

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**

**June 23, 2023**

**9:00 a.m.-9:30 a.m.**

**Commissioners Present**

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

**Staff**

Dr. Lisa Edwards, Superintendent  
Riene Simpson, Director of Finance  
Kaysi Kelly, Executive Assistant/Office Manager  
Filo Fajardo, Accountant

**Guests**

Thad Hovis, South County Fire  
Bob Eastman, South County Fire  
Meaghan Pollock, Maul Foster & Alongi  
Matt Hoffman, Maul Foster & Alongi

**Call to Order**

The special meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 9:00 a.m. by President Distelhorst.

**Land and Enslaved People's Acknowledgement**

President Distelhorst read the acknowledgement.

**Presentation: Maul Foster & Alongi: Options for Value Village Site Remediation**

Ms. Meaghan Polluck started her presentation by providing an environmental overview for how Maul Foster determined the recommendations to be presented today (E:40:23). The highest contamination of corrugated solvents is in the northwest corner of the property. Potential sources of the contamination include a leaking underground storage tank on the southwest corner, poor property development, or an off-site source. The contamination is so low, it's possible the hardware store that was on the land previously, was dumping its hazardous waste directly onto the parking lot.

She briefed Commissioners on three different remediation options, with costs, and walked through each option in detail (see E:40:23).

**Commissioner Discussion**

President Distelhorst thanked Ms. Pollock and Mr. Hoffman for their succinct and clear presentation of options. He asked the other Commissioners if they had any questions for Maul Foster & Alongi.

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Commissioner Brennan asked the other Commissioners what our process is for deciding on the remediation option, when that happens, and if there will be a public comment period.

- President Distelhorst answered that no decision is needed today. Today we are presented with the options and given the opportunity to ask the environmental consultants our questions.
- Ms. Pollock added, once a decision is made, there is a 30- or 90-day public comment period, then they can proceed with the work. If the work will be paid with a public grant, there needs to be a public comment period.

Commissioner Brennan asked what the site remediation means for the sale of the Value Village property to South County Fire.

- Mr. Bob Eastman of South County Fire answered that the fire district just got this report as well. They need to talk to their legal team to determine what the site cleanup options mean for the sale. The most expensive option was proposed in case South County Fire decides to create a multi-story building on the property, in addition to the fire station, which could act as a community resource for the District. This is a larger investment for cleaning the property, but it means there would be community resources available for years to come. The reason that option is more expensive is because the cleanup has to go underground much deeper, to provide for the 5-story structure on top of the land.

Mr. Matt Hoffman asked the Commissioners if, when the Hospital District bought the Value Village property, did they conduct an "all appropriate inquiries" which would open the door to public funding.

- Dr. Edwards answered that staff will check the original purchase agreement, from ~1980s, and get back to Maul Foster & Alongi. Mr. Hoffman added that the purchase date will also be an important factor in having public funding available.

Commissioner Knutsen asked for clarification that the majority of the contamination is not too deep. If we focus on cleanup of this shallow option, what is the risk of paying more money as we go deeper?

- Ms. Pollock answered, yes, the contamination is mostly at the 6-foot depth. There is always a risk once you begin construction that you will find additional issues which will cost more money. However, they did test 10-15 feet below the surface and don't expect that a parking structure would require them to test much deeper than that.

Mr. Eastman of South County Fire commented they will take the information they have gathered over the three phases of this environmental study, and discuss the options with their legal team.

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He wants to mutually resolve the site cleanup with Verdant, using the best avenue and the most economic option for all parties. There could be public funds available for this site remediation.

Commissioner Brennan asked when the cleanup will take place – before the sale, or as part of the sale and included in the sale price?

- Mr. Eastman answered that he understands the Hospital District can't sell the property for less than 90% of the appraised value. He will be talking to their legal team on the options and when site cleanup should take place as part of the sale.

Commissioner Knowles asked if the need to have a site cleanup affects the appraised value of the property.

- Dr. Edwards answered that we are fast approaching the 9/1/23 deadline of our current three appraisals. We will have to include the findings of this environmental impact study if we have to get updated appraisals.

Dr. Edwards asked Mr. Eastman when we should expect to hear back from him after he consults with their legal team.

- Mr. Eastman answered by that first week of August. This gives them 3-4 weeks to go back and forth with the legal team and get all their questions answered.

**Adjournment**

The meeting was adjourned at 9:32 a.m. by President Distelhorst.

**ATTEST BY:**

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*JSDistelhorst*  
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President

DocuSigned by:  
*Karianna Wilson*  
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Secretary