

**BYLAWS  
OF  
REDBUD HEALTH CARE DISTRICT**

**ARTICLE 1  
GENERAL PROVISIONS**

Section 1. **The District.** Redbud Health Care District (the “District”) is a local health care district organized under the provisions of the Local Health Care District Law (Health and Safety Code, Division 23, the “District Law”).

All activities of the Board of Directors will be conducted in accordance with District Law and the California Government Code.

Section 2. **Purposes.** The purposes of the District shall be:

- a. To promote the physical, mental and social well-being of citizens of the District by disbursing District revenues to fund projects that furthers the delivery of quality health care services within the District.
- b. To provide a community forum for discussion of health care issues within the District.
- c. To be a strong advocate of the public for quality health care.
- d. Per the Asset Purchase Agreement, provide a Board Member or General Manager of the Redbud Health Care District Board to serve as a Board Member to the St. Helena Hospital Clear Lake (SHHCL) Governing Board of Directors Sub-Committee and St. Helena Region Governing Board of Directors. In addition, this Board Member or General Manager will serve on the St. Helena Region Finance Committee and the Adventist Health Northern California Network Governing Board. This Board Member or General Manager shall be appointed by Adventist Health.
- e. To monitor the performance by St. Helena Hospital Clear Lake of its obligations under the Asset Purchase Agreement.
- f. To do any and all other acts and things which are appropriate for the provision of health care in the communities served by the District.

- g. To do any and all other acts and things necessary to carry out the provisions of these Bylaws and the District Law.

Section 3. **Profit or Gain.** The District shall conduct its affairs, insofar as possible, on a self-supporting basis. No part of any net earnings of the District shall inure to the benefit of, or be distributed to, any individual under any guise whatever, nor shall any District assets be distributed to any person on dissolution of the District, with the exception of any outstanding encumbrances. Should a net gain be realized from operations during any particular period, it may be used by the Board for any purpose consistent with the District Law and other public agency laws applicable to the District.

Section 4. **Offices.** The principal office of the District is hereby fixed at Clearlake, Lake County, California. Other offices may be established at any time by the Board within the District's boundaries.

Section 5. **Fiscal Year.** The fiscal year of this District shall be July 1 through June 30.

## **ARTICLE II**

### **BOARD OF DIRECTORS**

Section 1. **Directors.** The District shall be governed by a Board of Directors (the "Board") consisting of five (5) elected or appointed persons who are registered voters residing in the District and are qualified to act as specified by the District Law.

Section 2. **Powers.** The powers of the District shall be vested in the Board, which shall have and exercise complete charge, control and management of the property, affairs, and funds of the District, fill vacancies among its officers and its members for unexpired terms, and do and perform all acts and functions not consistent with these Bylaws, the provisions of the District Law, and other laws applicable to public agencies. The Board shall have the following specific powers:

- a. To determine policies and have control of and be responsible for the affairs of the District according to the best interests of the public health. To pass from time to time resolutions and ordinances regarding specific policy issues, which resolutions and ordinances may establish policy for the affairs of this District.
- b. To monitor the activities of St. Helena Hospital Clear Lake as owner of the Hospital.

- c. To enter into contracts and agreements with respect to the affairs of the District, including contracts for management services and for other activities approved by the Board.
- d. To effectuate the purpose of the District to enhance adequate health care in the community by, among other efforts, working with public and private agencies within Lake County and providing assistance (including financial assistance where feasible) to nonprofit and public health care providers within the District.
- e. To have all other powers now or hereinafter set forth in and given to it by the District Law and other public agency laws applicable to the District.
- f. Board receives and reviews reports from grantees to make sure grantee is in compliance.

### **ARTICLE III** **MEETINGS OF DIRECTORS**

Section 1. **Regular Meetings.** Regular meetings of the Board of the District shall be regularly held at a time and place to be fixed by resolution, and the Board may, from time to time, change the time and place of such regular meetings.

Section 2. **Special Meetings.** Special meetings may be called by three (3) Directors. A special meeting may also be called at any time by the President.

Section 3. **Quorum.** A majority of three (3) members of the Board shall constitute a quorum for the transaction of business.

Section 4. **Ralph M. Brown Act.** All meetings, whether regular or special, shall be called and held as provided in the Ralph M. Brown Act (Section 54950, et seq. of the Government Code).

### **ARTICLE IV** **OFFICERS**

Section 1. **Officers.** The officers of the Board of Directors shall be a President, First Vice-President, Second Vice-President, Secretary and Treasurer.



Section 2. **Election of Officers.** The officers of the Board shall be chosen every year by the Board in December of each year, and each officer shall hold office for one year or until the successor shall be elected and qualified, or until they are otherwise disqualified to serve. Each officer shall be elected in turn, starting with the President, First Vice-President, Second Vice-President, Secretary and Treasurer. Any Board member may nominate another for office. Each officer shall take possession of his or her office immediately upon the election of all officers becoming final. Each officer shall serve for a term of one (1) year. Each officer may succeed himself or herself in office for one (1) additional year.

Section 3. **President.** The Board shall elect one of their numbers to act as President. The President of the Board shall preside over all the meetings of the Board. The President shall sign and execute, as President, and with attestation of the Secretary, all contracts and conveyances and all other instruments which have been authorized by the Board. The President shall have other powers and perform such other duties as are prescribed from time to time by the Board.

Section 4. **Vice President.** In the absence or inability of the President to serve, the First Vice-President or, in his or her absence or inability to serve, the Second Vice-President shall perform the duties of the President. The Vice-President shall have such other powers and perform such other duties as are prescribed from time to time by the Board.

Section 5. **Secretary.** The Secretary shall act as Secretary of both the District and the Board. He or she shall be responsible for seeing that records of all actions, proceedings and minutes of meetings of the Board are properly kept and are maintained at the District's offices. He or she shall serve, or caused to be served, all notices required either by law or by these Bylaws, and in the event of his or her absence, inability, refusal or neglect to do so, such notices may be served by any person thereunto directed to do so by the President of the Board. The Secretary shall have other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 6. **Treasurer.** The Treasurer shall have the responsibility for the safekeeping and disbursal of funds in the treasury of the District in accordance with the provisions of the District Law and in accordance with such resolutions, procedures and directions as the Board may adopt. He or she shall prepare or cause to be prepared, regular reports with respect to the financial condition of the District and shall present, review and discuss such reports with the Board as directed by the Board. The Treasurer shall have such other powers and shall perform such other duties as may be prescribed from time to time by the Board.

Section 7. **Other Officers.** The Board may create such other non-voting officers as the business of the District may require, and the holder of each office shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws, or as the

Board may from time to time determine. Such additional officers may be either members or non-members of the Board.

## **ARTICLE V** **COMMITTEES**

### Section 1. **General Provisions.**

- a. Committees of the Board shall be Ad Hoc Standby or Ad Hoc Special. The members and the chairmen of committees shall be appointed by the President, subject to the approval of the Board. Each standing committee shall be comprised of two (2) members of the Board (one of whom shall be chairman of the committee).
- b. All committees shall be advisory to the Board unless otherwise specified by the Board.
- c. Each member of a committee shall be entitled to vote on the committee.
- d. At a committee meeting a quorum shall be one of the two members of the committee, and a record of proceedings shall be kept. The standing committee shall meet at all times as agreed upon by committee members or as directed by the Board.
- e. In the event a member of a committee cannot attend a committee meeting, the President may designate a substitute.
- f. The committees shall be assisted by staff and consultants to the District in the manner set forth by policies and procedures of the Board.

Section 2. **Ad Hoc Standby Committees.** The Ad Hoc Standby Committees of the Board shall be activated and appointed per the General Provisions as stated above at the discretion of the President and the Board. Ad Hoc Committees may include a Management Committee, a Finance and Audit Committee, a Budget Committee and a Safety Committee.

Section 3. **Ad Hoc Management Committee.** The Ad Hoc Management Committee shall be responsible for performing the following functions:



- a. Review and recommend to the Board policies and procedures relating to the overall management of the affairs of the District.
- b. Review and recommend to the Board policies and procedures relating to compliance with the requirements of state and federal governments.
- c. Review the Bylaws of the District annually for compliance with the District Law and other public agency laws applicable to the District and present recommended changes to the Board.
- d. Review and recommend to the Board policies and procedures for District Contracts, and oversee and report to the Board on the performance of District contractors.
- e. Perform other duties assigned by the Board.

Section 4. **Ad Hoc Finance and Audit Committee.** The Ad Hoc Finance and Audit Committee shall be responsible for performing the following functions:

- a. Review and recommend to the Board policies and procedures in the areas of finance, fiscal controls, investments and insurance programs of the District.
- b. Oversee the financial management of the District.
- c. Recommend to the Board an independent auditor to audit the books and accounts of the District.
- d. Review and recommend to the Board policies and procedures relating to the audit.
- e. Review the scope and coverage of the audit with the selected audit firm.
- f. Review the completed audit when received.
- g. Perform other duties assigned by the Board.

Section 5. **Ad Hoc Budget Committee.** The Ad Hoc Budget Committee shall be responsible for performing the following functions:

- a. Review and recommend to the Board policies and procedures in the areas of budgeting, budget controls and budget reporting of the District.

- b. Prepare the annual budget of the District.
- c. Prepare, or cause to be prepared, monthly budget status reports to be presented to the Board.
- d. Perform other duties assigned by the Board.

Section 6. **AD Hoc Safety Committee.** The Ad Hoc Safety Committee shall be responsible for performing the following functions:

- a. To provide training and communication as required under Title 8, Section 3203, Injury & Illness Prevention Program (IIPP), there is a requirement for both training and communication. According to Cal-OSHA Consultation, we will be in compliance with these requirements if we participate in the following SDRMA programs regarding:
  - 1. **Training** – Courses from [www.targetsafety.com](http://www.targetsafety.com) meet the requirements for training
  - 2. **Communication** – For true communication to occur there must be two-way communication between the meeting leader and the involved employees about the safety of the employees' work environment. A face-to-face question and answer period is an important part of this dialogue. Actively using the monthly safety meeting materials meets the requirements for communication.
- b. By implementing the SDRMA Program we intend to comply with the law and more importantly provide a safe environment for our employees and visitors to our site.

Section 7. **Ad Hoc Special Committees.** Special committees may be established by the President, subject to the approval of the Board, for special tasks as are deemed warranted. Each special committee shall limit its activities to the accomplishment of the task for which it was established, and upon completion of that task, the special committee shall stand discharged. The Board shall determine the number of members for special committees. The members of each special committee shall be appointed by the President, subject to the approval of the Board.

## **ARTICLE VI**

### **INDEMNIFICATION**

The District shall, to the maximum extent permitted by and in accordance with the California Government Code, defend and indemnify each of its employees against expenses, judgments,

finances, compromises, settlements and other amounts actually and reasonably incurred in connection with any claim or action against an employee arising out of an act or omission occurring within the scope of his/her employment for the District. For purposes of this Article VI, an "employee" of the District shall have the same meaning as set forth in Government Code Section 810.2, or any successor statute thereof, and includes, without limitation, any person who is or was a director, officer, employee or servant of the District.

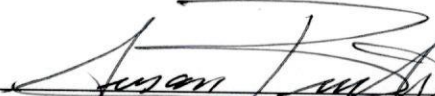
**ARTICLE VII**  
**REVIEW AND AMENDMENT OF BYLAWS**


Section 1. **Amendment.** These Bylaws may be amended by affirmative vote of a majority of the total number of members of the Board at any regular or special meeting of the Board, provided a full statement of each proposed amendment shall have been sent to each Board member not less than seven (7) days prior to the meeting. Affirmative action may be taken to amend these Bylaws by unanimous vote of the entire Board membership at any regular or special meeting of the Board, in which event the provision for seven (7) day notice shall not apply.

Section 2. **Annual Review.** The Board shall review these Bylaws annually in their entirety to ensure that they comply with the District Law and other public agency laws applicable to the District.

Bylaws of Redbud Health Care District

Reviewed and approved by the Board of Directors on October 27, 2015

  
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President, Board of Directors

  
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Secretary, Board of Directors