



SENECA
HEALTHCARE DISTRICT
BYLAWS

A public entity providing healthcare services

Revised 12/23/2009

9/1/2019 - In process of updating

BYLAWS OF SENECA HEALTHCARE DISTRICT

TABLE OF CONTENTS

PAGE

Article I - Name & Offices.....	1
Article II - Definitions.....	1
Article III - Organization, Powers and Purposes.....	2
3.1 - Organization.....	2
3.2 - Purposes and Powers.....	2
3.3 - Contracts Requiring Bids.....	6
3.4 - Dissolution.....	7
Article IV - Board.....	7
4.1 – General Powers.....	7
4.2 – Operation of Facilities.....	7
4.3 - Rates.....	8
4.4 - Number and Qualification.....	8
4.5 - Election and Term of Office.....	9
4.6 - Vacancies.....	9
4.7 - Resignation or Removal.....	10
4.8 - Compensation.....	10
Article V - Board Meetings.....	10
5.1 - Board Meeting.....	10
5.2 - Regular Meetings.....	10
5.3 - Notice.....	11
5.4 - Members of the Public.....	12
5.5 - Organizational Meeting.....	12
5.6 - Special Meetings.....	12
5.7 - Quorum.....	13
5.8 - Adjournment and Continuance.....	14
5.9 - Public Meetings.....	14
5.10-Medical Staff Representation.....	17
5.11-Disrupted Meetings.....	17
Article VI - Board Committees.....	17
6.1 – Appointment.....	17
6.2 - Standing Committees.....	18
6.3 - Special or Ad Hoc Committees.....	18
6.4 - Additional Consultants.....	18
6.5 - Meetings and Notice.....	18
6.6 - Quorum.....	18
6.7 - Manner of Acting.....	18
6.8 - Tenure.....	18

BYLAWS OF SENECA HEALTHCARE DISTRICT

CONTENTS	PAGE
Article VII - Officers.....	19
7.1 - President.....	19
7.2 - Vice-President.....	19
7.3 - Secretary.....	19
7.4 - Treasurer.....	19
7.5 - Assistant Secretary/Treasurer.....	19
7.6 - Chief Executive Officer.....	19
Article VIII - Medical Staff.....	21
8.1 - Organization.....	21
8.2 - Bylaws.....	21
8.3 - Quality Assurance, Medical Staff Membership and Clinic.....	21
8.4 - Terms and Conditions.....	22
8.5 - Procedure.....	22
8.6 - Appellate Review.....	22
8.7 - Judicial Review.....	22
Article IX - Auxiliary Organizations.....	22
Article X - Amendment.....	22

SENECA HEALTHCARE DISTRICT BYLAWS

BYLAWS OF SENECA HEALTHCARE DISTRICT

ARTICLE I. NAME & OFFICES

The name of this non-profit Healthcare District shall be the Seneca Healthcare District, organized on July 7, 1947. The District is a political subdivision of the State of California organized under the Local Health Care District Law, Division 23 of the Health and Safety Code.

The principal office for the transaction of business for the District is 130 Brentwood Drive, Chester, California, 96020. Branch offices may at any time be established by the Board of Directors at any place within the geographical boundaries of the District as necessary to conduct the business of the District.

ARTICLE II. DEFINITIONS

- 2.1 "Hospital" means Name and Address of Hospital.
- 2.2 "Board" means the Board of Directors of the District.
- 2.3 "District" means the Seneca Healthcare District.
- 2.4 "Facilities" means the Hospital and other health care facilities and services operated by the District, including but not limited to 122 Brentwood Drive, 130 Brentwood Drive, and 199 Reynolds Road.
- 2.5 "Medical Staff" means the organized medical staff of Seneca Healthcare District.
- 2.6 "Practitioner" means a person who is eligible to apply for or who has been granted privileges in the Hospital, or, if applicable, another District Facility. Eligibility is determined pursuant to the Medical Staff bylaws, or, if applicable, the rules and regulations of the Facility.

ARTICLE III.
ORGANIZATION, POWERS AND PURPOSES

- 3.1 **ORGANIZATION.** The District is a political subdivision of the State of California organized under the Local Health Care District Law, Division 23 of the Health and Safety Code.
- 3.2 **PURPOSES AND POWERS.** The District is organized for the purposes described in the Local Hospital District Law, and shall have and may exercise such powers in the furtherance of its purposes as are now or may hereafter be set forth in the Local Health Care District Law and any other applicable statutes, rules or regulations of the State of California. The powers of the District include, but are not necessarily limited to, the following:
- 3.2.1 To purchase, receive, have, take, hold, lease, use and enjoy property of every kind and description within and without the limits of the District, for the benefit of the District and the people served by the District, and to control, dispose of, convey and encumber the same and create a leasehold interest in the same for the benefit of the District.
- 3.2.2 To exercise the right of eminent domain for the purpose of acquiring real or personal property of every kind necessary to the exercise of any of the powers of the District.
- 3.2.3 To employ legal counsel to advise the Board in all matters pertaining to the business of the District, to perform the functions in respect to the legal affairs of the District as the Board may direct for legal advice and assistance in all matters concerning the District.
- 3.2.4 To establish one or more trusts for the benefit of the District, to administer any trust declared or created for the benefit of the District or Facilities, to designate one or more trustees for trusts created by the District, to receive by gift, devise or bequest and hold in trust or otherwise, property of all kinds (including corporate securities) situated in this state or elsewhere, and where not otherwise provided, dispose of the same for the benefit of the District or Facilities.
- 3.2.5 To employ such officers, employees and consultants as the Board deems necessary to carry on properly the business of the District.
- 3.2.6 To prescribe the duties and powers of the officers and employees of the District; to establish such offices as may be appropriate and to appoint Board members or employees to those offices; to determine the number of and appoint all such officers and employees, and to fix their compensation, which officers and employees shall hold their offices or positions at the pleasure of the Board. By resolution, the Board may delegate to its Chief Executive

Officer the power to employ subject to the pleasure of the Board and discharge, such subordinate officers and employees as are necessary for the purpose of carrying on the normal functions of the Facilities and the District.

- 3.2.7 To enter into a contract for the purposes of securing management services for the hospital, the duration of which shall not exceed four years, but which may periodically be renewed upon expiration for not more than four years.
- 3.2.8 To do any and all things which an individual might do which are necessary for and to the advantage of the Facilities for the benefit of the District's residents, or which are necessary to carry out the District's specified powers and purposes.
- 3.2.9 To establish, maintain and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to: outpatient programs, services and facilities; retirement programs, services and facilities; chemical dependency programs, services and facilities; or other health care programs, services and facilities and activities at any location within or without the District, for the benefit of the District and the people served by the District.
- 3.2.10 To acquire maintain and operate ambulances or ambulance services within and without the District.
- 3.2.11 To establish, maintain and operate, or provide assistance in the operation of, free clinics, diagnostic and testing centers, health education programs, acute and outpatient, and such other health care services providers, groups and organizations as are necessary for the maintenance of good physical and mental health in the communities served by the District.
- 3.2.12 To establish and operate, in cooperation with the Medical Staff, a coinsurance plan between the District and the members of the Medical Staff.
- 3.2.13 To establish maintain and carry on its activities through one or more corporations, joint ventures, or partnerships for the benefit of the District.
- 3.2.14 To transfer, either at fair market value or without adequate consideration, any part of its assets to one or more nonprofit corporations to operate and maintain the assets; provided, that any such transfer shall comply with the requirements of Health and Safety Code Section 32121(p), as applicable.
- 3.2.15 To contract for bond insurance, letters of credit, remarketing services and other forms of credit enhancement and liquidity support for its bonds, notes and other indebtedness and to enter into reimbursement agreements, and similar ancillary contracts in connection therewith.

- 3.2.16 To establish, maintain, operate, participate in, or manage capitated health care plans, health maintenance organizations, preferred provider organizations, and other managed health care systems and programs properly licensed by the relevant state agencies, at any location within or without the District for the benefit of communities served by the District; provided, that the District shall not provide health care coverage for any employee of an employer operating within communities served by the District unless specifically authorized by law.
- 3.2.17 To provide a discount, which the Board shall fix from time to time, to (a) members of the Medical Staff, employees of Medical Staff members, and the dependents and (b) to employees and their dependants.
- 3.2.18 To purchase all necessary surgical instruments and hospital equipment and all other property necessary for equipping the Facilities.
- 3.2.19 To purchase such real property, and to erect or rent or equip such buildings or rooms as may be necessary for the Facilities.
- 3.2.20 When the Board determines such action is necessary for the provision of adequate health care services to the communities served by the District, to (a) enter into contracts with healthcare provider groups, community service groups, independent podiatrists, independent dentists, and independent physicians and surgeons for the provision of health care services, (b) provide assistance or make grants to nonprofit provider groups and clinics already functioning in the community, and (c) finance experiments with new methods of providing adequate health care.
- 3.2.21 To contract with licensed physicians and surgeons, dentists, podiatrists, health care provider groups and nonprofit corporations for the rendering of professional health services on such basis as does not result in any profit or gain to the District from the services so rendered and as allows the Board to ensure that fees and charges, if any, are reasonable, fair and consistent with the basic commitment of the District to provide adequate health care to all residents within its boundaries.
- 3.2.22 To contract with licensed physicians and surgeons, dentists or podiatrists for the rendering of professional services in the Facilities, for the purpose of assuring that physicians and surgeons or podiatrists will be on duty in emergency department maintained by the Hospital, on such basis as does not result in any profit or gain to the District from the professional services of such physicians and surgeons. The contract with the podiatrist shall only be for those services, which the podiatrist is licensed to practice pursuant to applicable provisions of the Business and Professions Code.

- 3.2.23 To maintain membership in any local, state or national group or association organized and operated for the promotion of the public health and welfare or the advancement of the efficiency of hospital and health care administration, and in connection therewith pay dues and fees thereto.
- 3.2.24 To provide for the operation and maintenance through tenants of the whole or any part of any facility acquired or constructed by it, and for such purpose may enter into any lease agreement which the Board believes will best serve the interest of the District; provided, that any such lease entered into for the operation of any Hospital shall comply with the requirements of Health and Safety Code Section 32126, as applicable, and shall require the tenant or lessee to conform to and abide by each and all of the provisions of Health & Safety Code Section 32128. No such lease for the operation of an entire facility shall run for a term in excess of 30 years. No such lease for the operation of less than an entire facility shall run for a term in excess of 10 years. If substantial amendments are made to any such lease in connection with the sublease or assignment of that lease, the amendment shall be fully discussed in advance of the Board's decision to adopt the amendments in at least two properly noticed open and public meetings in compliance with section 5.3 of these Bylaws.
- 3.2.25 To (a) guarantee to a physician and surgeon a minimum income for a period of no more than three years from the opening of the physician and surgeon's practice, (b) guarantee purchases of necessary equipment by the physician and surgeon, (c) provide reduced rental rates of office space in any building owned or leased by the District or any of its affiliated entities, or subsidize rental payments for office space in any other buildings, for a term of no more than three years, and (d) provide other incentives to a physician and surgeon in exchange for consideration and upon terms and conditions the Board deems reasonable and appropriate; provided, that the Board shall find that any such arrangement is in the best interests of the public health of the communities served by the District because it will assist in obtaining a licensed physician and surgeon to practice in these communities.
- 3.2.26 To authorize the disposition of any surplus property of the District at fair market value by any method determined by the Board; provided, however, that the Board may donate or sell, at less than fair market value, any surplus property to another local hospital district in California.

- 3.2.27 To change the name of the District, which shall be effective upon the filing of a verified copy of the resolution with the Secretary of State.

3.3 CONTRACTS REQUIRING BIDS.

- 3.3.1 The Board shall let contracts involving any expenditure of more than \$25,000, the threshold amount specified by Health and Safety Code Section 32132 or other applicable law for work to be done or for materials and supplies to be furnished, sold or leased to the District, to the lowest responsible bidder who shall give such security as the Board requires, or else reject all bids; provided, however, that the provisions of this section shall not apply to medical or surgical equipment or supplies, to professional services, to electronic data processing and telecommunications goods and services or to other goods and services for which applicable law provides an exception. As used in this section, "medical or surgical equipment or supplies" includes only equipment or supplies commonly, necessarily and directly used by, or under the direction of, a physician and surgeon in caring for or treating a patient in the Facilities.

- 3.3.2 Bids need not be secured for change orders which do not materially change the scope of the work as set forth in a contract previously made if such contract was made after compliance with bidding requirements, and if each individual change order does not total more than five percent of the contract. The Board may adopt bidding policies and procedures, including the delegation of all or a portion of the Board's contracting authority to other officers and employees of the District.

The Board may, without following the bidding provisions of this section, let contracts for work to be done or for materials and supplies to be furnished, sold or leased to the District, if it first determines that an emergency exists warranting such expenditure due to fire, flood, storm, epidemic, or other disaster, and is necessary to protect the public health, safety, welfare or property.

Notwithstanding the foregoing provisions of this section, in lieu of bidding the Board may acquire materials and supplies which cost more than \$25,000, but less than \$50,000, through competitive means, except when the Board determines either that (a) the materials and supplies proposed for acquisition

are the only materials and supplies, which can meet the District's needs, or (b) the materials and supplies are needed in cases of emergency where immediate acquisition is necessary for the protection of the public health, welfare or safety. In such cases, the materials or supplies shall be procured in the manner deemed appropriate by the Board. As used in this section,

"competitive means" has the same meaning as in Section 3.3.3 below.

- 3.3.3 The Board shall acquire electronic data processing and telecommunications goods and services with a cost to the District of more than \$25,000 through competitive means, except when the Board determines either that (a) the goods and services proposed for acquisition are the only goods and services which can meet the District's needs, or (b) the goods and services are needed in cases of emergency where immediate acquisition is necessary for the protection of the public health, welfare or safety. In such cases, the goods or services shall be procured in the manner deemed appropriate by the Board. As used in this section, "competitive means" includes any appropriate means specified by the Board, including, but not limited to, the preparation and circulation of a request for a proposal to an adequate number of qualified sources, as determined by the Board in its discretion, to permit reasonable competition consistent with the nature and requirements of the proposed acquisition. When the Board awards a contract through competitive means pursuant to this section, the contract award shall be based on the proposal which provides the most cost effective solution to the District's requirements, as determined by the evaluation criteria specified by the Board. The evaluation criteria may provide for the selection of a vendor on an objective basis other than cost alone.
- 3.4 DISSOLUTION. Any proposal for dissolution of the District shall be subject to confirmation by the voters of the District in accordance with Cortese-Knox Local Government Reorganization Act of 1985, Government Code Section 56000.

ARTICLE IV BOARD

- 4.1 GENERAL POWERS. The Board is the governing body of the District. All District powers shall be exercised by or under the direction of the Board. The Board is authorized to make appropriate delegations of its powers and authority to officers and employees. The Board shall evaluate the performance of its officers and employees, and also its own performance.
- 4.2 OPERATION OF FACILITIES. The Board shall be responsible for the operation of the Facilities owned, leased or operated by the District, according to the best interests of the public health, and shall make and enforce all rules, regulations and bylaws necessary for the administration, government, protection and maintenance of the Facilities under the Board's management and all property belonging thereto, and may prescribe the terms upon which patients may be admitted thereto. Such rules, regulations and bylaws applicable to the Hospital shall include but not be limited to the provisions specified in Health and Safety Code Section 32128, and shall be in accordance with and contain minimum standards no less than the rules and standards of private or voluntary hospitals. Unless specifically prohibited by law, the Board may adopt other rules, which could be lawfully adopted by private or voluntary hospitals.

- 4.3 **RATES.** The Board shall not contract care for indigent county patients at below the cost for such care. In setting the rates the Board shall, insofar as possible, establish such rates as will permit the Facilities to be operated upon a self-supporting basis. The Board may establish different rates for residents of the District than for persons who do not reside within the District.
- 4.4 **NUMBER AND QUALIFICATION.** The Board shall consist of five (5) members, each of whom shall be a registered voter residing in the District.
- 4.4.1 Except as provided in Sections 4.4.2 and 4.4.3, no person who is a director, policymaking management employee, or medical staff officer of a Hospital owned or operated by the District shall do either of the following:
- a. Possess any ownership interest in any other facility serving the same area as that served by the District hospital of which the person is a director, policymaking management employee, or medical staff officer. For purposes of this Section 4.4.1(a), the possession of an ownership interest, including stocks, bonds or other securities by the spouse or minor children of any person shall be deemed to be the possession or interest of the person.
 - b. Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the District.
- 4.4.2 No person shall serve concurrently as a director of a District Hospital and as a policymaking management employee of any other hospital serving the same area as the District Hospital, unless the boards of directors of each of those hospitals have determined that the situation will further joint planning, efficient delivery of health care services, and the best interests of the areas served by their respective hospitals, or unless the hospitals are affiliated under common ownership, lease, or any combination thereof.
- 4.4.3 No person shall serve concurrently as a policymaking management employee of a District Hospital and as a director of any other hospital serving the same area as the District Hospital, unless the board of directors of each of those hospitals have determined that the situation will further joint planning, efficient delivery of health care services, and the best interests of the areas served by their respective hospitals, or unless the hospitals are affiliated under common ownership, lease, or any combination thereof.
- 4.4.4 Any candidate who elects to run for the office of member of the Board of Directors of the District, and who owns stock in, or who works for any health care facility, which does not serve the same area, served by the District shall disclose on the ballot his or her occupation and place of employment.

4.4.5 For purposes of this Section 4.4, a hospital shall be considered to serve the same area as a District Hospital when more than 5% of the hospital's inpatient admissions are residents of the District.

4.5 **ELECTION AND TERM OF OFFICE.** An election shall be held in the District on the first Tuesday after the first Monday in November in each even-numbered year, at which a successor shall be chosen to each Director whose term shall expire on the first Friday of December following such election. The election of Board members shall be an election at large within the District and shall be consolidated with the statewide general election. The candidates receiving the highest number of votes for the offices to be filled at the election shall be elected thereto. The term of office of each elected Board member shall be four years, or until the Board member's successor is elected and has qualified, except as otherwise provided by law in the event of a vacancy. An orientation shall be provided which familiarizes each new Board member with his or her duties and responsibilities, including the Board's responsibilities for quality care and the Facilities' quality assurance programs. Continuing education opportunities shall be made available to Board members.

4.6 **VACANCIES.**

4.6.1 When a vacancy occurs on the Board of Directors, and except as otherwise specified in Government Code section 1780, the remaining Board members may fill any vacancy on the Board by appointment until the next District general election that is scheduled 130 or more days after the effective date of the vacancy, provided the appointment is made within a period of 60 days immediately subsequent to the effective date of such vacancy and provided a notice of the vacancy is posted in three or more conspicuous places in the District at least 15 days before the appointment is made. In lieu of making an appointment, the remaining members of the Board may within 60 days of the vacancy call an election to fill the vacancy.

4.6.2 If the vacancy is not filled by the Board as specified, or if the Board has not called for an election within 60 days of the vacancy, the Board of Supervisors of the County of Plumas may fill the vacancy within 90 days of the vacancy or the Board of Supervisors may order the District to call an election to fill the vacancy. If within 90 days of the vacancy the remaining members of the Board or the Board of Supervisors have not filled the vacancy and no election has been called for, the District shall call an election to fill the vacancy. If the number of remaining Board members falls below a quorum, at the request of the District's Secretary, or a remaining Board member, the Board of Supervisors of the County of Plumas may waive the 60 day period specified above and make an appointment immediately to fill the vacancy, or may call an election to fill the vacancy. The Board of Supervisors shall only fill enough vacancies to provide the Board with a quorum.

- 4.6.3 Persons appointed to fill the vacancy shall hold office until the next District general election and thereafter until the person elected at such election to fill the vacancy has been qualified, but persons elected to fill the vacancy shall hold office for the unexpired balance of the term of office.
- 4.7 **RESIGNATION OR REMOVAL.** Any Board member may resign effective upon giving written notice to the Chairman, the Secretary or the Board, unless the notice specifies a later time for the effectiveness of such resignation. The term of any member of the Board shall expire if the member is absent from three consecutive regular meetings or from three of any five consecutive meetings of the Board and if the Board by resolution declares that a vacancy exists on the Board. All or any of the members of the Board may be recalled at any time by the voters following the recall procedure set forth in Division 16 of the Elections Code.
- 4.8 **COMPENSATION.** The Board shall serve without compensation except that the Board, by a resolution adopted by a majority vote of the members of the Board may authorize the payment of not to exceed \$100 per meeting for not to exceed five meetings per month as compensation to each member of the Board of Directors. Each member of the Board shall be allowed the member's actual necessary traveling and incidental expenses incurred by traveling and incidental expenses in the performance of official business of the District as approved by the Board.

ARTICLE V.
BOARD MEETINGS

- 5.1 **BOARD MEETING.** A meeting of the Board is any congregation of a majority of the members of the Board at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the Board. A meeting is also the use of direct communication, personal intermediaries or technological devices that is employed by a majority of the members of the Board to develop a collective concurrence as to action to be taken on an item by the members of the Board.
- 5.2 **REGULAR MEETINGS.** Regular meetings of the Board shall be held as follows:
- 5.2.1 The Board's annual organizational meeting shall be held as the last agenda item requiring action prior to adjournment at the regular December Board meeting (amended 12/23/09 – Board Resolution #387) at the Hospital's Conference Center or other facility within the District designated by public notice beginning at 3:00 p.m.. In the event the regular meeting date falls on a legal holiday, the meeting shall be held at a time as specified by a resolution of the Board.
- 5.2.2 The Board shall hold regular monthly meetings held at the Hospital Conference Center on the last Thursday of the month, or at a time and

place as the Board shall determine.

5.3 NOTICE.

5.3.1 At least 72 hours before a regular meeting, the Board shall cause to be posted an agenda containing a brief description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. No action shall be taken on any item not appearing on the posted agenda, unless one of the following conditions exists:

- a. The Board has determined, by a majority vote, that an emergency situation exists. An emergency situation, for purposes of these Bylaws, means either: (a) a work stoppage or other activity which severely impairs public health, safety, or both, or (b) a crippling disaster which severely impairs public health, safety, or both.
- b. Upon a determination by a two-thirds vote of the Board, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted.
- c. The item was posted, as required above, for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which the action is being taken.

For purposes of these Bylaws, "action taken" means a collective decision made by a majority of the members of the Board to make a positive or negative decision, or an actual vote by a majority of the members of the Board upon a motion, proposal, resolution or order.

5.3.2 The Board shall give mailed notice of every regular meeting, and any special meeting which is called, at least one week prior to the date set for the meeting, to any person who has filed a written request for such notice with the Board. Any mailed notice required pursuant to this Section shall be mailed at least one week prior to the date set for the meeting to which it applies, except that the Board may give such notice as it deems practical of special meetings called less than seven (7) days prior to the date set for the meeting, or in the case of an emergency meeting, telephonic notice in accordance with Section 5.6.3 below. Any request for notice filed pursuant to this Section shall be valid for one (1) year from the date on which it is

filed unless a renewal request is filed. Renewal requests for notice shall be filed within ninety (90) days after January 1 of each year. The Board may establish by resolution a reasonable annual charge for sending such notice based on the estimated cost of providing such service.

5.4 MEMBERS OF THE PUBLIC.

5.4.1 Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized within Section 5.3. The Board may adopt reasonable regulations to insure that the intent of this section is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. If further public discussion and comment is needed on a particular issue, the Board may vote to allot additional time in the same meeting, or allot time in the agenda for the following meeting.

5.4.2 Members of the public shall not be required, as a condition of attendance at a Board meeting, to register his or her name or provide other information. If an attendance list, register or other similar document is posted or circulated at the meeting, it shall state clearly that the signing, registering or completion of the document is voluntary and that all persons may attend the meeting regardless of whether a person does so.

5.4.3 The Board shall not prohibit public criticism of the policies, procedures, programs or services of the District or the acts or omissions of the Board.

5.5 **ORGANIZATIONAL MEETING.** At its annual organizational Board meeting as specified in section 5.2.1, the Board shall organize by the election of one of its members as President, one as Vice President, one as Secretary. The Board shall also appoint the Treasurer, and Assistant Secretary/Treasurer at the organizational meeting.

5.6 SPECIAL MEETINGS.

5.6.1 A special meeting may be called at any time by the President, or by a majority of the Board members, by delivering personally or by mail, written notice to each Board member and to each local newspaper of general circulation, radio or television station requesting notice in writing. Such notice must be delivered personally or by mail at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at special meetings. Such written notice may be dispensed with as to any Board member who at or

prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

5.6.2 The call and notice shall also be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public. Notice shall be required pursuant to this section 5.6.2 regardless of whether any action is taken at the special meeting.

5.6.3 In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board may hold an emergency meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement, or both requirements. For purposes of this section, "emergency situation" shall have the same meaning as in section 5.3.1(a). In the event the notice and/or posting requirements are dispensed with due to an emergency situation, each local newspaper of general circulation and radio or television station which has requested notice of special meetings shall be notified by the President, or his designee, one hour prior to the emergency meeting, by telephone. All telephone numbers provided in the most recent request of such newspaper or station for notification of special meetings shall be exhausted. In the event that telephone services are not functioning, the notice requirements of this paragraph shall be deemed waived, and the Board, or its designee, shall notify those newspapers, radio stations or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible. Notwithstanding section 5.9, the Board shall not meet in closed session during a meeting called as an emergency meeting. With the exception of the 24-hour notice and posting requirements, all special meeting requirements prescribed in this section shall be applicable to a meeting called due to an emergency situation. The minutes of a meeting called due to an emergency situation, a list of persons who the [Chairman or President], or his designee, notified or attempted to notify, a copy of the roll call vote, and any actions taken at the meeting shall be posted for a minimum of ten days in a public place as soon after the meeting as possible.

5.6.4 Notwithstanding sections 5.3.1, 5.6.2 and 5.4.1, during any year in which such action is authorized by the State Legislature pursuant to Government Code Section 17581, the Board may, by resolution, dispense with the requirements for posting its agenda 72 hours before regular meeting, for posting its agenda 24 hours before special meetings, and for giving the public time to speak on relevant topics.

5.7 **QUORUM.** A majority of the members of the Board shall constitute a quorum for the transaction of business. Except as otherwise provided by law, the act of a majority of

the Board members present at a meeting at which a quorum is present shall be the act of the Board. The Board shall not take action by secret ballot, whether preliminary or final.

5.8 ADJOURNMENT AND CONTINUANCE.

5.8.1 The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If no Board Members are present at a meeting, the clerk may declare the meeting adjourned to a stated time and place and shall cause written notice to be given in the same manner as provided in section 5.6 of these Bylaws for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. .

5.8.2 The Board may continue any hearing being held or noticed or ordered to be held at any meeting to a subsequent meeting by order or notice of continuance provided in the same manner as set forth above for the adjournment of meetings; provided, that if the meeting is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance of hearing shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

5.9 PUBLIC MEETINGS. Meetings of the Board shall be open to the public, except:

5.9.1 The Board may hold closed sessions during a meeting to consider the appointment, employment, evaluation of performance or dismissal of a public employee or to hear complaints or charges brought against such employee by another person or employee unless such employee requests a public hearing. As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of his or her right to have the complaint or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the Board against the employee based on the specific complaints or charges in the closed session shall be null and void. The Board may exclude from that public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the Board. The term "employee" shall include an officer or an independent contractor who functions as an officer or

employee, but shall not include the offices of Board member, President, Vice President or Secretary. During the closed session, the Board shall not discuss or act on an employee's proposed compensation except for a reduction of compensation that results from the imposition of discipline. Any action taken during a closed session regarding the appointment, employment or dismissal of an employee must be reported when the open meeting is resumed or at the next public meeting, along with any roll call vote taken thereon.

- 5.9.2 The Board may hold closed sessions with its designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, and for represented employees, any other matter within the statutorily-provided scope of representation, in order to review its position and instruct its designated representatives. "Employee" shall have the same meaning for this closed session as described in section 5.9.1 above. During the closed session, the Board may include discussion with the District's designated representative concerning the District's available funds and funding priorities, but only as these discussions relate to providing instructions to the designated representative. Closed sessions held pursuant to this section 5.9.2 shall not include final action on the proposed compensation of one or more unrepresented employees.
- 5.9.3 The Board may order that an appellate review hearing pursuant to Article 3 of Chapter 2 of Division 23 of the Health and Safety Code concerning a Practitioner, and hearings on the reports of medical audit or quality assurance committees, be held in private or closed session; provided that an applicant or Medical Staff member whose staff privileges are the direct subject of a hearing may request a public hearing. Deliberations of the Board in connection with such matters may be held in closed session.
- 5.9.4 The Board may hold a closed session with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the District to give instructions to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease. However, prior to the closed session, the Board shall hold an open and public session in which it identifies the real property or real properties which the negotiations may concern and the person or persons with whom its negotiator may negotiate. For the purposes of this section, the negotiator may be a member of the Board. For purposes of this section, "lease" includes renewal or renegotiation of a lease. Nothing in this section shall preclude the Board from holding a closed session for discussions regarding eminent domain proceedings pursuant to Section 5.9.5.
- 5.9.5 The Board may, based on advice of its legal counsel, hold a closed session to confer with, or receive advice from, its legal counsel regarding pending

litigation when discussion in open session concerning those matters would prejudice the position of the District in the litigation. For purposes of this section, litigation shall be considered pending when any of the following circumstances exist:

- a. Litigation to which the District is a party has been initiated formally.
- b.
 - (1) A point has been reached where, in the opinion of the Board on the advice of its legal counsel, based on existing facts and circumstances, there is significant exposure to litigation against the District, or;
 - (2) Based on existing facts and circumstances, the Board is meeting only to decide whether a closed session is authorized pursuant to paragraph (1) of this section.
- c. Based on existing facts and circumstances, the Board has decided to initiate or is deciding whether to initiate litigation.

Prior to holding a closed session pursuant to this section, the Board shall state on the agenda or publicly announce the section of the Government Code under which the closed session is to be conducted. If the session is closed pursuant to section 5.9.5 (a), of these bylaws, the Board shall state the title of or otherwise specifically identify the litigation to be discussed, unless the Board states that to do so would jeopardize the District's ability to effectuate service of process upon one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

For purposes of this section, "litigation" includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator.

- 5.9.6 Except as prohibited by law, the Board may order that a meeting held solely for the purpose of discussion or deliberation, or both, of reports involving hospital trade secrets be held in closed session. Action may not be taken by the Board at any such meeting. "Hospital trade secrets" shall mean a "trade secret" as defined in the California Civil Code, and which also (a) is necessary to initiate a new hospital service or program, or add a hospital facility; and (b) would, if prematurely disclosed, create a substantial probability of depriving a District hospital of a substantial economic benefit. Nothing in this section shall be construed as permitting a closed session for purposes of discussing or deliberating any proposals regarding (a) any sale, conversion, contract for management or leasing of any District Hospital or

the assets thereof; (b) the conversion of any District Hospital to any other form of ownership by the District; or (c) the dissolution of the District.

- 5.9.7 Prior to or after holding any closed session, the Board must disclose, in open session, the item or items to be discussed in the closed session. The Board may use the recommended closed session agenda descriptions contained in the Brown Act (Government Code Section 54954.5). The disclosure may take the form of a reference to the item or items as they are listed by number or letter on the agenda. Only those matters covered in the agenda can be considered in the closed session. In the case of special, adjourned and continued meetings, the statement of the general reason or reasons for the closed session must be made a part of the notice provided for the special, adjourned or continued meeting. After any closed session, the Board shall reconvene into open session prior to adjournment and shall make any disclosures required by Section 54957.1 of the Government Code (final actions). Nothing in this section shall require or authorize the giving of names or other information, which would constitute an invasion of privacy or otherwise unnecessarily divulge the particular facts concerning the closed session.
- 5.10 **MEDICAL STAFF REPRESENTATION.** The Medical Staff of the Hospital shall have the right of representation at all meetings of the Board, except closed sessions at which such representation is not requested, by and through the Chief of the Medical Staff, who shall have the right of attendance, the right to participate in Board discussions and deliberations, but who shall not have the right to vote.
- 5.11 **DISRUPTED MEETINGS.** In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who were willfully interrupting the meeting, the Board may order the meeting room closed and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. The Board may establish a procedure for readmitting an individual or individuals not responsible for willfully disrupting the orderly conduct of the meeting.

ARTICLE VI. BOARD COMMITTEES

- 6.1 **APPOINTMENT.** All committees, whether standing or special (ad hoc) shall be appointed by the President. The chairman of each committee shall be appointed by the President. All committees shall be advisory only to the Board unless otherwise specifically authorized to act by the Board.

Revised 12/23/2009

- 6.2 **STANDING COMMITTEES.** A standing committee of the Board may be created by resolution or formal action of the Board. There shall be the following standing committees: Long Range Planning, Finance, Ad Hoc, Bylaw.
- 6.3 **SPECIAL OR AD HOC COMMITTEES.** A special or ad hoc committee is an advisory committee composed solely of the members of the Board which are less than a quorum of the Board, which does not have continuing subject matter jurisdiction, and does not have a meeting schedule fixed by resolution or formal action of the Board. Special or ad hoc committees may be appointed by the President for special tasks as circumstances warrant, and upon completion of the task for which appointed such special or ad hoc committee shall stand discharged.
- 6.4 **ADDITIONAL CONSULTANTS.** A committee chairman may invite additional individuals with expertise in a pertinent area to meet with and assist the committee. Such consultants shall not vote or be counted in determining the existence of a quorum and may be excluded from any committee session.
- 6.5 **MEETINGS AND NOTICE.** Meetings of a committee may be called by the President of the Board, the chairman of the committee, or a majority of the committee's voting members. Meetings and notice of all standing committees, and of any other committee, board or other body, irrespective of their composition, whether permanent or temporary, decision-making or advisory, created by resolution or formal action of the Board, excluding special or ad hoc committees as defined in section 6.3 above, shall be noticed and held in accordance with the requirements of the Brown Act.
- 6.6 **QUORUM.** A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of such committee. Each committee shall keep minutes of its proceedings and shall report periodically to the Board.
- 6.7 **MANNER OF ACTING.** The act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee so meeting. No act taken at a meeting at which less than a quorum was present shall be valid unless approved in writing by the absent members. For special or ad hoc committees, action may be taken without a meeting by a writing setting forth the action so taken signed by each member of the committee entitled to vote.
- 6.8 **TENURE.** Each member of a standing committee shall hold office until the organizational meeting of the Board as specified in Section 5.2.1, and until a successor is appointed. Any member of a committee may be removed at any time by the President, subject to the consent of the Board. A member of the Board shall cease to hold committee membership upon ceasing to be a Board member.

ARTICLE VII.
OFFICERS

- 7.1 **PRESIDENT.** The Board shall elect one of its members as President at the annual organizational meeting, and the President shall hold office until a successor is elected. In the event of a vacancy in the office of President, the Board may elect a new President. The President shall be the principal officer of the District and the Board, and shall preside at all meetings of the Board. The President shall appoint all Board committee members and committee chairmen, and shall perform all duties incident to the office and such other duties as may be prescribed by the Board from time to time.
- 7.2 **VICE PRESIDENT.** The Board shall elect one of its members as Vice President at the annual organizational meeting, and the Vice President shall hold office until a successor is elected. In the absence of the President, the Vice President shall perform the duties of the President.
- 7.3 **SECRETARY.** The Board shall elect one of its members Secretary at the annual organizational meeting, and the Secretary shall hold office until a successor is elected. The Secretary shall provide for the keeping of minutes of all meetings of the Board. The Secretary shall give or cause to be given appropriate notices in accordance with these bylaws or as required by law and shall act as custodian of District records and reports and of the District's seal.
- 7.4 **TREASURER.** The Board shall appoint a Treasurer who shall serve at the pleasure of the Board. The Treasurer shall be charged with the safekeeping and disbursement of the funds in the treasury of the District.
- 7.5 **ASSISTANT SECRETARY/TREASURER.** The Board shall appoint an Assistant Secretary/Treasurer who shall serve at the pleasure of the Board. The Assistant Secretary/Treasurer shall act in the absence of the Secretary or Treasurer in performing their duties.
- 7.6 **CHIEF EXECUTIVE OFFICER.** The Board shall select and employ a Chief Executive Officer, who shall report to the Board. The Chief Executive Officer shall be responsible for all subsections of this section:
- 7.6.1 Implementation of policies adopted by the Board. By working with standing and special committees of the Board and joint committees of the Medical Staff of the Hospital, the Chief Executive Officer is to participate in the elaboration of policies which provide the framework for patient care of high quality at reasonable cost.
- 7.6.2 Maintaining District records and minutes of Board and committee meetings.
- 7.6.3 Overall operation of the District and its Facilities. This includes responsibility for coordination among the Facilities to avoid unnecessary

duplication of services, facilities and personnel, and control of costs. This also includes responsibility for sound personnel, financial, accounting and statistical information practices, such as preparation of District budgets and forecasts, maintenance of proper financial and patient statistical records, collection of data required by governmental and accrediting agencies, and special studies and reports required for efficient operation of the District.

- 7.6.4 Coordination of community relations activities, including, as indicated, public appearances and communications with the media.
- 7.6.5 Assisting the Board in planning services and facilities and informing the Board of governmental legislation and regulations and requirements of official agencies and accrediting bodies, which affect the planning and operation of the Facilities, and maintenance of appropriate liaison with government and accrediting agencies, and implementing actions necessary for compliance.
- 7.6.6 Hiring and termination of all employees of the District. To the extent the Chief Executive Officer deems appropriate, the Chief Executive Officer shall delegate to management personnel in the Facilities the authority to hire and terminate Facility personnel.
- 7.6.7 Administering professional contracts between the District and Practitioners.
- 7.6.8 Providing the Board and its committees with adequate staff support.
- 7.6.9 Sending periodic reports to the Board and to the Medical Staff on the overall activities of the District and the Hospital or other Facilities, as appropriate, as well as pertinent federal, state and local developments that effect the operation of District Facilities.
- 7.6.10 Providing liaison among the Board, the Medical Staff, and the personnel employed in the Facilities.
- 7.6.11 The maintenance of adequate insurance or self-insurance covering the physical properties and activities of the District.
- 7.6.12 Designate other individuals by name and position who are, in the order or succession, authorized to act for the Chief Executive Officer during any period of absence.
- 7.6.13 Such other duties as the Board may from time to time direct.

ARTICLE VIII.
MEDICAL STAFF

- 8.1 **ORGANIZATION.** There shall be a Medical Staff organization for the Seneca Healthcare District with appropriate officers and bylaws and with staff appointments on a biennial basis. The Medical Staff of Seneca Healthcare District shall be self-governing with respect to the professional work performed in the Hospital. Membership in the Medical Staff organization shall be a prerequisite to the exercise of clinical privileges in the Hospital, except as otherwise specifically provided in the Medical Staff bylaws.
- 8.2 **BYLAWS.** The Medical Staff shall propose and adopt by vote bylaws, rules and regulations for its internal governance, which shall be subject to, and effective upon, Board approval, which shall not be unreasonably withheld. The bylaws, rules and regulations shall be periodically reviewed for consistency with Hospital policy and applicable legal or other requirements. The bylaws shall create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staff by the Board. The bylaws, rules and regulations shall state the purpose, functions and organization of the Medical Staff and shall set forth the policies by which the Medical Staff exercises and accounts for its delegated authority and responsibilities. The bylaws, rules and regulations shall also establish mechanisms for the selection by the Medical Staff of its officers, departmental chairmen and committees.
- 8.3 **QUALITY ASSURANCE, MEDICAL STAFF MEMBERSHIP AND CLINICAL PRIVILEGES.** Membership on the Medical Staff shall be restricted to Practitioners who are competent in their respective fields, worthy in character and in professional ethics, and who are currently licensed by the State of California. The bylaws of the Medical Staff may provide for additional qualifications for membership and privileges, as appropriate. The Board shall require, after considering the recommendation of the Medical Staff, the conduct of specific review and evaluation activities to assess, preserve and improve the overall quality and efficiency of patient care in the Hospital. The Board shall also require mechanisms to assure the provision of one level of care in each Hospital, and to assure that patients with the same health problem are receiving a consistent level of care. The Board, through the Chief Executive Officer, shall provide whatever administrative assistance is reasonably necessary to support and facilitate these activities. The Board hereby delegates to the Medical Staff the responsibility and authority to carry out these activities including the investigation and evaluation of all matters relating to Medical Staff membership status, clinical privileges and corrective action. The Medical Staff shall forward to the Board specific written recommendations with appropriate supporting documentation that will allow the Board to take informed action. Final action on all matters relating to Medical Staff quality assurance, membership status, clinical privileges and corrective action shall be taken by the Board after considering Medical Staff recommendations. The Board shall utilize the advice of the Medical Staff in granting and defining the scope of clinical privileges to individuals, commensurate with their qualifications, experience, and present capabilities. If the Board does not concur with a Medical Staff recommendation

relative to any Medical Staff appointment, reappointment or termination of appointment and granting or curtailment of clinical privileges, there shall be a review of the recommendation by a conference of two Directors and two members of the Medical Staff, before the Board renders a final decision. No applicant shall be denied Medical Staff membership and/or clinical privileges on the basis of sex, race, creed, color or national origin, or on the basis of any other criterion lacking professional justification.

- 8.4 **TERMS AND CONDITIONS.** The terms and conditions of membership status in the Medical Staff, and of the exercise of clinical privileges, shall be as specified in the Medical Staff bylaws.
- 8.5 **PROCEDURE.** The procedure to be followed by the Medical Staff and the Board in acting on matters of membership status, clinical privileges, and corrective action, shall be specified in the Medical Staff bylaws.
- 8.6 **APPELLATE REVIEW.** Any adverse action taken by the Board with respect to a Practitioner's Medical Staff status or clinical privileges, shall, except under circumstances for which specific provision is made in the Medical Staff bylaws, be subject to the practitioner's right to an appellate review in accordance with procedures set forth in the Medical Staff bylaws.
- 8.7 **JUDICIAL REVIEW.** Section 1094.6 of the California Code of Civil Procedure shall govern the rights of any person aggrieved by the final decision of the Board, either with respect to a decision pertaining to a Medical Staff issue or any other issue whatsoever upon which the Board may act.

ARTICLE IX.
AUXILIARY ORGANIZATIONS

The Board may authorize the formation of auxiliary organizations to assist in the fulfillment of the purposes of the District. Each such organization shall establish its bylaws, rules and regulations, which shall be subject to Board approval and which shall not be inconsistent with these bylaws or the policies of the Board.

ARTICLE X.
AMENDMENT

These Bylaws may be amended or repealed by vote of at least three members of the Board at any Board meeting. Such amendments or repeal shall be effective immediately, except as otherwise indicated by the Board.

SECRETARY'S CERTIFICATE

I, the undersigned, the duly appointed, qualified and acting Secretary of the Board of Directors for the Seneca Healthcare District, do hereby certify that attached hereto is a true, complete and correct copy of the current Bylaws of Seneca Healthcare District, duly adopted by the Board of Directors on May 6, 1999 and amended December 23, 2009.

Dated: May 6, 1999

Reviewed and Revised

Dated: December 23, 2009



Ronald Longacre, Secretary

RESOLUTION NO 387

SENECA HEALTHCARE DISTRICT

Resolution providing for a change in the Seneca Healthcare District By-laws, section 5.2.1 specifying the scheduling of the Organizational Board Meeting.

At a duly called meeting of the Board of Directors (the Board) of the SENECA HEALTHCARE DISTRICT held on the 23rd day of December, 2009 at 3:00 p.m., there were, at all times present the following members constituting a quorum of the Board: Dennis Williams, Ron Longacre and David Slusher, Jr.

At said meeting, David Slusher, Jr. moved the adoption of the following Resolution:

WHEREAS, Section 5.2.1 of the Seneca Healthcare District By-laws specifies the last Thursday of December to be the date of the annual Organizational meeting and

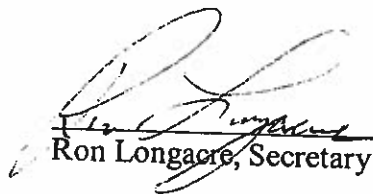
WHEREAS, the last Thursday of December often falls on or near a holiday,

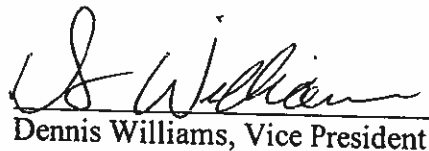
BE IT RESOLVED the Seneca Healthcare District By-Laws section 5.2.1 be amended to allow the Annual Organizational meeting to appear as the last agenda item requiring action prior to adjournment at the regular December Board meeting.

AYES: Dennis Williams, Ron Longacre, David Slusher, Jr.

NOES: None

ABSENT: Bill Howe, Rich Rydell


Ron Longacre, Secretary


Dennis Williams, Vice President

12/23/09
Date

