Expenses-				
7 Programs				
8 Total Program Funding	829,148	910,488	81,340	Includes All Program Payments, External; Multiyear, BHC, Covid, VOA, CHART, SD, and Internal Program Expenses
9 Operating Expenses				
10 Salaries & Benefits	100,403	95,449	(4,954)	
11 Professional Development/Planning	1,642	128	(1,514)	
12 Professional Services	107,134	32,359	(74,775)	June- Moss Adams final audit billing \$32k; Robert Half Accounting \$15k; Legal; Investment mgmt; Prop mgmt; IT; reclass prior period \$18k from purchased services to professional; Glick; Thomas & Associates. July -Robert Half Accounting; Investment mgmt; Prop Management, IT.
13 Purchased Services	17,418	30,557	13,139	June-includes <> due to reclassification out of purchased services into professional distorting variance.
14 Supplies, Postage & Other	12,220	10,343	(1,877)	
15 Repairs, Maintenance & Insurance	15,682	11,736	(3,946)	
16 Utilities	10,211	16,476	6,265	
17 Business Taxes	4,916	5,844	928	
18 Marketing	15,677	2,660	(13,017)	June-Payment for Canopy design and printing
19 Depreciation	107,715	107,184	(531)	
20 Amortization	6,146	8,702	2,556	
21 Total Operating Expenses	399,164	321,440	(77,724)	
22 Total Program and Operating Expenses	1,228,312	1,231,928	3,616	Opex increased over prior month
23 Net Operating Income (Loss)	(178,605)	(94,428)	86,971	Net loss reduced over prior month
24 Other Income/(Expense)				
25 Other Income	8,016	-	(8,016)	June-AWPHD Medicare payment
26 Levy Income	207,010	208,858	1,848	
27 Net Investment Income/(Loss)	(239,274)	205,059	444,332	July-Interest Income \$46k, Realized Loss (\$17k), unrealized gain \$176k
28 Self Funded L&I Expenses	-	(12,157)	(12,157)	July-Past Due Self Insured reports filed and paid from 2021
29 Total Other Income/(Expense)	(24,247)	401,760	426,007	Other Income increase over June
30 Net Income (Loss)	(202,852)	307,332	510,184	Net income increase over June

**Statement of Income-Actual v Budget
Month and YTD Ending July 31, 2022**

	Month of July 22 Actual	Month of July 22 Budget	Month Fav/(Unfav) Variance	YTD July 22 Actual	YTD July 22 Budget	YTD Fav/(Unfav) Variance		Full Year Budget	% of Budget incurred	\$ Budget Remaining Aug to Dec
1 INCOME										
2 Operating Revenue-Net of Deferred Rent Adjustments	1,137,500	967,611	169,889	6,943,431	6,773,275	170,157	fav	11,611,328	59.8%	
3 EXPENSES										
4 Program Expenses-All Categories	910,488	871,595	(38,893)	5,652,631	6,101,168	448,537	fav	10,459,145	54.0%	4,806,514
6 Operating Expenses	205,554	211,104	5,550	1,732,406	1,477,883	(254,524)	unfav	2,533,405	68.4%	800,999
5 Depreciation & Amortization	115,886	120,098	4,212	809,772	840,683	30,911	fav	1,441,171	56.2%	631,399
7 TOTAL EXPENSES	1,231,928	1,202,798	(29,130)	8,194,810	8,419,734	224,924	fav	14,433,721	56.8%	6,238,911
8 OPERATING INCOME/(LOSS)	(94,428)	(235,187)	140,759	(1,251,379)	(1,646,459)	395,080	fav	(2,822,393)		
9 OTHER INCOME/(EXPENSE)										
10 Misc Income		417	(417)	8,016	2,916	5,100	fav			
11 Levy Income	208,858	210,000	(1,142)	1,447,635	1,470,000	(22,365)	fav			
12 Self Insured L&I Reimb/(Exp)	(12,157)	-	(12,157)	(31,533)	-	(31,533)	fav	2,825,000		
13 NET INCOME/(LOSS) after Other, Levy, Self Insured L&I	102,273	(24,770)	127,043	172,739	(173,543)	346,282	fav	2,607		
14 Investment Income-Net of Unrealized Gains/(Losses)	205,059	25,000	180,059	(1,040,847)	175,000	(1,215,847)	unfav			
15 NET INCOME/(LOSS) after Investment Income	307,332	230	307,102	(868,108)	1,457	(869,565)	unfav	2,607		

Revenues:

Rental Income-Revenue is trending ahead of budget primarily due to CAM revenue updates and a 2021 grant repayment of \$39k. Kruger Tenant CAM adjustments for 2021 expenses were billed in June~\$54k. 2022 Catch up CAM's in the amount of ~\$130k were billed in July, both increase top line revenue and offset the property operating expenses paid by Verdant. Two suites are still vacant. Estimates for minor refresh to better market suites is underway. (#110;2025 SF & 270; 497 SF). Suite 110 was budgeted to 2022 revenue at \$7k monthly. Unbudgeted Value Village ground space lease began at \$2k per month June 1. Levy is slightly underbudget.

Investment Income-Month of July-Interest income \$46k, realized losses (\$17k), unrealized gains \$176k. .

Investment Income-Year to Date -Interest Income \$248k, realized losses (\$92k), unrealized losses (\$1.197M)
Market adjustments are not budgeted

Expenses:**Program Funding/Expenses-**

External Programs-Community Multiyear \$5.167M of \$9M budgeted, 57% of full year, **BHC** \$108k of \$418k budgeted, 27% of full year budget, no additional spending planned in this category. **Covid** \$166k of \$500k budgeted, 33% of full year budget. **CHART** \$51k of \$101k budgeted, 2nd installment fall 2022. **VOA*** \$62k of \$110k budgeted,*VOA includes 211 program of \$45k and Training/Coaching Facilitation of \$16.5k. **Superintendent Discretionary** \$46.5k of \$100k budgeted or 46%.

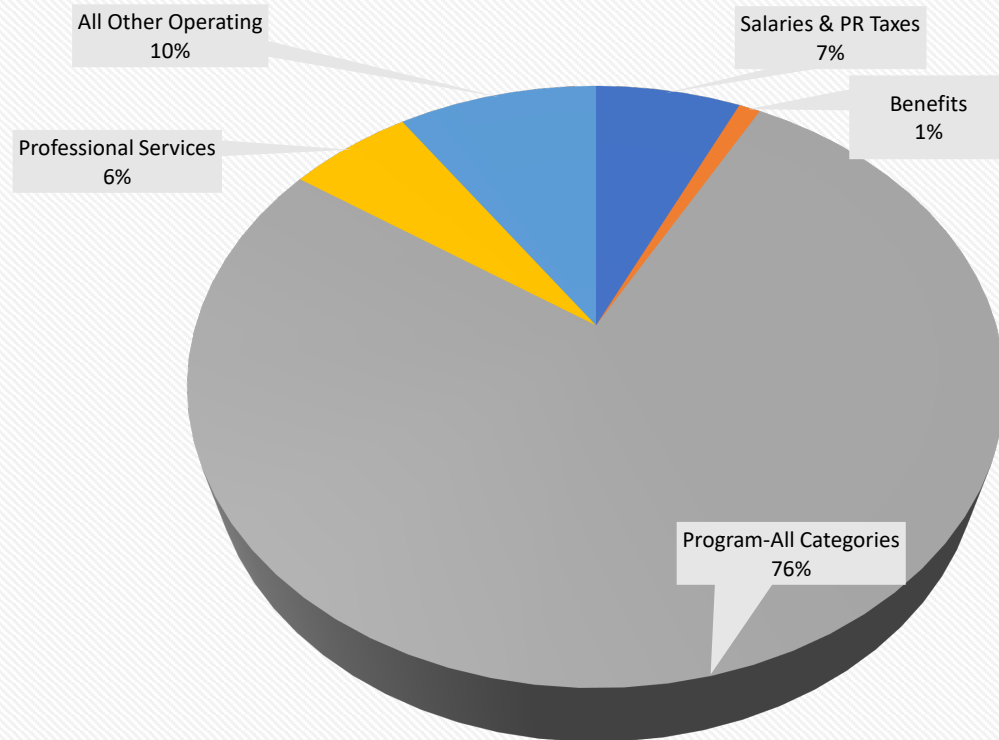
Internal programs; \$53k of \$230k budgeted or 23% of full year budget

All Programs-\$5.663M of \$10.459M budgeted or 54% of full year budget.

Operating Expenses-

Negative budget variance continues and is expected to close the year over budget. This is due to multiple categories but primarily overages in repairs and maintenance, security services (Kruger Clinic) and professional services including accounting support, , legal and property management costs. Security was budgeted at only \$10k for 2022, at July 31st the actual expense is \$165k. Although unbudgeted, security costs are being recovered through CAM billings to tenants in 2022 as will the minor HVAC repair costs. Property management fees were underbudgeted by approximately 50%, the fees are not in excess of the agreed amount, the budget was underestimated.

Public Hospital District #2 of Snohomish County OPEX YTD Actual July 2022



■ Salaries & PR Taxes ■ Benefits ■ Program-All Categories ■ Professional Services ■ All Other Operating

Categories expressed as a percentage of total expenses, excluding depreciation

Professional Services include-Legal, Accounting and Audit, Investment Management, HR Services, IT Services, Special Consulting Projects (DEI, Planning etc.)

All other Operating expenses include-Repairs and all property related maintenance expenses, utilities, insurances, business taxes, computer and office supplies, marketing and other administrative costs.

- A. Month to month % fluctuations will occur based on quarterly awards, payout schedules and natural variations in expense billings.
- B. Prior to March 2022 all other operating expenses" were excluded from this analysis; These expenses are now included.
- C. Depreciation and amortization costs are excluded from operating expenses for the purpose of this illustration.

Public Hospital District #2 of Snohomish County DBA Verdant Health Commission
Warrants Processed Month of July 2022

Type	Date	Num	Name	Amount	Memo
1002 - Wells Warrant Acct *2717					
Bill Pmt -Check	07/06/2022	15629	Armstrong Services	1,280.00 A	Monthly Janitorial Service: July 2022
Bill Pmt -Check	07/06/2022	15630	Christy Goff Nutrition	488.86 A	Nutrition programming
Bill Pmt -Check	07/06/2022	15631	City of Lynnwood - Utilities	150.64 A	Irrigation base and usage 5/3/22-6/29/22
Bill Pmt -Check	07/06/2022	15632	Coast Property Management	1,256.36 A	Kruger Clinic Property Management Fee True Up May 2022
Bill Pmt -Check	07/06/2022	15633	Dynamic Computing, Inc.	5,167.56 A	IT Consulting Services
Bill Pmt -Check	07/06/2022	15634	Robert Half	5,801.25 A	Accounting Services
Bill Pmt -Check	07/06/2022	15635	City of Lynnwood - Utilities	375.56 A	Water/Sewer 5/4/22-6/28/22
Check	07/13/2022	15635*	City of Lynnwood - Utilities	375.56 A	ck re processed due to positive pay rejection-offset to original is in deposits
Bill Pmt -Check	07/18/2022	15639	Fluxx Labs, Inc.	16,575.00 A	1 yr grantmaking subscription 4/22-3/23
Bill Pmt -Check	07/20/2022		City of Edmonds - Utilities	- A	QuickBooks generated zero amount transaction for bill payment stub
Bill Pmt -Check	07/21/2022	15640	Allstream	60.33 A	phone service at Value Village
Bill Pmt -Check	07/21/2022	15641	Canon Financial Services, Inc.	575.70 A	Konico copier
Bill Pmt -Check	07/21/2022	15642	City of Edmonds - Utilities	23.75 A	Water service from 5/17-7/15/2022
Bill Pmt -Check	07/21/2022	15643	City of Lynnwood - Utilities	300.34 A	Utilities
Bill Pmt -Check	07/21/2022	15644	Coast Property Management	1,750.00 A	Kruger and Verdant Wellness Centers PM
Bill Pmt -Check	07/21/2022	15645	Comcast - Acct # 8498310221378586	314.20 A	Phone svc for July- Aug
Bill Pmt -Check	07/21/2022	15646	Comcast - Acct # 905447969	574.28 A	905447969
Bill Pmt -Check	07/21/2022	15647	Comcast - Acct # 933676367	763.64 A	Internet svc
Bill Pmt -Check	07/21/2022	15648	Foster Garvey PC	11,088.00 A	Legal fees for June 2022
Bill Pmt -Check	07/21/2022	15649	Guardian Security Systems, Inc.	1,317.57 A	Fire system maintenance
Bill Pmt -Check	07/21/2022	15650	Jerrold Brown	1,425.00 A	3 hrs on 07/02/22 Training on Psychoneuroimmunology
Bill Pmt -Check	07/21/2022	15651	Payden & Rygel	9,060.00 A	Mgmt fee for investment portfolio - June 2022
Bill Pmt -Check	07/21/2022	15652	Quadiant Finance USA Inc.	343.03 A	Postage svc June 18 and Jul 01 2022
Bill Pmt -Check	07/21/2022	15653	Safeway	2,490.00 A	Food Vouchers - June 2022
Bill Pmt -Check	07/21/2022	15654	Snohomish County PUD	444.53 A	Electric svc May-Jun
Bill Pmt -Check	07/21/2022	15655	Sound Dietitians LLC	3,406.16 A	Nutrition programming
Bill Pmt -Check	07/21/2022	15656	Staples	238.28 A	Acct #6035 5178 6239 7923
Bill Pmt -Check	07/21/2022	15657	Verizon	143.07 A	Cell phone #425.248.0573/425.772.4017
Bill Pmt -Check	07/21/2022	15658	WA State Dept of Labor & Industries	12,157.07 A	2021-2022 Self Insured report 4 qtrs in 21 and 1st qtr of 22
Bill Pmt -Check	07/29/2022		ELTEC Systems, LLC	- A	QuickBooks generated zero amount transaction for bill payment stub
Bill Pmt -Check	07/29/2022	15659	Bulger Safe & Lock, Inc.	422.12 A	Inv dated 09/09/2021
Bill Pmt -Check	07/29/2022	15660	Commercial Property Maintenance, Inc.	971.12 A	Repairs and Maintenance
Bill Pmt -Check	07/29/2022	15661	Destinations Lynnwood	50.00 A	Unit 321 Mary Osborn - install new lock
Bill Pmt -Check	07/29/2022	15662	ELTEC Systems, LLC	302.31 A	Preventative maintenance
Bill Pmt -Check	07/29/2022	15663	Giggles Entertainment	300.00 A	National Night Out Aug 02, 2022

Public Hospital District #2 of Snohomish County DBA Verdant Health Commission
Warrants Processed Month of July 2022

Bill Pmt -Check	07/29/2022	15664	Juan Estrella Gonzalez	350.00	A	Meet me at the Part
Bill Pmt -Check	07/29/2022	15665	Lesbia G. Orellana	600.00	A	Spanish Women Support Group
Bill Pmt -Check	07/29/2022	15666	Luis Torres	250.00	A	Photographer - Nat'l Night Out 08/2/2022
Bill Pmt -Check	07/29/2022	15667	One Day Music Service	300.00	A	National Night Out 08/02/2022
Bill Pmt -Check	07/29/2022	15668	Real Escape from the Sex Trade	250.00	A	National Night Out 08/02/2022
Bill Pmt -Check	07/29/2022	15669	Robert Half	1,160.25	A	Fajardo wk end 07/22/2022
Bill Pmt -Check	07/29/2022	15670	Sandra Carrera	350.00	A	Against Crime - Nat'l Night Out 08/02/2022
Bill Pmt -Check	07/29/2022	15671	Seattle Food Nut	846.48	A	Verdant Wellness Center programing
Bill Pmt -Check	07/29/2022	15672	Seattle Hand Drummers	375.00	A	National Night Out 08/02/2022
Bill Pmt -Check	07/29/2022	15673	WA State Dept of Labor & Industries	45.64	A	Acct #700,240-00-5 UBI 312.003.974
Bill Pmt -Check	07/29/2022	15674	Wells Fargo	3,282.81	A	Credit Card Payment
Total 1002 - Wells Warrant Acct *2717				87,801.47	A	
1004 - Wells Kruger Clinic Acct *7265						
Check	07/05/2022	C1198	Coast Property Management	3,000.00	B	July 22 mgmt fee
Check	07/14/2022	C1199	Republic Services	2,016.30	B	Garbage pickup -
Check	07/14/2022	C1200	Zipty Fiber	58.24	B	Internet
Check	07/14/2022	C1201	Zipty Fiber	138.08	B	Internet
Check	07/14/2022	C1202	Zipty Fiber	139.51	B	Internet
Check	07/14/2022	C1203	Allied Univ Security Srv	7,047.24	B	Security 6/24-7/7
Check	07/14/2022	C1204	Camden Gardens, Inc.	1,876.80	B	Landscaping
Check	07/14/2022	C1205	Guardian Security Systems, Inc.	44.20	B	Fire sys and monitor
Check	07/14/2022	C1206	McKinstry Co., LLC	724.00	B	HVAC disgnose and repair
Check	07/14/2022	C1207	Western Exterminator Company	208.68	B	Pest control
Check	07/14/2022	C1208	City of Edmonds - Utilities	4,237.88	B	Utilities
Check	07/27/2022	C1209	Coast Property Management	4,943.20	B	Apr/May CAM True-up
Check	07/27/2022	C1210	Snohomish County PUD	6,067.87	B	utilities
Check	07/27/2022	C1211	Aardvark Services Corp.	98.30	B	Parking lot maintenance
Check	07/27/2022	C1212	Allied Univ Security Srv	7,138.06	B	Security Svc 07/08-07/21
Check	07/27/2022	C1213	Armstrong Services	11,721.06	B	Janitorial services
Check	07/27/2022	C1214	Columbia Roofing	140,802.58	B	Kruger Clinic roofing Inv #227360
Check	07/27/2022	C1215	Commercial Property Maintenance, Inc.	1,880.66	B	Lighting repair and maintenance
Total 1004 - Wells Kruger Clinic Acct *7265				192,142.66	B	
1003 - Wells Work Comp Acct *2725						
Check	07/19/2022	305534	RXBRIDGE	591.34		Prescriptions
Total 1003 - Wells Work Comp Acct *2725				591.34	C	
Total Warrant Payments				280,535.47	A-C	

Public Hospital District #2 of Snohomish County DBA Verdant Health Commission
Electronic Disbursements and Summary July 2022

Type	Date	Num	Name	Amount	Ref	Memo
1001 - Wells Fargo Operating Acct*2709						
ACH Program Payments				D		
Check	07/15/2022	ACH-Gmt623	G - American Heart Association	4,466.51	D	Award - A494 Healthcare Access Yr 2
Check	07/15/2022	ACH-Gmt624	G - Boys & Girls Club of Sno County	8,333.33	D	Award A484 Behavioral Health Uplift Initiative
Check	07/15/2022	ACH-Gmt625	G - Cancer Lifeline	1,166.66	D	Award A458 Whole Patient Services for Cancer Patients
Check	07/15/2022	ACH-Gmt626	G - Cascade Bicycle Club Ed Foundation	4,166.66	D	Award A434 Let's Go Edmonds 2022
Check	07/15/2022	ACH-Gmt627	G - Cascade Swim Club	900.00	D	Award A509 Yost Pool Drowning Prevention Program 2022
Check	07/15/2022	ACH-Gmt628	G - Center for Human Services	8,532.75	D	Award 352 Behavioral Health Ingegration Program at VM/EFM
Check	07/15/2022	ACH-Gmt629	G - Center for Human Services	5,969.25	D	Award 356 Behavioral Health Integration Program at CHC 2020 - 23
Check	07/15/2022	ACH-Gmt630	G - Center for Human Services	29,166.66	D	Award A-435 Youth Counseling
Check	07/15/2022	ACH-Gmt631	G - ChildStrive	25,497.00	D	Award 348 Nurse Family Partnership 2020-22
Check	07/15/2022	ACH-Gmt632	G - ChildStrive	28,855.00	D	Award A490 Early Intervention Year 2
Check	07/15/2022	ACH-Gmt633	G - City of Edmonds	107,750.00	D	Award 319B Physical Activity Program (BHCF)
Check	07/15/2022	ACH-Gmt634	G - Cocoon House.	12,500.00	D	Award A517 Host Homes Year 2
Check	07/15/2022	ACH-Gmt635	G - Compass Health	12,635.58	D	Award A436 Community Transitions
Check	07/15/2022	ACH-Gmt636	G - Compass Health	27,176.00	D	Award A472 Community Response Initiative
Check	07/15/2022	ACH-Gmt637	G - Compass Health	2,475.00	D	Award A495 Client Experience Improvement and Healthy Coice
Check	07/15/2022	ACH-Gmt638	Concern for Neighbors Food Bank	1,250.00	D	Award A513 Supplementary Food Purchase
Check	07/15/2022	ACH-Gmt639	G - Domestic Violence Services Sno Co	6,666.66	D	Award A456 Education Outreach and Prevention
Check	07/15/2022	ACH-Gmt640	G - Domestic Violence Services Sno Co	8,000.00	D	Award A477 Community Advocacy Program
Check	07/15/2022	ACH-Gmt641	G - Edmonds College Foundation	4,167.00	D	Award A473 Edmonds College Food Security Program
Check	07/15/2022	ACH-Gmt642	G - Edmonds College Foundation	20,052.00	D	Award A516 Expansion Project Year 2
Check	07/15/2022	ACH-Gmt643	G - Edmonds Food Bank	3,325.00	D	Award A489 It taste Like Home (Culturally Relevant Food)
Check	07/15/2022	ACH-Gmt644	G - Edmonds School Dist No. 15	37,500.00	D	Award 349 Student Support Advocate 2020-22
Check	07/15/2022	ACH-Gmt645	G - Edmonds School Dist No. 15	69,883.75	D	Award A428 Move 60! 2021-22
Check	07/15/2022	ACH-Gmt646	G - Edmonds School Dist No. 15	15,000.00	D	Award A438 - Family Resource Advocates
Check	07/15/2022	ACH-Gmt647	G - Edmonds Senior Center	9,667.00	D	Award C-S393 Senior Tech Connect
Check	07/15/2022	ACH-Gmt648	G - Helping Hands Project Org	4,333.00	D	Award A470 Rapid Food Assistance Program
Check	07/15/2022	ACH-Gmt649	G - Homage Senior Services	27,027.00	D	Award A474 - Center for Healthy Living
Check	07/15/2022	ACH-Gmt650	G - Homage Senior Services	12,326.58	D	Award 346 Care Coordination - S Snohomish Cty 2020-22
Check	07/15/2022	ACH-Gmt651	G - Interfaith Family Shelter	833.00	D	Award A483 Homelessness Prevention Year 2
Check	07/15/2022	ACH-Gmt652	G - Jean Kim Foundation	20,552.75	D	Award A459 Hygiene Center and Shepherd's Village
Check	07/15/2022	ACH-Gmt653	G - Kinderling	14,583.33	D	Award A487 Early Intervention Year 2
Check	07/15/2022	ACH-Gmt654	G - Korean Community Serv. Ctr	9,583.33	D	Award A461 Mind, Body and Soul for Korean Americans
Check	07/15/2022	ACH-Gmt655	G - Korean Women's Assn	12,184.33	D	Award A491 Everyday Prevention and Senior Nutrition
Check	07/15/2022	ACH-Gmt656	G - Lahai Health	32,917.00	D	Award A520 Dental Program Year 2
Check	07/15/2022	ACH-Gmt657	G - Lahai Health	15,666.66	D	Award A350 Mobile Medical Clinic Program 2020-22
Check	07/15/2022	ACH-Gmt658	G - Lahai Health	6,633.33	D	Award A441 Mental Health Program
Check	07/15/2022	ACH-Gmt659	G - Latino Educ Training Inst	4,167.00	D	Award A476 LETI Cafe
Check	07/15/2022	ACH-Gmt660	G - Latino Educ Training Inst	7,400.00	D	Award A519 Promotora Program Year 2
Check	07/15/2022	ACH-Gmt661	G - Lynnwood Food Bank	4,333.00	D	Award A471 Focus on Nutrition
Check	07/15/2022	ACH-Gmt662	G - Medical Teams Int'l	12,500.00	D	Award A460 Care and Connect
Check	07/15/2022	ACH-Gmt663	G - Millenia Ministries	15,982.08	D	Award A485 Mobile Manna/Moving From Surviving to
Check	07/15/2022	ACH-Gmt664	G - Pacific Treatment Alternatives	13,460.00	D	Award 496 Mobile Syringe Service Program Year 2

Public Hospital District #2 of Snohomish County DBA Verdant Health Commission
Electronic Disbursements and Summary July 2022

Check	07/15/2022	ACH-Gmt665	G - Parent Trust for WA Children	658.33	D	Award A462 Conscious Fathering
Check	07/15/2022	ACH-Gmt666	G - Prescription Drug Assistance Found	4,583.33	D	Award 229 Prescription Assistance Network Program
Check	07/15/2022	ACH-Gmt667	G - Project Access Northwest	14,583.00	D	Award A521 Specialty Care for Low-income Populations
Check	07/15/2022	ACH-Gmt668	G - Project Girl Mentoring Prgm	13,138.00	D	Award A480 Immersion Lab
Check	07/15/2022	ACH-Gmt669	G - Refugee & Immigrant Services NW	8,333.33	D	Award A486 Refugee and immigrant Navigation
Check	07/15/2022	ACH-Gmt670	G - Snohomish County Legal Services	4,166.66	D	Award A492 Housing Justice Program Year 2
Check	07/15/2022	ACH-Gmt671	G - South County Fire	7,431.25	D	Award 351 Veterans in Prevention
Check	07/15/2022	ACH-Gmt672	G - South County Fire	29,325.00	D	Award A466 Community Resource Paramedic
Check	07/15/2022	ACH-Gmt673	G - Therapeutic Health Services	26,930.00	D	Award A515 Integrated Cognitive Therapies Program
Check	07/15/2022	ACH-Gmt674	G - UTSAV	4,333.00	D	Award 469 Community Food and Coordination
Check	07/15/2022	ACH-Gmt675	G - Volunteers of Am Western WA	6,449.09	D	Award A468 South County CRA 2022
Check	07/15/2022	ACH-Gmt676	G - WA Kids in Transition	10,417.00	D	Award A514 Supporting Housing and Utility needs for Homeless/Low-Income students
Check	07/15/2022	ACH-Gmt677	G - WA Kids in Transition	10,417.00	D	Award A518 Distribution Center Year 2
Check	07/15/2022	ACH-Gmt678	G - WA West African Center	9,550.00	D	Award A465 Drop-in Center
Check	07/15/2022	ACH-Gmt679	G - Wonderland Child & Family Svc	12,500.00	D	Award 347 Early intervention Program 2020-22
Check	07/15/2022	ACH-Gmt680	G - Wonderland Child & Family Svc	16,250.00	D	Award C-S463 Hope Rising Clinic
Check	07/15/2022	ACH-Gmt681	G - YMCA of Greater Seattle.	7,775.00	D	Award A464 Community Health Navigation to Support
Check	07/15/2022	ACH-Gmt682	G - YWCA of Seattle, King and Sno Co	2,500.00	D	Award A488 Emergency Shelter Year 2
Check	07/15/2022	ACH-Gmt683	G - YWCA of Seattle, King and Sno Co	5,220.00	D	Award A494 Healthcare Access Year 2
Check	07/15/2022	ACH-Gmt684	G - Center for Human Services	29,167.00	D	Award A523 Youth Counseling Year 2
Check	07/18/2022	ACH-0582	G - Edmonds School Dist No. 15	5,000.00	D	Award #6013 COVID
Subtotal ACH Program Payments				898,311.19	D	

ACH Operating Expense Payments

Check	07/05/2022	ACH-0575	Principal Life Insurance Co.	1,674.17	H	1019549-10001
Check	07/06/2022	ACH-0587	Valic-AIG	1,771.26	F	PPE 06/25 Employer contribution to 401k/Roth
Check	07/06/2022	ACH-0576	AmeriFlex Business Solutions	284.84	H	Claims
Check	07/06/2022	ACH-0577	Regence Blueshield	7,046.36	H	July Inv #221650007452
Check	07/07/2022	ACH-0586	Valic-AIG	2,356.79	F	PPE 06/25 Employee 401k/Roth contribution
Check	07/11/2022	ACH-0590	AmeriFlex Business Solutions	822.90	H	Claims
Check	07/11/2022	ACH-0578	Wells Fargo	243.92	H	June 2022 analysis
Check	07/13/2022	ACH-0580	Paychex	138.46	E	PPE 07/09/22 Garnishment
Check	07/13/2022	ACH-0581	Paychex	26,116.41	E	PPE 07/09/22- payroll
Check	07/13/2022	ACH-0579	Wells Fargo Merchant Services	70.50	H	bancard fees
Check	07/14/2022	ACH-0589	Paychex	140.89	E	PR taxes adjustment
Check	07/18/2022	ACH-0583	Paychex	40.00	E	Stmt 25487116 Admin Fee
Check	07/18/2022	ACH-0584	Paychex	48.31	E	processing fees
Check	07/18/2022	ACH-0585	Paychex	9,136.40	E	PPE 07/09/22 PR taxes
Check	07/18/2022	ACH-0588	AmeriFlex Business Solutions	120.00	H	Claims
Check	07/18/2022	ACH-0591	AmeriFlex Business Solutions	-	H	VOID: Claims
Check	07/19/2022	ACH-0592	AmeriFlex Business Solutions	23.00	H	Fees
Check	07/20/2022	ACH-0593	Paychex	118.90	E	fees
Check	07/20/2022	ACH-0596	Paychex	975.84	E	PR taxes
Check	07/20/2022	ACH-0594	Valic-AIG	1,768.36	F	PPE 7/09/2022 - 401K/Roth Employer portion
Check	07/21/2022	ACH-0595	Valic-AIG	2,355.34	F	PPE 7/09 401k/Roth Employee

Public Hospital District #2 of Snohomish County DBA Verdant Health Commission
Electronic Disbursements and Summary July 2022

Check	07/25/2022	ACH-0603	AmeriFlex Business Solutions	403.92	H	Claims
Check	07/26/2022	ACH-0604	WA State Department of Revenue	794.69	G	B&O tax for June 2022
Check	07/26/2022	ACH-0605	WA State Department of Revenue	859.33	G	B&O tax for May 2022
Check	07/26/2022	ACH-0597	Wells Fargo	3,818.51	H	credit card pmts
Check	07/27/2022	ACH-0598	Paychex	138.46	E	PPE 07/23/22
Check	07/27/2022	ACH-0599	Paychex	25,218.53	E	PPE 7/23/2022 - Direct Deposits
Check	07/27/2022	ACH-0600	Cascade Services	1,015.00	H	National Night Out
Check	07/28/2022	ACH-0601	Paychex	8,889.05	E	PPE 7/23/22 payroll tax
Check	07/28/2022	ACH-0602	Paychex	167.68	E	PPE 07/23/2022 fee
Subtotal ACH Operating Payments				96,557.82	E-H	
Total ACH Payments				994,869.01		

Electronic Disbursements (by Category):	Amount	Ref
Program Expenditures	898,311.19	D
Operating Expenditures:		
Paychex Payroll and Taxes	71,128.93	E
Retirement and Benefit Related	8,251.75	F
B&O and Leasehold Taxes	1,654.02	G
All other	15,523.12	H
Total ACH Disbursements	994,869.01	

Total Disbursements-Warrants and Electronic:			
Warrants	280,535.47	A-C	Warrant Schedule
ACH	994,869.01	D-H	ACH Schedule
Total Disbursements	1,275,404.48		

PUBLIC HOSPITAL DISTRICT #2 OF SNOHOMISH COUNTY

DBA VERDANT HEALTH COMMISSION

WARRANT APPROVAL JULY 2022

WE, the undersigned Board of Commissioners of Public Hospital District #2 of Snohomish, County, Washington do hereby certify that the merchandise or services hereinafter specified in the supporting schedules referenced A-C have been received and the Warrant Numbers detailed have been issued in the payment amounts as follows:

Warrants:

Type	Account	Account	Date	#	Total	Reference
Warrants	Verdant Warrant	#2717	7/1/22-7/31/22	15629-15674	87,801.47	A
Warrants	Kruger Clinic-Coast	#7265	7/1/22-7/31/22	C1198-C1215	192,142.66	B
Warrants	Workers Comp	#2725	7/1/22-7/31/22	305534	591.34	C
				Total Warrants	280,535.47	

These warrants are hereby approved.

Attest:

Riene Simpson-CPA, Director of Finance

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Continued to page 2

PUBLIC HOSPITAL DISTRICT #2 OF SNOHOMISH COUNTY
DBA VERDANT HEALTH COMMISSION
WARRANT APPROVAL JULY 2022, continued

Summary of Disbursements-Warrants and Electronic:

Electronic Disbursements (by Category):		Amount	Ref	
Program Expenditures		898,311.19	D	
Operating Expenditures:				
Paychex Payroll and Taxes		71,128.93	E	
Retirement and Benefit Related		8,251.75	F	
B&O and Leasehold Taxes		1,654.02	G	
All other		15,523.12	H	
Total ACH Disbursements		994,869.01		
Total Disbursements-Warrants and Electronic:				
Warrants		280,535.47	A-C	Warrant Schedule
ACH		994,869.01	D-H	ACH Schedule
Total Disbursements		1,275,404.48		

End of document

Invitation to Bid
Public Hospital District No. 2, Snohomish County,
dba Verdant Health Commission
4710 196th Street SW-Lynnwood, WA 98036

Project Name: Kruger Clinic Medical Building HVAC System Replacement Project

Posting Date Tuesday, September 13, 2022 Bid Due Date Friday, October 28, 2022 3:00 PST

Notice to Bidders: Sealed Bids will be received at Public Hospital District No. 2, Snohomish County, Washington, dba Verdant Health Commission (the "District"), at **4710 196th Street SW, Lynnwood, WA 98036** and will be processed under a formal bid opening process. Facsimile and email bids will not be accepted.

Pre-Bid Site Visit Dates:

- ☐ Friday, September 16th, 2022 1:00 PM PST
- ☐ Thursday, September 22nd, 2022 10:00 AM PST
- ☐ Wednesday, September 28th, 2022 1:00 PM PST

Bid Due Date: Friday, October 28, 2022 3:00 PM PST

Bid Opening Date (Public): Friday, October 28th, 4:00 PM PST at District Offices

Notice of Intent to Award: Thursday, November 17th, 2022

SECTION 1: Introduction and Background

In an effort to improve the operating efficiency and comfort of tenants and patients The District is seeking a qualified HVAC contractor to facilitate the replacement of the current HVAC systems as specified in Schedule 1 of this invitation to Bid, (ITB).

Project Description: The District seeks a vendor to propose a multi-unit Heating, Ventilation, and Air Conditioning (HVAC) replacement project for the Kruger Clinic Medical Building located at 21600 Hwy 99, Edmonds, WA 98026. This includes replacement units, controls, VAV boxes and a hot water system. The Kruger Clinic is a 40,000 SF healthcare clinic with 22 suites in need of modernization of equipment and controls. Based on scope and estimated costs, this project is considered a public works project, and the ITB is issued in accordance with the formal competitive bidding requirements under RCW 70.44.140 and chapter 39.04 RCW.

Submission of Proposal: Bids must be sealed and delivered to the District-ATTENTION HVAC REPLACEMENT PROJECT, at the District Office address listed above by USPS, UPS, Fed-Ex, Courier or Hand delivery. Electronic or facsimile bids will not be accepted. This bid will require a 5% bid guarantee, performance, and payment bonds. A public bid opening will take place. Refer to the Section 2 for timelines and schedule.

Vendors should contact: Jim Forenza Project Manager-JSH Property Management at 425-679-0525 or jimf@jshproperties.com to schedule a site visit or to discuss any of the technical specifications listed in the Scope of Work as Attached and Referenced Schedule 1.

Prevailing Wages: This project is a Public Work as defined in RCW 39.04.010. The vendor shall comply with all provisions of RCW 39.12. The link to applicable prevailing wage schedule for journey level is <https://secure.lni.wa.gov/wagelookup/>. The vendor is responsible for filing the appropriate documents with the Department of Labor and Industries. The vendor's cost of filing Prevailing Wage forms with the State Department of Labor and Industries are not reimbursable by the District.

Insurance: The successful bidder shall provide evidence of insurance as described herein. This includes Workers' Compensation, Liability, and Property Damage Insurance. The District and JSH Property Management, a Washington Corporation shall be named as an additional insured on each policy.

Bid Security: A certified check, money order or cashier's check, or bid bond is required with each bid in an amount equal to 5% of the bid amount. No bid shall be considered unless accompanied by such bid security. Bid securities of unsuccessful bidders will be returned after the contract is awarded.

Bidder Responsibility Criteria: It is the intent of the District to award a contract to the lowest responsible bidder. Before the award, the bidder must meet the bidder responsibility criteria specified in Sections 3 and 6 to be considered further. The bidder must include with their submission documentation demonstrating compliance with the bidder responsibility criteria specified in Sections 3 and 6.

Non-Collusion: Proposals must be prepared without the assistance of any officer or other person employed by or connected in any manner with the District.

SECTION 2: Timelines and Schedules

Schedules: The services proposed in this ITB must be completed in a timely and coordinated fashion given this is a critical mechanical system for a medical clinic facility. Every effort should be made by vendor to provide a realistic timeline for the project given supply chain and manufacturing lead times. Vendor work shall be performed at agreed dates and times as coordinated with the District and District's Project Manager, unless the District authorizes an exception. The existing medical clinic facility is occupied and in operation and must be able to continue to operate without interruption during regular clinic hours throughout the completion of the project. No interruption of normal medical clinic activities will be permitted. Staff, patient and visitor access, safety, and health must be maintained at all times. With the exception of short, scheduled shutdowns approved in advance by the Project Manager, the medical clinic's mechanical, electrical and other operating systems and services must remain in operation at all times to permit the continued operation of the medical clinic. The vendor shall be required to arrange and carry out its work with the least possible disturbance and noise during regular clinic hours and to cooperate in the fullest measure with the Project Manager to reduce all inconvenience to a minimum.

Firm start and end dates of the project can be finalized with the selected contractor when equipment delivery schedule is known.

Kruger Clinic HVAC Replacement Project Timeline

Pre-Award	
Date	Description
Tuesday, September 13th, 2022	ITB published to District's website and distributed by email to eligible HVAC contractors.
Friday, September 16th, 2022 1:00 PM PST Thursday, September 22nd, 2022 10:00 AM PST	Site Visits- 3 Options are Provided-Contact Project Manager to Participate

Wednesday, September 28th, 2022 1:00 PM PST	
Friday, October 28th, 2022 3:00 PM PST	Bid Due Date -Submit your bid using the contact information listed in Section 3, Communication Restrictions: USPS, UPS, Fed Ex, courier, or hand- delivered. Email or faxed bids will not be accepted. Respondents assume the risk of the method of dispatch chosen. The District assumes no responsibility for delays caused by any delivery service. Postmarking by the due date will not substitute for actual receipt of bids.
Friday, October 28th, 2022 4:00 PM PST	Public Bid Opening -District personnel will open and review bids for bidder responsiveness, responsibility, completeness and pricing.
November 1st -11th 2022	Reviews, scoring and internal approval process.
November 17th, 2022	Notification Date -District will announce apparent low bidder by close of business on date shown through Notification of Intent to Award. Bid selection results will be faxed or emailed to each bidder.
Post Award:	
Awarded vendor must return signed contracts, insurance and other required documents within ten (10) business days after receipt of award materials from the District. Failure to return these documents may result in rejection of award, and the District could proceed to the next low bidder for award.	
Bid Guarantees will be refunded to non-winning bidders when the District determines the responsible low bidder.	
The project must be started and completed within a mutually agreed upon timeline following issuance of Notice to Proceed and materials availability is determined.	

SECTION 3: Instructions to Bidders

- **RESPONSE INSTRUCTION AND SUBMITTAL DEADLINES:** Bids may be submitted by using one of the methods listed below under Communication Restrictions.

Submit your bid by the time and date shown in Section 2. It is the bidder's responsibility to ensure that bids are received by the deadline. Bids received after the deadline will not be considered. Vendors may confirm bids were received by contacting the District office. Documents that are not legible will not be scored.

Vendors should allow normal mail delivery time to ensure timely receipt by the District.

Vendors assume the risk for the method of delivery chosen. The District assumes no responsibility for delays caused by delivery.

COMMUNICATION RESTRICTIONS: Bid submissions must be directed to the District at the physical address listed and only by USPS, UPS, Fed-Ex, Courier or in person delivery.

Bid Submission-Sealed Bids Only-Deliver to:

Name: Public Hospital District No. 2, Snohomish County, Washington, dba Verdant Health
Commission
District Contact: Attention: Director of Finance
Mailing Address: 4710 196th Street SW, Lynnwood, WA 98036

Physical Address: 4710 196th Street SW, Lynnwood, WA 98036
Phone: 425-582-8543

Technical Communications and questions regarding scope of work and site visits must be directed to the District's Project Manager specified below:

Project Technical Specifications and Site Visits:

Name: Jim Forenza-Project Manager JSH Property Management
Phone: 425-679-0525
Email: jimf@jshproperties.com

Unless authorized, no other District official or employee can speak for the District regarding this bid. The District is not bound by information, clarification, or interpretations from other District officials or employees. Submitters should not contact the District officials or employees, other than the Property Manager. Failure to observe this requirement may be grounds for rejection of the vendor's bid.

- **INTERPRETATION OF BID AND PURCHASE DOCUMENTS:** The District will not provide binding oral interpretations to bidders as to the meaning of bid or contract documents; oral communication is not binding upon the District. Requests for interpretation shall be made to the Property Manager until the time and date shown on Section 2. The District will provide an addendum for any substantive interpretation or change, which will be sent promptly to parties who received the bid. All addenda shall become part of the bid package.
- **ADDENDA:** If the District issues addenda to these instructions, bidders must acknowledge receipt of the addenda on the bid form. It is the bidder's responsibility to ensure that they have received all addenda. If receipt of addenda (if any) is not indicated on the bid form, the District reserves the right to reject the bid.
- **ALL OR NONE BIDS:** "All or none" bids are required. No exceptions or alteration of the bid documents will be accepted. Any acceptable alternates shall be specified and requested by the District.
- **BID COVER SHEET:** All quotations shall be submitted with a completed bid cover sheet and required items referenced under Section 5.
- **BID PRICE:** The bid shall include everything necessary for the execution and completion of the contract including, but not limited to, furnishing all material, labor, equipment and subcontractors, and other facilities and all management, superintendent's labor and service, except as may be provided otherwise in the contract documents. The District will not be liable for any errors in any vendor's bid. Vendors will not be allowed to alter bids after the deadline for the submission of bids.

The District reserves the right to make corrections or amendments due to errors identified in bids by the District or the vendor. This type of correction or amendment will only be allowed for such errors as typing, transposition or any other obvious error. Vendors are liable for all errors or omissions contained in their bids.

When, after the opening and tabulation of bids, a bidder claims error, and requests to be relieved of award, it will be required to promptly present certified work sheets. The Property Manager will review the work sheets and if convinced, by clear and convincing evidence, that an honest, mathematically excusable error or critical omission of costs has been made, the bidder may be relieved of its bid.

After opening and reading bids, the District will check them for correctness of extensions of the prices per unit and the total price. If a discrepancy exists between the price per unit and the extended amount of any bid item, the price per unit will control. The total of extensions, corrected where necessary, will be used by the District. The tax rate applicable within the

boundaries of the District shall prevail over any calculated tax provided on the bid form. If tax is calculated improperly, the District shall recalculate accordingly.

- **EXAMINATION OF BID AND CONTRACT DOCUMENTS, SITE AND SITE CONDITIONS:** Bid submission constitutes acknowledgement upon which the District may rely, that bidder thoroughly examined and is familiar with the bid, specifications and contract documents, familiar with all worksites, reviewed and inspected all applicable statutes, regulations, and resolutions dealing with or related to the work and services to be provided, and received and considered all addenda. Failure or neglect of bidder to do so shall in no way relieve the bidder from any obligations with respect to the bidder's offer or to the contract. No claim for additional compensation will be allowed which is based upon a lack of knowledge of any contract documents, work site(s), specifications, delivery requirements, statutes, regulations, or resolutions. A signed contract furnished to the successful vendor results in a binding contract without further action by either party.
 - **NEW OR USED:** All equipment provided shall be of new manufacture, unless otherwise specifically stated or called for in the bid documents.
 - **SIGNATURES:** Bids shall be signed by one of the legally authorized officers of said bidder. If awarded the contract, the contract shall also be so executed. If a bid or contract is signed by an agent, the agent shall provide satisfactory evidence of authority to sign as legal representative of bidder, upon request of the District. An authorized partner of a co-partnership may sign the contract, subject to the approval of the attorney, who may at his discretion, require each and every member of the co-partnership to sign the contract.
 - **INCURRED COSTS:** The District is not liable in any way for any costs incurred by respondents in replying to this request.
 - **WITHDRAWAL OF BID:** Vendors may withdraw a bid that has been submitted at any time up to the due date and time. To accomplish this, a written request signed by an authorized representative of the vendor must be submitted to the Property Manager.
 - **ALTERATION OF BID:** A bid already submitted to the District may be changed in writing, if the notice of change is received before the bid submittal deadline. Such changes need to be signed by an individual authorized to submit bids on behalf of the bidder.
 - **ERRORS AND OMISSIONS:** The District will not consider a claim of an error in a bid unless the claim is presented in writing within twenty-four (24) hours after the bids are opened. Additionally, bidders claiming error must present supporting evidence, including but not limited to cost breakdown sheets, no later than forty-eight (48) hours after the bids are opened.
 - **BID OPENING:** Bids will be publicly opened and reviewed on Friday, October 28, 2022 at 4:00 PST. Notice of Intent to Award and non-winning bid notifications will be communicated on Thursday, November 17th, 2022 after completion of internal scoring and approval process.
 - **EXPIRATION:** Submittal of a bid certifies that bid remains valid until the District completes award and enters a contract with a winning vendor, which normally occurs within forty-five (45) calendar days after bid opening. All bids will become void if the District decides to reject all bids.
- RIGHT TO REJECT BIDS:** The District will have the right to reject any and all bids including a bid received after the deadline for bids due or bids that are not accompanied by the required Bid Security or a bid in any way incomplete or non-responsive to the bid package.
- **NON-RESPONSIVE BID:** Any bid that does not comply with these instructions, is not signed, supplements or deviates from the specifications herein, or is incomplete, may be declared non-responsive by the Property Manager and not further considered.

- **RESPONSIBLE BIDDERS:** The District shall consider only responsible vendors. Responsible bidder criteria is listed in Section 6. The District may reject bids from vendors that do not meet this criteria. Responsible bidders are those that have, in the sole judgment of the District, the financial ability, experience, resources, skills, capability, reliability and business integrity necessary to perform contract work. Responsible vendors bidding on the Kruger Medical Clinic Building must have prior experience working in a medical office or medical facility. The District may also consider references and quality to determine responsibility. Vendors are ineligible to submit a bid if any owner has been convicted within the past ten (10) years of a crime that impugns honesty or integrity, or if the vendor has unsatisfied tax or judgment liens. Vendors shall have the required insurance at time of award, a valid and current Washington State vendor's license, City business license appropriate to the work at time of bid, and satisfactory business experience. Other factors, including but not limited to, delivery, materials, quality, and equipment may also be considered by the District to determine responsibility. The District reserves the right to use any information, whether supplied through the bid or otherwise obtained, in determining responsibility.
- **BID AWARD and COMMUNICATION:** If an award is made as a result of this solicitation, it will be made to the lowest, responsible bidder whose bid is determined by the District to be responsive. In summary and as applicable to the District, Notice of Award shall be deemed to have been given when the District authorizes award as noted under Section 2. If no such authorization is required, Notice of Award shall be when the purchase order and/or contract, addressed to the successful bidder at the address shown in the bid unless otherwise noted. Bid guarantees will be returned to all bidders not awarded.
- **PUBLIC INFORMATION:** All bids are public information once bids are tabulated and available for public information.
- **CONTRACT RETURN:** The successful bidder will receive an award package from the District that includes the contract, request for insurance and bond documents. The successful bidder must immediately sign and return all requested documents to the District. These must be received within the timeframe shown on the timeline in Section 2. Each bidder should perform any reviews and consideration of the contract prior to submittal, so that signature of contract can occur immediately following award. Each bidder should have preparations to immediately notify their insurance broker for the required insurance documents. If materials are not returned within the timeframe as shown on the timeline in Section 2, the District retains the right to cancel the award and award to the next lowest responsive and responsible bidder.
- **FAILURE TO EXECUTE CONTRACT:** Should the awarded vendor fail to execute a contract within the terms and conditions herein, the bidder will forfeit their bid guarantee.
- **NON-COLLUSION:** Submittal and signature of a bid swears that the bid is genuine and not a sham or collusive, and not made in the interest of any person not named, and that the vendor has not induced or solicited others to submit a sham offer, or to refrain from proposing.
- **BUSINESS LICENSE:** Vendors awarded a District contract are responsible for compliance with Washington State laws regarding possession of City business licenses. The cost of obtaining the business license is at the expense of the vendor and shall not be reimbursed by the District.
- **PROTESTS:** The District shall respond to all formal, written protests made against the District for bid and contract awards.
Any actual or prospective bidder, including subcontractors and suppliers showing a substantial economic interest in the contract, who is aggrieved in connection with the District solicitation or award of a contract may protest to the District in accordance with procedures herein.

PROCEDURE: The protesting party must submit a formal written statement to the Project Manager signed by the protesting party and submitted in a timely manner. The written protest

statement must state the (1) name, address and phone number of the aggrieved person; (2) the bid title for which the protest is submitted; (3) the grounds for protest with specific and complete statement of the action(s) being protested; (4) a specific relief or ruling requested.

In no event shall a protest be considered if all bids are rejected, or after the contract in dispute has been executed by the District.

In no case shall a bidder or protestor contact the elected District Commissioners regarding the protest or a possible protest action, or the protest will be considered void.

This criterion is to ensure the ability of the District to respond appropriately and independently to the protest action without undue influence to the protest review.

PRIOR TO BID OPENING OR DUE DATE: Parties with a potential economic interest in the outcome of a bid may submit a formal written protest to any condition known or that should reasonably have been known prior to bid opening. This includes conditions and information stated or provided in the solicitation documents, conditions occurring as a result of distribution of the solicitation documents, conditions occurring during the solicitation process, conditions occurring during any pre-bid meetings or conferences, and related matters prior to bid opening.

The District must receive such written protest at least five (5) full business days prior to the bid submittal deadline. After that time, interested parties shall be considered to have waived their right to protest such issues.

AWARD: District may award and sign a contract at any time according to normal District procedures. Once the District has signed a contract, the District shall reject and no longer accept a protest related to that bid and contract award.

AFTER BID OPENING AND PRIOR TO AWARD: Within two (2) full business days (the equivalent of sixteen [16] business hours) after the advertised date and time of bid opening, as amended (Saturday, Sunday and legal District holidays excluded), any party planning to protest must file written notice of such intention with the Property Manager. If no notice is received by the Property Manager within the two (2) business days, all eligible protesters will be considered to have waived their right to protest. Notice of intention must stipulate (1) name, and address and phone number of the aggrieved person; (2) the bid title for under which the protest is submitted; (3) the intended grounds for protest.

The complete protest, prepared in accordance with the criteria set forth in this procedure, must be received by the party to whom the original Notice of Protest was submitted within two (2) business days after the date and time of receipt of the Notice of Protest.

After the two (2) business days have passed from bid opening date/time, the District will proceed as follows.

If a notice of intent to protest was filed with the District during the two (2) days following bid opening, the District may, in the District's determination:

- Suspend the award decision to allow consideration of the protest before award is made; or
- Declare intent to award and wait a minimum of sixteen (16) business hours (two [2] business days as defined above) before entering into a contract. Written notice of intent to execute a contract shall be met by either one of the following methods:
 - Public posting by the District with a named intent to award indicated on the posted tabulation, made public or accessible to the public by telephone and/or posting on the District internet location designated for bid results; or
 - A District memorandum request to authorize award to the apparent successful bidder. The first memorandum request that is submitted to Commission for consideration shall be considered notice of intention to award.

After bid opening, only bidders that submitted a bid, subcontractors, or others that can show substantial economic interest in the bid award and who are aggrieved are eligible to protest. After bid opening, protests are limited to issues related to bid opening, evaluation of bids, and intention to award decisions, and are further limited to those items that were not known or could not have been reasonably known prior to bid opening. Such issues that were known or should reasonably have been known must have been protested prior to bid opening and are no longer eligible as an issue of protest. Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination or conflict of interest on the part of the evaluator;
- Errors in computing the score or bid price upon which award decisions are based;
- Non-compliance with procedures described in the solicitation for the opening and award itself.

DISTRICT RESPONSE TO A WRITTEN PROTEST: The District will receive the protest. Available facts will be considered, and a decision will be issued by the District. The protesting party shall be notified of the decision.

The District may give notice of the protest and its basis to other persons, including bidders, involved in or affected by the protest; such other persons may be given an opportunity to submit their views and relevant information.

The District will issue a written decision, stating the reasons for the decision and informing the aggrieved person of his/her right to appeal to the District Superintendent and/or as named in the bid documents. The decision shall be mailed, electronically transmitted or otherwise promptly furnished to the aggrieved person and other interested parties. The decision will be considered final and conclusive unless appealed within two (2) business days (sixteen [16] business hours) of the written decision.

APPEAL: Any appeal must be made within two (2) business days of the determination being delivered by the District to the aggrieved party. An appeal must be in writing and submitted to the Property Manager for delivery to the Superintendent. The written statement of appeal must provide a substantial basis for an appeal, based on the information submitted as part of the original protest. New information or basis of protest will not be considered during the appeal process. This shall be the final appeal provided to the protestor. The appeal shall be considered by the Superintendent for the bid jurisdiction, who shall consider all facts and issues, and shall issue a final decision on behalf of the District.

If the aggrieved party appeals the decision, then the subsequent determination shall be final and conclusive.

DETERMINATION: The determination by the District shall either:

- Find the protest lacking in merit and uphold the District's action; or
- Find only technical or harmless errors in the District acquisition process and determine the District to be in substantial compliance and therefore reject the protest; or
- Find merit in the protest and pursue correction including correcting the errors and reevaluating the bids, and/or reissuing the solicitation to begin a new process; or
- Make other findings and determine other courses of action as appropriate.

SECTION 4: Scope of Work/Specifications

Refer to Schedule 1 Detailed Scope of Work as Incorporated into this document.

SECTION 5: Bid Cover Sheet

The Bid Cover Sheet is to be completed, signed and attached to the vendor proposal.

The following pages 9-23 including **Bid Cover Sheet, Schedule 1 Project Scope of Work, Bidder Responsibility Form** and the District's General Contract Provisions comprise the formal bid offer.

Complete ALL forms and return together with proposal to the District at address specified in Sections 1 and 3. **Submit no later than the day and time shown in Section 2.**

Public Hospital District No. 2, Snohomish County, Washington, dba Verdant Health Commission

Bid Cover Sheet

Project Name: HVAC Replacement Kruger Clinic Medical Building

Type: Competitive Sealed Bid

Published Date Tuesday-September 13th, 2022

The bidder's attention is especially called to the following forms which must be completed in full as required and submitted collectively as the bid proposal package:

- ☐ Signed Bid Cover Sheet
- ☐ Signed proposal document with clearly defined project components, costs and timelines, numerically cross referenced to this cover sheet
 - Unit prices, when relevant, are mandatory and shall control.
 - Initial and date any changes, erasures or cross-outs or revisions on bid.
- ☐ Bid Bond or Cashier's Check in the amount of 5% of the total amount of bid (Sealed Competitive Bids)
- ☐ List of Subcontractors-If the bid is expected to cost one million dollars or more then the bidder shall comply with RCW 39.30.060
- ☐ Signed Bidder Responsibility Form

Summary Information:

Attached Bid #	
----------------	--

Total Bid: \$ _____

WA State Sales Tax: \$ _____

Total Bid Cost: _____

Vendor Name:

Vendor

Contact: _____ Telephone: _____ Email _____

Authorized Signature: _____ Date: _____

Title:

Public Hospital District #2, Snohomish County, Washington dba Verdant Health Commission

SECTION 6-BIDDER RESPONSIBILITY FORM-complete and return with submission

Public Hospital District No. 2, Snohomish County, Washington, dba Verdant Health Commission		
	Yes	No
Has your company operated at least one (1) year without interruption?		
Has an owner of your company been convicted of a crime within the past ten (10) years?		
Does your company have experience working in a medical facility?		
Does any employee or official of the Hospital District have any financial or other interest in your firm?		
This does not necessarily eliminate vendor from submittal-if yes please explain:		
Are there any claims pending against this insurance policy? If yes, describe:		
Does your company maintain Professional Liability Insurance?		
Does your company maintain insurance in amounts specified by District contract terms? (if no, please explain)		
Has your company been in bankruptcy, reorganization or receivership in the last five years?		
Is your company licensed to do business in the State of Washington?		
Provide UBI #		
State of Washington Employment Security #		
State of Washington Industrial Insurance #		
Are you disqualified from bidding by the State of Washington or the Federal Government?		

The undersigned acknowledges that addenda pages 12-17, general contract provisions have been taken into account as part of this bid.

*The undersigned hereby accepts the terms and conditions as set forth herein. **This page must be signed and dated by the vendor's representative who is legally authorized to contractually bind the vendor.***

FULL LEGAL NAME OF COMPANY

TYPE OF BUSINESS

- ☐ Corporation ☐ Partnership (general) ☐ Partnership (limited)
☐ Sole Proprietorship ☐ Limited Liability Company

Federal EIN:

State UBI:

Contact Name: _____

Address: _____

Telephone: _____ Email _____

Authorized Signature

Date

Public Hospital District No. 2, Snohomish County, Washington, dba Verdant Health Commission

SECTION 7- GENERAL CONTRACT PROVISIONS

These general provisions are hereby a part of the conditions agreed to by the vendor upon Bid.

- **Applicable Law and Forum:** Except as hereinafter specifically provided, this contract shall be governed by and construed according to the laws of the State of Washington. Any suit arising here from shall be brought in Snohomish County Superior Court, which forum shall have sole and exclusive jurisdiction and venue.
- **Acceptance of Award:** If awarded vendor begins work, the vendor is deemed to have agreed to all addenda, bid, special provisions, contract plans, general provisions, amendments to the Standard Specifications, Standard Specifications and standard plans, contract, and all other related documents. If such work is accepted by the awarded vendor before the District receiving a signed contract, both parties shall regard the contract and documents to be in force.
- **Contract Documents:** The addenda, bid, special provisions, contract plans, general provisions, amendments to the standard specifications, standard specifications, standard plans shall be a part of and constitute the contract entered into by the District and successful bidder. In the event there is discrepancy between any of the foregoing contract documents, the above order of documents governs so that the former prevails over the latter.
- **Notice to Proceed:** Vendor shall not commence work until Notice to Proceed has been given by the District. A notice to proceed will be given after the contract has been executed by the District and the vendor, and where applicable, by any State or Federal agencies responsible for funding any portion of the project. The time allowed for substantial completion of the work shall begin as of the date specified in the Notice to Proceed, or if no date is specified, ten (10) calendar days after the date of issuance of the Notice to Proceed or the date work commences, whichever is earlier.
- **Coordination of Work:** The existing medical clinic facility is occupied and in operation and the work to be performed by the vendor shall be performed in a manner that permits to medical clinic to continue to operate without interruption during regular clinic hours throughout the completion of the project. No interruption of normal medical clinic activities shall be permitted. Staff, patient and visitor access, safety, and health shall be maintained at all times. With the exception of short, scheduled shutdowns approved in advance by the Project Manager, the medical clinic's mechanical, electrical and other operating systems and services shall remain in operation at all times to permit the continued operation of the medical clinic. The vendor shall be required to arrange and carry out its work with the least possible disturbance and noise during regular clinic hours and to cooperate in the fullest measure with the Project Manager to reduce all inconvenience to a minimum.
- **Change Orders:** The District reserves the right to add or delete work, items, agencies or locations from this contract, subject to appropriate adjustments to the contract price. Added items, agencies or locations will be related to those on contract, and additions or deletions will be by mutual agreement, with prices consistent with the original bid price margins, and evidenced by a written contract change notice from the Property Manager. The execution of a change order shall constitute a waiver of claims by the vendor arising out of the work to be performed or deleted pursuant to the change order, except as specifically described in the change order. General reservations of rights will be deemed waived and void.
- **Vendor Clean-Up:** All debris resulting from vendor's work, delivery or installation of equipment shall be disposed of entirely by the vendor in an efficient and expeditious manner as required and directed by the Property Manager.
- **Inspection and Acceptance:** Work performed under this contract will be monitored and inspected by the Property Manager, and accepted by the same.
- **Warranties:** Vendor warrants that items furnished conform to its description and any applicable specifications, shall be of good quality and fit for the known purpose for which sold. This warranty is in addition to any standard warranty or service guarantee to the District. Bidder shall submit in writing, and detail the warrantee covering said item(s) or as soon thereafter as immediately required by the District.
- **Guarantee:** Vendor hereby guarantees that all of the work, materials or equipment furnished under this contract will fully meet all requirements for quality of workmanship, materials, strength and any and all other requirements of the specifications.
- **Vendor Responsible for Work:** Vendor shall be responsible for all work until its acceptance by the District and vendor will not be released from responsibility for any part of the work until one (1) year after it has been accepted.
- **Approvals:** Materials purchased are subject to the District approval and if rejected are held subject to the vendor's risk and expenses incurred for its return as approved by the Property Manager.
- **OSHA/WISHA:** Vendor agrees to comply with the conditions of the Federal Occupational Safety and Health Act of 1970, the Washington Industrial Safety and Health Act of 1970, and standards and regulations issued thereunder, and certifies that all items furnished and purchased will conform to and comply with said standards and regulations. Vendor further agrees to indemnify and hold harmless the District from damages assessed against the District because of vendor's failure to comply with the acts and the standards issued thereunder and for the failure of the items furnished under this order to so comply.

- **Compliance With Laws:** Vendor shall comply with all applicable federal, state, tribal and local laws, rules, and regulations affecting its performance and hold the purchaser harmless against any claims arising from the violation thereof. No extension of time or additional payment will be made for loss of time or disruption of work caused by any actions against the vendor for any of the above reasons.
- **Taxes:** The vendor shall include Washington State Sales and Local Tax where applicable, as a separate item on the invoice. Exclude Federal Excise Tax and supply exemption certificate when necessary.
- **Licenses and Permits:** Vendor shall procure all permits and licenses, pay all charges, fees and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work. The District may charge vendors for any of the District permits that are issued, and such costs, if any, shall be borne by the vendor.

- **Safety Measures:** All work under this Contract shall be performed in a safe manner. Vendor and all subcontractors shall observe all rules and regulations of the Washington State Department of Labor and Industries, rules and regulations of OSHA, WISHA, or any other jurisdiction, and all other applicable safety standards. Vendor shall be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours.

Vendor shall exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees) and property. All exposed moving parts of equipment capable of inflicting injury by accidental contact shall be protected with sturdy removable guards in accordance with applicable safety regulations.

- **Prevailing Wages:** Prevailing wages shall apply to all work, in compliance with State RCW and Standard Specifications. It is the responsibility of the vendor to file all required forms with the State of Washington, Department of Labor and Industries, in a timely manner.
- **Worker's Benefits:** Vendor shall make all payments required for unemployment compensation under Title 50 RCW and for industrial insurance and medical aid required under Title 51 RCW. If any payment required by Title 50 or Title 51 is not made when due, the District may retain such payments from any money due vendor and pay the same into the appropriate fund.

After final completion of all work on the project, vendor shall submit a "Request for Release" to the Washington State Department of Labor and Industries on the form they provide. The "Request for Release" form of the Department of Labor and Industries is also for obtaining a release with respect to the payments of industrial insurance and medical aid premiums.

- **Equal Opportunity and Nondiscrimination:** "The Equal Opportunity Clause" in Section 301 of Executive Order 10925 as amended, and the implementing Rules and Regulations, are herein incorporated by reference. Also see Article 1-07.11 of Standard Specifications. In all hiring or employment made possible or resulting from this contract, there shall be no unlawful discrimination against any employee or applicant for employment because of sex, age, race, color, creed, national origin, marital status or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. No person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this contract on the grounds of sex, race, color, creed, national origin, age except minimum age and retirement provisions, marital status, or in the presence of any sensory, mental or physical handicap.
- **Personal Liability:** It is agreed by and between the parties hereto that in no event shall any official, officer, employee, or agent of the District be in any way personally liable or responsible for any covenant or agreement herein contained whether express or implied, nor for any statement of representation made herein or in any connection with this contract.
- **Warranty of Title:** The vendor shall warrant good title to all materials, supplies, and equipment purchased for, or incorporated in the work. Nothing contained in this paragraph, however, shall defeat or impair the right of persons furnishing materials or labor, to recover under any bond given by the vendor for their protection, or any rights under any law permitting such persons to look to funds due the vendor in the hands of the District.
- **Guarantee of the Work:** The vendor shall remedy any defects in the work and pay for any damage to other work resulting therefrom, which shall appear within a period of one (1) year from the date of final acceptance of the work unless a longer period is specified. The District will give notice of observed defects with reasonable promptness. The guarantee period shall be suspended from the time a significant defect is first documented by the District until the work or equipment is repaired or replaced by the vendor and accepted by the District. In the event that fewer than ninety (90) days remain in the guarantee period after acceptance of such repair or replacement (after deducting the period of suspension above), the guarantee period shall be extended to allow for at least ninety (90) days' guarantee of the work from the date of acceptance of such repair or replacement.
- **Insurance:** The vendor shall not start work under this contract until vendor has furnished proof of insurance as required hereunder and such insurance has been approved by the District; nor shall vendor allow any subcontractor to commence work on its subcontract until the same insurance requirements have been complied with by such subcontractor. Approval of insurance by the District shall not relieve or decrease the liability of vendor for any damages arising from vendor's performance of the work.

Vendor shall procure and maintain during the life of this contract, Commercial General Liability, and Automobile Liability Insurance, as detailed herein, to protect the District and vendor from and against all claims, damages, losses and expenses arising out of or resulting from the performance of work detailed herein, with insurance companies or through

sources approved by the State Insurance Commissioner pursuant to RCW Chapter 48. Coverage provided shall protect against claims for personal injuries, including accidental death, as well as claims for property damages which may arise from any act or omission of the vendor or any subcontractor or by anyone directly or indirectly involved or employed by either of them.

Vendor insurance policies shall include the District as Additional Named Insured, Form CG 2010 11 85, on a Primary Basis and others if required by contract documents. All insurance policies shall be endorsed to provide that no policy shall be cancelled, changed or reduced in coverage, until after thirty (30) days prior written notice has been delivered to the District through certified mail. Exceptions to form must be approved by the Director of Finance or designee.

A Certificate of Insurance including the Additional Named Insured Endorsement on Form CG 2010 11 85 shall be filed with the District after award, but prior to execution of the contract, for a primary policy of commercial general liability insurance and automobile liability insurance meeting the requirements herein.

The Certificate of Insurance (ACCORD Form 25-S) cancellation clause shall be revised to read as indicated below. Exceptions to this requirement must be approved by the Director of Finance or designee.

Should any of the above described policies be cancelled, changed or reduced in coverage, before the expiration date, the issue company will mail thirty (30) day written notice to the certificate holder named at the left using certified mail.

Failure of the vendor to fully comply with the requirements set forth herein regarding insurance shall be considered a material breach of contract and shall be cause of immediate termination of the contract and of any and all obligations regarding the same.

Approval of the insurance, by the District, shall not relieve or decrease the liability of the vendor for any damages arising from vendor's performance of the work.

Insurance shall provide, at a minimum, the types of insurance coverage, limits and endorsements as set forth below and shall be included in all applicable policies and on the Certificate of Insurance. The insurance coverage listed below shall protect the vendor and the District from claims for damages of bodily injury, including death resulting therefrom, as well as claims for property damage, which may arise from operations under this contract, whether such operation be by itself or by any subcontractor or by anyone directly employed by either of them, it being understood that it is the vendor's obligation to enforce the requirements of this section in respect to any subcontractor employed for this project:

Commercial General Bodily injury and Property Damage Insurance shall be written with limits of liability of no less than \$1,000,000 combined single limits, per occurrence and \$2,000,000 in aggregate, and shall include:

- Premises & Operations;
- Owners and Vendors Protective;
- Products Liability, including completed Operations
- Coverage; Contractual Liability;
- Broad Form Property Damage;
- Commercial Form (to include Extended Bodily Injury); Employees as Additional Insured;
- Explosion, Collapse & Underground Hazard;
- Independent Vendors;
- Personal Injury;
- Stop Gap;
- Cross Liability Clause.

Automobile Bodily Injury shall be written with limits of liability as required by the Supplementary General Conditions, but shall in no case be for limits less than \$1,000,000 Combined Single Limit. Coverage shall include:

- All owned automobiles;
- Non-Owned automobiles;
- Hired Automobiles;
- Any automobiles.

Bodily Injury Liability Insurance shall be written on an occurrence basis for bodily injury, sickness or disease, including death resulting therefrom.

Property Damage Liability Insurance shall be written on an occurrence basis for damage to or destruction of property, including the loss of use thereof, and shall not exclude Injury to, or destruction of, wires, conduits, pipes, mains, sewers or similar property or any apparatus in connection therewith, below the surface of the ground, if such injury or destruction is caused by and occurs during, the use of mechanical equipment for the purpose of excavating or drilling, or injury to or destruction of property at any time resulting therefrom.

Nothing contained in these insurance requirements is to be construed as limiting the extent of the vendor's responsibility for payment of damages resulting from operations under this contract.

The coverages provided by this policy are primary to any insurance maintained by the District.

Inclusion of more than one Insured under this policy shall not affect the rights of any insured as respects to any claims, suit or judgment made or brought by or for any other Insured or by or for any employee of any other Insured. This policy shall protect each Insured in the same manner as though a separate policy had been issued to each, except that nothing herein shall operate to increase the company's liability beyond the amount or amounts for which the contract would have been liable had only one Insured been named.

There shall be included in the liability insurance contractual coverage sufficiently broad to insure the provisions of that Section herein entitled "Hold Harmless Clause."

In the event the vendor is required to make corrections on the premises after the project has been inspected and accepted, s/he shall obtain at his/her own expenses, and before commencement of any corrective work, full insurance coverage as specified herein.

- **Gifts and Gratuities:** Businesses must not offer, nor the District employees accept, gifts, gratuities, loans, trips, favors, special discounts, services, or anything of economic value in conjunction with the District business practices. It is also unlawful for anyone to offer another, to influence or cause them to refrain from submitting a bid. Vendors and the District employees must strictly adhere to the statutes and ordinances for ethics in contracting and purchasing, including the District Ethics Code, RCW 42.23 (Code of Ethics for Municipal Officers) and RCW 42.52 (Ethics in Public Service). This is applicable to any business practice, whether a contract condition, bid practice, or at any activity related to District business.

- **Assignment:** Neither party may assign any portion of the contract work without the prior consent of the other party.

- **Delays and Extensions of Time:** The vendor will be granted equitable extensions of time by the District under the following circumstances:

A delay caused by any suit or other legal action against the District will entitle the vendor to an equivalent extension of time, unless the period of such delay exceeds ninety (90) calendar days. When such period is exceeded, the District will, upon request of the vendor, in writing, either negotiate a termination of the contract or grant a further extension of time, whichever may at the time be in the best interests of the District.

There shall be no delays or extensions due to inclement weather, unless the Property Manager agrees with the vendor that weather is abnormal to the season, and could not be normally expected to occur for this region.

Should other unforeseen conditions occur beyond the reasonable control of vendor, or should performance of work under a change order make the work more complex or difficult than originally specified and shown on the scope of work, and such work, in the vendor's opinion, requires more time to execute than allowed by the contract, the vendor shall notify the District in writing prior to the performance of such work, setting forth in detail its estimate of the added time and cost required for such work. The District will, if such estimate is approved, allow an equitable extension of the original contracted dollar amount.

- **Breach:** In addition to the events defining a breach as outlined under Standard Specification 1-07.10 (1), a breach of a term or condition of the contract shall mean any one or more of the following: (1) vendor fails to perform the services by the date required or by a later date as may be agreed to in a written amendment to the contract; (2) vendor breaches any warranty or fails to perform or comply with any term or agreement in the contract; (3) vendor makes any general assignment for the benefit of creditors; (4) in the District's sole opinion, vendor becomes insolvent or in an unsound financial condition so as to endanger performance; (5) vendor becomes the subject of any proceeding under any law relating to bankruptcy, insolvency, reorganization, or relief from creditors and/or debtors; (6) any receiver, trustee, or similar official is appointed for vendor or any of the vendor's property; (7) vendor is determined to be in violation of federal, state or local laws or regulations and that such determination, in the District's sole opinion, renders the vendor unable to perform any aspect of the contract.
- **Default:** In addition to the events defining a default as outlined under Standard Specification 1-07.10 (1), a vendor may be declared in default for failing to perform a contractual requirement or for a material breach of any term or condition.
- **Termination for Breach and/or Default:** Refer to Standard Specification 1-08.10 (1). In addition, the District shall be entitled by written notice, to cancel and/or terminate this contract in its entirety or in part, for breach and/or for default of any of the terms and to have all other rights against the vendor by reason of the vendor's breach, as provided by law.
- **Opportunity to Cure Default:** Refer to Standard Specification 1-08.10 (1). In summary, in the event that vendor fails to perform a contractual requirement or materially breaches any term or condition, the District may issue a written or oral notice of default and provide a period of time in which vendor shall have the opportunity to cure. Time allowed for cure shall not diminish or eliminate vendor's liability for liquidated or other damages. The District is not required to allow the vendor to cure defects if the opportunity for cure is not feasible as determined solely by the District. The District may terminate the contract for nonperformance, breach or default without allowing the opportunity to cure by the vendor.
- **Remedies for Cure of Default:** If the nonperformance, breach or default remains after vendor has been provided the opportunity to cure, the District may do one or more of the following: (1) exercise any remedy provided by law; (2) terminate this contract and any related contracts or portions thereof; (3) impose liquidated damages; (4) suspend vendor from receiving future invitations to bid. The District may procure the articles or services from other sources and hold the bidder responsible for any excess and expense occasioned thereby, including delay in time, whether foreseeable or unforeseeable.
- **Termination for Convenience:** The District may terminate this contract, in whole or in part, at any time by written notice to the vendor.

- **Payments:** Refer to Standard Specification 1-09.9. In addition, the vendor shall be paid, upon submission of a proper payment request, the prices stipulated herein for services performed (less deductions, if any), in accordance with all payment and retainage instructions herein. All accounts are paid according to RCW 39.76.020, Section 4C. Submitted payment requests must contain the following minimum information:
 - Item number, quantity and description as appropriate;
 - Unit and extended prices;
 - Shipping charges when applicable,
 - Affidavit of Prevailing Wages Paid from the Department of Labor and Industries,
 - Sales tax as applicable.

Mail Payment Requests to:

Public Hospital District #2, Snohomish County
4710 196th Street SW
Lynnwood, WA 98036

Vendor shall be paid within thirty (30) days after receipt of an undisputed invoice.

- **Claims and Dispute Resolution:** A claim is a demand or assertion by one of the parties seeking, as a matter of right, adjustment of contract terms, payment of money, extension of time or other relief with respect to the terms of the contract. A claim may also include other disputes and matters in question between the District and vendor arising out of or related to the contract. Claims must be made in writing. The responsibility to substantiate claims shall rest with the party making the claim. A notice of a potential or future claim does not constitute a claim. Any claims of the vendor against the District for damages, additional payment for any reason, or extension of time, whether under the Contract or otherwise, must be made in strict accordance with the applicable provisions of the contract. No act, omissions, or knowledge, actual or constructive, of the District shall in any way be deemed a waiver of the requirement for timely written notice and a timely written claim unless the District provides vendor with an explicit, unequivocal written waiver.
 - All claims must be addressed to: Public Hospital District #2, Snohomish County
4710 196th Street SW, Lynnwood, WA 98036
 - Vendor shall submit in writing to the District all claims, within fourteen (14) days of the event giving rise to the claim. Written claim(s) must specify the conditions and requested relief. The District shall consider such claim and shall meet with the vendor to confer and attempt to resolve the claim.
 - Vendor shall diligently carry on the work and maintain the vendor's construction schedule during any dispute resolution proceedings, unless otherwise agreed by it and the District in writing.

Mediation: If the claim is not resolved in the process provided immediately above, neither the vendor nor any subcontractor or supplier of any tier may bring a claim against the District in litigation unless the claim is first subject to nonbonding mediation before a single mediator under the Voluntary Construction Mediation Rules of the American Arbitration Association. This requirement cannot be waived except by an explicit written waiver signed by the District and vendor.

Litigation: Vendor may bring no litigation on claims unless such claims have been properly raised and considered as provided above. All unresolved claims of vendor shall be solved and released unless vendor complies with the time limits above, and litigation is served and filed within the earlier of (a) one hundred twenty (120) days after the day of substantial completion designed in writing by the District (provided that a mediation session has occurred as provided above); or (b) sixty (60) days after final acceptance. This requirement cannot be waived except by an explicit written waiver signed by the District.

- **Removal from Shared Small Works Roster for Failure to Perform:** The District retains the right to report the awarded vendor to the Municipal Research Service Center (MRSC) Rosters, if in the Property Manager's opinion, the vendor has failed to satisfactorily and promptly perform and/or complete the Project as required by the District.
- **Indemnification:** To the maximum extent permitted by law, the vendor shall be liable for and shall hold the District harmless from all damages and injuries caused to persons or property arising out of the performance of this contract. The vendor agrees to assume the defense of the District and its officers and employees in all legal proceedings or claims with third parties connected with the vendor's performance under this contract, to pay all expenses, including reasonable attorney's fees, incurred by the District directly or indirectly on account of such legal proceedings, and to satisfy any judgment rendered in connection therewith or to pay or reimburse the payment of any sums reasonable to settle such proceedings or claims.
- **Patents, Trademarks and Copyrights:** Vendor warrants that products furnished do not infringe upon any patent, registered trademark or copyright, and agrees to hold the District harmless in the event of infringement or claim thereof.
- **Liens/Title:** Vendor warrants that items to be furnished are free and clear of all liens and encumbrances and that vendor has good and marketable title to same.
- **Hold Harmless:** The vendor shall hold the District and its officers, agents and employees harmless from all costs, claims or liabilities of any nature including attorneys' fees, costs and expenses for or on account of injuries or damages sustained by any persons or property resulting from the negligent activities or omissions of the vendor, its agents or employees pursuant to the contract, or on account of any unpaid wages or other remuneration for services; and if a suit as described above be filed, the vendor shall appear and defend the same at its own cost and expense, and if judgment be rendered or settlement made requiring payment by the District, the vendor shall pay the same.

- **Ownership of Documents:** All documents, data, drawings, specifications, software applications and other products or materials produced by the vendor in connection with this contract shall be the property of the District whether the project for which they are made is executed or not. All such documents, products and materials shall be forwarded to the District at its request and may be used by the District as it sees fit. Vendor shall preserve the confidentiality of all the District documents and data accessed for use in vendor's work product.
- **Workers Right to Know:** WAC 296-62-054 requires that manufacturers of hazardous substances include with each delivery, a MSDS (Material Safety Data Sheets) for each hazardous material. Additionally, each container of hazardous material must be appropriately labeled with: (1) identity of the hazardous material; (2) appropriate hazardous warnings; and (3) name and address of the chemical manufacturer, importer or responsible party. Labor and Industries may levy appropriate fines for noncompliance and agencies may withhold payment pending receipt of a legible copy of the MSDS. It should be noted that OSHA Form 20 is not acceptable in lieu of this requirement, unless it is modified to include appropriate information relative to "carcinogenic ingredients" and "routes of entry" of the product(s) in question.
- **Mutual Responsibility of Vendor:** If, through acts of neglect on the part of the vendor, any other vendor or any subcontractor shall suffer loss or damage on the work, the contract agrees to settle with such other vendor or subcontractor by agreement or arbitration if such other vendor or subcontractors will so settle. If such other vendor or subcontractor shall assert any claim against the District account of any damage alleged to have been sustained, the District shall notify vendor, who shall indemnify and save harmless the District against any such claim.
- **Compensation and Employee's Liability Insurance:** Vendor shall maintain Worker's Compensation Insurance as required by State Statute for all employees engaged in work on this contract. Should any work be subcontracted, the vendor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all subcontractor employees engaged in the work. In the event any class of employees engaged in work under this contract at the project site is not covered under the Workmen's Compensation Insurance as required by State statute, the vendor shall provide and shall cause each subcontractor to provide Employer's Liability Insurance with a private insurance company for limits of at least \$100,000 each person and \$300,000 each accident and furnish satisfactory evidence of the same.
- **Scope of Work:** The District retains the right to ADD and/or DELETE work in Section 4(A). The District also retains the right to modify the services rendered under this contract. The cost for such modifications in the scope of work shall be adjusted upon mutual written agreement by both parties. In the event the parties cannot mutually agree to the changes, either party may terminate the agreement with thirty (30) days written notice to the other party.

Schedule 1- Scope of Work-Attachment to Invitation to Bid-Kruger Clinic HVAC Replacement Project

The building will have been newly roofed and contractor of choice to take all necessary precautions to protect the new roof during this project. Any roof damage will be the responsibility of chosen contractor to make repairs in concordance with the roofing manufacture to maintain the roof warranty.

All necessary engineered drawings, permits, compliance with state and local authorities, and safety protocols are the responsibility of the contractor of choice. Any equipment needed to remove and/or install equipment to the roof or basement are to be borne as part of the project cost. Any crane activity in the parking lot will need to be closely scheduled to avoid impacting clinic clients.

Rooftop is accessed via a fireman ladder and roof hatch in the east stairwell or the 2nd floor Fire Alarm closet via a fireman ladder and roof hatch. Crawlspace and basement are accessed via a secured internal stairwell on the 2nd floor west hallway.

At the conclusion of this project provide a complete air balancing report for the entire building, existing and new equipment, after equipment and controls are fully operational. Provide training to management company on all new equipment and control system.

A minimum one-year workmanship warranty will be in place after new equipment installation. As part of your proposal provide a 5 year maintenance plan and cost for all equipment both new and old at the Kruger Clinic. For existing equipment, the 5 year would commence at the project completion date. For all new equipment and controls, the 5 year agreement would commence after the warranty period.

If alternate(s) to the specified equipment are to be proposed, that alternate should be submitted as a separate proposal including cut sheets and warranty information.

Rooftop Equipment

There are (2) existing 25-Ton Trane Intellipak RTU's that are approximately 15 years old. Units sit on existing structural roof curbing and duct horizontally to insulated ductwork. Units serve east half of Kruger Clinic. Airflow is distributed through approximately (19) Trane Vari-Cone VAV terminal units. Newly replaced roof top insulated ductwork will be reconnected to these units as part of the project. Units have no heating capacity and are cooling only.

Replace (2) package units with new Trane like in kind Intellipak units including all connections to existing ductwork and electrical. Units to sit on existing curbing.

- Engineering and drawings necessary to obtain Mechanical and Structural Permits.
- Provide Structural Review.
- Disconnect electrical power and controls.

- Provide crane and operator.
- Receipt, storage, and delivery of equipment to site.
- Lift off existing units and dispose per EPA guidelines.

MULTI-FAMILY | COMMERCIAL | MIXED-USE | SELF-STORAGE

- Furnish, lift on and seismically secure curbing materials to reconnect to existing roof curb.
- Furnish, lift on and seismically secure new units to curb.
- Reconnect power and controls.
- Provide reconfigured ductwork to connect to new ducting.
- Provide units with new factory mounted disconnects.
- Provide pre and post air balancing and commissioning.
- Startup and test.

Existing Units - Trane Model SXHFF25E0D48C5FD8000



Crawlspace and Basement HVAC Equipment

There are (2) HVAC units. (1) unit is a 2-Ton Package Unit located in the crawlspace and the other is a 3.5Ton Split System located in the basement ceiling with the condensing unit in the crawlspace. Neither of the units have ducted outside air or economizers.

Remove both existing systems and replace with new split systems of like capacity, Trane is the preferred brand. Install code required economizers and ducting to the exterior wall of the clinic. The ducting will be routed to existing crawlspace vents for termination to outside air. Due to the split configuration of the new system versus the package unit, an additional power source will be required to be routed to air handling unit. Ducting will be modified and reconfigured to connect to new air handling units.

Package Unit for Lobby and Common Areas

- Provide drawings and engineering necessary to obtain mechanical & electrical permits per City of Edmonds requirements.
- Remove and dispose of (1) 2-Ton Package HVAC heat pump. Recycle per EPA guidelines.
- Furnish and install (1) 2 Ton Trane heat pump.
- Furnish and install (1) 2 Ton Trane Air Handling unit with electric resistance axillary heater.

- Furnish and install (1) Micrometl economizer box and Honeywell enthalpy controller. Code required.
- Connect to new HVAC DDC Control System.
- Furnish and install refrigeration lines between condensing unit and air handling units.
- Furnish and install all labor and materials to reconnect existing electrical to new condensing unit.
- Furnish and install all labor and materials to run new circuit for Air Handling unit from lower electrical room.
- Furnish and install electrical service outlet at unit to meet code requirements.
- Furnish and install all required low voltage control wiring for DDC Control and economizer controls.
- Furnish and install economizer ducting from economizer to outside air found at crawlspace vents.
- Provide all rigging and hoisting to remove existing equipment and setting of new equipment.
- Provide ductwork insulation on all exposed supply, return, and outside air ducting in crawlspace.
- Provide start-up and test to ensure proper unit operation.
- Provide startup and check out of exhaust fans and control sequence.

Split System – (Serving Electrical, Plumbing, and Elevator Machine Room)

- Provide drawings and engineering necessary to obtain mechanical & electrical permits per City of Edmonds requirements.
- Remove and dispose of (1) 3.5-Ton Split HVAC heat pump system. Recycle per EPA guidelines. · Furnish and install (1) 3.5 Ton Trane heat pump.
- Furnish and install (1) 3.5 Ton Trane Air Handling unit with electric resistance axillary heater.
- Connect to new DDC control system.
- Furnish and install new refrigeration lines between condensing unit and air handling units.
- Furnish and install all labor and materials to reconnect existing electrical to new condensing unit.
- Furnish and install all required ducting to reconnect air handling unit to existing supply ducting. · Furnish and install electrical service outlet at unit to meet code requirements.
- Furnish and install economizer and mixing box on return ducting, duct fresh air from exterior of building.
- Furnish and install duct insulation as required by Washington State Energy Code.
- Furnish and install all required low voltage control wiring for DDC control and economizer controls.
- Provide all rigging and hoisting to remove existing equipment and setting of new equipment.
- Provide start-up and test to ensure proper unit operation.
- Provide startup and check out of exhaust fans and control sequence.

Location of outside air components to be located in an area approved by Owner. As part of proposal provide location map of your best location for the outside units.

Existing units – Payne 559GN024 and BDP 517GN042



Domestic Hot Water Generation

The building hot water is currently supplied by two 120-gallon hot water generators both located in the basement.

Replace (2) 120-gallon hot water generators including all associated piping. Provide units with a minimum 10-year manufacturer warranty.

Due to the nature of these facilities, this equipment will need to be replaced on an off hour shift to avoid disruption to the clinic spaces.

- Disconnect existing copper piping and electrical wiring from (2) hot water heaters
- Remove equipment and dispose of per EPA guidelines
- Pickup and deliver new equipment
- Furnish and install (2) 120-gallon Domestic Hot Water Heaters · Provide all copper piping necessary to reconnect new equipment · Replace 6 existing gate valves with ball valves.
- Reconnect all electrical wiring
- Provide start-up and test to ensure proper unit operation.

Existing Units - Bradford White M-II-120-18-3SF-37 and AO Smith DVE 120



HVAC Controls

The Kruger Clinic Building is currently controlled through an outdated Trane pneumatic building automation system. The existing system utilizes a compressor and pneumatic piping to control (19) VAV terminal units throughout the east building spaces. The existing terminal units are original Trane Vari-Cone boxes. On the west half of the building, there are (22) individually controlled RTU and Split systems. These systems have a combination of standalone thermostats controlling the equipment.

All VAV work to be coordinated as to not impact operations in any clinics.

Provide and install a new Carrier I-Vu control system frontend that is web-server based with all new custom graphics and programming designed to completely replace the existing HVAC controls system front-end. The new system will include energy efficient control strategies for the control of all the mechanical systems in both buildings. The system should be accessible by any PC running a

standard Web browser and be intuitive and usable by non-mechanically oriented individuals. The system should utilize nonproprietary parts for ease of replacement.

- Complete upgrade/replacement of the existing Trane System.
- All new global controller programming, system operator graphics and frontend technical checkout.
- New Carrier I-vu Controls Web-server global controller; Installation of new global controller in the lower level mechanical room currently housing the air compressor.
- Include all new operator graphics and global controller programming associated with the mechanical systems currently controlled by the pneumatic system.
- The new system operator graphics to include full access to all mechanical equipment for system monitoring and setpoint adjustment.
- Provide frontend DDC components, DDC engineering & programming and technical startup/checkout of the new I-Vu frontend control system.
- Complete, digital-based, global controller programming documentation.
- No proprietary software to be used for access to the system operator graphics. Any 'PC' with the appropriate system password should be able to access the building control system and all associated system operator graphics.
- Furnish and install (1) global network controller.
- Installation (19) new Carrier I-Vu programmable VAV controller.
- Calibrate (19) VAV Controllers after installation and startup.
- Integrate (2) BacNET enabled RTU control cards.
- Furnish and install low voltage electrical to connect BacNET trunk for system.
- Furnish and install (22) BacNET enabled unitary equipment controllers to integrate standalone equipment into building automation system.
- Provide programming to allow for user adjustability at local controller.
- Provide preliminary and post project balance reports.
- Provide commissioning for (19) VAV boxes to ensure required airflows at each VAV.
- Provide start-up and test to ensure proper unit operation.
- Decommission existing pneumatic air control system including removing compressor and thermostatic components.
- Provide all permits and inspections as required by local code.
- Provide Price Alternate if digital plans cannot be accessed and digital graphic displays will need to be created.

End of Specification-----

Scoring Sheet

Not to be posted with Bid

Public Hospital District #2, Snohomish County, dba Verdant Health Commission (The District)

Competitive Bid Qualifications Scoring Sheet

Project: _____

Applicant: _____

Scorer Name: _____

Date: _____

Scoring Section:

RESPONSE TO RFP IS COMPLETE AND INCLUDES ALL REQUESTED INFORMATION:				
Criteria	Yes/No	Initials		
Has met criteria of responsive bidder				
Has met criteria of responsible bidder				
FIRM'S EXPERIENCE, QUALIFICATIONS AND PRICING:				
Criteria	Score 1-10	Multiplier	Total Points	Comments
- Has demonstrated experience involving similar projects for medical facilities within the last 5 years.		4x		
- Has outlined a strategic approach to this project, including realistic timelines.		3x		
- Has demonstrated the technical qualifications needed to complete this project.		2x		
- Has demonstrated history of successfully completing projects on time and within budget.		1x		
Total Score				
Total Contract Price	\$ _____			

The District Committee will meet on _____ to open, review and score all bids

PHD #2, Snohomish County-Verdant Health 2023 Budget Key Dates

Date(s)	Day	Description	Who
June 27-29, 2022	Monday-Friday	Individual Meetings with Staff-2022 Actual v. Budget	Staff
August 22-26, 2022	Monday-Friday	Individual Meetings with Staff-2023 Budget Prep Sessions	Riene/Lisa/Staff Budget Owners
		Background Budget Work-All Staff-Internal Programs/Admin/Property Expenses/Admin, S&B	Riene/Filo/Staff Budget Owners
August 24, 2022	Wednesday	BOARD Meeting	All
August 25, 2022	Thursday	BOARD STUDY SESSION	All
September 2, 2022	Friday	Budgets due back from staff	All Staff Budget Owners
September 6-9, 2022	Tuesday-Friday	Individual Budget inputs into Excel Budget Template	Riene/Filo
as needed		Staff Check In's Questions re Budget Data	Riene/Lisa/Staff
September 13, 2022	Wednesday	Budget Progress Report to Lisa-	Riene/Lisa

September 15, 2022	Thursday	FINANCE COMMITTEE MEETING-budget progress report-budget changes/trends	Riene/Lisa/FC
September 28, 2022	Wednesday	BOARD MEETING-budget progress report-budget changes/trends	
October 3, 2022	Monday	Final Budget Numbers Due; final report compilation	Riene/Filo
October 4, 2022 & October 11, 2022	Tuesdays	PUBLIC MEETING NOTICE - PUBLICATIONS (2 consecutive weeks prior to meeting on 10/20/2022)	Riene/Kirk
October 13, 2022	Thursday	FINANCE COMMITTEE MEETING-Budget Presentation	Riene/Lisa/FC
October 20, 2022	Thursday	SPECIAL PUBLIC HEARING Board Meeting-Budget Presentation	All
October 26, 2022	Wednesday	BOARD Meeting-Resolution to Adopt Budget and Approve Levy Revenue	All

Program Committee Board Report

August 2022

I. Modifications to Contracts-for Review

None

II. Expiring Contracts

None

III. COVID Grant Requests

Full application is also included in packet pages 11-15.

Agency	Program	Request	Description	Committee Recommendation
Foundation for Edmonds School District	Ongoing Pandemic Response Student Meals	\$10,000	Requesting additional funds to support student meal supplies due to inflation impact on food prices and increased family demand. We provided \$22,500 in April.	Fund as Requested. Work with all food partners to streamline food provision to ESD students.

COVID grants are now a separate pot of funds from Superintendent's Discretionary. Applications are submitted via Fluxx and contracts, payments, and reports are managed within the software as well. **2022 COVID Fund Budget is \$500,000 If funded as presented, COVID Funds unallocated balance for 2022: \$250,966.01. Represents approx. 51% of annual budget committed at approx. 66% of budget year.**

IV. Superintendent's Discretionary

Ideas in Progress:

None

2022 Superintendent's Discretionary fund budget is \$100,000. **If funded as presented, Superintendent's Discretionary Funds unallocated balance for 2022: \$ 53,500. Represents 46.5% of annual budget committed at approx. 50% of budget year.**

V. Q3 Applications Received

Between July 11th-22nd, we received 17 applications totaling \$2,206,171 for our Q3 process.

- 7 of these applications were for Year 2 renewals totaling \$653,224
- 6 of these applications were full proposals to replace expiring contracts or in lieu of a year 2 renewal request totaling \$860,078

- 4 of these proposals were brand new to Verdant totaling \$692,869.

Available 2022 and 2023 Funding, showing Q3 requests. Please note that \$0 of the Q4 proposals will impact the 2022 budget as those contracts will all start on January 1, 2023. The Q3 applications will have contracts starting October 1, 2022 and are the last requests for this budget year, with 25% of the total award being allocated to the 2022 budget. We have been notified by Move60! That we will receive a substantial refund from the program due to an underspend this year (potentially over \$200,000) and by UW that we will receive an almost \$22,000 refund. These funds have not been included in the figure below.

Budget Year	Annual Budget	Available Balance (not committed)	Available Balance including forecasted renewals
2022	\$ 9,000,000.00	\$ 457,527.57	\$ 245,496.35
2023	\$ 9,000,000.00	\$ 6,544,287.78	\$ 1,789,575.40
2022 Budget Balance with Q3 REQUESTS		\$ (94,015.18)	

	Agency	Program	Current Annual Award	Amount Requested	Amount Requested Adjusted to Caps	Notes
renewal	Cancer Lifeline	Whole Patient Services for Cancer Patients	\$ 14,000.00	\$ 15,600.00	\$ 14,700.00	
renewal	DVS	Education, Outreach, and Prevention	\$ 80,000.00	\$ 80,000.00		flat request
renewal	Girls on the Run	Girls on the Run/Heart and Sole	\$ 24,605.00	\$ 30,044.00	\$ 25,835.25	
renewal	Jean Kim Foundation	Hygiene Center	\$ 246,633.00	\$ 248,930.00	\$ 248,930.00	

renewal	Korean Community Service Center	Mind Body and Soul for Korean Americans	\$ 115,000.00	\$ 120,750.00	\$ 120,750.00	
renewal	Medical Teams International	Care & Connect	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	flat request
renewal	Parent Trust	Conscious Fathering	\$ 7,900.00	\$ 7,900.00	\$ 7,900.00	flat request
renewal-full proposal	Prescription Drug Assistance Program	Prescription Drug Assistance Network	\$ 55,000.00	\$ 60,000.00		
renewal-full proposal	Washington West African Center	Drop-in Center	\$ 114,600.00	\$ 332,500.00		Instead of submitting a Year 2 budget, they submitted a full proposal for a significant increase to expand the scope of work. Individuals served would increase by 460% (1100 to 5060) funding would increase by 290%
new	Brain Energy Support Team (BEST)	Empowered Self	-	\$ 114,200.00		
new	Madres de Casino Road	Sanamente	-	\$ 320,410.00		
renewal-full proposal	Parent Trust	Family Wellness Program	15,000	\$ 15,375.00		

renewal-full proposal	Wonderland Family Services	The Next Level (Early Intervention)	\$ 150,000.00	\$ 175,000.00		Notes 15% increase in personnel costs since start of pandemic
renewal-full proposal	LETI	Café Leti and Health and Wellness Programs(combination with early term of existing contracts)	\$ 115,000.00	\$ 157,203.00		They are seeking to combine 2 programs: LETI Café started during the pandemic and their Health and Wellness Program started before the pandemic. If funded, they would terminate the existing contracts, and move forward with a scope of work they feel is better aligned with the post-COVID/endemic reality of their community. Goal is to move towards self-sufficiency with program revenue in the long term.
renewal-full proposal	CHC Snohomish County	CHC Dental Program	\$ 100,195.00	\$ 120,000.00		Note 2021 increase in Medicaid reimbursement rate
new	Compass Health	Aurora House Flex Funds	-	\$ 29,500.00		
new	Seamar CHC	Expansion of MA Apprenticeship Program	0	\$ 228,759.00		

Upcoming Key Funding Dates:

- ~~6/27 Q3 Q&A Session~~
- ~~7/1 Contracts start for Q2 awards~~
- ~~7/11-7/22 Q3 applications accepted~~
- ~~7/25-8/12: Staff Scoring~~
- ~~8/3: Program Committee~~
- 8/16-8/31: New to Verdant Applicant 1:1s
- 8/16-9/20: Commissioner Scoring
- 9/20: Program Committee
- 9/28: Board Meeting—funding approvals and applicant notification
- 10/1 Contracts start

Verdant Community Social Worker Highlights: July / August 2022

- Case Management – continuing support for fifteen clients. Continue to provide inreach/outreach with Swedish Edmonds Hospital.
- CHART Leadership and Facilitation – Ongoing support for the CHART program and clients.
- This past month included weekly team check ins, monthly staff meeting, monthly County Outreach Coalition, monthly Snohomish County Community Behavioral Health Committee, monthly Snohomish County Connector's meeting, monthly County and Human Services Providers Call, monthly Vulnerable Adult Taskforce, monthly Homeless Policy Task Force, monthly Coordinated Entry Community Information and User Group Meeting, and monthly Verdant Outreach Planning Meeting.
- Marketing events – National Night Out, August 2.
- Programming –
 - On August 5, held the third provider training of a three part series, titled Trauma Informed Integrated Behavioral Health. Of the 108 people registered, 63 attended, my highest number of attendees in four years of trainings.
 - I am planning a new behavioral health Verdant virtual provider training titled Neuropsychology Counseling, scheduled for November 11, 2022. This will be the same instructor from the prior three part series.
 - Update on 8 week therapeutic group for adults, titled Building Relationships. This group was to run on Thursday evenings, from July 14th – Sept. 1st, however, we did not get enough registrations in time for the group to start. We have now made this group virtual and have rescheduled it to start on September 8.
 - Have scheduled a three and a half hour Renters Certification training, for the community to include several of my clients. Volunteers of America Dispute Resolution Department provides this training for free. The focus is on those that may have barriers to renting. Participants will learn about landlord / tenant rights and responsibilities, fair housing awareness, what landlords screen for, and conflict resolution skills to help stabilize housing and minimize evictions. Receive a certificate upon completion that entitles you to free landlord / tenant mediation and boosts your rental resume. This will be held August 30, live at the Verdant Wellness Center.
 - Additionally, I am working with the county to provide two more NARCAN trainings in October. Current negotiations with Virginia Mason to provide free NARCAN kits for attendees.

Multicultural Report-July 2022

Verdant Sponsored Programs

Monthly Women's Support Group- 18 participants

Monthly Parent Support Group- 33 participants

Salud Rx Fruit and Veggie Vouchers- no attendees in July (redistributing and starting August 4th)

Domestic Violence Support Group- 7 participants

Meet me at the Park planning meeting- 4 participants

National Night Out Discussion with Staff- 7 participants

Meditación Mindfulness (Atención Plena) – 22 participants

Discuss Key Themes from Community Perspectives Survey

Meet with Jan to review Op. Plan for Board Meeting-9 participants

Community Collaborations

Con confianza y en Comunidad- Talking about COVID related Info-34 participants

Latinx Health Board Meeting-11 participants

UofWA Peer Mental Health Planning Meetings- 6 participants

Movimiento Afro-Latino Seattle Board Meeting- 7 participants

Leadership of Snoco- 22 participants

CHW/Promotores Learning Workgroup-16 participants

Recording Edge of Amazing Workshop on Youth Mental Health-6 participants

CHBC 2022 General Meeting - First Thursdays of the Month- 23 participants

DOH C4P4 Vax Collaborative-37 participants

Mental Health Matters Program Graduation – 32 people

Marketing & Communications Report

28-Day Period: July 19th – August 15th

Instagram

- Reached to 9,143 people
- 74 profile visits
- 7 new followers

Facebook

- Reached to 37,026 people
- 301 page visits
- 30 new page likes

Our reach to people overall has decreased by 24% on Facebook and Instagram. That decrease is probably due to Facebook's news feed update, where it separates page postings from friend, favorites, and group postings. Instagram is going through a phase where its focused-on commerce and shopping experience rather photo sharing experience. Making a post about adding our page to people's "favorite" section could boost our reach. The Facebook page had 301 page visits, which is a 49% increased from last period. The Instagram page had 74 profile visits. Over 200 photos were uploaded to our Facebook page from National Night Out. The limitation of Instagram is that you can only upload 10 photos per post. Both social platforms had increase of likes and followers. The Instagram page has a total of 118 followers and the Facebook page has 1120 likes.

Link to all of our online platforms:

<https://linktr.ee/verdanthealthcommission>

Lynnwood Today:

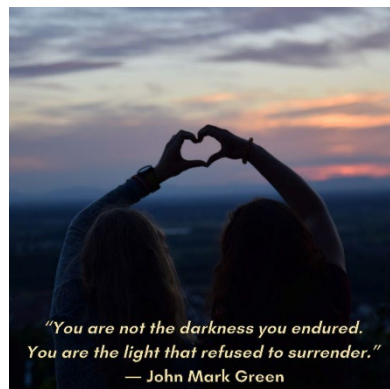
https://lynnwoodtoday.com/verdant-national-night-out-event-fills-parking-lot-tuesday-night/?fbclid=IwAR3SN0FmuVHAWQvINyXPr086KvkucLqrHuvvW-gK5hg_QJPQYWIU3bTDmww

E-Newsletter:

<https://mailchi.mp/verdanthealth/verdant-news-august>

Highlights Since Last Board Meeting

(Every image has an embedded link. To open link, right click on the image and click on "Open Link")





Quick Pickling Vegetables

Cooking Demo

August 17th @ 6 pm - 7 pm

- Beets
- Turnips
- Cauliflower
- Radishes



verdant
7th COMMISSION
HYBRID

FREE HOT DOGS & ICE CREAM

(WHILE SUPPLIES LAST)

TODAY STARTS @ 6 PM




FUN FOR ALL

Community Life Center
19820 Scriber Lake Rd. Lynnwood, WA 98036

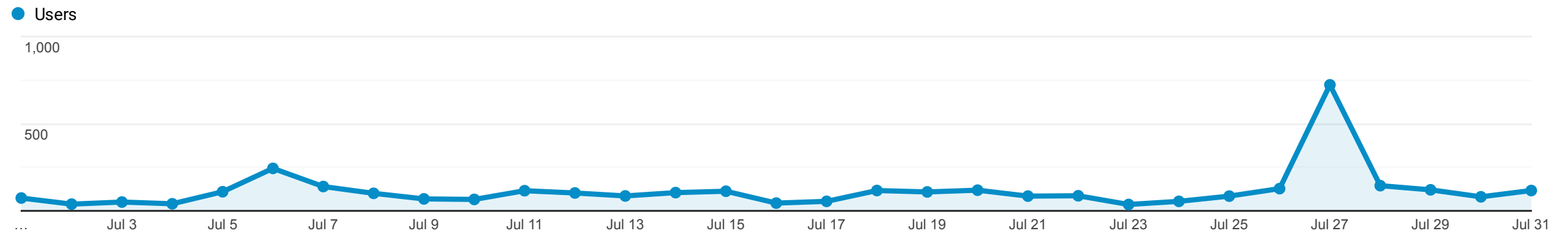


Audience Overview

All Users
100.00% Users

Jul 1, 2022 - Jul 31, 2022

Overview



Users

3,150

New Users

2,895

Sessions

3,840

Number of Sessions per User

1.22

Pageviews

6,917

Pages / Session

1.80

Avg. Session Duration

00:01:06

Bounce Rate

65.62%

New Visitor 83.4% Returning Visitor 16.6%

City	Users	% Users
1. Seattle	443	13.66%
2. (not set)	253	7.80%
3. Everett	207	6.38%
4. Los Angeles	172	5.30%
5. Lynnwood	123	3.79%
6. Cheyenne	90	2.77%
7. Edmonds	78	2.40%
8. San Antonio	73	2.25%
9. Quincy	71	2.19%
10. Marysville	64	1.97%