

WASHOE COUNTY DISTRICT BOARD OF HEALTH MEETING
March 24, 2011

PRESENT: Mr. Matt Smith, Chairman; Amy Khan, MD, Vice Chairman; George Furman, MD; Councilman Dan Gustin; Denis Humphreys, OD; Commissioner Kitty Jung; and Councilwoman Julia Ratti (arrived at 1:10 pm)

ABSENT: None

STAFF: Mary-Ann Brown, Interim Health Officer; Eileen Coulombe, Administrative Health Services Officer; Bob Sack, Director, Environmental Health Services; Dr. Randall Todd, Director, Epidemiology and Public Health Preparedness; Kevin Dick, Director, Air Quality Management; Steve Kutz, Acting Director, Community and Clinical Health Services; Patsy Buxton, Fiscal Compliance Officer; Lori Cooke, Fiscal Compliance Officer; Stacey Akurosawa, EMS Coordinator; Jeanne Rucker, Environmental Health Specialist Supervisor; Noel Bonderson, Air Quality Supervisor; Bev Bayan, WIC Program Manager; Jennifer Hadayia, Public Health Program Manager; Steve Fisher, Department Computer Application Specialist; Curtis Splan, Department Computer Application Specialist; Jim English, Senior Environmental Health Specialist; Scott Baldwin, Environmental Health Specialist; Soni Monga, Community Health Nutritionist; Dave Boland, Senior Environmental Health Supervisor; Nick Florey, Environmental Health Specialist; Lorena Solario, Office Assistant II; Krista Hunt, Environmental Health Specialist; Amber English, Environmental Health Specialist; Phil Ulibarri, Public Information Officer; Mark Dougan, Environmental Health Specialist; Janet Smith, Recording Secretary; and Leslie Admirand, Deputy District Attorney

At 1:05 pm, Chairman Smith called the Washoe County District Board of Health meeting to order, followed by the Pledge of Allegiance led by Councilman Dan Gustin, member of the District Board of Health.

ROLL CALL

Roll call was taken and a full membership of the Board noted.

PUBLIC COMMENT

There was no public comment presented.

APPROVAL/DELETIONS – AGENDA – MARCH 24, 2011

Chairman Smith called for any additions or deletions to the agenda.

MOTION: Mr. Gustin moved, seconded by Ms. Jung, that the agenda of the District Board of Health March 24, 2011 meeting be approved as presented.

Motion carried unanimously.

APPROVAL/ADDITIONS/CORRECTIONS – MINUTES – FEBRUARY 24, 2011

Chairman Smith called for any additions or corrections to the minutes of the February 24, 2011 meeting of the District Board of Health.

Mr. Gustin advised he will abstain from the vote due to being absent last month.

MOTION: Dr. Khan moved, seconded by Dr. Humphreys, that the minutes of the District Board of Health February 24, 2011 meeting, be approved as received.

Motion carried with Mr. Gustin abstaining.

RECOGNITIONS

Chairman Smith and Ms. Mary-Ann Brown, Interim District Health Officer; presented Certificates of Recognition to Mr. Scott Baldwin for **5 Years-of-Service**; Mr. Mark Dougan for **5 Years-of-Service**; Mr. Nick Florey for **5 Years-of-Service**; Ms. Soni Monga for **15 Years-of-Service**; Lorena Solario for **15 Years-of-Service**; and Mr. David Boland for **20 Years-of-Service**.

Chairman Smith and Ms. Brown advised that Mr. Phil Ulibarri, Public Information Officer, received the American Advertising Federation – Presentation of the ADDY® Award for the “*If You See It, Sense It, Know It – Report It*” Child Abuse Prevention Program. Ms. Brown advised The ADDY® Awards are the advertising industry’s largest and most representative competition, recognizing and rewarding creative excellence in the art of advertising. Every year approximately 60,000 entries are submitted in local ADDY competitions.

Chairman Smith and Ms. Brown advised that at the Northern Nevada Immunization Coalition (NNIC) 13th Annual Awards Event the “*Silver Syringe Award*” was presented to the Washoe County Health District Immunization Program for the “*Adult Immunization Program of the Year*”. Mr. Steve

Kutz, Immunization Program Coordinator and Acting Director of the Community and Clinical Health Services Division, accepted the Award on behalf of the Health District.

Ms. Jung

Stated, the Health District receiving these two (2) awards should be submitted to the *Reno Gazette Journal* 'Good News' column and the local media. "With the current financial climate it is important for the community to be aware of the great things Health District Staff are accomplishing."

In response to Ms. Jung

Ms. Brown advised that she is aware there was media coverage for both events; that the media was present during the Annual Silver Syringe Awards; that Staff can "acknowledge these events in the *Gazette Journal* from the Health Department perspective."

CONSENT AGENDA – AIR QUALITY MANAGEMENT CASE – ROCKFORD CORPORATION – UNAPPEALED NOTICE OF VIOLATION

Staff advised that **Citation No. 4433, Case No. 1060** was issued to **ROCKFORD CORPORATION** on February 8, 2011, for the installation and operation of gasoline dispensing equipment without an Authority to Construct/Permit to Operate in violation of Section 030.000 (Source Permitting and Operation) of the Washoe County District Board of Health Regulations Governing Air Quality Management. Staff advised the Rockford Corporation was advised of the right to appeal; however, no appeal was filed; that Staff recommends Citation No. 4433, Case No. 1060 be **upheld** and a fine in the amount of **\$2,500** be levied as a **negotiated settlement** for a **major violation**.

MOTION: Dr. Humphreys moved, seconded by Ms. Jung, that Citation No. 4433, Case No. 1060 (Rockford Corporation), be upheld and a fine in the amount of \$2,500 be levied as a negotiated settlement for a major violation.

Motion carried unanimously.

CONSENT AGENDA – BUDGET AMENDMENTS/INTERLOCAL AGREEMENTS

The Board was advised that Staff recommends **retroactive approval** of the **District Health Officer's acceptance** of **Subgrant Amendment #1** from the **Nevada State Health Division, Office of Epidemiology** in the amount of **\$90,646** for the **HIV Surveillance Grant Program** for

the period of September 24, 2010 through December 31, 2010; and **approval of amendments totaling an increase of \$11,012** in both revenue and expenses to the **adopted FY 11 HIV Surveillance Grant Program, IO 10012** to bring the FY adopted budget into alignment with the grant.

The Board was advised that Staff recommends **acceptance of the Notice of Subgrant Award** from the **Nevada State Health Division, Office of Epidemiology** in the amount of **\$79,634** for the **HIV Surveillance Grant Program** for the period of January 1, 2011 through December 31, 2011.

The Board was advised that Staff recommends **retroactive approval of the District Health Officer's acceptance of Subgrant Amendment #1** from the **Nevada State Health Division, Sexually Transmitted Disease (STD) Prevent and Control Program** in the amount of **\$117,878** for the period of January 1, 2010 through December 31, 2010; **retroactive approval of District Health Officer's acceptance of Subgrant Amendment #2** from the **Nevada State Health Division, STD Prevention and Control Program** in the amount of **\$121,878** for the period of January 1, 2010 through December 31, 2010; and **approval of the amendments totaling an increase of \$2,856** in both revenue and expenses to the **adopted FY 11 STD Grant Program, IO 10014** to bring the FY adopted budget into alignment with the grant.

The Board was advised that Staff recommends **acceptance of the Notice of Subgrant Award** from the **Nevada State Health Division, Sexually Transmitted Disease (STD) Prevention and Control Program** in the amount of **\$119,023** for the period of January 1, 2011 through December 31, 2011.

The Board was advised that Staff recommends **approval of the Notice of Subgrant Award** from the **Nevada State Health Division** in the amount of **\$178,143 (with \$17,814 or 10% Health District match)** in support of the **Centers for Disease Control and Prevention (CDC) Public Health Preparedness (PHP) Program** for the period of March 15, 2011 through August 9, 2011; and **approval of amendments totaling an increase of \$178,143** in both revenue and expenses to the **FY 11 CDC Federal Grant Program (2009 extension), IO 10926**.

The Board was advised that Staff recommends **approval of Notice of Subgrant Award** from the **Nevada State Health Division** in the amount of **\$62,554 (with \$6,255 or 10% Health District match)** in support of the **Assistant Secretary for Preparedness and Response (ASPR) Hospital Preparedness Program** for the period of July 1, 2010 to June 30, 2011; and **approval of amendments totaling an increase of \$62,554** in both revenue and expense to the **FY 11 ASPR Hospital Preparedness Federal Grant Program (2009 Carry Over), IO TBA**.

MOTION: Dr. Humphreys moved, seconded by Ms. Jung, that the retroactive approvals of the District Health Officer's acceptance of Subgrant Amendments #1 and Subgrant Amendment #2 with corresponding budget amendments; the Notices of Subgrant Awards with corresponding budget amendments be approved as outlined. Motion carried unanimously.

CONSENT AGENDA – DONATION – RADIO ADVERTISEMENTS – KUNR

The Board was advised Staff recommends acknowledgement of a donation of radio advertisements on KUNR with a value of \$180 from Dr. Mary A. Anderson, MD, MPH, to benefit the Chronic Disease Program of the Washoe County Health District.

MOTION: Dr. Humphreys moved, seconded by Ms. Jung, that the donation of radio advertisements on KUNR with a value of \$180, from Dr. Mary A. Anderson, MD, MPH, to benefit the Chronic Disease Program of the Washoe County Health District be acknowledged. Motion carried unanimously.

REGIONAL EMERGENCY MEDICAL SERVICES AUTHORITY

A. Review and Acceptance of the Operations and Financial Report – January and February 2011

Mr. Jim Gubbels, Vice President of REMSA

Advised the Board members have been provided with a copy of the January 2011 Operations and Financial Report; that the overall emergency response times for life-threatening calls in January 2011 was 92% and 97% for non-life threatening calls; that within the eight (8) minute zone it was 92%; within the fifteen (15) minute zone it was 98%; and within the twenty (20) minute zone it was 96%. The overall average bill for air ambulance service for January 2011 was \$7,346, with a year-to-date average of \$7,243. The overall average bill for ground ambulance service for January 2011 was \$991, with a year-to-date average of \$990.

The Board members have been provided with a copy of the February 2011 Operations and Financial Report; that the overall emergency response times for life-threatening calls in February 2011 was 93% and 94% for non-life threatening calls; that within the eight (8) minute zone it was 92%; within the fifteen (15) minute zone it was 98%; and within the twenty (20) minute zone it was 95%. The overall average bill for air ambulance service for February 2011 was \$7,077, with a

year-to-date average of \$7,220. The overall average bill for ground ambulance service for February 2011 was \$987, with a year-to-date average of \$990.

In response to Mr. Gustin

Regarding the allowable average bill and the current averages, which the monthly reports have noted, Mr. Gubbels advised that the higher than allowable monthly averages are due to the "miles traveled"; that the farther out the calls the larger the bill. REMSA will be adjusting the monthly average through maintaining the base rate and adjusting the mileage charges to "bring the fees into the allowable average for billing."

MOTION: Mr. Gustin moved, seconded by Dr. Khan, that the REMSA Operations and Financial Report for the months of January and February 2011 be accepted as presented.

Motion carried unanimously.

B. Update – REMSA's Community Activities Since January 2011

Mr. Gubbels

Advised, the Commission of Accreditation of Ambulance Services conducted the reaccreditation review in February 2011; that REMSA received reaccreditation. REMSA was first accredited in 2005; that REMSA "goes through the accreditation process every three (3) years; that this is REMSA's second reaccreditation." During this most recent review REMSA "had no deficiencies or corrections necessary; that REMSA will receive formal notification at the end of March." The accreditation process is "one of the measurements REMSA utilizes to test the system confirming REMSA is doing the best job in complying with all of these standards."

In response to Mr. Gustin

Regarding the operation of the ambulance services in Susanville, California, Mr. Gubbels advised the ambulance system in Susanville is operated as Sierra Medical Services Alliance (SMSA), which is a subsidiary of REMSA. REMSA does not provide any support to that system; that during the "first year of operation, when Susanville's system was 'under a state of emergency' REMSA did have units stationed in Susanville. Subsequently there was an RFP issued under SMSA."

REVIEW – ACCEPTANCE – MONTHLY PUBLIC HEALTH FUND REVENUE AND EXPENDITURE RPORT – FEBRUARY 2011

Ms. Eileen Coulombe, Administrative Health Services Officer

Advised the Board members have been provided with a copy of the Health Fund Revenue and Expenditure Report for the month of February 2011; she reviewed the Report in detail advising Staff recommends the Board accept the Report as presented.

MOTION: Ms. Jung moved, seconded by Dr. Humphreys, that the District Health Department's Revenue and Expenditure Report for February 2011 be accepted as presented.

Motion carried unanimously.

FISCAL YEAR 12 BUDGET UPDATE

Ms. Brown

Advised, the Board members have been provided with a copy of the '*FAQ on Fiscal Year 2011/12 Budget Strategy and Direction from the Board*' document presented to the County, which delineates in detail the "summary of planning for sustainability and preparing for potential Legislative impacts", as the Board of Health has discussed. This document has been disseminated to all employees with her last week's Friday 5.

Stated, in preparation of the Health District's budget presentation to the Board of County Commissioners on Monday, April 4, 2011, Staff has been in the process of preparing "95% and 75% of current funding" estimates. Ms. Brown provided the Board members with a copy of the power point presentation of the Health District FY 12 budget (a copy of which was placed on file for the record), advising the information addresses the Health District's "approach to the Budget challenges during the next several months." As the Board has discussed, "this is a starting point; all of the issues contributing to what the final budget target will be for this year (i.e., the Legislative Session, collective bargaining) are unknown and change is expected." Additionally, Staff acknowledges "this will not be an issue of addressing the challenges this year and it will be complete; that this the first year of a multiple year challenge of the economic downturn for the State and local jurisdictions."

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Chairman Smith

Stated, he and Ms. Brown have reviewed this document; that it should be included in the Strategic Planning Retreat; that this is "a well thought out plan, and could possibly be the starting guideline for the next three (3) or four (4) years." He would request the Board members include this document in the budget notebooks provided during the budget meeting.

Ms. Brown

Stated, she will provide the Board members with the final version of the Health District's budget presented that will be presented to the County, incorporating any revisions suggested by the Board members. She has scheduled a "Staff Huddle" for tomorrow to present the budget presentation.

Reviewed the budget overview of the Health District for FY 12, stating there will be "specific challenges during the upcoming Fiscal Year, including elimination of public health programs and services, which will negatively impact the health of the community. Further, elimination of these prevention programs will result in increased demands on other agencies in the community creating a financial burden for those other agencies. The burdens created will affect the "acute medical system; other governmental systems (i.e., Social Services); the environment; businesses; the overall economic conditions of the community. All of the reductions and eliminations required of the Health District will have significant impacts to the entire community."

The State of Nevada has indicated it will be transferring responsibility for services to the Counties, eliminate funding for other services; and require payment for services, which were not previously paid for by the Health District. The Programs impacted by these efforts are: food inspections for institutes of higher education (\$14,000+); medical treatment for individuals with Tuberculosis (\$128,000); the funding will be eliminated; however, the Health District will have to provide the medical treatment; and Emergency Medical Services (EMS) standards, training and licensure programs (\$311,000). Originally, the State indicated it would charge Washoe County \$500,000 for providing the EMS standards, training and licensure for Washoe County; however, that has been amended to \$311,000 "based on a more accurate projection of the costs related to Washoe County." Ms. Brown stated she did provide testimony at the Legislature in "strong opposition to all three (3) of these issues during the presentation of the Health and Human Services Budget." She spoke "vehemently about how the current State EMS Program is being inefficiently and ineffectively operated, of which the State is aware." There was discussion regarding "how that Program could be managed more effectively at a much reduced cost." There will be additional opportunities to further discuss these issues, as some require statutory revisions prior to these programs being transferred to the Health District.

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Advised, of Health District expenditures, 86% are labor and 14% are services/supplies/and capital; that should the Health District be required to reduce the budget by 25%, it could not be achieved without having to reduce labor. The Health District is "a heavily labor-driven service; therefore, anything beyond a 14% reduction "means people; that it is important to have an awareness." There is the potential of a reduction in federal funding, which would impact the Health District's grants both those received directly and those received indirectly from the State. Last month she provided the Board members with a copy of the Federal Appropriations Committee document listing the potential reductions to programs, which included EPA, CC, Title X Family Planning; Women, Infants and Children (WIC) nutrition program, and the Federal Food and Drug Administration (FDA). Reductions in any and all of these Programs would have an impact on the Health District ability to provide programs and services.

Advised, should the Board make the determination to "cap or suspend the fee increases, as proposed, there will be a further impact to the Health District's ability to provide services, as there will be a reduction in revenues.

Another issue is the lack "of direction regarding the Ending Fund Balance; that it is necessary to establish what the Ending Fund Balance should be to allow the Health District to operate appropriately ensuring the fiscal stability of the organization. The instability of key-partners and stakeholders, including the three (3) governmental jurisdictions further impacts the ability to provide services; that all of these specific challenges collectively will affect how the Health District will function within the proposed budget cuts."

Ms. Brown advised the "initial fiscal targets decrease of 1.7%, which equated to \$136,000, was achieved through the elimination of positions; and a decrease n operating expenses in numerous programs. Stated, the County has advised "it will be taking \$400,000 in transfer from the District's Ending Fund Balance; that this has been achieved in the budget, which has been presented to the Board.

Advised the Health District's General Fund Transfer of \$8,192,525, which has been reduced by the 1.7% (\$136,000), a 10% reduction would require the Health District's budget to be reduced by an additional \$682,250, which is a significant amount. An additional 25% reduction would be approximately \$2 million in funds, which would "present a very dramatic challenge to the Health District as an organization.

Ms. Brown advised Staff has identified criteria for evaluation of budget reduction strategies, which would be utilized to determine how further reductions could be achieved. Staff has "tried to

prioritize these on "how quickly some of the reductions may have to be made and, not knowing 'how steep' the cuts will have to be." Further, the criteria acknowledge "the need to redesign and that decreasing resources will continue for the foreseeable future (i.e., 3 – 5 years). The criteria developed will be utilized as "the methodology for selecting strategies to reduce expenses and achieve targets including the following: 1) significant financial savings; that it will be necessary to identify items which represent "large dollar amounts. 2) Maintenance of specific mandates; that the Health District has to comply with mandates; however, there may be additional aspects of mandated programs, which Staff may "be providing; however, the Health District isn't legally mandated to provide. There needs to be an analysis of those." 3) The Health District has a responsibility for leveraging of external funding; that a reduction of "matching funds" for a grant, which is required to have matching funds, could result in the Health District 'losing a great amount of funding; therefore, "it would be necessary to consider leveraging that funding when making these determinations. 4) Speed and ease of implementation; that a number of the strategies can be implemented quickly and others would require additional time; that it would be necessary to identify those that can be implemented quickly to achieve "large targets." 5) Supportive of efficient operations; that these efforts will not be "successful if the changes do not contribute to the overall efficiency of the organization long-term." 6) The value and impact on the community and citizens have to be considered when "making these determinations; that this is "an important concern; however, when having to achieve those budget reductions it becomes necessary to lower the priority of what the citizens of the community value. The same rationale pertains to the 7) Maintenance of employment; that "last year 'maintenance of employment' was a priority; however, with 80% of Health District costs being represented by labor-related costs it would be next to impossible to achieve the necessary reductions while maintaining employment. Maintenance of employment is "not, not important, which is why it is on the list." 8) It is necessary to create long-term stability and sustainability, limiting the negative impact (both internally and externally) to other programs and departments. As the Health District Staff investigate revising "what we do it will be necessary to consider what is expected [of the Health District] from the jurisdictions and the County." 9) It will be necessary to consider "what is the least disruptive to operations" while achieving the reductions and implementing the various changes.

Ms. Brown reviewed the "first phase of budget reductions should there be immediate financial targets, would include the elimination of current vacant positions (\$447,785); decrease Vector Program activities (\$385,500) through reductions in the purchase of chemicals and aerial applications. Staff would allow for flexibility in the purchasing of additional chemicals in lieu of intermittent staffing. Standby pay in the Environmental Health Services Division would be eliminated (\$30,000); additional operational savings based on program efficiencies and changes in each Division (\$50,000); that this would include limiting travel, decreasing vendor expenditures, and other items which "can be quickly reduced." The Health District "has been very fiscally responsible for many years", which is to be commended; however, "when the Health District has achieved a significant Ending Fund Balance there is the risk of the County sweeping those funds, such as the \$400,000 from this year's Ending Fund Balance." There are reserves incorporated into

the Health District's budget; that an option would be to decrease the reserve by 50% of an amount to be determined. This would require further discussions regarding "what level of risk the Health District would be willing to accept in terms of the reserve; that this is similar to the County's strategy.

Ms. Brown reviewed "phase two, advising this would include the transition of programs and service, including the elimination of the Public Health Nurse Home Visiting Program (\$397,221); that as has been demonstrated the PHN Home Visiting Program "is a very important key prevention activity" in the prevention of child abuse and neglect." The most recent case of an infant death is "the type of case the District's Public Health Nurses Home Visiting works to prevent; therefore, the elimination of this type of service in the community is disconcerting." She has been in discussions with Mr. Kevin Schiller, Director of Social Services, regarding "how do we retain this type of prevention services potentially under the umbrella of Washoe County Social Services. These efforts would save resources for Social Services which have to investigate, and provide care and services when incidences of child abuse and neglect occur."

An alternative in phase two is the transition of non-mandated programs that could be provided by community organizations/agencies, including the Family Planning (clinic closure at the end of the competitive grant cycle 6/30/12). This would not represent a substantial savings, as this Program has been reduced to "matching funds only; therefore, the savings would be \$78,501, which does not include the loss of the revenue." Staff would assist in any transition process; that Ms. Hardie, the Program Manager of the FP Clinic has stated that should the FP Clinic have to be closed it is necessary "to do with dignity and respect for the Staff, and their many years of dedication, but also with dignity and respect for the clients who will have to receive services elsewhere. The Health District's Family Planning Clinic has been in existence for forty (40) years, providing services for 4,000+ clients per year."

Another non-mandated program is the Women, Infants and Children (WIC) nutritional program (timing dependent on provider identification, funding cycle and transition plan). Saint Mary's Hospital is now a WIC provider, operating with grant funding only; that the Health District's WIC Program receives \$168,975 in general fund support. A similar process would be used with WIC that occurred in Family Planning to investigate the transition of the WIC Program; that it would be necessary to determine the feasibility of transitioning the WIC Program to a community agency. In both scenarios management would discuss the possibility of these options with Staff to ensure there is an awareness "this is on the list of strategies"; that it would require further assessment, investigation, and cooperation with the community "to make the transition as smooth as possible." These processes would require Staff to work in conjunction with Human Resources and the community; "that these are very difficult decisions; however, these are decisions that need to be considered. These options are not first, as both programs combined do not have a large number of

employees; that transition of the programs would result a moderate amount of cost savings; that transition of these programs would result in a large amount of disruption; and must be preserved through transition to the community because of the importance and value of these Programs."

Ms. Brown advised that phase three is more specific to organizational redesign, which would include the strategic planning elements; and therefore, should be "a component of the strategic planning process in October. Implementation of all the strategies previously discussed will "result in a very different Health District organization than it was (10) years, three (3) years ago or even last year." In this phase it would be necessary to review Administrative Health Services (AHS) support functions for possible reorganization based on restructuring programs and services. "It is not possible to discuss decreasing programs and services without revising the management structure that supports those programs, including reviewing the span of control for leaders, program managers and Division Directors." The third process would be conducting an analysis of existing mandates and identification of possible changes and updates to provide programs and services based on community needs and values; that there have been numerous discussions regarding "has the District Health Department been 'charged' with the right mandates to 'carry-out' what the community expects." This is not only from a "public health perspective, but also from a governmental perspective." The organizational redesign would require conducting a continuous performance improvement program throughout the organization; that she appreciates the management team and leadership are reviewing how to do things better; that Staff is continually looking for the best ways to provide services."

As the Board has discussed a goal is for the Health District to pursue accreditation from the Public Health Accreditation Board, as this will be of assistance in "performance improvement, utilizing benchmarks and implementing best practices. The accreditation process "will be a tool in redesigning the organization and being better prepared for the future."

An alternative in this process is reviewing the possibility of regionalization of the Health Districts in the State; that a component of this "is what is occurring at the State level; how the State is organizing its programs in the area of public health."

Ms. Brown stated that in conjunction with reductions it is necessary to review "revenue enhancement and stabilization, including how the Health District can obtain additional resources to care for the public's health." This would include "the establishment of financial policies, including the fee process and the need for an Ending Fund Balance policy to provide guidance and stability to the Health District from a fiscal standpoint." It will be necessary to evaluate cost-recovery for services and activities; that an example is specifically related the District's response in litigation; and if there is the possibility of cost-recovery when these are not normal activities related to the

Health District's operations." It is necessary for the Health District "to strategically pursue grants to determine if there are monies available to support programs based upon an assessment of the community needs and values.

Advised the County has been discussing "managed competition", which is the "contracting to provide services to others; that there is the opportunity for the Health District to provide services and receive funding. An example would be specific to the provision of medical treatment for Tuberculosis patients; "that this treatment is very difficult and specialized and requires a lot of resources." Should the rural counties have to assume these responsibilities from the State "it would be more practical for the rural counties to contract with the Health District to provide those services; that this is an option being considered by other jurisdictions."

Chairman Smith

Stated the Board members are "very concerned as to possible impacts to the Health District's budget from determinations at the State." He would commend Staff for "listing very specifically what the Health District can do to target the budget reductions; that this provides guidelines the Board can possibly use as a start to the process."

Dr. Furman

He has always supported the WIC Program; however, the general fund transfer for the support of the WIC Program is not a requirement; that he is not in favor of eliminating the Program "at this point in time." Should it become necessary the WIC Program could operate on grant funding only, eliminating the transfer and achieving a budgetary reduction.

Chairman Smith

Stated it is very important "to be aware of how many people will be affected within each program; that the WIC Program is "one which is very well used by the community and is an effective Program."

In response to Chairman Smith

Ms. Brown stated, "all of the Health District's programs are wonderful and important; however, some of the [service] Programs are expensive to provide. These Programs receive grant funding; however, there are associated salary and benefit costs; therefore, "a community agency may be

able to offer more services based upon an agency's cost structure." It is important to consider having a community agency provide some service programs, as the Health District may "not necessarily be the least expensive provider of a service."

Dr. Khan

Stated she would commend Staff in the preparation of the comprehensive budget book. As has been discussed, the current financial conditions have not been experienced previously. Her concern is "every Division within the Department has already been 'cutting, clipping, changing, modifying, and restricting', etc." In regard to the "criteria for reductions and the charge of the Board of Health to protect the health of the community, it will be necessary to select strategies, which are the least likely to negatively impact the health and safety of the community. This is a fundamental concept; however, it is not necessarily reflected in the budget information."

In reviewing the various possible "phases presented, she noted in Phase Three the description of the organizational redesign and innovation as it related to exploration of other models in how to do business." Ms. Brown is correct in that "this isn't the same Health District it was ten (10), five (5) years ago or (even) last year; that the proposed Phase Three decisions would require some difficult decisions, some compromise and creativity for the Health District to be able to implement while assuring the changes are 'least likely to negatively impact the health and safety of the citizens of Washoe County.

In response to Dr. Khan

Ms. Brown advised that Phase Three is the strategy component and would require time; that the current budget process "is an immediate need. The strategies of Phase Three would be long-term for stability and sustainability while ensuring the public's health and safety in the community.

Mr. Gustin

Stated, he would commend Staff for an excellent update regarding the status of the Budget. Stated, for a number of years the Board and Staff have discussed specific and existing mandated programs"; that "it may become necessary to consider existing mandates in comparison to the community priorities, needs, and values." The question then becomes "the service levels and whether budget priorities will be determined on 'serving the masses or on the severity of the impact and outcome should a service not be provided', such as not having the capability of treating a case of Tuberculosis. Is it more important to treat a case of Tuberculosis or to immunize a mass amount of people in the community?" His concern would be "will the Health District be serving a larger

number of people or those immediate health needs that would more severely impact the community.”

Chairman Smith

Stated, any revision(s) to mandated programs would “have to go through the State”; that it would have to be determined what the minimum mandate requirement is to ensure compliance.”

Ms. Ratti

Stated it is possible the Health District is “performing mandated programs at a higher than minimal level to achieve effectiveness; that with mandated programs there is a level of interpretation.” It would be necessary to review the requirement of the mandates in the context of the community’s needs; that what may have been “critically important at one time may not have been reevaluated recently to determine if it remains a critical need.”

Advised, “there is a difference in a program’s actual ‘value to the community in regard to public health and safety, which are those programs and services that must be provided regardless of the public’s perception and the community’s perceived value of a program.” She would recommend “adding a bullet point to the budget presentation specific to the public’s health and safety.” As part of the budget process she would request “it be noted where the reductions are leveraging other dollars. An example would be ‘should the Family Planning Program be eliminated from the Health District, and is not offered by another agency in the community, the leveraged dollar amount that would be lost to the community would be approximately \$1 million; that it would not be only the \$78,000 noted in the budget.”

Ms. Brown

Stated, Dr. Furman referenced the concern of “people’s ability to have food” should reductions have to be made in the WIC Program; that in regard to the Family Planning Program the Program has been reduced by “so much that it would not be fair to the clients, to the Program or to the Staff should it have to be reduced further.” The Health District needs to support the Programs it offers; that the Family Planning Program has struggled with support both financially and from a practical standpoint. The Programs “might be better supported and sustained by an agency which makes the provision of those services its primary mission.”

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Ms. Ratti

Stated, "with the cumbersome requirements of the Title X grant, the Health District may be the only agency able to work within those requirements; that it may be different for the WIC Program." Advised, "it is important for the public and the County Commissioners to understand the amount of the leverage dollars attached to these Programs; that that information should be a component of the Health District's budget presentation."

Ms. Brown

Stated, there would be an impact to employees also; that "it would be a \$250,000 impact; however, it would further impact twenty-five (25) employees." Advised, it s a component of "weighing options."

There will be discussions among Air Quality Management, the Environmental Health Services Division and other departments, which provide permitting, inspection and enforcement regarding possible "opportunities for consolidation or sharing services." Staff has been meeting with Public Works, Community Development, and the Building Department "to identify any overlapping activities and determining what opportunities there may be for consolidating or sharing services." She had a conversation with Mr. Shaun Carey, Sparks City Manager who indicated "an interest in the processes"; that, as Dr. Khan stated "it is the opportunity for innovation and redesign."

Ms. Ratti

Stated she is "very interested in the streamlining processes and reducing costs making it easier for the end-user, including the streamlining of services between the Health District and Social Services."

Ms. Brown

Stated, there wouldn't be any discussions of eliminating the Home Visiting Nursing Program, the Family Planning Program, or WIC "without the assurance that those safety net programs would exist in the community." The concept would not be "to leave the community without these programs; that the goal would be to identify a method for providing those programs more cost-effectively, with more support and (perhaps) provide them at a higher level."

Ms. Jung

Stated, she would recommend during the Health District's Budget presentation to the County when referencing the "dollar reduction in the prevention programs" that Staff provided statistical information as "to the dollar amount in future cost-savings to the community." Regardless of the Board's determination as to the Fee Schedule, she would recommend Staff incorporate that "percentage of revenue or loss of revenue in the slide presentation."

In response to Ms. Jung

Regarding "why the Health District does not have a policy for the Ending Fund Balance", Ms. Coulombe advised Staff will be working on this issue with the County Finance Department. She concurs "it would be prudent to have a written policy."

Ms. Jung

Stated when that discussion occurs, she would request that Mr. Sherman, Washoe County Finance be present and involved in the discussion "of risk benefits of how much or how little could be in the Ending Fund Balance, and what are the best practices in a health district."

Ms. Jung requested clarification regarding Ms. Brown's statement as to the "partial ending fund balance having occurred."

In response to Ms. Jung

Ms. Coulombe stated, as the Board is aware, there are four (4) components to the County's strategy to balance the budget: 1) achieve \$13.8 million in permanent labor costs savings; 2) achieve \$5 million in permanent efficiency savings from department operating budgets, of which the Health District portion was a 1.7% reduction or \$136,000; that this requirement has been achieved. The OEC's component will be: 3) an additional \$5 million in anticipated savings; however, Staff "does not know what the Health District's financial obligation of this portion will be. The fourth strategy was the use of fund balances; that \$400,000 of the Health District's ending fund balance will be transferred to the County within that strategy.

Ms. Jung

Recommended "that component be clarified, as ending fund balances were a controversial issue last year with Commissioner Breternitz."

Ms. Coulombe

Stated, Ms. Jung is correct regarding to Commissioner Breternitz reference to "the \$1.2 million the Health District was utilizing being of concern." It is important to have the discussions "as to what is an appropriate amount to finalize this issue; that Staff has requested such a policy."

In response to Ms. Ratti

Regarding "asking the County to establish the policy for the Health District", Ms. Coulombe advised that the County has a policy; that as a subset of the County's budget process [the Health District] does not have a policy. During the past two (2) years Staff has "developed a contingency fund, as there are other unanticipated expenses, which occur during the year and the Health District does not request additional funding from the County for these expenses."

In response to Ms. Ratti

Ms. Jung advised that she is not requesting a proposal from Mr. Sherman for the Health District; that she is requesting "Mr. Sherman's expertise, so that he can inform the Board as to what the range should be."

Ms. Brown

Stated, this will allow for the establishment of "the operational reserve amount; that she noted a 50% (\$210,000) decrease, which may be too much." This will allow for more flexibility for the Health District; that establishing the ending fund balance policy will assist in determining the level of risk.

Ms. Jung

Stated, she concurs with listing the "maintenance of employment as a criteria for evaluation of the budget reduction strategy, as Washoe County is the third largest employer in the region. If the third largest employer is going to be laying-off employees it will ruin any opportunity for further

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revenue (i.e., property tax or sales tax)", and the County's recovery. "It is important it be mentioned during the budget presentation that as the third largest employer of the region the 'maintenance of employment' is critical."

Advised, Staff may be asked questions regarding the issue of lease(s) and vendor agreements.

In response to Ms. Jung

Ms. Coulombe

Advised Staff has had discussions regarding the medical consultants and the different vendors; that these contracts are being reviewed prior to renewal; however, some of the "contracts are specific to different programs."

Ms. Jung

Stated, she would recommend the Staff be prepared to respond to questions regarding the WIC Program, and "why isn't the Food Bank of Northern Nevada providing that Program?"

In response to Ms. Jung

Ms. Coulombe

Advised, Staff has not yet had the opportunity to "explore these different options or review the data. When the various options were reviewed for the Family Planning Program those options were presented to the Board; that Staff is committed to the same process for the other Programs. Staff will review "leveraging the dollars and the employees for various efficiencies."

Ms. Jung

Stated it is necessary for the Board to be aware there are discussions within the House of Representatives that could result in "no more federal funding for family planning programs"; that the concern is then "where would people go for these service, specifically those with no insurance; and which agency would assume the program."

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In regard to the discussions specific to the departments with "permitting, inspection and enforcement authority, she would recommend either the Health Officer or a representative begin attending the "Shared Services Elected Officials Committee and Subcommittee meetings. The goal is to develop 'a one-stop shop' for the region, regardless of the participation of the City of Sparks; that Reno and Washoe County are proceeding with implementation." This will result in either entity being able "to accept an application as all applications will be the same. Advised, consideration is being given to contracting inter-city and county for pay-for-services", which will save money for each entity."

Advised, she is aware there are a "number of counties refusing to continue providing mandated programs, with the concept of 'what is the State going to do'?"

In response to Ms. Jung

Ms. Admirand this issue can be agendized for discussion.

Ms. Jung

Stated, in response to the possible "regionalization of the health districts; that this possibility needs to be discussed further, as 'it is key' as to what will occur in the future in government"; that the Board of County Commissioners is discussing regionalization of governmental services."

Stated, in response to contracting of services to other entities, Washoe County "already does this; that the County's Reprographics Department is now contracting to provide services to the City of Reno for a job."

Stated she would "highly recommend that individuals contact his/her congressional delegation and the State representatives regarding 'what these reductions mean' and how much these reductions will hurt at the local level." Stated, "for the County employees who are the best, unfortunately there will be a lot of layoffs."

Dr. Khan

Stated Board members have commented regarding transitioning non-mandated services to other community organizations, and "what the leveraging loss will be in transitioning those programs; that transitioning the Family Planning Program would result in a loss of approximately \$1 million;

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however, 'on paper' it indicates \$80,000. This doesn't take into consideration the 4,000 clients being served." She would request information from Ms. Bev Bayan, WIC Program Manager, as although the WIC Program is not a mandated program, there are "a large number of families served through that Program; that this Program is different than the services provided through the Northern Nevada Food Bank." She would request information regarding "the numbers, the cost, the federal contribution, etc., as perhaps there is a way to additionally leverage" that program.

In response to Dr. Khan

Ms. Brown advised that the process would be "similar to that used in reviewing the Family Planning Program, including 'what are the costs, what is the imperative; if another agency provides it 'what would the costs be, and would require an analysis.'" Prior to presenting an update to the Board on the WIC Program it would be appropriate to "discuss these possibilities with Ms. Bayan and the WIC Staff; and to conduct a review of the community partners. Staff would attempt to be consistent with the philosophies of 'should government be providing services the community can provide'? With the concept of redesign and innovation it will be necessary to consider all of these issues. Staff will provide more detail to the Board on these issues."

Chairman Smith

Stated, the concepts of Phase Three are issues "that could be done if it should become necessary; that these are not actions that are going to be done." The Board has indicated concerns regarding some of these issues; that the discussions are not complete. As the budget process continues the Board will continue to have additional discussions; that "should it get down to that point the Board will have further discussions regarding these programs and the concerns.

Ms. Coulombe

Advised the future FY 12 budget updates will be agendized as an action item, which would allow the Board to provide direction to Staff.

Chairman Smith

Stated, this information is a guideline reference; that the scenarios may change throughout the budget process.

Stated, he would thank Staff for the update.

PUBLIC HEARING – WASHOE COUNTY DISTRICT HEALTH DEPARTMENT FEE SCHEDULE

1:00 p.m: This being the time set in a Notice of Public Hearing, heretofore published in the *Reno Gazette Journal* on December 7, 8 and 10, 2010, to consider the proposed amendments to the Washoe County District Health Department Fee Schedule.

- A. Presentation and Discussion of Proposed Revisions to the Washoe County Health District's Fee Schedule, specific to the Administrative Health Services Division, Community and Clinical Health Services Division, Air Quality Management Division, in accordance with the Washoe County District Board of Health Regulations Governing Air Quality Management, and the Environmental Health Services Division, in accordance with the Washoe County District Board of Health Regulations Governing Food Establishments; Washoe County District Board of Health Regulations Governing Sewage, Wastewater, and Sanitation; Washoe County District Board of Health Regulations Governing the Prevention of Vector-Borne Diseases; Washoe County District Board of Health Regulations Governing Liquid Waste; Washoe County District Board of Health Regulations Governing Invasive Body Decoration Establishments; Washoe County District Board of Health Regulations Governing Public Bathing Places; Washoe County District Board of Health Regulations Governing Public Spas; Washoe County District Board of Health Regulations Governing Mobile Home and Recreational Vehicle Parks; Washoe County District Board of Health Regulations Governing Solid Waste Management; and the Washoe County District Board of Health Regulations Governing Well Construction

Ms. Lori Cooke, Fiscal Compliance Officer

Advised the Board members have been provided with a copy of the proposed Washoe County Health Department Fee Schedule; that per the Board's direction, Staff has provided three (3) different scenarios for the proposed Fee Schedule in addition to the "full cost recovery-based schedule (copies of which were placed on file for the record.) One of the proposals represents a 50% cap on the proposed fee increases; that the second was for a 5% capped increase to the current fees; and the third was a 3% capped increase to the current fees." The various scenarios have been calculated and the associated Business Impact Statements were prepared and distributed. There were no other revisions or updates to the approved methodology for determining the fee calculations; that the fiscal impacts for each of the scenarios is referenced on page five (5) of Staff's Report to the Board. "Staff respectfully recommends the District Board of Health adopt the Health Department's Fiscal Year 12 Fee Schedule as proposed, which represents full-cost recovery."

B. Recommendation for Approval and Adoption of the Revisions to the Washoe County Fee Schedule

Chairman Smith

Advised that he has been provided with copies of emails, addressed to the Board, from Mr. John Schroeder, J & N Nevada, LLD; and Mr. Jess Traver, Executive Director, Builders Association of Northern Nevada (copies of which were placed on file for the record), in opposition to the proposed increases to the Fee Schedule.

Chairman Smith declared the Public Hearing open and called upon anyone wishing to speak either in favor of or in opposition to the proposed revisions to the Washoe County Health District FY 12 Fee Schedule.

Mr. Mike Dillon

Advised he is the Executive Director for the Builders Association of Northern Nevada (BANN); that BANN has participated in the workshops and the public hearing, providing testimony in opposition to the proposed increases to the Fee Schedule.

He acknowledges the "very difficult budget decisions the Board of Health" has to address; that proposed fee increases have been denied by each of the other entities. All of the various governmental entities "are facing the same budget issues and challenges; that neither the City of Sparks, the City of Reno nor Washoe County have voted to increase fees for the building and development community at this time, as all understand what is occurring. The building industry is currently experiencing 85% layoffs; that the individuals who have retained jobs have accepted significant pay reductions; that a number of the business owners are not taking home a paycheck." As has been discussed, "these are extraordinary times and [the Board] shouldn't just look at the methodology used in determining the fees"; that any increase in fees "sends the wrong message to the development community, which is facing 'major, major' challenges with companies going out of business everyday. Every little increase will hurt."

Mr. John Madole

Advised he represents the Associated General Contractors (AGC); that, as Mr. Dillon indicated, the building and development industry "is experiencing some very severe problems in the industry and in the community." The AGC "respects and appreciates the important work being conducted by the Health Department; and there is no intent to take anything away from the Health Department,

people in the construction industry are assuming new duties for which they are not being paid; people are accepting pay cuts; and are losing their homes." The AGC is requesting the Health District "do what the industry is doing 'do more with less'; that the AGC is requesting the Board of Health doesn't increase the fees, as it places one (1) more hardship on the industry and ultimately the consumer pays for everything, as all fees are passed on to someone else." As Mr. Dillon stated on behalf of BANN, the AGC is requesting the Board of Health "not increase these fees until things get better."

Mr. Kevin Dick, Director, Air Quality Management

Advised Staff has the opportunity to meet with representatives of both BANN and the AGC to review the Health District's process in developing the Fee Schedule; that there was concern there may not have been a full understanding of the Air Quality Management fees. Advised, in reviewing the fees for AQM Staff assessed the Staff time involved in the permitting and inspection processes it was determined that the travel time of Staff to and from project sites had not been included in {Staff} time allotted for stationary sources within the permitting fees. In regard to the stationary source permit fees there wasn't "any inspection time included in the fee calculation." The inclusion of Staff's time in the calculation of these fees "does result in a large percentage increase for the stationary source permit fees; however, it corrects" a discrepancy in the applied fee methodology. The travel time "to and from inspections was assessed at fifteen (15) minutes results in a half-hour increase in the time applied to all stationary source fees."

Stated, Ms. Ratti had made reference to "the largest fee increase for the planned review of large sources emitting in excess of 100 tons of pollutants; that each of the AQM plan review fees are not an annual recurring fee. Plan review fees are assessed only at the time the application is submitted and Staff conducts the review for the Authority to Construct Permit; that the large proposed increase is for the Title X Federal EPA Permit; and currently there are only two (2) within the Washoe County Health District's Air Quality Management Division's jurisdiction – RR Donnelly and the Sparks Tank Farm." The review process fee represents the time expended by the AQM Environmental Engineers to conduct the plan review and facility inspection(s); that this is a component of a process of negotiations between the facility and Federal EPA for EPA's approval of a federally enforceable permit with these facilities. The EPA approval process can require a "period of months, as it is quite an involved process; that, again, this would only be levied the first time a facility applied for it." The Health District proposed fees are "to cover the costs associated with providing these services, using the same methodology and processes the State and Clark County utilizes to calculate air quality fees." He conducted a comparison among the three (3) agencies and Washoe County's fees remain less than or are within the range of the State and Clarks County's fees, with the majority being less. Last month's discussion "primarily was in regard to the indirect rate applied to the fees; that the proposed increases for AQM fees is tied to that

indirect rate." He is aware the Board has a difficult decision to make; that it was his intent to clarify "why the AQM proposed fees looked different."

Mr. Madole stated the AGC "is not indicating it would be unwilling to reconsider as things improve; that representatives of the AGC would be willing to discuss a mechanism in which conditions reach 'a certain level' things could be done. He does not want the Board to misinterpret what he is saying; that the concerns of the AGC are for right now at it is not the right time"; however, "as things improve the AGC and BANN would be willing to discuss an increase in fees."

Chairman Smith

Stated, in reviewing the various proposals and discussing this with Staff, he agrees the Health District should "be paid for a dollar for a dollars worth of work"; however, he concurs "there are problems and hardships in the community and in the construction industry." He would ask the members interest in approving the Fee Schedule as recommended by Staff, with the provision that an industry in which the fees were increased, and which can demonstrate a hardship in paying the increase to the fees can apply to the Health District for a variance to the portion of increased fee. With an approved variance a company's fees would not increase "at this point in time." To not approve and adopt any fee increases at this time "is also not good for the Health District at this time either."

In response to Dr. Humphreys

Regarding the legality of Chairman Smith's option, Ms. Admirand advised it would be classified as an exemption and "it has been done previously." The Board of Health has granted previous exemptions; that any request for any exemption would have to be presented to the Board of review and approval or denial. An exemption can be granted to the portion of the increase only without exempting the entire fee.

In response to Dr. Humphreys

Ms. Cooke

Stated there have been instances in which community agencies requested an exemption to the annual fee levied by the Health District; that the agency "submits a request to the District; that the request is agendized and reviewed by the Board of Health for a determination; that an example is an exemption of the fee for the *Kids Kottage* for the Food Permit." Advised, should a company

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request an exemption to the fee increase due to economic conditions; and after a review by the Board the fee can be "reset to the fee prior to any increase."

Ms. Brown

Stated Staff could develop a method for processing any such requests to ensure it would not be "too laborious for Staff", specifying the amount of the fee and the decrease to be considered.

Ms. Cooke

Stated Staff could develop a form that would be submitted with the request and any evidence.

Ms. Coulombe

Stated in regard to the permanent exemptions that have been granted (i.e., *Kids Kottage*), Staff has noted an adjustment for fees collected; however, the process being discussed is a variation on that method. Stated the exemptions to the fee increases would be temporary; therefore, the Board may consider establishing a time limitation at which time it would be reconsidered.

Dr. Humphreys

Stated his other concern is the "operational feasibility of such a process"; that should such a process be approved and then require "a lot of man hours to make it work then it has increased the {Health District} costs to make it work it would negate what is attempting to be accomplished.

Mr. Bob Sack, Director, Environmental Health Services

Stated, "if the process is open-ended there would be a lot of facilities applying", which could significantly increase Staff's workload. Stated, a possibility "may be to consider construction industry-related businesses; that there are approximately 5,000 permitted facilities that could apply for an exemption to the fee increase. There would be a maintenance of effort that could impact the Health District.

Ms. Jung

Stated, the proposal "would be a starting compromise for certain industries which have been decimated; that she has faith Staff could develop a process to accomplish any requests received; that she would not want the process to be too easy. The burden of proof must be with the company requesting such an exemption."

Ms. Ratti

Stated, "the exemption to the increase is an interesting idea and balances the need for sustainability of services for the Department in the community. Closing the doors of the Building Department in Sparks a couple of days a week has had as much as a negative impact on builders being able to move their projects forward as much as an increase in fees has."

The Board discussed the possibility of "approving and adopting the Fee Schedule as proposed, with the implementation of a process in which businesses can apply for an exemption/variance to the increased portion of the fee through the demonstration of a financial hardship."

Ms. Cooke

Advised, "as these indirect costs have increased for FY 12, she would project the indirect costs will (probably) decrease for next year. In preparing the proposed Fee Schedule and comparing it to previous years, the fees proposed for FY 12 are "less than what Health District fees were in 1999." The process being discussed would allow for "addressing the hardship without providing preference to one industry over another."

Ms. Brown

Stated Staff can develop a process for consideration by the Board of reasonable guidelines for applying for an exemption to the fee increase, which would not be over-burdensome to either the Staff or the public.

In response to Ms. Ratti

Regarding the Air Quality Management fees, Mr. Dick advised "this is the first time he has been involved in the fee schedule process; therefore, he conferred with the financial team as to those services which are to be incorporated into the fees to be charged. It was during this review it was

noted the time for travel to and from the sites for permitting inspections was to be included in the fee calculation and had not been.

Ms. Ratti

Stated, although this indicates "Staff is doing a better job than previously in cost-recovery", she has a concern regarding this component as this now increases those fees "in this economy,"

In response to Ms. Ratti

Ms. Brown advised that the Health District "has a very well defined policy and guidelines; that what occurred was an administrative issue as to the voracity of the effort ensuring it was adhered to properly and fees were accurate." She can assure the Board all Staff are currently reviewing all fees at the same level of detail; that every year Staff validates the fees and "can only move forward with what applies currently. What Mr. Dick presented today is a correction of past performance.

In response to Ms. Ratti

Regarding the number of fees that were affected, Mr. Dick advised that the fees affected were only within the AQM Division; that it was primarily associated with the fees for the permitting and inspections of stationary sources and asbestos-related cases.

Mr. Gustin

Stated, the variance concept is "an outstanding idea." He would question Mr. Madole's comments, as he "understood Mr. Madole indicated 'it is the message rather than the function' of the fee increase at this time.

In response to Mr. Gustin

Mr. Madole

Stated, Mr. Gustin is correct; that the message the industry "wants to send is that Washoe County is a friendly place to come and invest in projects"; that "indicating construction fees have not been increased sends a better message." Stated, the proposed process being discussed by the Board "while well intentioned, is not going to be a very easy system to implement. Stated, the preferred

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message "is to do everything possible to encourage people and companies to invest the time, energy and money to make this a better community."

Ms. Ratti

Stated, "her parallel concern is 'those same individuals and companies' investing in the community knowing the fees have not been increased, realizing that when economic conditions improve there will have to be an adjustment in those fees, which have not been moderately adjusted every year." This could result in those same individual and companies having "to absorb large fee increases as an offset to fees remaining flat during the difficult years; that this is a real concern and sends a dual message."

In response to Ms. Ratti

Regarding "it not mattering if the wrong message is sent now, as new businesses won't come here; however, if businesses are opening and the shopping centers are beginning to fill-up" it would be expected that fees would (probably) increase. Stated, the "industry has been reasonable and has not had a history of always opposing fee increases"; however, as others have noted, "he has never experienced the economic climate that currently exists."

Mr. Gustin

Stated, "in his experience the building industry has objected the least to increased fees, as the industry is aware of what it takes to build a project to be successful." He would concur "that if there isn't any applications being received for new projects it doesn't matter" if the fees remain the same; therefore, although it "may not be what the Board or Staff necessarily prefers, perhaps the message should be no fee increases at this time."

Ms. Jung

Stated, (perhaps) the solution is to not implement any fee increases today; direct Staff to monitor "what that impact has on the Health District." During the Health District Budget presentation to the Board of County Commissioners, Staff "can advise that 'in recognition of the economy and being mindful of economic development in Washoe County the District Board of Health voted not to increase fees. This is \$262,274 in 'purchased' goodwill for the County."

Advised, she "would now put this back on the industries; that it is the responsibility of these industries to now *get the word out* that Washoe County is a great place to do business." The Health District could "then recoup the \$265,000 in growth and development.

Ms. Coulombe

Stated (perhaps) this amount could be identified as a portion of the Health District's 10% budgetary reduction.

Mr. Gustin

Stated should the Board make the determination not to increase those fees recommended for increase; that it be "only for a six (6) month period (September), at which time it will be reconsidered." This action "sends the message that government is trying to work with private industry to make this work and get people back on their feet; that there is the opportunity to take advantage of this to deliver that positive message.

Ms. Ratti

Stated, "it had been her hope to be able to approve a cap to the fees, implementing an increase that would be a moderate, and reasonable fee increase for the industries, while allowing the Health District to remain on track. Unfortunately the 3% cap represented only \$9,000; and a 5% represented only \$31,000." This is indicative of the work performed by Ms. Cooke; that she would commend Ms. Cooke for providing this information; that it had been her intent "to advocate for one of those cap limits." Her concern is revising the "entire [Fee Schedule] process for the \$31,000 through the 5% cap; that she would not favor revising the process for a gain of \$31,000; that, further, there is the 'strategy' to which Ms. Jung referred, regarding the District working with industry. She would therefore, support not increasing fees at this time; however, it is important the industries acknowledge that when the economy improves it will be necessary for the District Health Department to return to a Fee Schedule of 'cost-recovery' and for the industries to act in good faith. It is necessary for the Health District to have a high-level of quality services. She does have concerns regarding the District having the resources to be able to provide "good quality customer service."

Ms. Ratti stated, if the District wasn't achieving the full cost recovery, as noted, she would question "if the Health District losing the \$230,000" if fees are not increased.

In response to Ms. Ratti

Ms. Cooke

Advised the fees are calculated "based on current activity level(s); therefore, if the current activity level declines or increases the fees decrease or increase, respectively. As noted in Staff's report a 3% cap in fees would result in a decrease in revenue for Air Quality Management.

She would clarify that the Board could not vote to "retain the current Fee Schedule as is; that the Board can stipulate 'no increases'; however, there are fees which are proposed to be decreased, which would have to be approved. This will result in a greater decrease than the \$262,000, as the projected \$262,000 in revenues incorporated both the increase and decrease to the fees; therefore, it will be a greater negative fiscal impact than the \$262,000."

In response to Mr. Gustin

Regarding maintaining the fees "as is", Ms. Leslie Admirand, Deputy District Attorney, advised that the Board "would have to accept the proposed reductions in fees" as recommended in the proposed Fee Schedule. Fees are based upon the actual costs and for some fees the actual costs to provide those services decreased.

MOTION: Mr. Gustin moved, seconded by Ms. Jung, that the District Board of Health defer any decision on the adoption of the proposed increases to the Health District's Fee Schedule for six (6) months (until September 2011). It was further ordered that the fees recommended for decrease, be approved and adopted, as outlined.

Mr. Gustin

Stated his rationale is "the District Board of Health can reconsider the Fee Schedule during the September meeting; that the Board will be then be conducting the annual Strategic Planning Session in October, at which time the Board can discuss further discuss the fee structure."

Ms. Cooke

Requested clarification as to the intent of the motion and implementation of the Fee Schedule "whether it would be for the next Fiscal Year or if the Board's direction would be for her" to present a proposed Fee Schedule based on the methodology and current actual costs at the time in September. In September collective bargaining will be completed and health insurance rates

established there "will be different indirect cost rates effective July 1"; therefore, the Board would have to determine as to whether to implement the Fee Schedule mid-year." She will have to work with Technology Services for implementation of any changes; that the determination regarding the Fee Schedule affects partners that collect fees on behalf of the Health District.; therefore, a decision at the Strategic Planning Retreat in October may not allow for implementation of revisions to the Fee Schedule by January 2012.

Stated, she understands the motion to be: "the fees, which were scheduled for increase, will remain at the current level; that the fees recommended for reduction will be approved; that Staff will advise the Board as to how that will affect the overall Health Fund budget."

Ms. Jung

Reiterated, "the industry representatives need to 'get the word out' regarding the fees not being increased; that the Builders Association is a national organization to generate the synergy necessary to improve conditions in Washoe County and save employee jobs."

Mr. Sack, Director, Environmental Health Services

Stated, it is important to remember "that for the past two (2) years the EHS Division has accepted "very dramatic fee decreases; that last year the fees in EHS were decreased by approximately 20%. He is not attempting to discourage the Board's motion; that in taking credit regarding encouraging economic development, it should also be noted that for the past two (2) years, Health District fees have been decreased."

Ms. Ratti

Stated "it makes absolute sense to have the rationale process that connects 'true costs to the delivery of services"; however, if the Health District fees "are varying that much, she would request a review of how the Health District determines its fees during the Strategic Planning Session."

Ms. Brown

Stated, a review of the "Revenue Enhancement Stabilization one of the goals is to establish a fee policy, including fee processing; that this currently does not exist." There is a guideline, which Staff utilizes in this process; that a policy would allow the Board to establish parameters to determine

variables; that the parameters could be established in such a policy. The Board could "establish that process during the Strategic Retreat in October."

Ms. Ratti

Stated the Board may consider reviewing the Fee Schedule "with an in-depth assessment every three (3) to five (5) years with a Consumer Price Index (CPI) adjustment during the interim years; that this could provide some stability."

In response to Ms. Ratti

Ms. Brown stated the "entire process could be reviewed from a policy perspective."

Mr. Gustin

Stated, as Ms. Ratti indicated, he has a concern regarding staffing levels and the District's ability to respond effectively to the demand for services (i.e., day-to-day duties compared to a mass outbreak). "The greatest challenge will be the amount of people being served versus meeting the public needs."

There being no one else wishing to speak either in favor of or in opposition to the Washoe County Health District Department Fee Schedule, the Public Hearing was closed.

**MOTION: Mr. Gustin moved, seconded by Ms. Jung, that the District Board of Health defer any decision on the adoption of the proposed increases to the Health District's Fee Schedule for six (6) months (until September 2011). It was further ordered that the fees recommended for decrease, be approved and adopted, as outlined.
Motion carried with Dr. Khan voting "no".**

WASHOEC COUNTY HEALTH DISTRICT – 2011 LEGISLATIVE BILL TRACKING REPORT – POSSIBLE DIRECTION TO STAFF

Ms. Brown

Stated the Board members have been provided with an updated to the Health District's Bill Tracking document (a copy of which was placed on file for the record). Ms. Hadayia will be

providing an update to the Board and the Division Directors are present to provide an update to the Board and the Division Directors are available should the Board have questions regarding any Bill.

Advised, as she noted during the Budget update, she did testify in opposition to the Health and Human Services Budget issues; and, as requested by the Board last month, Dr. Todd did testify in regard to the AB 98.

Ms. Jennifer Hadayia, Public Health Program Manager

Advised AB 218 is a Bill which "would exempt bottled water from the sales tax and use exemption resulting in bottled water being taxable. Staff is not submitting a recommendation on the initial Bill; however, Staff will be submitting a recommendation "on an amendment to the Bill, which is anticipated; that the amendment pertains to a tax on sugar-sweetened beverages." Increasing prices on sugar-sweetened beverages is a "best practice similar to tobacco price increases." This amendment is not a certainty; however, it is being proposed by community partners; therefore, she wanted to apprise the Board of "this opportunity to improve public health through the increase of items, which are known to be detrimental to nutrition."

In response to Mr. Gustin

Regarding, the "approximately 700 Bills being introduced on Monday, Ms. Hadayia advised that Monday was the Bill introduction deadline for individual Legislator Bills. The Bill introduction for Committee Bills is Monday, March 28, 2011; that she would anticipate a large number of Bills being proposed next Monday, also. She is unaware of the exact number of Bills, which were introduced on Monday; however, "the number of Bill drafts still proposed is 1200+."

Ms. Brown stated that she would thank Ms. Smith for her efforts; that the Health District receives five to seven (5 – 7) Bills each day, which she reviews and forwards to the appropriate Staff member for comment. Staff is focusing only on those Bills which are "clear, direct impact to programming and public health." She would recommend the Board accept the Report in support of Staff's efforts.

MOTION: Mr. Gustin moved, seconded by Ms. Ratti, that the March 2011 Legislative Tracking Report be accepted as presented.
Motion carried unanimously.

STAFF REPORTS AND PROGRAM UPDATES

A. Director – Epidemiology and Public Health Preparedness

Dr. Randall Todd, Director of Epidemiology and Public Health Preparedness, presented his monthly Division Director's Report, a copy of which was placed on file for the record.

Dr. Todd displayed the poster for the upcoming "Agroterrorism and Community Preparedness" seminar being promoted by the Health District for Staff, MRC volunteers and community partners as part of National Public Health Week. Advised "there is not a great amount of food grown locally; therefore, the grocery stores and restaurants 'maybe' maintain approximately a three (3) day supply." Should an agroterrorism event occur (even in another state), which interrupted the ability of residents to receive food it could have tremendous impacts. This seminar is being provided through Public Health Preparedness funds. The seminar is scheduled for Tuesday, April 5, 2011, in the County Commission Chambers beginning at 9:00am; that seating is limited to fifty (50).

B. Director – Community and Clinical Health Services

Mr. Steve Kutz, Acting Division Director, Community and Clinical Health Services, presented the monthly CCHS Division Director Report, a copy of which was placed on file.

C. Director – Environmental Health Services

Mr. Bob Sack, Director, Environmental Health Services, presented his monthly Division Director's Report, a copy of which was placed on file for the record.

In response to Mr. Gustin

Regarding the individual posing as Health Department food inspectors, Mr. Sack advised that this activity has been occurring for "awhile; that the majority of incidents have involved ethnic restaurants receiving telephone calls from out-of-state." Although those telephone calls have been from California and some from Florida, Staff believes it is the same individual described as "someone with a heavy accent"; that the restaurant personnel become suspicious; that the individual identifies himself as a Washoe County Health District employee and advises he will be inspecting the facility the next day and attempt to schedule an appointment. In one incident the individual requested a credit card number; that Staff did wait on-site at a couple of the locations for the individual; however, no one showed." Staff has been "in contact with law enforcement regarding these calls; that it is difficult as the calls originate from out-of-state." The problem, which

has resulted from these calls, is it has made it difficult for Staff to prove "they are from the Health District. Staff conducts 'unannounced' inspections"; therefore, "Staff is questioned as to who they are."

In response to Ms. Ratti

Regarding this occurring previously, Mr. Sack advised that "in the City of Reno an individual was arriving at businesses, posing as a building inspector; and would steal employees' purses" while pretending to conduct an inspection. This is a component of Staff having to prove credibility.

D. Director – Air Quality Management

Mr. Kevin Dick, Director, Air Quality Management, presented his monthly Division Director's Report, a copy of which was placed on file for the record.

Mr. Dick advised that in January and February the AQM Division has issued twenty-one (21) new Authorities to Construct as compared to forty (40) issued throughout all of 2010.

E. Administrative Health Services Officer

There was no Administrative Health Services Officer Report this month.

F. Interim District Health Officer

Ms. Mary-Ann Brown, Interim District Health Officer, presented her Interim District Health Officer's monthly Report, a copy of which was placed on file for the record.

Ms. Brown

Stated, to provide an introduction as the Interim Health Officer, she has met with Mr. Shaun Carey, Sparks City Manager; that she will be rescheduling a meeting with the new Interim Reno City Manager; and she has met with Ms. Bonnie Weber, Washoe County Commissioner, providing an overview of the Health District.

Stated, as she has advised the Board, she is a member of the Washoe County Multi-EMS Stakeholders Task Force; that the Task Force has held its third meeting; that the Task Force anticipates completing the work within one (1) to two (2) more meetings. The Task Force will have the criteria as requested for presentation to the Board of County Commissioners; that he process "is going fairly well with lots of engagement by the stakeholders."

Ms. Ratti was excused at 3:25 pm.

VOLUNTEER AGREEMENT – MEDICAL INDIVIDUALS – MEDICAL RESERVE CORPS –
PROVISION OF LIABILITY COVERAGE

Ms. Brown

Advised she has conferred with the County and other stakeholders regarding the County's Volunteer Agreement; that "all volunteers for Washoe County are required to utilize this same Agreement, as the language in the Agreement has established the 'level of risk' the organization is willing to take." Advised that the insurance policy the Health District "obtained to improve the coverage for the types of activities of the Medical Reserve Corps (MRC) volunteers has no impact on the Volunteer Agreement, as it offers protection related to the County and does not provide any additional protection to the volunteers." Stated, having the additional insurance coverage "does not allow for the amending of the County's volunteer agreement", as was discussed as a possibility. In conferring with Mr. David Watts-Vial, Deputy District Attorney, who developed the County's Volunteer Agreement form, he did indicated "should the Health District determine the MRC is unable to recruit any physician volunteers or this Agreement is an impediment to the success of the MRC Program, the Health District should discuss this with the Board of County Commissioners, the County's Risk Manager and the Board of Health regarding "how much risk [the Health District] is willing to take. It may be the determination the [Health District] is willing to assume more risk for the MRC Program to be successful and amend the Agreement." She met with Mr. John Sherman, Washoe County Risk Manager, "he advised the [Health District] could assume more risk"; however, she indicated "she wouldn't be willing to assume any more risk than legal counsels wants to take."

The current Volunteer Agreement is established to minimize risk(s); that should the Health District request amending the Volunteer Agreement it would be necessary for both the Health District and the Board of County Commissioners agree to additional risk. Currently "the MRC does not have a large group of physicians"; therefore, she and Dr. Todd "have committed to meet with the Medical Society and talk with groups of physicians to discuss recruitment; and to conduct a focus group to determine how the physicians view the Agreement." Should it be determined the MRC cannot

recruit an adequate number of physicians she and Dr. Todd will attempt to determine "if the Agreement is a barrier to the number of physicians the MRC would require." Advised Staff will provide the Board with an update after the recruitment and discussions with the Medical Society and physician groups. Should it be necessary Staff will proceed with the "task of trying to amend the Agreement because it does not meet the needs of the public."

In response to Mr. Gustin

Regarding "liability caps", Ms. Admirand advised there is a \$100,000 liability cap.

Dr. Todd

Advised the "disagreement the physicians with whom Staff has discussed this Agreement is in regard to specific words in the Agreement: The Agreement stipulates '...you will not be compensated...', which as volunteers the physicians do not expect to be compensated; that the Agreement stipulates "...you are protected from liability by provisions of both State Law and Federal Law."; that the Agreement then "describes under what circumstances a physician would lose those protections, including willful misconduct, gross negligence; that these are issues a physician's malpractice insurance would also not cover. The physicians would be covered for regular malpractice and regular negligence; that the Agreement indicates those items, which if done, would result in the physician losing his/her State or Federal liability protection. The language, which the physicians have determined are problematic are: *...including, but not limited to...*" There is a consensus "among a number of the physicians that this language could result in them being held liable for almost anything." Advised that "this language may or may not be accurate; and the County may or may not decided to do that"; however, those "words are in the Agreement and the District Attorney's Office has been adamant that the language must remain." In discussing the Agreement with the District Attorney's Office, Mr. Watts-Vial questioned he and Ms. Brown 'as to the percentage of physicians who have refused to sign'; that the percentage is 50%; however, that is based upon a small number of physicians whom Staff has approached." One of the reasons Staff has not approached a greater number of physicians is due to the concern expressed regarding this language in the Agreement and the possibility of addressing the concerns through the additional insurance. As Ms. Brown advised, the additional insurance "did not address the concerns specific to the language of the Agreement.

As Ms. Brown advised, it was the determination he and Ms. Brown would contact the Medical Society to approach a large number of physicians, being aware the majority "are not in a position to volunteer"; however, it would provide a perspective from the medical community as to whether the language is an impediment or not. He and Ms. Brown will report back to the Board after that presentation with the Medical Society.

Ms. Jung

Thanked Ms. Brown and Dr. Todd for addressing this issue; that "she has been requesting a resolution to this issue for three and a half years; that a determination can be made with the real data."

BOARD COMMENT

Mr. Gustin

Questioned, if the Health District would be reimbursed the proposed \$14,000 in costs associated with the Health District having to provide the food inspections at the institutions of higher education, as the food inspections of these facilities would be intensive.

In response to Mr. Gustin

Mr. Sack

Advised, State Law exempts "any State facilities" from the Health District's Regulations; however, the State Health Division is proposing transferring the responsibility of conducting the inspections at those State facilities or the Health District be required to "pay the State for the State performing those inspections." This effort pertains to facilities of higher education, which are State facilities and not School District facilities.

In response to Ms. Jung

Regarding the recent death of an infant and if there had been a Home Visiting Nurse connection, if Hospice was involved, or any "Washoe County involvement with this infant", Ms. Brown advised that "she does not believe the issue can be discussed due to the law enforcement investigation."

In response to Ms. Jung, Ms. Admirand advised that that issue cannot be discussed until after the investigations are completed; that it could be agendized at a later date.

There being no further business to come before the Board, the meeting was adjourned at 3:50 pm.



MARY-ANN BROWN, RN, MSN
INTERIM HEALTH OFFICER/SECRETARY



JANET SMITH
RECORDER