

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**

**June 29, 2022**

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

<b>Commissioners Present</b>	Jim Distelhorst, MD, President Deana Knutsen, Commissioner Carolyn Brennan, Commissioner Bob Knowles, Commissioner ( <i>excused from meeting at 10:08am</i> )
<b>Staff</b>	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
<b>Guests</b>	Mary Wright Rachel Moorman Brad Berg Howard Thomas Brittany Castro Omar Gamez
<b>Call to Order</b>	The regular meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:00 a.m. by President Distelhorst.
<b>Approval of Minutes</b>	<b><i>Motion was made by Commissioner Knowles, seconded by Commissioner Knutsen and passed unanimously to approve</i></b> the minutes of the regular Board Meeting on, May 25, 2022 (E:44:22).
<b>Public Comments</b>	None.
<b>Executive Session</b>	President Distelhorst adjourned for Executive session at 8:03am for 15 minutes. 1. To consider the legal risks of potential litigation.
<b>Moss Adams 2021 Audit Presentation:</b>	There was an increase in Program expenditures of \$3.1MM compared to 2020, but expenses were low in 2020 due to the pandemic. Over the last five years, Verdant has made a \$39MM investment in our community. (E:45:22)

Commissioners Meeting  
June 29, 2022

**Rachel Moorman,  
Mary Wright**

Commissioner Brennan thanked Moss Adams for presenting their audit findings.

**Superintendent  
Report:**

- During the month of June, Verdant staff has been working on operational planning to strategize priorities. We will be working as a team on measurable outcomes and how to move this plan forward.
- A big focus for this past month has been on District facilities. There are large projects for the Kruger Clinic such as replacing the roof and several HVAC units.
- Dr. Edwards provided thanks to staff members Zoe Reese and Maggie Konstanski for their work to review and code the Community Perspectives Survey data. They will present their findings at the July 27<sup>th</sup> Board meeting.
- Verdant has engaged multiple other hospital districts and the Association of WA Public Hospital Districts to share ideas and strategies with each other. Dr. Edwards hopes to bring PHD Board and staff to a joint meeting in Fall 2022.

**Presentation: Kirk  
Mathis, Marketing  
Update for  
Verdant**

Kirk Mathis presented a recap of marketing activity to promote Verdant programming and impact in the community. His presentation included trends and statistics related to social media use that we should be aware of as we promote Verdant's initiatives.

Commissioner Knutsen asked if there is a way to see what specific location our social media hits are reaching. Mr. Mathis explained that all of our social media marketing is targeted to our specific District area/zip codes.

(E:46:22)

**Executive  
Committee Report**

President Distelhorst reported that the Executive Committee met on Thursday, June 16, 2022 to review the agenda for the June 29, 2022 board meeting. No action was taken at this time.

**Approval of  
Charity Care  
Policy**

Commissioners discussed the proposed Charity Care policy provided by Providence-Swedish Edmonds. Commissioners discussed establishing a 1-800 number to contact Verdant directly if they are in need of Charity Care financial assistance and do not believe think their needs are being met from the hospital. Commissioners requested information about the how the hospital is in compliance with new state laws and regulations. Commissioners discussed that Charity Care is in mentioned in the lease agreement and is cited as a major decision and therefore must come to the Board before it is implemented.

Commissioner Knutsen would like to discuss the Charity Care policy at one of the August study sessions with the full Board.

(E: 47:22) **Commissioner Brennan made a motion to**

Commissioners Meeting  
June 29, 2022

**approve the Charity Care policy, Commissioner Knutsen seconded, motion passed.**

**Approval of Updated 2022 Board Calendar**

The 2022 Board calendar has been updated to include additional strategic planning sessions with the full Board in the month of August 2022. (E:48:22)

**Commissioner Brennan made a motion to approve the updated 2022 Board calendar, Commissioner Knutsen seconded, motion passed.**

**Finance Committee Report:**

The Finance Committee met on June 13, 2022 to review warrants and financial reports for the May 25<sup>th</sup> board meeting.

**Review of Financial Statements**

Ms. Simpson reviewed the financial statement and cash activity for May 2022 and noted any transactions out of the ordinary from the warrants payment list (E:49:22). There is an unfavorable trend for operating expenses due to surprise invoices for facility needs and repairs.

**Authorization for payment of vouchers and payroll**

Authorization for payment of vouchers and payroll: Warrant references A-C for payment in May 2022 in the amount of \$218,206.74, were presented for approval. (E:50:22)

***Motion was made by Commissioner Brennan, seconded by Commissioner Knowles and passed unanimously to approve the May warrants.***

**Approval of LOI Extension with South County Fire**

Dr. Edwards spoke about the written request from South County Fire to extend the LOI through 8/30/2022 as they are still actively involved in the EIS work. **Commissioner Knutsen made a motion to extend the LOI date, Commissioner Brennan seconded, motion passed.**

**Approval of Updated Verdant Company Policies**

Purchasing & Expenditure Policy: (E:51:22)

Dr. Edwards explained this policy needs to be updated annually due to the line about the Superintendent's Discretionary funds. With this new policy language, Superintendent's Discretionary funds is approved annually at the Fall budget meeting and does not need to be updated each year within this policy.

**Commissioner Brennan made a motion to approve the updated Purchasing & Expenditure policy, Commissioner Knowles seconded, motion passed.**

Credit Card Use Policy: (E:52:22)

Dr. Edwards proposed the updated language to the policy for adding a card for the Executive Assistant/Office Manager and Digital Marketing and Communications Manager and increasing the overall credit card limit to \$15,000.

Commissioners Meeting  
June 29, 2022

**Commissioner Brennan made a motion to approve the updated Credit Card Use policy, Commissioner Knowles seconded, motion passed.**

Social Worker Case Management Policy: (E:53:22)

Dr. Edwards explained the need for Verdant's Social Worker, Nancy Budd, MSW, to have increased purchasing power and spending limits to better assist her clients who have urgent needs.

**Commissioner Brennan made a motion to approve the updated Social Worker Case Management policy, Commissioner Knutsen seconded, motion passed.**

**Award of Architect Contract for Kruger Clinic**

Dr. Edwards recommended to award JPC Architects for the design and architecture services for Kruger Clinic. (E:54:22)

**Commissioner Brennan made a motion to approve the awarding of Kruger Clinic refresh project architect, Commissioner Knutsen seconded, motion passed.**

**Approval of Kruger Clinic ductwork**

Dr. Edwards spoke about the discovery of additional ductwork repair needed during the roof replacement at Kruger Clinic. (E:55:22)

**Commissioner Brennan made a motion to approve the ductwork and HVAC unit repair at Kruger Clinic, Commissioner Knutsen seconded, motion passed.**

**Hiring of New Property Manager**

Dr. Edwards seeks Board approval to hire JSH Properties as the new Property Manager for the District. (E:56:22) We expect the transition of property managers to take 1-2 months. Commissioner Brennan thanked Commissioner Wilson (not present) for her work on the Finance Committee related to facilities.

**Program Committee Report**

Ms. Reese, MPA, provided an overview of program activity and grantmaking for May 2022. (E:57:22)

**Conflict of Interest**

Commissioner Brennan is employed by the University of Washington and therefore has a conflict of interest. She will abstain from voting on the Mental Health Matters program.

**Grant Modification Requests**

Ms. Reese, MPA, presented two grant contract modification for Board approval. Table is copied onto the following page.

Commissioners Meeting  
June 29, 2022

Agency	Program	Current Grant terms	Modification Request	Committee Recommendation
Compass Health	Community Transitions and Response Programs (embedded mental health professionals with South County Fire, Lynnwood Police, MLT Police).	A476 \$326,112 1/1/22-12/31/22  A436 \$151,627 8/1/22-7/30/22	Due to changes in state and county funding for IMPACT model, Compass is transitioning from that model (sunsetting 6/30/22) to just be Crisis Response with Emergency Services. Need to update contract language to reflect no longer being branded as IMPACT. Due to delay in hiring second clinician (no applicants), also wanted to reallocate \$139,000 from Contract A476 to Contract A436, extending Contract A436 end date to 12/31/22, so both contracts have the same end date, allowing them to apply for renewal for a single community Transitions contracted via the Q4 application cycle.	Approve as requested, simplifies reporting, payment, and contract management moving forward.
Medical Teams International	COVID: Care & Connect Community Health Worker	C-5482 \$12,320 3/1/22-9/30/22	Due to changes in programming at the Refugee Welcome Center, want to have the language in the contract more general to support the staff providing care coordination for Ukrainian Refugees as well, not just Afghan.	Approve as requested

**Commissioner Knutsen made a motion to approve the grant modification for Compass Health, Commissioner Brennan seconded, motion passed.**

**Commissioner Knutsen made a motion to approve the grant modification for Medical Teams International, Commissioner Brennan seconded, motion passed.**

## Q2 Funding Recommendations

Agency	Program	Current Award	Amount Requested	Amount Recommended by Committee	Notes
Center for Human Services	Youth Counseling	\$350,000.00	\$350,000.00	\$350,000.00	Flat request Year 2
Cocoon House	Host Homes	\$105,000.00	\$150,000.00	\$110,250.00	Increased in Youth served, included in initial application they would request \$150,000 for Years 2 and 3.
Concern for Neighbors Foodbank			\$15,000.00	\$15,000	New request
Edmonds College Foundation	CRC Mental Health Expansion	\$170,550.00	\$240,629.00	\$240,629.00	Increased cost due to union mandated position status change and summer coverage
Edmonds School District	Family Resource Advocate	\$180,000.00	\$200,000.00	\$200,000	Increase in salaries of current staff per most recent union contract (no increased FTE)
Lahai Health	Dental	\$380,000.00	\$395,000.00	\$395,000.00	Increase in salaries of current clinical staff (no increased FTE)
LETI	Promotors Program	\$88,800.00	\$88,800.00	\$88,800.00	Flat request
Project Access NW	Specialty Care for Low-income Population	\$175,000.00	\$175,000.00	\$175,000.00	Flat request
The Extra Step	Sobriety Coaching Program	-	\$100,000.00	Full Board Review requested	New request
Therapeutic Health Services	Integrated Cognitive Behavioral Health	\$186,149.00	\$323,160.00	\$323,160	Increase in FTE, number of schools and students served
University of Washington	Mental Health Matters	\$90,536.00	\$173,931.00	\$139,652	Increase in scope of program

Commissioners Meeting  
June 29, 2022

					(participants, languages available)
Washington CASA Association	Snohomish County CASA Volunteer Recruitment and Training	-	\$100,000.00	Full Board review requested	New request
Washington State Family and Community Engagement Trust	South County Parent Leadership Training Institute	-	\$60,000.00	Full Board review requested	New request
Washington Kids in Transition	Distribution Center	\$125,000.00	\$125,000.00	\$125,000.00	Flat request
Washington Kids in Transition	Supporting Housing and Utility Needs for Homeless and Low-Income Students		\$125,000.00	\$125,000.00	Currently funded via COVID
<b>TOTAL</b>		\$1,851,035.00	\$2,974,520.00	\$ 2,327,241.00	

The application for Center for Human Services Year 2 funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$350,000** for their Youth Counseling program.

The application for Cocoon House increased Year 2 and 3 funding was discussed. Let the minutes reflect a correction to the funding recommendation presented at the 6/29 Board meeting – the incorrect amount of \$110,250 was included in the Board packet. The actual recommended amount was \$150,000. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$150,000** for their Host Homes program.

The application for Concern for Neighbors Foodbank new funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$15,000** for food for the food bank.

The application for Edmonds College Foundation funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$240,629** for their CRC Mental Health Expansion program.

The application for Edmonds School District funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$200,000** for their Family Resource Advocate program.

The application for Lahai Health funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$395,000** for their dental program.

Commissioners Meeting  
June 29, 2022

The application for LETI funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$88,800** for their Promotora Program.

The Extra Step new request of \$100,000 required full Board review before making a funding recommendation. Commissioner Knowles expressed how this program is a new approach to sobriety using mentors/coaches versus a clinical approach. There was discussion about possibly working this program into the current contract for The Extra Step. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded. Commissioners Brennan, Knowles, and Distelhorst opposed; motion not passed.**

The application for Therapeutic Health Services funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded, motion passed unanimously to approve \$323,160** for their Integrated Cognitive Behavioral Health Program.

The application for University of Washington funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Knowles seconded, motion passed unanimously to approve \$139,652** for their Mental Health Matters Program. Commissioner Brennan abstained from voting due to a conflict of interest.

The Washington CASA Association new funding request of \$100,000 requires full Board review before making a funding recommendation. There is concern that the services are too broad for our service area. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded. Commissioners Brennan, Knowles, Knutsen and Distelhorst opposed; motion not passed.**

The Washington State Family and Community Engagement Trust new funding request of \$60,000 requires full Board review before making a funding recommendation. Commissioner Knutsen stated this is a new model unlike anything we have funded before, and not clearly in line with our priorities. **Commissioner Knutsen made a motion to approve, Commissioner Brennan seconded. Commissioners Knowles, Distelhorst, and Knutsen opposed; motion not passed.**

The application for Washington Kids in Transition funding was discussed. **Commissioner Knutsen made a motion to approve, Commissioner Knowles seconded, motion**

Commissioners Meeting  
June 29, 2022

**passed unanimously to approve \$125,000** for their Distribution Center. Commissioner Knowles was not present for the vote.

Commissioner Knutsen commented that more information needs to come forward for the three Q2 grant requests which were opposed and did not get approved.

Commissioner Brennan expressed concern that Verdant has \$158,730 leftover for new funding requests when the Board has just approved \$500,000 in increased costs for our grantees and their programs.

**Year 2/3 Budget  
Guideline Update**

Ms. Reese explained the edits to these guidelines being that if grantees have increased expenses over 5% in their renewal, we are requesting they submit a *new* application so that renewals aren't used to get more money than initially requested.

(E:58:22) **Commissioner Knutsen made a motion to approve the updates to our year 2/3 budget guidelines, Commissioner Brennan seconded, motion passed.**

**School-Based  
Health Center  
(SBHC) update**

Verdant has funded \$5,000 toward the SBHC to support the utility hookup. This will be the first SBHC in Snohomish County.

**Public Comments**

None.

**Commissioner  
Comments**

Commissioner Knutsen provided thanks to the Verdant staff who is working hard to gather this information from our community and present it so well to the Commissioners. Commissioner Brennan expressed her thanks to the team for their hard work and hopes that everyone enjoys the 4<sup>th</sup> of July holiday.

Commissioner Distelhorst is looking forward to continued discussion about priorities at the August study sessions.

**Adjournment**

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

**ATTEST BY:**

DocuSigned by:  
*JSDistelhorst*  
463092731B124E1...  
President

DocuSigned by:  
*Karianna Wilson*  
A28385545A4D4A8...  
Secretary