

SNOHOMISH COUNTY PUBLIC HOSPITAL DISTRICT NO. 3
RESOLUTION NO. 471

A RESOLUTION ADOPTING BYLAWS IN THE
FORM ATTACHED HERETO AS EXHIBIT "A"
AND REPEALING RESOLUTION NO. 458

WHEREAS, Snohomish County Public Hospital District No. 3 (the "District") is a municipal corporation organized and existing under the laws of the State of Washington; and

WHEREAS, RCW 70.44.050 requires the District to adopt rules governing the transaction of its business; and

WHEREAS, the Board of Directors of District wish to update their rules and regulations;
NOW, THEREFORE

BE IT RESOLVED by the Commission of Snohomish County Public Hospital District No. 3, as follows:

Section 1. The By-Laws attached hereto as Exhibit "A" be and the same are hereby adopted and approved as the By-Laws of Public Hospital District No. 3, effective immediately.

Section 2. Resolution No. 458 be and it hereby is repealed, effective immediately.

ADOPTED and APPROVED by the Commission of Snohomish County Public Hospital District No. 3, Snohomish County, Washington, at an open public meeting thereof held in compliance with the requirements of the Open Public Meeting Act this 19th day of July, 2017, the following Commissioners being present and voting in favor of this Resolution.

Timothy Cavanagh

Steve Peterson

John Mero

Tina Davis

Margo Powell

ATTEST:

Secretary of the Board

**BY-LAWS
OF
PUBLIC HOSPITAL DISTRICT NO. 3**

**SNOHOMISH COUNTY
WASHINGTON**

**ARTICLE 1.0
FORMATION AND PURPOSE**

Public Hospital District No. 3, Snohomish County, Washington, "the District" is a municipal corporation that was created in 1965 to provide hospital and other health care services to the residents of the District and other persons. The activities of the District are to be conducted in conformity with the Constitution and Laws of the State of Washington, including Chapter 70.44 of the Revised Code of Washington. These By-Laws are adopted in furtherance of the lawful purposes of the District, and to facilitate the governing of its hospital and other health care facilities. The District shall utilize Public Hospital District No. 3, Snohomish County as its assumed name, together with such other assumed names as shall from time to time serve a proper business purpose.

**ARTICLE 2.0
BOARD OF COMMISSIONERS**

Section 2.1 Qualification and Election. No person shall be eligible to be elected to the office of Public Hospital District Commissioner ("Commissioner") unless he/she resides within the boundaries of the District, and is a qualified voter. All Commissioners shall be elected and serve in the manner and for the term prescribed by law.

Section 2.2 Organization and Officers of The Board of Commissioners. The Board of Commissioners ("the Board") shall at its first regular meeting in each calendar year organize by the election from its own members a President and Secretary. The election shall be by a majority vote of the Commissioners. The terms of both officers shall be for one year.

2.2.1 The President shall act as the presiding officer at meetings of the Board and shall execute on behalf of the District all contracts, agreements, and other documents and papers duly authorized by the Board that may require his/her signature.

2.2.2 The Secretary shall prepare, or cause to be prepared, minutes of all regular and special meetings of the Board, shall sign the same and shall keep them in a proper book for that purpose. In the absence of the President, the Secretary shall preside at meetings of the Board.

2.2.3 If a vacancy occurs in either the President or Secretary's office, an election shall take place at the regular meeting of the Board to fill the unexpired term created by the vacancy. All members of the Board, whether elected or appointed, shall be required to take an oath of office in the form prescribed by the laws of the State of Washington.

Section 2.3 Meetings of the Board of Commissioners.

2.3.1 Regular Meetings. The Board shall meet once each calendar month on the **third Wednesday**, at 6:00 P.M. In the event that the regular meeting falls on a holiday, such meeting shall be held on the next business day. Unless the Board selects another location, meetings shall be held at the District's office commonly known as 875 Wesley, Suite 240, Arlington, Washington.

2.3.2 Special Meetings. A special meeting may be called at any time by the President or by a majority of the members of the Board, by delivering personally, electronically, by facsimile or by mail written notice to each member of the Board; and to each local newspaper of general circulation and to each local radio or television station which has on file with the Board, a written request to be notified of such special meeting or of all special meetings. Such notice must be delivered personally, electronically, by facsimile or by mail at least twenty-four (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. Final disposition shall not be taken on any other matter at such meetings of the Board. Such written notice may be dispensed with as

to any member who is actually present at the meeting at the time it convenes, or any member who files a written waiver with the Secretary before the meeting convenes.

The notices provided for herein may be dispensed with only in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the immediate likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of injury or damage.

2.3.3 The Order of Business at meetings of the Board shall be as follows:

2.3.3.1 Regular Meetings:

1. Call to Order
2. Reading and approving of minutes of the last regular meeting and any intervening special meeting.
3. Reports.
4. Consideration of items on agenda or other matters properly before the Board and action thereon.

2.3.3.2. Special Meetings:

1. Call to Order
2. Reading of the notice calling the meeting.
3. Consideration of matters stated in the notice and action thereon.

Section 2.4 Action By the Board. As used herein, "action" means the transaction of the official business of the District by the Board, including but not limited to, 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 when sitting as a body or entity, upon a proposal, motion, or resolution. All action taken by the Board shall be by the motion or resolution recorded in a book or books kept for such purposes, which shall be public records.

All meetings at which action is taken by the Board shall be open and public and all persons shall be permitted to attend any meeting of the Board, except as otherwise provided in this section or by law. The Board shall never adopt any motion or resolution, except in a meeting open to the public; and then only at a regular meeting, duly convened at the prescribed time and place, or at a special meeting of which notice has been given according to the provision of the foregoing section. Any action taken at meetings failing to comply with the provision of this section shall be null and void.

Nothing contained in this section shall be construed to prevent the Board from holding executive sessions during a regular or special meeting to consider the matters authorized by RCW 42.30.110 as now existing or hereinafter amended. Executive sessions are presently authorized, as follows:

- a) To consider matters affecting national security;
- b) To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price;
- c) To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of a decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public;
- d) To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increase cost;
- e) To receive and evaluate complaints or charges brought against a public officer or employee. However, upon the request of such officer or employee, a public hearing or a meeting open to the public shall be conducted upon such complaint or charge;
- f) To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW 42.30.140(4), discussions by the Board of salaries, wages and

other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when the Board elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public.

- g) To evaluate the qualifications of a candidate for appointment to elective office. However, any interview of such candidate and final action appointing a candidate to elective office shall be in a meeting open to the public;
- h) To discuss with legal counsel representing the District matters relating to agency enforcement actions, or to discuss with legal counsel representing the District litigation or potential litigation to which the District, the Board or a member acting in an official capacity is, or is likely to become, a party when public knowledge is likely to result in an adverse legal or financial consequence to the District.

The immediately preceding subsection does not permit the Board to hold an executive session solely because an attorney representing the agency is present. For purposes of this subsection, "potential litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a) concerning:

- (a) Litigation that has been specifically threatened to which the District, the Board, or a member acting in an official capacity is, or is likely to become, a party;
- (b) Litigation that the District reasonably believes may be commenced by or against the District, the Board, or a member acting in an official capacity; or
- (c) Litigation or legal risk of a proposed action or current practice that the District has identified when public discussion of the litigation or legal risk is likely to result in an adverse legal or financial consequence to the District.

Before convening in executive session, the presiding officer of the Board shall publicly announce the purpose for excluding the public from the meeting place, and the time when the executive session will be concluded. The executive session may be extended to a stated later time by announcement of the presiding officer.

Section 2.5 Quorum. A majority of the persons holding the office of Commissioner shall constitute a quorum of the Board for the transaction of the business, and the concurrence of a majority of the persons holding such office at the time shall be necessary and shall be sufficient for the passage of any motion or resolution, but no business shall be transacted, except in usual and ordinary course, unless there are in office at least a majority of the full number of Commissioners authorized by law.

Section 2.6 Committees. The Board may from time to time act as a committee of the whole or appoint such other committees as it may deem necessary or advisable in the conduct of its affairs. The activities of any committees so appointed shall be recorded in written minutes.

Section 2.7 Powers and Duties of the Board of Commissioners. The Board shall always be regarded as the governing authority to which the Superintendent (Administrator) and all other District employees are responsible for the physical condition of the District's facilities, as well as the services of the District. While the authority of the Board may be delegated to the Superintendent (Administrator) as specified in Sections 3.1, or by resolution, any delegation of authority by the Board may be rescinded in its sole direction.

All of the powers authorized in Chapter 70.44 of the Revised Code of Washington may be exercised by the Board in the performance of its duties prescribed therein. Among other things, the Board shall strive to:

2.7.1 Determine the policies of the District in proper relation to community needs.

2.7.2 Provide equipment and facilities consistent with present and future community needs to provide appropriate health care services.

2.7.3 Provide for the sound administration and application of District resources.

2.7.4 Maintain accurate records of District finances and all related activities incident to the faithful discharge of these undertakings, it is recognized that:

2.7.5 The Board's responsibilities include the following:

2.7.5.1 The Board is responsible for the exercise of proper care and judgment in the selection of a qualified Superintendent (Administrator) and other personnel of the District.

2.7.5.2 All appointments must be made exclusively on the basis of merit and competence.

2.7.5.3 No Commissioner should accept any monetary consideration or gratuity by virtue of his/her association with the District, except as authorized by RCW 70.44.050.

ARTICLE 3.0

OTHER OFFICERS

Section 3.1 The Superintendent (Administrator).

3.1.1 **Appointment.** The Board shall select and appoint as Superintendent a competent administrator who shall be its direct representative in the management of the affairs of the District. The Superintendent, sometimes referred to herein as "the Administrator", shall be appointed for an indefinite term, removable at the will of the Board, and shall receive such a salary as the Board shall establish by resolution. The appointment or removal of the Administrator shall be by resolution of the Board, introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote.

3.1.2 **Powers and Duties.** The Superintendent shall be the chief administrative officer of the District. The Superintendent shall be in direct charge with full authority to act, as representative of the Board, and subject to its policies, he/she shall be responsible for the efficient administration of all affairs of the District. In the

performance of his/her duties prescribed by law, all of which shall be faithfully discharged, and not by way of limitation of his authority, the Superintendent shall:

3.1.2.1 Perfect and submit to the Board for approval a plan of organization for the personnel concerned with the operation of the District which shall be periodically reviewed.

3.1.2.2 Prepare annually a budget showing anticipated receipts and expenditures for the ensuing fiscal year which shall be submitted to the Board to allow timely filing and hearing thereon before adoption as required by law.

3.1.2.3 Select, employ, control, and discharge all employees authorized by budget made performance standards.

3.1.2.4 Assure that all buildings, equipment and other facilities are maintained in good repair.

3.1.2.5 Furnish periodic recommendations to the Board with respect to the acquisition, development, and extension of desirable health care facilities, equipment and services.

3.1.2.6 Supervise through the auditor (Chief Financial Officer, Business Manager or Controller) all business affairs including the disbursement of funds, recording of financial transactions, collection of accounts, and purchase and issue of supplies.

3.1.2.7 Submit regularly to the Board reports showing the services and activities of the hospital District, along with any special reports that may be requested by the Board.

3.1.2.8 Prepare an agenda for and attend all meetings of the Board at which he/she may participate in the discussion of matters being considered.

3.1.2.9 Execute on behalf of the District all contracts, agreements, and other documents and papers that he/she may be authorized by resolution of the Board to sign.

3.1.2.10 Undertake on his/her own initiative the performance of such other duties, consistent with law and the policies of the Board, as may be in the interests of the District.

Section 3.2 Auditor.

3.2.1 Appointment. The Board shall appoint as auditor a person experienced in accounting and business practices.

3.2.2 Powers and Duties. The auditor will report regarding the performance of his/her duties directly to the Board. He/she shall verify all expenditures of the District, assist with preparing the annual budget and certify agreements with third party payees.

Section 3.3 Treasurer. The County Treasurer of Snohomish County, Washington, shall be the Treasurer of the District or, in the alternative, the Board by resolution may designate some other person having experience in financial and fiscal matters as Treasurer, subject to the requirement of an adequate bond with an authorized surety company. The Treasurer shall receive and disburse all funds of the District in the manner provided by law and as directed by resolution of the Board to the extent of its lawful discretion.

ARTICLE 4.0 **ADVISORY BOARD**

Section 4.1 Appointment and Organization. An Advisory Board may be appointed by the Board to serve for a term of one (1) year. Members of the Advisory Board may be reappointed to serve one or more additional terms. The duties of the Advisory Board shall be to assist with the development of public relations, public awareness, community responsibility, and provide recommendations to the Board. The total membership of the Advisory Board shall not exceed eighteen (18). The Advisory Board shall be reimbursed for expenses incurred in an official capacity, including attendance and travel to out-of-town meetings of the Board, conferences, and the like.

ARTICLE 5 **RULES AND REGULATIONS**

Section 5.1 All Rules and Regulations and policies of the Board adopted prior to this date, and which are in conflict with the provisions of these By-Laws be, and the same hereby, are amended or repealed to the extent that such rules, regulations, or policies or parts thereof are in conflict therewith.

ARTICLE 6.0 **AMENDMENT**

Section 6.1 These By-Laws may be amended by resolution of the Board introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote.

Section 6.2 If deemed appropriate by the Board, these By-Laws will be reviewed and signed and dated by the Board every two (2) years.

Section 6.3 The adoption of or an amendment to these By-Laws shall require a majority vote of a quorum of the Board.

Section 6.4 Upon the approval of these By-Laws, the previously existing By-Laws shall be repealed.

DULY ADOPTED by the Board of Commissioners of Snohomish County Public Hospital District No. 3 at a regular meeting thereof held on the 19th day of July 2017.

Tina Davis

Tim Cavanagh

Margo Powell

John Meno

Steve Peterson

Adoption Date: _____, 2017
Revised: