

**KITSAP PUBLIC HEALTH BOARD
MEETING MINUTES
Regular Meeting
November 1, 2016**

The meeting was called to order by Board Chair, Mayor Becky Erickson at 1:47 p.m.

REVIEW AND APPROVE AGENDA

There were no requested changes to the agenda.

BOARD MEETING MINUTES

Commissioner Robert Gelder moved and Commissioner Charlotte Garrido seconded the motion to approve the minutes for the October 4, 2016, regular meeting. The motion was approved unanimously.

CONSENT AGENDA

The November consent agenda included the following contracts:

- 1316 Amendment 11, *Washington State Department of Health, Consolidated Contract, Amendment*
- 1545, *Clallam County Health and Human Services, Olympic Community of Health, Interlocal Agreement*
- 1564, *Tacoma-Pierce County Health Department, Food Worker Cards, Interlocal Agreement*
- 1620, *Hood Canal Coordinating Council, Septic Pumping Vouchers, Interlocal Agreement*

Commissioner Garrido moved and Commissioner Gelder seconded the motion to approve the consent agenda, including the Contracts Update and Warrant and Electronic Funds Transfer Registers. The motion was approved unanimously.

PUBLIC COMMENT

Heather Trim, Executive Director of Zero Waste Washington, provided public comment to the Board regarding proposed Secure Medicine Return Regulations. Ms. Trim expressed support for the proposed ordinance in Kitsap and noted the ordinances currently in place in King and Snohomish counties. Additionally, Pierce County is considering one as well. She supports the proposed ordinance for the following reasons: a secure medicine program is the best way to protect our water and our families; medicine that goes unused can cause a number of human health and environmental health issues; trash disposal and similar alternatives are not safe enough. Ms. Trim appreciates that Kitsap is taking a comprehensive approach that includes better funding, citing that many other programs have been dropped due to lack of funding. Lastly, she noted that convenience plays a key role in this plan, and therefore recommends increasing the number of drop box locations due to Kitsap County's size and the difficulty some people may have traveling to specific locations in the county.

There were no further comments.

HEALTH OFFICER/ADMINISTRATOR'S REPORT

Health Officer Update:

Dr. Susan Turner, Health Officer, addressed the Board regarding the Foundational Public Health Services (FPHS). She noted that, as the legislative session nears, the language of the FPHS may change, and may be referred to as Essential Public Health Services. Additionally, she informed the Board of a new advocacy website, PublicHealthIsEssential.org.

Last week, Communicable Diseases staff convened a provider update, as part of the District's Vaccines for Children program. The theme of the convening was *herd immunity* to remind attendees that when those who can be vaccinated are vaccinated, the members of the community who cannot be vaccinated are protected. This was illustrated by a District employee's baby, who comes to the office as part of the District's wellness program. Because District staff are vaccinated, Sophia is protected from diseases at the office.

As part of the District's monitoring program, staff visit doctors' offices on a regular basis to monitor vaccine storage and opportunities used to provide vaccines to kids, in addition to providing providers with information, such as disaster response, last year's gonorrhea outbreak, and other advisories published by the District. This helps providers feel more comfortable calling District Communicable Diseases staff about notifiable conditions.

There were no further comments about FPHS.

Commissioner Ed Wolfe asked Dr. Turner to provide an update on fentanyl. Dr. Turner noted she has not received any new information on fentanyl since the last Board meeting, and is waiting on data from the coroner's office.

Administrator Update:

Keith Grellner, Administrator, reminded the Board that the District will be transitioning to a new Voice Over Internet Protocol (VOIP) phone system in December. The VOIP phone system will save the District about \$55,000 per year. The District will need to change all of their phone numbers with the new system. Staff numbers will change first and staff will notify partners and clients within their program of the change. The District can continue to use the main phone number for up to one year and plans to have the old number and new number working simultaneously for the first six months of 2017. Additionally, a public outreach process has been established and should make the transition seamless.

At the December Board meeting, the District will present their proposal for the 2017 legislative agenda. This relates to the Foundational Public Health Services (FPHS) and how public health is underfunded in Washington State compared to neighboring states. This is a statewide effort and will be the District's recommended legislative priority. The District recommends all Board members add FPHS to their legislative agendas, which will show unity among Kitsap County.

Mr. Grellner notified the Board that the District will be canceling in-person food handler's courses. Individuals working in restaurants and handling food are required under state law to undergo food handler education and pass a certification test. In 2011, the District implemented online food safety education and testing. The District estimates over 99 percent of food handler's permits being acquired online. Currently, the District offers classes one time a month, in three different locations. Each class costs the District about \$500, averages three attendees or less, and collects a maximum of \$30 in fees. Individuals without internet access at home will still have the opportunity to take the test at the District.

Mayor Patty Lent commented that individuals could also take the test online at any of the nine libraries in the county.

Next, Mr. Grellner addressed the Board regarding school construction approval. Many schools are planning construction projects, especially in Central Kitsap School District. Two weeks ago, Commissioner Wolfe met with Central Kitsap Schools, the Health District and Kitsap County Department of Community Development to discuss how these projects will be managed. The many proposed projects will be a big undertaking for the schools in addition to the entities that do the plan reviews and inspections. The District is concerned about keeping pace with the schedule outlined by the schools and recommends the schools may want to hire a health inspector to be "on-call" throughout the projects. The District's rough estimate of time required to meet the needs of these projects is 300 hours in just 2017, which will impact other services the District provides, as there is not currently enough staff on hand to accommodate the extra school projects. The District plans to create a proposal, which may require amending the current fee schedule to meet the demands.

Commissioner Wolfe commented that just the Central Kitsap high school and junior high school projects are estimated at \$179 million and that additional information will be needed.

Mayor Rob Putaansuu commented that Port Orchard has a fee for expedited review on projects. Commissioner Wolfe responded that these projects may require additional staff, rather just than a higher fee. Commissioner Gelder noted that construction of The Trails project included a paid staff person on site to handle inspection. He also commented that regardless of whether or not a school district decides to pay for an on-site staff person, the plan review and permitting will still need to occur. Mr. Grellner agreed and said the schools will be informed that the level of service received will be dependent on what services they are willing to pay for.

Mayor Erickson commented that Poulsbo offers their clients a list of professionals that can be hired when project timelines require additional or expedited services, and thinks this a proactive approach for the District to take.

Mr. Grellner noted that the District will look into these options and update the Board on the process.

Mr. Grellner informed the Board that there is a scheduled Finance Committee meeting on Tuesday, November 22, and would like to keep this meeting scheduled to discuss plans for Health District banking.

Lastly, Mr. Grellner announced that Suzanne Plemmons, Community Health Director, will be retiring at the end of 2016. Katie Eilers, Assistant Community Health Director, will fill the Community Health Director position on January 1, 2017.

There were no further comments.

OCTOBER 19, 2016, FINANCE & OPERATIONS COMMITTEE REPORT

Commissioner Garrido provided the Board with an overview of the October 19 Finance Committee meeting, which focused on the 2016 Year to Date (YTD) budget and the 2017 Draft Budget. The 2016 YTD budget is status quo, with revenues greater than budgeted through September 2016, and a surplus of \$943,000. The District expects to draw down the surplus during the last quarter, but is projecting to finish 2016 close to balanced. Expenditures are approximately the same as budgeted YTD. The 2016 Approved Budget included a \$490,000 draw on reserves, but the district is projecting it will spend approximately less than half of this. Cash and investments continue to exceed the minimum reserve goal, and this trend will continue through the last quarter.

The 2017 draft budget of \$12.14 million is essentially a status quo budget as compared to 2016 budget of \$11.99 million. The 2017 draft budget is based on prioritized programs and services as discussed and agreed to during the Board's Budget Retreat in June. Current projections suggest the Health District May need to utilize up to \$457,000 of unrestricted funds to balance the budget in a worst-case scenario. As has happened during 2016, the District expects additional revenues between now and the end of 2017 due to differing federal and state funding cycles, and does not expect to draw \$457,000 out of cash reserves to balance the budget.

Commissioner Garrido informed the Board that the Finance Committee supports the District's 2017 Draft Budget.

Mayor Lent commented that the Finance Committee encourages the Board to approve the 2017 Draft Budget.

There were no further comments.

DRAFT 2017 BUDGET PRESENTATION

Mr. Grellner presented a PowerPoint to the Board regarding the Draft 2017 Budget.

Based on public health program service demands and public health funding priorities discussed and agreed to during the Health Board's budget retreat in June 2016, the Health District has prepared a 2017 Draft Budget for the Health Board's review and comment. The 2017 Draft

Budget of \$12,141,859 is essentially a status quo budget as compared to 2016, in order to address continued public health funding challenges/shortfalls at the federal, state, and local levels. At this time, the 2017 Draft Budget proposes to utilize approximately \$457,000 of cash and investment reserve funds to balance the budget (if needed at year's end), while also maintaining operating fund cash and investment reserves in excess of the minimum fund balance required according to Health Board budget policies.

The 2017 draft budget is status quo compared to the 2016 Budget Amendment 1. Draft Budget revenues are up \$187,169 (1.6%) and expenditures are up \$154,385 (1.3%) as compared to 2016 Budget Amendment 1, while the net balance (or deficit in these two cases) has been decreased by \$32,784 (6.7%). In its entirety, the 2017 Draft Budget is virtually a status quo budget as compared to 2016 Budget Amendment 1 (1.3% increase). As with budget years 2015 and 2016, the Health District is proposing to use available designated and restricted fund reserves to balance the 2017 budget at this time.

At this time, 2017 Draft Budget revenues do not include any increases from Health Board member entities. The Health District has requested a 2.4% increase in General Public Health Flexible Funding from all five Health Board member entities. If a 2.4% increase in General Public Health Flexible Funding is approved by each member entity, the net result would be an increase in revenues of \$39,436, further reducing the current projected 2017 deficit to \$417,829.

Health District expenditures are dominated by personnel costs. Greater than three-quarters of the Health District budget is comprised of personnel costs, 2017 more so than 2016 due to reductions in non-personnel expenditures of approximately \$116,000 for 2017. 2017 Draft Budget personnel costs (\$9,556,970) are \$270,589 (2.9%) greater than 2016 personnel costs (\$9,286,381). This increase is primarily the result of a 2% across the board salary increase in accordance with the Health Board's 2016-2018 collective bargaining agreement (net increase of \$114,953), and an 11% increase in health benefit costs (net increase of \$159,202). Several planned retirements in late 2016/early 2017, and some limited staff turnover in 2016, will mitigate some of the increases in personnel costs for 2017.

Non-personnel expenditures in the 2017 Draft Budget have been reduced by \$116,864 (4.3%) as compared to 2016. Although decreases are planned in almost half of the expense line items for 2017, the most significant reductions will be realized through the Health District's conversion to a Voice Over Internet Protocol (VOIP) phone system (approximately \$55,000/year starting in 2017) and elimination of large equipment purchases for 2017 (approximately \$75,000) through good planning and maintenance to prolong the life of the equipment.

2017 expenditures have also been held in-check through the decision to transition out of Family Planning services as discussed during the Health Board's budget retreat in June 2016. The transition out of Family Planning services by April 1, 2017, in addition to some organizational restructuring in the Community Health Division, will also save about \$200,000 in expenses which has helped create a 2017 draft budget that is essentially a status quo budget with 2016.

Current projections estimate a year end cash and investment fund balance total of approximately \$2.7 million; Health Board budget policies require a minimum fund balance of two months operating expenses, or about \$2.02 million based on the 2017 Draft Budget.

In the 2017 Budget – Agency wide Revenues & Other Sources of Funds, the Health District has several designated funds that it may use to help defray program expenses in accordance with the Health Board’s budget policies. In this 2017 Draft Budget, the Health District is proposing to utilize up to \$445,645 of these designated funds to mitigate the 2017 projected deficit of \$457,265, and use an additional \$11,620 of unrestricted/undesignated funds to cover the remaining deficit balance if needed at year’s end.

Again, use of these designated funds for this intended purpose will not reduce the Health District’s cash and investment reserve funds to, or below, the minimum required amount per the Health Board’s budget policy based on current projections.

While the Health District acknowledges that it is not ideal to balance a budget with fund balance reserves, it also recognizes that fund balance reserves, in excess of the minimum required, present an opportunity to maintain essential public health services when funding for public health services is insufficient.

It would appear that the 2016/2017 budget years may present such an opportunity for the Health Board in order to prevent further additional cuts to public health services that both the Health Board and Health District prioritized during the Health Board’s budget retreat in June 2016.

As has happened in 2016, the Health District is confident that additional funding opportunities for public health may materialize over the course of 2017, resulting in increased revenues and a reduced deficit/reduced need to use designated fund reserves to balance the budget.

Using 2016 as an example, the Health District’s budget was approved in January 2016 with a projected deficit / fund balance use of about \$490,000. As of September 30, the Health District had a surplus of \$943,000. Using 2015 as a “worst case scenario” model, the Health District could run into a \$750,000 deficit for the 4th Quarter of 2016. If this occurred, based on the existing surplus, it would still result in a 2016 year-end surplus of \$193,000 instead of the projected \$490,000 deficit. Even in this worst case scenario, it would leave the Health District with total cash and investments of about \$2,750,000 heading into 2017.

Additionally, the Finance Committee asked Mr. Grellner to provide the Board with a report on cost savings and efficiencies for 2017. Savings include phasing out Family Planning services (\$200,000); switching to VOIP phone system (\$55,000); Reduced FTE for a person in the PIC program; reduced non personnel expenses (\$116,000). Additionally, some innovations include email and text alerts, online payments, hiring unpaid interns, regional partnerships, and food program service fee adjustments. In early 2017 food inspectors will transition to using electronic tablet for food inspections.

Mayor Lent commented that the District has been involved with the Naval Residency program for several years, and now with the Harrison Medical Center Residency she expects to see a continued partnership that benefits the Residency as well as the District. Mr. Grellner noted that Dr. Turner has been working with the new residency program and has begun planning what the partnership will look like.

In contrast with cost savings for 2017, Mr. Grellner mentioned the District will experience some unavoidable cost increases, including a 2% market adjustment per the 2016 collective bargaining agreement; 11% increase in health benefits; and a 4% increase in Norm Dicks Government Center operation and maintenance expenses.

The District recommends the Board direct the Health District to prepare a final 2017 Budget for adoption by the Health Board at its next regular meeting in December 2016.

Commissioner Gelder commented that the online food handler's program is effective. He also asked if the District knows what portion of the budget for 2017 are FPHS as currently defined and what our local capacity would be with new funding for FPHS. Mr. Grellner explained that though the District doesn't know what its allotment would be, the state has prioritized communicable disease and chronic disease as the priority areas for local health jurisdictions to focus on with the funding. These two programs use the most intergovernmental contribution and are most in need of this funding. Depending on what the allocation is, the District's budget situation could improve dramatically with this new funding.

Mayor Erickson commented that this budget works and does not need any changes.

There was no further comment.

OCTOBER 20, 2016, POLICY COMMITTEE MEETING REPORT

Mayor Putaansuu provided the Board with an overview of the October 20 Policy Committee meeting, which focused on a safe medicine return ordinance and a naloxone provision as part of the clean syringe exchange program.

Regarding the safe medicine return ordinance, the Health District discussed the lack of safe, convenient, and legal options for the public to properly dispose of unused or unwanted medicines. At this time for Kitsap residents, the only options for properly disposing of medicine are local law enforcement offices.

There are significant challenges for local law enforcement to be the sole depository for unused medicine, including but not limited to: lack of space; lack of adequate facilities to handle many liquid and injectable medicines; and the requirement that two command officers be present when emptying/consolidating containers.

Several options for different types of safe medicine return programs were presented and discussed (e.g., King County, Snohomish County, Pierce County, and City of Bellingham).

Staff recommended that the Health Board consider adopting an ordinance/program modeled after the Snohomish County ordinance, which requires pharmaceutical producers to finance and manage the collection, transportation, and disposal of unused medicine.

The Policy Committee directed the Health District to prepare and present a draft local ordinance, modeled after Snohomish County's Pharmaceutical Stewardship Ordinance, to the full Health Board during their November 1, 2016 meeting.

Regarding the naloxone provision as part of the clean syringe exchange and harm reduction services, Dr. Turner reminded the Policy Committee of past discussions and decisions concerning the prescribing of naloxone as part of the Health District's needle exchange program.

Dr. Turner also presented new data concerning Kitsap's overdose death rates and naloxone services currently provided by other public agencies, and discussed why including naloxone prescription may help reduce overdose deaths and compel some opioid abusers to seek treatment.

Staff recommended that the Policy Committee support the allowance of a staff provision to dispense naloxone through the needle exchange program under standing orders of the Health Officer.

The Policy Committee directed the Health District to establish a budget to sustainably support standing orders by the Health Officer for naloxone distribution, and to bring the budget and a proposal back to the committee for further discussion at a future date.

There was no further comment.

PROPOSED DRAFT SECURE MEDICINE RETURN REGULATIONS

Dr. Turner and John Kiess, Environmental Health Director, addressed the Board regarding the District's proposed Draft Secure Medicine Return Regulations. Dr. Turner noted that, in July, the District informed the Board that Snohomish and Seattle-King Boards of Health each passed regulations to establish secure medicine take back programs. The Board expressed interest in establishing a similar program. There has been citizen and stakeholder demand for a safe program that is financially stable. The Kitsap County Solid Waste Advisory Committee supports this program and requested for the District to pursue this ordinance over time.

Dr. Turner explained that a safe and secure medicine return program has the potential to address the following imperatives in Kitsap County:

- Drug overdoses have surpassed motor vehicle accidents as our leading cause of unintentional injury deaths.
- Like most places across the state, the majority of heroin users report becoming addicted to pain killers or other opiates before turning to heroin.
- One in twelve twelfth graders reported using a prescription drug that was not intended for their use.

- About half of calls to the Washington Poison Center in 2015 for children age six and under in Kitsap County were directly related to medication poisonings.

Mr. Kiess informed the Board that the Secure Medicine Return Regulations, if adopted by the Health Board, will provide the following:

- Expands safe medicine disposal options for Kitsap County residents to reduce risks of misuse, poisonings, and overdoses from unused and/or expired medicines, and reduces the amount of pharmaceuticals entering sewer, septic, and solid waste systems.
- Improves convenience for residents by expanding current locations of secure drop boxes from only law enforcement offices to pharmacies and hospitals, as now allowed under DEA regulations.
- Ensures financial sustainability through a pharmaceutical industry-financed system providing sufficient resources to promote the program and handle larger volumes of returned medicines, and that relieves burdens on local government agencies and taxpayers.

Additionally, Mr. Kiess noted that this ordinance is consistent with the regulations passed in Snohomish and King counties and to the regulations that may soon be adopted in Pierce county. Due to this consistency, with all four counties adopting these ordinances, 52% of the state population would be served by a similar disposal program, which would be beneficial to the manufacturers and/or their collection contractors because they can provide a range of services in a regional area.

The draft ordinance is currently under legal review and will include necessary edits before it is presented at the public listening session.

Dr. Turner informed the Board of the extensive outreach the District has done thus far regarding the ordinance. Information is posted on the District website and has been sent out to the public and stakeholders. A mailing also went out to the pharmacy industry to provide information and collect feedback. The public can provide feedback via phone, District website, by email and in person at the listening sessions.

The District recommends the Board direct the Health District to prepare final draft Secure Medicine Return Regulations for the Health Board's consideration at a formal public hearing during their next regular meeting on December 6, 2016.

Commissioner Gelder asked what the next steps would be, provided the Board agrees at this session and recommends the District move forward. Mr. Kiess explained the District is recommending the Board direct the District to prepare a final draft of the ordinance to present to the Board at the December Board meeting, which would be vetted through a public process in the meantime. There will be a public listening session on Thursday, November 10 and a public hearing at the December 6 regularly scheduled Board meeting.

Mayor Putaansuu asked how quickly the pharmaceutical companies would be required to implement the collection program if the ordinance is adopted by the Board at the December meeting. Mr. Kiess explained there would be a phase-in process. The pharmaceutical companies would have two months to respond with their intent to submit a plan, and an additional six months to implement a plan. The District hopes the implementation would happen more quickly because the pharmaceutical companies would be expanding an area of service with an existing contractor.

Commissioner Garrido asked if the District felt one listening session would be sufficient. Mr. Kiess responded that it should be sufficient because the District has sent out so many communications and notifications. However, he noted that there is concern that if this ordinance is not adopted locally before the end of 2016, it could be preempted by proposed statewide legislation. Therefore, the District is fast-tracking this process.

Commissioner Garrido suggested the District work with the Kitsap County Public Works Solid Waste Division to hold an additional listening session. Mayor Erickson agreed that the District could have a listening session toward the end of November to give an additional opportunity for public discussion. Mr. Kiess confirmed that the District would schedule a second listening session in November.

Mayor Erickson noted there appears to be agreement from the Board for the District to pursue this ordinance, hold two listening sessions in November, and bring a final draft to the December Board meeting for a public hearing and possible adoption.

Mayor Lent commented that this has been an ongoing effort and the county previously went to the legislature to request that pharmaceutical companies pay one half of one percent per prescription to have the companies deliver medication and pick up the unused medication. The legislation lost by one vote. Mayor Lent said there is awareness of the need in our community and supports this ordinance and agrees that it should be passed before state legislation.

Mayor Erickson commented that pharmaceutical companies must include a variety of pick-up locations and options to increase access to citizens, and understands that the ordinance, as it is, will allow the District to enforce this. Mr. Kiess agreed.


There was no further comment.

**EXECUTIVE SESSION: PURSUANT TO RCW 42.30.110(1)(G), DISCUSSION
RELATED TO REVIEW OF PERFORMANCE OF A PUBLIC EMPLOYEE**

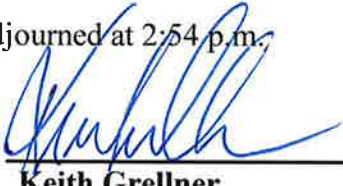
At 2:47 p.m., Mayor Erickson announced that the Board would adjourn for approximately 10 minutes for an Executive Session for discussion related to the review of performance of a public Employee. At 2:54 p.m., Mayor Erickson announced that the Executive Session had ended and opened the meeting to regular session.

ADJOURN

There was no further business; the meeting was adjourned at 2:54 p.m.



Becky Erickson
Kitsap Public Health Board



Keith Grellner
Administrator

Board Members Present: *Council Member Sarah Blossom; Mayor Becky Erickson; Commissioner Charlotte Garrido; Commissioner Rob Gelder; Mayor Patty Lent; Mayor Rob Putaansuu; Commissioner Ed Wolfe.*

Community Members Present: *Deanne Jackson, Substance Abuse Prevention Program, Kitsap County Human Services; Jodie Prescott, Self; Tad Sooter, Kitsap Sun; Heather Trim, Zero Waste Washington.*

Staff Present:

Karen Bevers, Public Information Officer; Karen Boysen-Knapp, Community Liaison, Community Health; Jan Brower, Program Manager, Solid and Hazardous Waste; Daydra Denson, Environmental Health Specialist 2-RS, Solid and Hazardous Waste; Katie Eilers, Assistant Director, Community Health; Yolanda Fong, Public Health Nurse Supervisor, Chronic Disease Prevention; Keith Grellner, Administrator; Johanna Hanssen-Keller, Public Health Nurse, Clinical Services; Karen Holt, Program Manager, Human Resources; Tracey Kellogg, Program Manager, Finance and Performance; John Kiess, Division Director, Environmental Health; Angie Larrabee, Confidential Secretary, Administration; Martha Lefebvre, AmeriCorps VISTA Coordinator, Chronic Disease Prevention; Natalie Logue, Intern, Kitsap Community Health Priorities; Kaela Moontree, Community Health Worker, Community Health; Suzanne Plemmons, Division Director, Community Health; Lacey Rhoades, Management Analyst, Administration; Shelley Rose, Community Liaison, Navigator Program; Linda Tourigny, Public Health Nurse Supervisor, Parent Child Health; Susan Turner, MD, Health Officer; Ruth Westergaard, Community Liaison, Public Health Emergency Preparedness and Response; Jim Zimny, Program Manager, Food and Living Environment.