

**BYLAWS OF THE
EDEN TOWNSHIP HEALTHCARE DISTRICT
ALAMEDA COUNTY, CALIFORNIA**

PREAMBLE

Pursuant to the authority given by the Local Health Care District Law, California Health and Safety Code 32000 et seq., these Bylaws are adopted for the purpose of establishing rules and regulations, not inconsistent with law, necessary for the exercise of the powers conferred and the performance of the duties imposed upon the Board of Directors of Eden Township Healthcare District by the laws of the State of California.

ARTICLE I

Section 1. Name. The name of this District shall be "Eden Township Healthcare District," hereinafter referred to as "The District."

Section 2. Offices. The principal office for the transaction of the business of the District is hereby fixed at 20410 Lake Chabot Road, Suite 1A, Castro Valley, Alameda County, California. Branch offices may at any time be established by the Board of Directors at any place or places within the geographical boundaries of the District, when necessary to conduct the business of the District.

Section 3. Title to Property. The title to all property of the District shall be vested in the District, and the signature of the Chairperson authorized at any meeting of the Board of Directors shall constitute the proper authority for the purchase or sale of property, or for the investment or other disposal of trust funds which are subject to the control of the District.

ARTICLE II

PURPOSES AND SCOPE

Section 1. Scope of Bylaws. These Bylaws shall be known as the "District Bylaws" and shall govern the District, its Board of Directors, and all of its affiliated and subordinate organizations and groups.

The Board of Directors may delegate certain powers to other affiliated and subordinate organizations and groups, such powers to be exercised in accordance with the respective Bylaws of such groups. All powers and functions not expressly delegated to such affiliated or subordinate organizations or groups in the Bylaws of such other organizations or groups are to be considered residual powers vested in the Board of Directors of this District.

In the event of any conflict between the Bylaws of any other affiliated or subordinate organization or group, and the provisions of these District Bylaws, these District Bylaws shall prevail. In the event the District Bylaws are in conflict with any statute of the State of California governing hospital districts, such statute shall prevail.

The Bylaws of affiliated and subordinate organizations and groups, and any amendments to such Bylaws, shall not be effective until approved by the Board of Directors of the District.

Section 2. Purposes. The purposes of the District shall include, but not necessarily be limited to, the following:

- (a) To pursue the mission of the District as stated in the Mission Statement approved by the Board of Directors.
- (b) To coordinate the services of the District with community agencies and healthcare providers and/or institutions.
- (c) To conduct educational and research activities essential to the attainment of its purposes.
- (d) To do any and all other acts and things necessary to carry out the provisions of the Local Healthcare District Act.

Section 3. Profit or Gain. There shall be no contemplation of profit or pecuniary gain, and no distribution of profits to any individual, under any guise whatsoever, nor shall there be any distribution of assets or surpluses to any individual on the dissolution of this District.

Section 4. Disposition of Surplus. Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used and dealt with by the Directors for community benefit purposes, or for other purposes not inconsistent with the Local Healthcare District Act, or these Bylaws.

ARTICLE III

DIRECTORS

Section 1. Numbers and Qualification. The Board of Directors shall consist of five (5) members, each of whom shall be a registered voter residing in the District.

Section 2. Powers and Duties. The Board of Directors shall have and exercise all the powers of a Hospital District as set forth in the Local Healthcare District Act. Specifically, the Board of Directors shall be empowered as follows:

- (a) To control and be responsible for the management of all operations and affairs of the District.
- (b) To make and enforce all rules and regulations necessary for the administration, governance, protection, and maintenance of hospitals and other facilities under District jurisdiction.
- (c) To contract for administrative services to carry out its day-to-day operations of the District.
- (d) To coordinate the services of the District with community agencies and healthcare providers and/or institutions.
- (e) To conduct educational and research activities essential to the attainment of its purpose.
- (f) To provide assistance or support for programs and services as permitted under health care district law.
- (g) To approve or disapprove all or part of the constitutions, bylaws, rules and regulations including amendments thereof, of all affiliated or subordinate organizations.
- (h) To establish policies for the operation of the District and any of its facilities.
- (i) To adopt resolutions and ordinances establishing policies or rules for the operation of this District and any of its facilities. Such resolutions and ordinances shall be kept in a separate book or file and shall be available for inspection at all times. Such resolutions and ordinances shall be considered to be a part of these Bylaws.
- (j) To designate, by resolution, persons who shall have authority to sign checks drawn on the funds of the District.
- (k) To negotiate or enter into agreement with independent contractors.
- (l) To do any and all other acts and things necessary to carry out the provisions of these Bylaws or of the provisions of the Local Healthcare District Act.
- (m) To ensure that there is an effective and systematic mechanism for communication between the Board of Directors and the governing bodies and management of any health care delivery organizations that are corporately and functionally related to the District.

Section 3. Compensation. The members of the Board of Directors shall serve with compensation, as determined by the Board, within the limits set by the Local Healthcare District Act.

Furthermore, each member of the Board shall be allowed necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board.

Section 4. Vacancies. Any vacancy upon the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors, for such term and under such conditions as may be specified by law.

ARTICLE IV

MEETINGS AND DIRECTORS

Section 1. Regular Meetings. One regular meeting of the Board of Directors shall be held on the third Wednesday of each month at 5:30 p.m. However, in lieu of or in addition to such meeting day or time or place, the Board may, upon affirmative vote of a majority of its total members at a prior meeting, designate a different day, time, and/or place or cancel a meeting by giving notice pursuant to Government Code Section 54954.1 (Brown Act).

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by three (3) Directors, or by the presiding officer, and notice of the holding of such meeting shall be delivered to each member of the Board of Directors at least twenty-four (24) hours before the meeting.

Section 3. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business.

Section 4. Adjournment. A quorum of the Board of Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors.

Section 5. Public Meetings. All meetings of the Board of Directors, whether regular, special, or adjourned, shall be open to the public; provided, however, that the foregoing shall not be construed to prevent the Board of Directors from holding executive sessions to consider the appointment, employment, or dismissal of an employee or public officer, as that term is defined by law, or to hear complaints or charges brought against such officer, or employee, or to consult with legal counsel concerning litigation to which the District is a party, or to discuss Trade Secrets, or as otherwise permitted under law in the opinion of counsel to the District.

Section 6. Minutes. The Secretary of the Board shall cause to be kept at the principal office of the District, a book of minutes of all meetings of the Board of Directors, showing the time and place, whether regular or special, and, if special, how authorized, the notice given, the names of the Directors present, and a statement of the vote of the Directors of all motions and resolutions.

Section 7. Parliamentary Procedure. Meetings will be conducted according to parliamentary procedure outlined in "Sturgis Standard Code of Parliamentary Procedure."

ARTICLE V

OFFICERS

Section 1. Officers. The officers of the Board of Directors shall be a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer. All officers shall hold office at the pleasure of the Board of Directors and shall take office immediately upon being elected.

Section 2. Election of Officers. The officers of the Board of Directors shall be chosen every two years by the Board of Directors at any meeting following the general election in every even numbered year, and each officer shall hold office for two years, or until his successor shall be elected and qualified, or until he/she is otherwise disqualified to serve or resigns.

Section 3. Chairperson. The Board of Directors shall elect one of their number to act as Chairperson. If at any time the Chairperson shall be unable to act, the Vice-Chairperson shall take his/her place and perform his/her duties. If the Vice-Chairperson shall also be unable to act, the Board may appoint some other member of the Board of Directors to do so, and such person shall be vested temporarily with all the functions and duties of the office of Chairperson.

The Chairperson, or a member of the Board of Directors acting in such capacity as above provided:

- (a) Shall preside over all meetings of the Board of Directors.
- (b) Shall sign, as Chairperson, on behalf of the District, all instruments in writing which he/she has been specifically authorized by the Board to sign.
- (c) Shall have, subject to the advice and control of the Board of Directors, general responsibility for management of the affairs of the District during his/her term of office.
- (d) Shall make appointments to committees.
- (e) May call special meetings.

Section 4. Vice-Chairperson. The Vice-Chairperson shall, in the event of death, absence, or other inability of the Chairperson, exercise all the powers and perform all the duties herein given to the Chairperson.

Section 5. Secretary. The Secretary shall keep, or cause to be kept, accurate and complete minutes of all meetings, call meetings on order of the Chairperson, attend to all correspondence of the Board, and perform such other duties as ordinarily pertain to his/her office.

Section 6. Treasurer. The Treasurer shall be responsible for ascertaining that all receipts are deposited and disbursements made in accordance with these Bylaws, the directions of the Board, and good business practice, and shall be responsible for the financial records of the District. The Treasurer shall also render a report to the Board of Directors on the financial affairs of the District at least quarterly.

Section 7. Other Officers. The Board of Directors may create such other offices as the business of the District may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board of Directors may from time to time determine. Such additional offices may be filled either by members or non-members of the Board of Directors.

ARTICLE VI

COMMITTEES

Section 1. Special Committees. Special committees and the Chairperson thereof, may be appointed by the Board Chairperson, with the consent of the Board, for such special tasks as circumstances warrant. Such special committees shall limit their activities to the accomplishment of the task for which created and appointed, and shall have no power to act except such as is specifically conferred by the action of the Board of Directors. Upon completion of the task for which appointed, such special committee shall stand discharged. Minutes of special committee meetings shall be distributed in a timely manner to all Board members.

Section 2. Standing Committees. Standing Committees and the Chairperson thereof, may be appointed by the Board Chairperson when such standing committees are deemed necessary. Such standing committees shall limit their activities to the accomplishment of the task for which they were created and appointed. Said standing committees, as may be created, shall be discharged by motion duly made and passed by the Board of Directors. Minutes of standing committee meetings shall be distributed in a timely manner to all Board members.

ARTICLE VII

EXECUTIVE DIRECTOR

Section 1. The Board of Directors may engage the services of an Executive Director as an employee or by contract through a management agreement. The Executive Directors' duties will include, but not be limited to, the following:

- (a) Maintain effective liaison among the Board of Directors.
- (b) Serve as the Chief Executive Officer of the District.
- (c) Plan, organize and direct operations of the District pursuant to policies established by the Board of Directors.
- (d) Specifically implement practices necessary to control and effectively utilize and protect the physical and financial resources of the District, including: budgeting, oversight of investments, handling of cash, extending of credit, and provision of insurance.
- (e) Function as an interface to the community, with authority to speak for the District in matters of public relations.
- (f) Function as a resource and advisor to the Board in matters pertaining to community benefit needs.
- (g) Function as a planner and coordinator relating to the oversight of the District's grant program.
- (h) Create and present reports to the Board of Directors as appropriate, including an annual budget showing the expected receipts and expenditures as required by law.
- (i) With the approval of Chair or Acting Chair, make all purchases and execute all purchase orders for the District with a value up to Twenty-Five Thousand Dollars (\$25,000.00), and all of said purchases and contracts shall be upon written order, whenever that is reasonably possible. Written records thereof shall be kept and maintained.
- (j) With the approval of the Chair or Acting Chair, authorize an unbudgeted expenditure in an amount up to Ten Thousand Dollars (\$10,000.00). In such cases, ratification of such action will be requested at the next regularly scheduled Board meeting.

Section 2. The Board will set expectations for the performance of the Executive Director and evaluate the performance of the Executive Director at least annually.

ARTICLE VIII

CONFLICT OF INTEREST

The Board of Directors recognizes that conflicts of interest and potential conflicts of interest may arise involving members of the Board, employees or consultants to the Board. In order to address such conflicts of interest or potential conflicts of interest, the Board has adopted a Conflict of Interest Code and Policy which will be reviewed periodically. Each year, by March 15, persons holding designated positions, as specified in the Conflict of Interest Code and Policy, will file a "Statement of Economic Interests for Designated Employees" (Form 700).

ARTICLE IX

AMENDMENT

Section 1. These Bylaws shall be reviewed annually and may be amended by affirmative vote of a majority of the total number of members of the Board of Directors at any regular or special meeting of the Board of Directors, provided a full statement of such proposed amendment shall have been sent to each Board member not less than seven (7) days prior to the meeting.

ARTICLE X

MISCELLANEOUS PROVISIONS

Illegal and Prohibited Acts. No member of the Board, employee, agent or independent contractor shall receive any commission, money or thing of value or derive profit, benefit or advantage, directly or indirectly from, or by reason of any dealings with, the services for the District by himself/herself or otherwise, except the lawful compensations as such officer, employee, agent or independent contractor.

No person soliciting or securing a contract from the District shall employ any other person to solicit or secure said contract upon any agreement for a commission, percentage, brokerage or contingent fee; provided, however, that this prohibition shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

The Chairperson, Secretary and Attorney for the Board shall, whenever it is practicable, cause provisions to be inserted in all contracts with the District embodying the substance of this section and further providing that any violation of said provision in said contract shall render the contract or transaction involved voidable at the option of the District. The Chairperson,

Secretary and Attorney shall further require, whenever practicable, an affidavit or other certification from the contractor that said provisions in said contract have been complied with.

ARTICLE XI

EVALUATION

The Board will set objectives for measuring its own performance and evaluate itself at least annually.

ARTICLE XII

SEAL

The Board of Directors shall have the power to adopt a form of corporate seal, and to alter it at pleasure.

ARTICLE XIII

ADOPTION

Upon the adoption of these revised Bylaws, all prior Bylaws and Amendments thereto, are to be of no further force and effect, and provided further, that if any of these Bylaws, sections or section are found to be contrary to the laws of the State of California, such Bylaw sections or section, are deemed to have no force and effect, but all remaining Bylaws, sections or section, are to remain in full force and effect.

Carole S. Rogers, Chair
Board of Directors
Eden Township Healthcare District

William F. West, Secretary
Board of Directors
Eden Township Healthcare District

Date

Revised:

January 14, 1998
July 22, 1998
December 16, 2009
January 28, 2010