

KENNEWICK PUBLIC HOSPITAL DISTRICT AMENDED AND RESTATED BYLAWS

ARTICLE I: FORMATION AND PURPOSE

Section 1. NAME:

The name of this public hospital district shall be "**KENNEWICK PUBLIC HOSPITAL DISTRICT**" (the "District").

Section 2. AUTHORITY:

a. The District is a municipal corporation of the state of Washington and was created in 1948 to provide hospital and other health care services for the residents of the District and other persons in compliance with the laws of Washington State. These Bylaws are adopted to facilitate the governing of the District. The District's operations shall be conducted in compliance with applicable law, licensure guidelines, these Bylaws, written policy, and to the extent practical and feasible, the standards established by The Joint Commission.

b. The District may conduct such non-hospital activities as the Board of Commissioners (the "Board") shall determine appropriate and may conduct such non-hospital activities under trade names other than Trios Health. If the District elects to contract or join with other parties to provide hospital or other health care services as authorized by Section 70.44.240 of the Revised Code of Washington ("RCW") and elects to establish a nonprofit corporation, a partnership, limited liability company or other legal entity of its choosing, the governing body of such legal entity shall include representatives of the District, which representatives may include members of the Board.

ARTICLE II: BOARD OF COMMISSIONERS

Section 1. QUALIFICATIONS AND ELECTION:

No person shall be eligible to be elected to the office of the **BOARD OF COMMISSIONERS** ("Board"), unless he/she is a registered voter who resides in the District and otherwise qualified under applicable law for public office. All Board members shall be elected and serve in the manner and for the term prescribed by law.

Section 2. ORGANIZATION OF THE BOARD OF COMMISSIONERS;

a. The District's **BOARD OF COMMISSIONERS**, shall, on or before its first regular meeting in February bn every other year, elect from its own members by majority vote a President, Vice-President and Secretary. In each case, the officers shall serve for two consecutive years unless otherwise directed by the Board.

b. If a vacancy occurs in the office of President, Vice-President or Secretary, the Board shall elect a replacement to fill the unexpired term of the office.

c. All Board members, whether elected or appointed, shall take an oath of office as required by law.

Section 3. POWERS AND DUTIES:

a. The Board is the governing authority to which the District's chief executive officer/superintendent (Superintendent), other District employees and volunteers are ultimately responsible. The Superintendent carries out the Board's policies, ensures compliance with state law, and advises the Board on the financial condition and needs of the District.

b. The Board in the performance of its duties prescribed therein may exercise all of the power authorized in Chapter 70.44 RCW. Among other things, the Board shall strive to:

- 1) Determine the mission, strategic outcomes/services and other policies of the District in proper relation to community needs.
- 2) Coordinate professional interests with administrative, financial and community needs.
- 3) Provide for the sound administration and application of the District's funds, operations and accurate records thereof.

c. The Board shall evaluate business performance of the District.

d. Incidental to the faithful discharge of these undertakings, it is recognized that:

- 1) The Board is responsible for the exercise of proper care and judgment in selection of a qualified Superintendent, treasurer, and auditor.

- 2) All appointments must be made exclusively on the basis of merit and competence.

Section 4. VACANCIES ON THE BOARD:

a. A vacancy in the office of the Board shall occur as provided in Chapter 42.12 RCW, or by nonattendance at meetings of the Board for 60 days, unless excused by the Board's President.

b. Any vacancies occurring on the Board shall be filled as provided in Chapter 42.12 RCW.

Section 5. MEETINGS:

a. Regular meetings of the Board shall be held each month at a day, time and place determined in accordance with Board resolution. In the event it is necessary to change the time or date or place of any regular meeting, it shall be done by Resolution adopted by the Board. The Board shall cause the agenda of each regular meeting of the Board to be made available online at least 24 hours in advance of the published start time of the meeting in compliance with RCW 42.30.077. Nothing in this section prohibits subsequent modifications to agendas nor invalidates any otherwise legal action taken at a meeting where the agenda was not posted in accordance with this section.

b. Special meetings may be called at any time by the President of the Board, or by a majority of the Board. Written notice must be delivered at least 24 hours in advance of the time of such meeting, personally, by mail, by fax or by electronic mail to each Board member. Notice shall also be delivered to each local newspaper of general circulation and local radio or television station which has on file in the District's administrative offices a written request to be notified of such special meeting or of all special meetings. Written notice may be dispensed with for any Board member who at or prior to the time the meeting convenes files with the secretary of the Board a written waiver of notice. Such written notice may also be dispensed with for any Board member who is actually present at the meeting at the time it convenes. The notice may also be dispensed with in the event the special meeting is called to address an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when requirements of such notice would make notice impractical and increase the likelihood of such injury or damage.

The notice of any special meeting will also be posted on the District's website, at the main entrance of the location for regular meetings as set by resolution, and at the main entrance of the meeting site if the meeting is not held at the location for regular meetings as set by resolution, and pursuant to RCW 42.30.080 as amended. Such notice will be posted at least 24 hours before the time of such meeting as specified in the notice.

The notice shall specify the date, time and the place of the special meeting and the business to be transacted. The Board shall not take final disposition on any other matter at such special meeting.

c. At a regular or special meeting, the Board is specifically authorized to approve a Consent Agenda which may include such items as approval of all monthly Board minutes, financial reports, warrants, general and other miscellaneous funds, statistics, write-offs, petty cash funds, change orders and solicitation for bids. All materials listed under the Consent Agenda are considered to be routine by the Board and will be enacted by one motion. There will be no separate discussion of the listed items. If further discussion is desired by the Board, an item may be removed from the Consent Agenda and considered separately.

d. All meetings at which any "Action" is taken as required by Chapter 42.30 RCW, shall be open and public and all persons shall be permitted to attend any such meeting except as otherwise provided by law. 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 collective positive or negative decisions, or an actual vote by a majority of the Board when sitting as a body or entity, upon a motion, proposal, resolution, or order. All final action taken by the Board shall be by motion or resolution recorded in a book or books kept for such purposes, and shall be public records under Chapter 42.56 RCW. Any action taken at meetings failing to comply with the provisions of this section shall be null and void.

Nothing contained herein shall be construed to prevent the Board from holding executive sessions during a regular or special meeting as permitted by RCW 42.30.110 as amended and RCW 70.44.062 as amended.

e. A majority of the whole Board shall constitute a quorum for the transaction of business. An affirmative vote of a majority of the whole Board shall be necessary for the passage of any motion or resolution, except for any matters for which applicable law requires a supermajority.

Section 6. COMMITTEES:

The Board will act as a committee of the whole and the Board may approve by motion such other standing or ad hoc committees, as the Board may deem necessary or advisable in the conduct of the Board's affairs.

Section 7. COMPENSATION:

The members of the Board shall be compensated at such rate as is authorized by law.

Section 8. INDEMNIFICATION:

a. 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 or she is or was a commissioner, officer, employee or agent of the District, or having been such a commissioner, officer, employee or agent, he or 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 service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or omission in an official capacity or in good faith purporting to perform official duties while serving as a commissioner, officer, employee, agent, trustee or any other capacity, against all expense, liability, and loss (including, without limitation, attorneys' 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 or her heirs, and personal representatives.

b. 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.

Section 9. CONFLICT OF INTEREST;

The Board members and officers of the District shall conform, in the conduct of their office, to the provisions of Chapters 42.20 and 42.23 RCW and to Board policy. In the event that any Board member or officer has a real or potential conflict of interest on a matter coming before the Board, they shall disclose such real or potential conflict of interest to any participation in discussion or voting on the issue. They also shall state their intent to participate in discussion or voting. Should any other Board member disagree, the issue of participation in discussion and/or voting shall be decided by a majority vote of the remaining Board members.

ARTICLE III: OFFICERS

Section 1. PRESIDENT:

The President shall act as the presiding officer at all meetings of the Board and shall execute, on behalf of the Board, contracts, agreements and other documents and papers duly authorized by the Board.

Section 2. VICE-PRESIDENT:

In case of absence or disability of the President, the Vice-President shall be vested with the same powers and authority as the President, shall perform all duties of the President, and shall have such other powers and perform such other duties as may be assigned 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 have them kept in a proper book for that purpose. In the absence of the President and Vice President, the Secretary shall preside at all meetings.

**ARTICLE IV:
APPOINTED OFFICIALS**

Section 1. CEO/SUPERINTENDENT:

a. Appointment - Pursuant to RCW 70.44.070 to 090 and recognizing the supreme requisite for good leadership, the Board shall select and appoint a competent and experienced Superintendent who shall be the direct representative of the Board in the management of the District's operations, and the liaison between the Board and the rest of the District's organization. The Superintendent shall be appointed by the Board for an indefinite term and removed at the will of the Board, both being accomplished by a resolution introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote.

b. Powers and Duties - In the performance of duties prescribed by RCW 70.44.80 to 090, all of which shall be faithfully discharged, and not by way of limitation of his or her authority, the Superintendent shall:

- 1) Prepare and submit to the Board for approval a plan of organization.
- 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) Assure that all building, equipment and other facilities are maintained and in good repair.
- 4) Supervise all business affairs including the disbursement of funds, recording financial transactions, collection of accounts and purchase and issue of supplies.

- 5) Submit regularly to the Board reports showing the professional services and financial activities of the District along with any special reports that may be requested by the Board.
- 6) Implement the policies, rules and regulations of the Board affecting all District activities.
- 7) Execute on behalf of the District all contracts, agreements and other documents and papers that he/she may be authorized by resolution or motion of the Board to sign.
- 8) Formulate and maintain proactive effective public relations.
- 9) 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 best interest of the District to accomplish its missions and outcomes.
- 10) Delegate such responsibilities as are practicable to subordinates, while always remaining responsible to the Board to accomplish the goals, objectives and duties assigned to the Superintendent.

Section 2. TREASURER/AUDITOR:

a. Appointment - The Superintendent shall recommend a person experienced in accounting and business practices to serve as the District's Treasurer.

b. The Superintendent shall present the prospective Treasurer, along with his/her qualifications, for consideration by the Board for appointment as the District's treasurer. The Board may make such appointment, request other candidates, or elect to appoint the County Treasurer as the District's treasurer.

c. The Board may designate a District treasurer other than the County Treasurer, the Board shall require a bond, with a surety company authorized to do business in the state of Washington. The Board shall establish the amount and terms and conditions by resolution to protect the District against loss. The District shall pay the premium on any such bond.

d. Powers and Duties - The treasurer's duties and responsibilities shall be those of a municipal corporation treasurer of the State of Washington, as provided for in RCW 70.44.171, as now existing or hereinafter amended, and as mandated by administrative policy or resolution of the Board. Subject to the foregoing, responsibilities shall include the following:

- 1) Receipt, deposit and investment of all monies belonging to the District.
- 2) Disbursement of monies on warrants, vouchers, or orders issued by the District's auditor in payment of lawful obligations of the District.
- 3) Recording of the District's financial transactions.
- 4) Preparation of financial statements in accordance with recognized accounting practices and procedures.
- 5) Collection of accounts.
- 6) Routine purchase and issue of supplies.
- 7) Such other duties as may be assigned from time to time by the Superintendent.

e. The Board shall appoint an auditor of the District. The auditor shall have the duties and responsibilities as follows:

- 1) Issue warrants, vouchers, or orders to pay obligations of the District.
- 2) Maintain records of such warrants, vouchers or orders issues.
- 3) Maintain an account with the treasurer of all receipts and claims presented to the District prior to payment.
- 4) Examine the books of the treasurer no less frequently than monthly to ensure that the books have been properly kept, and that there are no irregularities; and,
- 5) Other duties as may be assigned from time to time by the Superintendent.

ARTICLE V: BOARD POLICIES

The Board shall adopt policies and/or resolutions governing the function and operation of the Board and the oversight of the District, and routinely review or delete or repeal outdated policies and/or resolutions as they determine to be necessary.

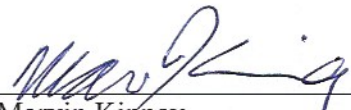
**ARTICLE VI:
AMENDMENTS**

The Bylaws may be amended at any regular meeting of the Board by a majority vote of the whole Board.

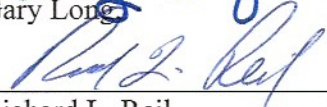
**ARTICLE VII:
REVIEW OF THE BYLAWS**

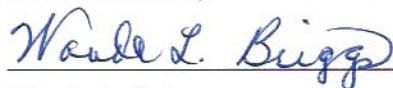
The Bylaws of the District shall be reviewed biannually by the Board as may be required by law.

APPROVED by the Board of Commissioners this 25th day of April, 2019.

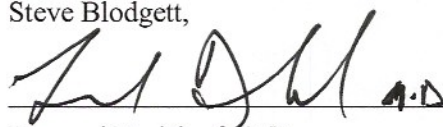

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