

**PUBLIC HOSPITAL DISTRICT NO. 1 OF KLICKITAT COUNTY
AMENDED AND RESTATED DISTRICT BYLAWS**

November 15, 2017

ARTICLE I
FORMATION, AUTHORITY, AMENDMENT

Section 1. Formation. Public Hospital District No. 1 of Klickitat County (the “District”) was created in 1946 by vote of the District residents pursuant to the provisions of Chapter 70.44 RCW.

Section 2. Authority.

(a) The activities of the District shall be conducted in conformity with the Constitution and laws of Washington State, including Chapter 70.44 RCW, as now in effect or hereafter amended.

(b) In the event of any conflict between these Bylaws and Washington State Laws regulating operation of public hospital districts, the latter shall prevail.

(c) These Bylaws shall be known as the “District Bylaws.”

Section 3. Purpose. These District Bylaws are adopted in furtherance of the lawful purposes of the District, including the ownership and operation of health care facilities and to provide health care services for the population served by the District.

Section 4. Review and Amendment. These District Bylaws shall be reviewed at least bi-annually, and may be amended at any time by resolution of a majority vote of the Board of Commissioners (“Board” or “Commissioners”) at a regular meeting, provided that written notice of the proposed amendment is given to all Commissioners at least ten (10) days prior to the date of the regular meeting at which the vote is taken.

ARTICLE II
BOARD OF COMMISSIONERS

Section 1. Organization of Commission

(a) No person shall be eligible to be elected to the office of Commissioner unless he/she is a registered voter within the boundaries of the District. All Commissioners shall be elected and serve in the manner and for the term prescribed by law.

(b) The Board shall consist of five Commissioners.

(c) The Board shall at its first regular meeting of each year organize by the election from its own members of a Chair, Vice-Chair, and Secretary, said election to be by a majority vote of the Board in each case. The terms of the officers shall be for one year, or until a successor is elected, whichever of said dates is earlier.

(d) If a vacancy occurs in the Chair, Vice-Chair or Secretary's office, an election of officers shall take place at the next regular meeting to fill the unexpired term created by the vacancy. A vacant Commissioner position may be filled by the Board in the manner prescribed by law.

(e) All members of the Board, whether elected or appointed, shall be required to take an Oath of Office in the form required by the laws of the State of Washington relating to public officials.

(f) Commissioners, whether elected or appointed, may not be hired as an employee of the District for one year following the completion/termination of his/her term of office.

Section 2. Power and Duties.

(a) The Board shall be the governing body of the District and the superintendent appointed by the Board as specified in Article V, Section 1, shall be responsible to the Board for the efficient administration of all affairs of the District. While the authority of the Board may be delegated to the superintendent as specified in Article V, Section 1, or by resolution, any delegation of authority by the Board may be rescinded in its sole discretion.

All of the powers authorized in Chapter 70.44 RCW or other applicable statute may be exercised by the Board in the performance of its duties prescribed therein. Among other things, the Board shall strive to:

- (i) Act as a body and not as individuals in determining the policies and the purposes of the District in proper relation to community needs; and
- (ii) Provide services, facilities, equipment and personnel to meet the needs of residents within the purposes of the District, and consistent with present and future community needs; and
- (iii) Assure that an appropriate standard of professional care is maintained with due regard for quality of care and effective performance improvement mechanisms; assure that medical staff and personnel possess appropriate current qualifications; and determining in its discretion which kinds of programs shall be considered; and
- (iv) Promote planning and coordinate services with administrative, financial, and community needs, the policies of the District, and the purposes of the District; and
- (v) Provide for the sound administration and application of public funds, adopting annual budgets for the District at the times and in the manner required by law; and

- (vi) Maintain accurate records of District finances and all related activities; and
- (vii) Exercise proper care and judgment in the selection of a qualified superintendent who shall be responsible for implementing policies adopted by the Board; and
- (viii) Evaluate its own performance.

The provisions of the District Bylaws shall prevail over any contrary provision, rule, regulation and/or bylaws of any subordinate, auxiliary, and/or affiliated organization of the District.

Section 3. Meetings.

(a) Regular Meetings. Regular meetings of the Board shall be established for the next calendar year by a schedule of Regular Meetings approved by the Board no later than the last Regular Meeting of the preceding year. If, by reason of fire, flood, earthquake, or other emergency, there is a need for expedited action to meet the emergency, the presiding officer of the governing body may provide for a meeting site other than the regular meeting site and the notice requirements of RCW

42.30 shall be suspended during such emergency. If a Regular Meeting cannot occur for any other reason business may be conducted at a Special Meeting as provided in these Bylaws or may be deferred until the next Regular Meeting.

(b) Special Meetings. A special meeting may be called at any time by the Chair or by a majority of the members of the Board by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the Board. Written notice shall be deemed waived in the following circumstances:

- (i) A member submits a written waiver of notice with the clerk or Secretary of Board at or prior to the time the meeting convenes.
- (ii) A written waiver may be given by telegram, fax, or electronic mail; or
- (iii) A member is actually present at the time the meeting convenes.

Notice of a special meeting shall be delivered to each local newspaper of general circulation and each local radio or television station that has on file with the Board a written request to be notified of such special meeting or all special meetings. Notice of all Special Meetings shall also be posted on the District's website and prominently displayed at the main entrance of the Hospital or meeting site. Special meetings shall be held at the Klickitat Valley Hospital conference room or at such other place as may be designated by the written notice. Such notice must be delivered or posted, as applicable, at least twenty-four (24) hours prior to such meeting.

The call and notices shall specify the time and place of the meeting and the business to be transacted. Final disposition shall not be taken on any other matter at the meeting by the Board.

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

(c) A majority of the Commissioners shall constitute a quorum at all meetings and the approval of any action by the Board shall require the affirmative vote of a majority of the members of the Board. One or more of the Commissioners may participate in the meeting by telephonic means.

(d) The Board may, at its discretion, hold executive meetings, in compliance with the provisions of RCW 42.30.110, RCW 70.44.062 and other applicable provisions of law, as now in effect or hereafter amended.

Nothing contained in these bylaws may be construed to prevent the Board from holding an executive session during a regular or special meeting. RCW 42.30.110(1).

Before convening in executive session, the Chairperson 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 Chairperson of the Board, RCW 42.30.110(2).

An executive session may be held for one or more of the purposes identified below or as otherwise permitted by RCW 42.30.110(1) or other applicable law:

- (i) *To consider matters affecting national security;*
- (ii) *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;*
- (iii) *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 decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public;*
- (iv) *To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs;*
- (v) *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;*
- (vi) *To evaluate the qualifications of an applicant for public employment or to review*

the performance of a public employee. Strategic union discussions may be held in executive session. However, subject to RCW 42.30.140(4), discussion by a governing body 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 a governing body elects to take final action in 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;

- (vii) 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;*
- (viii) 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 regarding the discussion is likely to result in an adverse legal or financial consequence to the District; provided, however, this exception does not permit the Board to hold an executive session solely because an attorney representing the District is present. For purposes of this exception, "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 risks of a proposed action or current practice that the District has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the District;*
- (ix) To conduct meetings, proceedings, and deliberations of the Board, its staff or agents, concerning the granting, denial, revocation, restriction, or other consideration of the status of the clinical or staff privileges of a physician or other health care provided as that term is defined in RCW 7.70.020, if such other providers at the discretion of the Board are considered for such privileges provided that the final action of the Board as to the denial, revocation, or restriction of clinical or staff privileges of a physician or other health care provider as defined in RCW 7.70.020 shall be done in public session, RCW 42.30.110; RCW 70.44.062; and*
- (x) All meetings, proceedings, and deliberations of a quality improvement committee established under RCW 4.24.250, 43.70.510, or 70.41.200 and all meetings, proceedings, and deliberations of the Board of Commissioners, its staff or agents to review the report of the activities of a quality improvement committee established under RCW 4.24.250, 43.70.510, or 70.41.200 may, at the discretion of the quality improvement committee of the Board of Commissioners, be confidential and may be conducted in executive session. Any review conducted by the Board of Commissioners or quality improvement committee, or their staffs*

or agents, shall be subject to the same protections, limitations, and exemptions that apply to quality improvement committee activities under RCW 4.24.240, 4.24.250, 43.70.510, and 70.41.200. However, any final action of the Board of Commissioners on the report of the quality improvement committee shall be done in public session, RCW 70.44.062(2).

(e) *All meetings of the Board shall be open and public in compliance with the Open Public Meetings Act, Chapter 42.30 RCW, and all persons shall be committed to attending the meetings of the Board of Commissioners except as otherwise provided by law and provisions within these Bylaws.*

In the event that any meeting is 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 are interrupting the meeting, the Chair may order the meeting room cleared and continue in session or may adjourn the meeting and reconvene at another location selected by majority vote of the Board. In such a session, final disposition may be taken only on matters appearing on the agenda. 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.

Section 4. Compensation. The Commissioners shall serve with compensation at the rate, as set forth by RCW 70.44.050, as now in effect or hereafter amended, for each day or a portion thereof devoted to the business of the District, except that the total compensation paid to a Commissioner during any one calendar year shall not exceed the limits of RCW 70.44.050. Each Commissioner will be entitled to be covered under any group health and dental insurance maintained by the District for its employees, for the time period the Commissioner serves as a Commissioner of the District. The Commissioners shall be reimbursed for reasonable expenses incurred in connection with business and meetings of the District while away from their place of residence.

Section 5. Order of Business. The order of business at meetings of the Board shall be as follows:

- (a) Regular Meetings:
 - (i) Call to order and approval of agenda
 - (ii) Conflict of Interest Disclosure and Discussion
 - (iii) Public Comment/ Commissioner Comments
 - (iv) Approval of minutes of the last regular meeting and any intervening special meeting and approval of any other matters on any consent agenda
 - (v) Board Education; Special Presentations
 - (vi) Continuing Business
 - (vii) New Business

- (viii) Reports
 - (ix) Consideration of items on the agenda or other matters properly before the Board and action thereon
 - (x) Adjournment
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- (b) Special Meetings
 - (i) Call to order
 - (ii) Conflict of Interest Disclosure and Discussion
 - (iii) Reading of the notice calling the meeting
 - (iv) Consideration of matters stated in the notice and action thereon

Section 6. 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, receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions. “Final action” means a collective 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 motion, proposal, or resolution.

All final action taken by the Board shall be by motion or resolution recorded in a book or books kept for such purposes. Minutes of all regular and special meetings, except executive sessions thereof, shall be promptly recorded and shall be open to public inspection.

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 time and place, or at a special meeting of which notice has been given according to the provisions of this Section 3. Any action taken at meetings failing to comply with the provisions of this Section 3 shall be null and void.

Section 7. Robert’s Rules of Order. The general parliamentary conduct of any meeting shall be governed by Robert’s Rules of Order, provided, further, that:

Nothing in said Rules of Order shall be construed to inhibit the right of the Commissioner serving or acting as the presiding officer to vote, to initiate motions or resolutions, or to exercise any of the other powers vested in such Commissioner by law.

Section 8. Quorum. A majority of the persons holding the office of Commissioner shall constitute a quorum of the Board for the transaction of business, but no resolution shall be adopted or other final action taken without a majority vote of the whole Board.

Section 9. Code of Conduct and Ethics. *The Board commits itself and its members to ethical, professional, and lawful conduct. This includes proper use of authority and appropriate decorum when*

acting as Board members and conformance with the provisions of RCW 42.23.

Board members must represent no conflicted loyalty to the interests of the District. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, memberships to other boards or staffs, and the personal interests of any Board member acting as a consumer of services provided by the District.

Board members will be judicious in their interfacing with District staff and in communicating with others outside of the District on matters related to District governance. Members are expected to be mindful of the perception by others in the conduct of official and non-official personal communications with individuals in the District and external organizations.

ARTICLE III **OFFICERS**

Section 1. Chair. The Chair shall act as the presiding officer at meetings of the Board and shall execute on behalf of the Board all contracts, agreements, and other documents and papers duly authorized by the Board that may require his/her signature.

Section 2. Vice-Chair. The Vice-Chair shall be vested with the same power and authority, and shall perform all the duties of the President, in case of absence of or disability of the Chair, and he/she shall also have such powers and shall perform such other duties as may be assigned to him/her by the Board.

Section 3. Secretary. 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. The Secretary shall have charge of the official seal of the District and shall affix or cause to be affixed such seal to any documents requiring it, attesting the same. In the absence of the Chair and Vice-Chair, the Secretary shall preside at Board meetings.

ARTICLE IV **COMMITTEES**

Section 1. The Commission may from time to time act as a committee of the whole or appoint such committees as it may deem necessary or advisable in the conduct of its affairs or for other purposes it may specify. The activities of any committee so appointed shall be conducted lawfully and be recorded in written minutes. Chairpersons of such committees shall be appointed by the Board to serve for terms not to exceed one year, subject both to removal at the will of the Board and to reappointment in the sole discretion of the Board.

ARTICLE V **APPOINTED OFFICIALS**

Section 1. Superintendent and Chief Executive Officer.

(a) The Commissioners shall select and appoint by resolution introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote, the superintendent and chief executive officer of the District (the "Superintendent," "Chief Executive Officer" or "CEO")

who shall be its direct representative in the management of the District. The CEO shall be appointed for an indefinite term, removable at its will, and shall receive such compensation as the Board shall establish by resolution *and as further provided for under RCW 70.44.080*.

(b) Powers and Duties. The CEO shall be the chief executive and administrative officer of the District and shall have control of the administrative functions of the District. The CEO shall be responsible for the efficient administration of all affairs of the District and shall be in direct charge with full authority to act. He/she may attend all meetings of the District and its committees and take part in the discussion of any matters pertaining to the District, but shall have no vote.

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/her authority, the CEO shall:

- (i) 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;
- (ii) Prepare annually a budget or budgets 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;
- (iii) Select, employ, control, and discharge all employees authorized by the applicable budget, assuring that they are competent to perform their duties and establishing appropriate quality assurance mechanisms;
- (iv) Assure that all buildings, equipment, and other facilities are maintained in good repair;
- (v) Furnish periodic recommendations to the Board with respect to the acquisition, development and extension of desirable facilities, equipment and services;
- (vi) Supervise through the treasurer and auditor all business affairs including the disbursement of funds, recording of financial transactions, collection of accounts and purchase and issue of supplies;
- (vii) Cooperate with staff and secure like cooperation on the part of all those concerned with rendering professional services;
- (viii) Submit regularly to the Board reports regarding the services and financial activities of the District along with any special reports that may be requested by the Board;
- (ix) Prepare agenda for and attend all meetings of the Board at which he/she may participate in the discussion of matters being considered;
- (x) Execute on behalf of the District all such contracts, agreements and other

documents and papers as he/she may deem appropriate within the scope of his/her authority or be authorized by resolution of the Board to sign; and

- (xi) Undertake on his/her own initiate the performance of such other duties, consistent with law and the policies of the Board, as may be in the best interest of the District.

(c) Evaluation. The Commissioners shall perform an evaluation of the CEO's performance at least annually.

Section 2. Auditor. The Board by resolution shall appoint as auditor of the District a person experienced in accounting and business practices. The auditor shall report in the performance of his/her duties directly to the CEO. The auditor shall draw, sign, and issue all warrants for the disbursement of funds of the District upon the orders of, or vouchers approved by, the Board. The auditor shall perform such other duties relating to business affairs of the District, including the recording of financial transactions, collection of accounts, and the routine purchase and issue of supplies, as are assigned by the CEO.

Section 3. Treasurer. The Board by resolution shall appoint and designate a 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, deposit and disburse all funds of the District in the manner provided by law under the supervision of the CEO and as directed by resolutions of the Board to the extent of its lawful discretion.

ARTICLE VI MEDICAL STAFF

Section 1. Appointment, Reappointment and Organization. *The Board shall appoint the members of the medical staff of the hospital biannually after considering recommendations duly submitted in accordance with the Medical Staff Bylaws provided that all initial appointments shall be to cover the period of time until medical staff reappointments are due.*

Such bylaws, rules and regulations governing the appointment, reappointment, organization, liability insurance coverage and activities of the medical staff, including procedures for the assignment, granting, denial, curtailment, reduction or withdrawal and/or termination of staff privileges and the indemnification of the kinds of health care providers eligible to be considered for such privileges or medical staff membership, shall be developed and adopted by the medical staff subject to approval and revision or modification by the Board, which will not be unreasonably withheld. The Board shall assure that the requirements of due process of law are observed, RCW 70.43.010, WAC246-320-185.

Section 2. Powers and Duties. *Mindful that the medical management of each person admitted to the hospital shall be under the care of a member of the medical staff possessing clinical privileges as required by law, such staff also shall have authority and responsibility in the manner prescribed by its bylaws, rules and regulations to:*

- (a) *Evaluate the professional competence of medical staff members and applicants for medical staff privileges;*

- (b) Make recommendations to the Board concerning initial medical staff appointments, reappointments and the assignment or curtailment of medical staff privileges;*
- (c) Establish controls designed to ensure the achievement and maintenance of high standards of ethical and professional practice;*
- (d) Participate in the development of hospital policies relative to the effective use of existing facilities, and provision for the improvement or extension thereof where appropriate, to assure adequate patient care now and in the future;*
- (e) Supervise a medical education program in the hospital and render such other services as the Board of Commissioners may consider desirable to enhance the standards of medical practice in the hospital;*
- (f) Be accountable to the Board for the proper discharge of the duties set forth in this section.*

ARTICLE VII
CONFLICT OF INTEREST

Section 1. Avoidance of Conflicts of Interest. Commissioners, being aware of the fiduciary nature of their positions, shall avoid actions and relationships which could result in a conflict between their private financial interests and their public responsibilities. Commissioners shall not violate the conflict of interest provisions of these District Bylaws, Chapters 42.20 and 42.23 RCW, or any other applicable statute.

Recognizing that even the appearance of impropriety should be avoided, no Commissioner shall:

- (a) Be beneficially interested in or otherwise expect to profit from, directly or indirectly, any contract, sale, lease or purchase made by the District, except as specifically permitted under RCW 42.23.030, as now in effect or hereafter amended, or under other applicable law;
- (b) Accept, directly or indirectly, any compensation, gratuity, favor or award from any party seeking to do business with the District, or in connection with any contract made by the District, other than (i) compensation and reimbursement for expenses as provided by law, or (ii)

compensation in connection with contracts permitted under RCW 42.23.030, as no in effect or hereafter amended, or under other applicable law;

(c) Employ, use or appropriate any District employee, money or property for his/her private benefit;

(d) Hold any office, engage in any employment or occupy any position, public or private, which could create conflicts between the duties, interests and opportunities inherent in such office, employment or position and the Commissioner's public responsibilities as a member of the Board;

(e) Reveal or divulge to any other party, unless authorized by the Board, any confidential information received in the performance of his/her duties as a Commissioner, nor use such information for personal gain.

Any Commissioner, upon discovering or suspecting that he/she has or may have a conflict of interest contrary to the policies and standards set forth in this Section, shall promptly report the same to the Board.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

Section 1. Indemnification. The District shall indemnify and hold harmless to the full extent permitted by applicable law each person who was or is made a party to or is threatened to be made a party to, or is involved (including, without limitation, as a witness) in an actual or threatened action, suit or other proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he/she is or was a Commissioner, officer, employee or agent of the District, or having been such a Commissioner, officer, employee or agent, he/she is or was serving at the request of the District as a director, officer, employee, agent, trustee or in any other capacity of another corporation or of a partnership, joint venture, trust or other enterprise, including services with respect to employee benefit plans, whether the basis of such proceeding is alleged action or omission in an official capacity or in any other capacity while serving as a Commissioner, officer, employee, agent, trustee or any other capacity, against all expense, liability, and loss (including, without limitation, attorney fees, judgments, fines, ERISA excise taxes or penalties in amounts to be paid in settlement) actually or reasonably incurred or suffered by such person in connection therewith. Such indemnification may continue as to a person who has ceased to be a Commissioner, officer, employee or agent of the District and shall inure to the benefit of his/her heirs, and personal representatives.

Section 2. Insurance. The District may purchase and maintain insurance, at its expense, to protect itself and any Commissioner, officer, employee, agent or trustee of the District or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss to the full extent permitted by applicable law.

ARTICLE IX
MISCELLANEOUS

Section 1. Gender and Number. As used in these District Bylaws, personal pronouns shall be interpreted to refer to persons of either gender and relative words whenever applicable to more than one person shall be read as if written in the plural.

Section 2. Titles, Headings and Captions. The titles, headings and captions appearing in these District Bylaws are used and intended for convenience of description or reference only and shall not be construed or interpreted to limit, restrict or define the scope or effect of any provision.

Section 3. Severability. If any provision of these District Bylaws, or its application to any person or circumstance, is held invalid by a court of competent jurisdiction, the remainder of these District Bylaws, or the application of the provision to other persons or circumstances, shall not be affected.

ADOPTED and effective November 15, 2017




Chair and Commissioner



Vice Chair and Commissioner



Secretary and Commissioner



Commissioner



Commissioner