

BYLAWS OF GROSSMONT HEALTHCARE DISTRICT

ARTICLE I. DEFINITIONS

- 1.1 “Executive Director” means the District’s chief executive officer selected by and responsible to the Board for management of all operations.
- 1.2 “Board” means the Board of Directors of the District.
- 1.3 “Director” means a member of the Board.
- 1.4 “District” means the Grossmont Healthcare District.
- 1.5 “Lease” means lease of the Hospital to Grossmont Hospital Corporation.

ARTICLE II. ORGANIZATION, POWERS AND PURPOSES

- 2.1 **ORGANIZATION.** The District is a political subdivision of the State of California organized under the Local Healthcare District Law, Division 23 of the Health & Safety Code.
- 2.2 **PURPOSES AND POWERS.** The District is organized for the purposes described in the Local Healthcare District Law and shall have and exercise such powers in the furtherance of its purposes as are now or may hereafter be set forth in the Local Healthcare District Law and any other applicable statutes, rules or regulations of the State of California.

ARTICLE III. OFFICES

- 3.1 **PRINCIPAL OFFICE.** The principal office of the District is located at the Grossmont Health Care Center at Briercrest Park 9001 Wakarusa Street, La Mesa, CA 91942
- 3.2 **OTHER OFFICES.** Branch or subordinate office may, at any time, be established by the Board at any place or places within the District.

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.
- 4.2. **NUMBER AND QUALIFICATION.** The Board shall consist of five (5) members, each of whom shall be a registered voter residing in the District.
- 4.3. **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 time 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 (4) 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.
- 4.4. **COMPENSATION.** Directors shall be compensated at the maximum rate as authorized by the Local Health Care District Law, Section 32103. Compensation shall be as set forth in Section 19 "Meeting Compensation guidelines" of the *Policies and Procedures Manual*.
- 4.5. **FILLING VACANCIES.** Board vacancies created by the events enumerated in Government Code Section 1770 (a) through (l) shall be filled in the manner prescribed by Government Code Section 1780. The Board may decide to fill the vacancy pursuant to an interview process, or without soliciting expressions of interest, 15 days following posting of the vacancy in three conspicuous places within the District. The person thus appointed shall assume all committee assignments of the replaced Board member.

ARTICLE V. BOARD MEETINGS

- 5.1 **REGULAR MEETINGS.** Regular meetings of the board of directors shall be held without notice to the Board members as follows:

- 5.1.1 On the first Monday and third Friday of each month, at 7:30 a.m., in the Conference Center of the Grossmont Health Care Center at Briercrest Park, 9001 Wakarusa Drive, La Mesa, California; provided, however, that should said meeting date fall upon a legal holiday, the meeting shall be held at the same time on the next business day.
- 5.2. **ORGANIZATION MEETING.** At the Board meeting held annually the third Friday in December, the Board shall organize by the election of one of its members as President, one as Vice President, and one as Secretary. The President shall also appoint the Treasurer, Assistant Secretary, and Assistant Treasurer at the organizational meeting. As it relates to the organization meeting, also see Section 5.8 for prohibitions on vote-trading and requirements for ethical conduct.
- 5.3. **SPECIAL MEETINGS.** A special meeting may be called at any time by the President, or by three Board members, by delivering written notice to each Board member and to each local newspaper of general circulation, radio or television station requesting such notice in writing, personally or by mail. Such notice must be delivered personally 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. 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 written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.
- 5.4. **QUORUM.** A majority of the members of the Board shall constitute a quorum for the transaction of business. 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.
- 5.5. **ADJOURNMENT.** 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. 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 twenty-four (24) hours after the time of the adjournment.
- 5.6. **RULES AND REGULATIONS.** The Board may adopt rules and regulations governing the Board, the District, its facilities and programs, which rules and regulations shall not conflict with these bylaws.

5.7. **RULES OF ORDER.** Unless otherwise provided by law, these bylaws, or Board rules, Board meeting procedures shall be in accordance with Robert's Rules of Order Newly Revised. However, technical failures to follow Robert's Rules shall not invalidate any action taken. The President may make and second motions and vote in the same manner as other Board members.

5.8. **ETHICS AND TRANSPARENCY.**

5.8.1 Brown Act – All meetings and communications shall be conducted according to California open meeting laws, also known as the Brown Act.

5.8.2 Ethics – All meetings and communications shall be administered according to State law governing the requirements for ethical conduct on the part of public officials and public agencies.

5.8.3 Vote-Trading – California law prohibits public officials from asking for, receiving, or agreeing to receive bribes in exchange for their votes or other official actions, and also forbids them from giving, or offering or promising to give, “any official vote” in exchange for another public official’s vote on the “same or another question.” Like bribery, vote-trading is a form of a “you-do-this-for-me, I-will-do-this-for-you” practice. In Latin, this is known as a quid pro quo (“this for that”). Quid pro quos are legally risky. Any time a public official stops making decisions based on what’s best for the public, the public-decision making process is compromised. Penalties for vote trading include “imprisonment in the state prison for two, three, or four years and...by a restitution fine of not less than \$2,000 or not more than \$10,000...” A conviction for vote-trading will also lead to an immediate loss of office and permanent disqualification from holding any office in the state.

5.8.4 In addition to the State requirement for elected officials to receive ethics training, the District additionally requires Directors to receive formalized training in State laws related to sexual harassment.

5.8.5 Directors not completing State-required ethics training within the timeframe required by law shall immediately forfeit any meeting stipends or travel reimbursement until compliance is achieved. Such stipends and reimbursement shall also be forfeited by Directors not completing District-required sexual harassment training within the same timeframe.

5.8.6 Orientation – No later than one week from being sworn into office, new Directors shall receive an orientation from the District General Counsel and Executive Director regarding the Brown Act, prohibitions related to vote trading, the requirement to receive formal ethics training, and other laws governing the requirements for ethical conduct on the part of public officials and public agencies.

5.9. **PUBLIC SPEAKERS.** In accordance with State law, during all Board and committee meetings an opportunity shall be provided for citizens to speak on items of interest within the subject matter jurisdiction of the District. Persons wishing to address a matter not on a Board or committee agenda may also be heard during Public Comments; however, in accordance with the law, no Board discussion or action can be taken on items not on the agenda. The Board has a policy limiting any speaker to no more than three minutes during Public Comments or to address a listed agenda item. Time may be extended at the discretion of the Board through the President or presiding officer.

ARTICLE VI. COMMITTEES

6.1. **APPOINTMENT.** All Board committees, whether standing or special (ad hoc) shall be appointed by the President. There shall be eleven (11) standing committees consisting of a Leadership & Evaluation Committee as well as five Tier I and five Tier II committees. The President shall appoint each member to at least two Tier I committees and two Tier II committees. Each member shall be designated the chairperson of at least one Tier I committee and one Tier II committee. No Tier I committee shall consist of the same two members in consecutive years and no member may serve more than two consecutive years on any Tier I committee. Except that the Board, by a four-fifths majority vote, may appoint any member of the Board to a standing committee.

6.2. **STANDING COMMITTEES.** Standing committees shall meet periodically to review reports from the Executive Director, legal counsel, and consultants relating to the particular subject matter of the committee. There shall be the following standing committees:

Leadership & Evaluation Committee;

Leadership & Evaluation Committee. The President and Vice President of the Board shall constitute the Leadership & Evaluation Committee. This Committee has the responsibility for the evaluation process involving the Executive Director and any consultants hired by the Board, such as the General Counsel. The Committee shall meet on a

quarterly basis with the Executive Director, and/or any consultants as may be deemed necessary. Furthermore, the Committee will develop and bring to the Board for consideration any contract or compensation recommendations.

TIER I Committees;

- (a) **Community Grants and Sponsorships.** This committee shall be responsible for overseeing the award of financial assistance to community-based nonprofit and governmental organizations and for monitoring the fiscal performance of the grantee and its delivery of services to the intended recipients. Subject to the reasonable approval of the District Board, Grossmont Hospital Corporation shall designate a representative who shall be entitled to participate on the committee as a non-voting member.
- (b) **Finance/Audit.** This committee shall be responsible for review of budgetary and financial matters related to the District including the annual audit.
- (c) **Investment.** This committee shall be responsible for review of the District investments and appraisal of market conditions relating to prudent investment of District funds.
- (d) **Facilities.** This committee shall be responsible for periodic inspection of District owned facilities to ensure compliance with the terms of the lease and for review and consideration of real estate matters. The committee shall also make recommendations as may be needed regarding any construction-related General Obligation Bond issues pertaining to Proposition G (June 2006 election).
- (e) **Risk Management.** This committee monitors and makes recommendations regarding management of District risks.

TIER TWO II Committees;

- (f) **Library Operations.** This committee reviews the operations of the Herrick Healthcare Community Library, including special events, planned acquisitions, employment matters, and websites. To facilitate this, the Library Director will provide quarterly reports to the Committee, which will in turn report to the Board.
- (g) **Policies and Procedures.** This committee reviews and updates the District Bylaws and Policies & Procedures.

- (h) **Public Outreach.** This committee shall be responsible for promoting health-oriented activities including health fairs and other community functions.
 - (i) **Government, Legal & Legislative Relations.** This committee monitors legislation affecting special districts and health care, as well as develops cooperative relationships and partnering opportunities with other government entities within the District including but not limited to the county, local cities, water districts, school districts and college district. This committee also monitors legal matters that affect Grossmont Hospital and the District.
 - (j) **Strategic Plan.** This committee monitors and makes recommendations regarding the status of the District's Strategic Plan.
- 6.3. **SPECIAL COMMITTEES.** Special committees may be appointed by the President for special tasks as circumstances warrant, and upon completion of the task for which appointed such special committee shall stand discharged.
- 6.4. **CONSULTANTS.** A committee chairperson 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. A committee chairperson may exclude any or all consultants from attending a committee meeting.
- 6.5 **MEETINGS AND NOTICE.** Meetings of a committee may be called by the President of the Board or the Chairperson of the Committee. Each committee shall keep minutes of its proceedings and shall report periodically to the Board.

ARTICLE VII. OFFICERS

- 7.1. **PRESIDENT.** The Board shall elect one of its members as President, who shall hold office until a successor is elected. 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 chairpersons (each board member shall be appointed chairperson of one of the five standing committees), 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, who 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 as Secretary, who 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, reports and the District's seal. The Assistant Secretary may act in the absence of the Secretary.
- 7.4. **TREASURER.** The President 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. The Assistant Treasurer may act in the absence of the Treasurer.
- 7.5. **ELECTION OF OFFICERS.** No vote for President, Vice President, or Secretary shall be taken until all nominations have been made.

ARTICLE VIII. GHC BOARD MEMBERSHIP

Each Board member shall designate a nominee for service as his/her representative on the Grossmont Hospital Corporation (GHC) Board of Directors, unless designating themselves. The nominee shall be a registered voter residing within the Grossmont Healthcare District (GHD). [Nominees other than the member himself/herself are subject to the approval of Sharp HealthCare (Sharp).] Upon approval by Sharp, the representative shall serve at the pleasure of his/her nominating member and the term of all GHD designated members shall not exceed the term of the appointing GHD Director. (The GHC bylaws stipulate that members of the GHD Board serving on the GHC Board are not subject to approval and are not subject to the nine-year limitation of non-GHD member appointees).

Per the lease agreement between the two entities, service on GHC by those on the GHD Board is limited to no more than two members. In instances in which more than two GHD Board members may be interested in serving on GHC, the President may utilize the following criteria to determine who serves:

- Service on the GHC Board should be for a minimum of two years.
- All interested Board members should be provided an opportunity to serve.
- Continuity for the GHC board as it relates to leadership and ongoing matters.

The Meeting Compensation Guidelines of District Board Policy Section 19 shall apply to the District's Board members and appointees to the GHC Board serving as members of the GHC Board and GHC or Sharp committees. Meetings eligible for compensation shall be limited to GHC Board, GHC committee and Sharp committee meetings or functions to which the District Executive Director or District Board has specifically invited appointee(s). District Board appointees shall be limited to payment of \$100 for three (3) meetings during any calendar month.

If any GHD Board member declines to designate a nominee, the Board President shall designate the member's representative. The term of such presidential nominee shall be one year. After one year, the member declining to designate a nominee will again have an opportunity to make his/her designation. Vacancies occurring during this one-year period shall similarly be filled by appointment by the Board President. Under no circumstances shall any vacancy remain unfilled for a period greater than thirty (30) days.

Members of the GHD Board not serving on the GHC board may serve on GHC Standing Committees subject to the consent of GHC. In no case shall more than two members of the GHD Board serve on the same Standing Committee of GHC. Any Director is encouraged to voluntarily serve on any Standing Committee of GHC. The District chairs of the Facilities and Finance/Audit Committees are encouraged to voluntarily serve on the respective GHC Facilities and Finance Committees.

ARTICLE IX. 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.