

January 20, 2023

TO: Legal Counsel

News Media

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The next regular meeting of the **TRANSFORMATION, STRATEGIC PLANNING AND GOVERNANCE COMMITTEE – COMMITTEE OF THE WHOLE** of the Salinas Valley Memorial Healthcare System will be held **WEDNESDAY, JANUARY 25, 2023, AT 12:00 P.M.**, in the **DOWNING RESOURCE CENTER, ROOMS A & B**, at **SALINAS VALLEY MEMORIAL HOSPITAL, 450 E. ROMIE LANE, SALINAS, CALIFORNIA**, or via **TELECONFERENCE** (*Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information*).

Pursuant to SVMHS Board Resolution No. 2022-21, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.



Pete Delgado  
President/Chief Executive Officer

Committee Members: Victor Rey, Jr., Chair; Rolando Cabrera, MD., Vice Chair; Pete Delgado, President/CEO; Augustine Lopez, Chief Financial Officer; Allen Radner, M.D., Chief Medical Officer; Theodore Kaczmar, Jr., M.D., Chief of Staff; Clement Miller, Chief Operating Officer; Lisa Paulo, Chief Nursing Officer; Adrienne Laurent, Chief Strategic Communications Officer; Nik Greenson, M.D., Medical Staff Member; Jim Gattis, Community Member; Jib Martens, Community Member; Anne McCune, Community Member

**TRANSFORMATION, STRATEGIC PLANNING & GOVERNANCE COMMITTEE  
JANUARY 2023 - COMMITTEE OF THE WHOLE  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**WEDNESDAY, JANUARY 25, 2023, 12:00 P.M.  
DOWNING RESOURCE CENTER, ROOMS A, B & C**

**Salinas Valley Memorial Hospital  
450 E. Romie Lane, Salinas, California  
or via Teleconference  
(Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information)**

*Pursuant to SVMHS Board Resolution No. 2022-21, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.*

**AGENDA**

1. Call to Order / Roll Call
2. Approve Minutes of the of the Transformation, Strategic Planning and Governance Committee Meeting of October 26, 2022 (DELGADO)
  - Motion/Second
  - Action by Committee/Roll Call Vote

3. Review of Proposed Amended and Restated District Bylaws (DELGADO)

4. Public Input

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.

5. Adjournment

The Transformation, Strategic Planning and Governance Committee meets quarterly. The next meeting is scheduled for **Wednesday, April 25, 2023 at 12:00 p.m.**

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at [www.svmh.com](http://www.svmh.com), and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-755-0741. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

*CALL TO ORDER*  
*ROLL CALL*

*(Chair to call the meeting to order)*

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
TRANSFORMATION, STRATEGIC PLANNING AND GOVERNANCE COMMITTEE  
COMMITTEE OF THE WHOLE  
MEETING MINUTES  
OCTOBER 26, 2022**

*Pursuant to SVMHS Board Resolution No. 2022-13, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.*

The Transformation, Strategic Planning and Governance Committee convened at 12:03 p.m. in the Downing Resource Center, Rooms B & C

Committee Members Present:

In Person: Pete Delgado, Jim Gattis, Adrienne Laurent, Augustine Lopez, Clement Miller, Richard Turner, and Joel Hernandez Laguna

Via Teleconference: Anne McCune, Nicolas Greenson, MD, and Jib Martens

Committee Members Absent: Theodore Kaczmar, Jr., MD, Lisa Paulo, and Allen Radner, MD

Other Board Members Present, Constituting Committee of the Whole:

Via Teleconference: Juan Cabrera and Victor Rey.

*Victor Rey joined the meeting at 12:04 p.m.*

*Juan Cabrera joined the meeting at 12:27 p.m.*

*Committee member Anne McCune left the meeting at 1:00 p.m.*

*Victor Rey left the meeting at 1:00 p.m.*

A quorum was present and the meeting was called to order at 12:03 p.m. by Committee Chair Hernandez Laguna.

Pete Delgado, President/CEO, welcomed Lorrie Oelkers, Internal Audit and Compliance Director, to Salinas Valley Memorial Healthcare System. Ms. Lorrie comes with a wealth of knowledge.

**APPROVAL OF MINUTES FROM THE TRANSFORMATION, STRATEGIC PLANNING AND GOVERNANCE COMMITTEE MEETING OF JULY 27, 2022**

Pete Delgado, President/CEO, recommends the Transformation, Strategic Planning and Governance Committee approval the minutes of the Meeting of July 27, 2022, as presented. This information was included in the Committee packet.

No public comment received.

**MOTION:**

Upon motion by Mr. Delgado, second by Committee member Tuner, the Transformation, Strategic Planning and Governance Committee approved the minutes of the July 27, 2022 meeting, as presented. This information was included in the Committee packet.

Ayes: Committee members: MCune, Delgado, Gattis, Greenson, Laurent, Lopez, Martens, Miller, Turner, and Chair Hernandez Laguna. Noes: None; Abstentions: None; Absent: Committee members: Kaczmar, Paulo, and Radner, MD. Motion Carried.

**CONSTRUCTION UPDATE**

Augustine Lopez, Chief Financial Officer, Clement Miller, Chief Operating Officer, and Dave Sullivan provided the following update:

Hospital Campus – Proposed Site Configuration  
Funding Phase 1

**DRC Parking Garage Annex**

The parking garage annex is under construction. Waste management relocation and infrastructure relocations completed in July 2022. Net additional parking in annex will be 166 spaces (accounting for new parking garage stalls and lost surface stalls) for a total parking count of 487 within the parking structure. Basement tenant improvement of 13,000 square feet of office space is currently in review with the City of Salinas building department.

**Seismic Upgrade: SPC-4D Compliance**

In response to the general outcry for less costly compliance route, and armed with better digital/computational tools, OSHPD enacted in January 2017, the performance analysis method, SPC-4D, as a valid approach to proving seismic compliance of existing buildings. JAMA has been instrumental in working with OSHPD to codify the approach for review and analysis and has been working on modeling the performance of SVMHS buildings for the better part of a year. Building 1 retrofit is primarily achieved through structural plates for additional reinforcement. For Building 2, antenna buttresses and roof top members are proposed to strengthen the building. In addition to the above, JAMA is also reviewing the seismic joint between building 1 and 2 and their adjoining neighbors and interior egress corridor partition construction assemblies, per OSHPD's request.

**Seismic Upgrade: Building 1, 1960 + 1970 Additions**

Progress Update:

1. Geotechnical/Geohazard Reports (Complete)
2. Material Testing Program + Construction Documents (Complete)
3. Condition Assessment Program (Complete)
4. SPC 4D Evaluation + Retrofit Scope SCU Review (90-Day Review in Process)
5. SPC 4D RETROFIT CDs & Construction BSS Review – (Anticipated BSS Approval +

## Permit 20

### Seismic Building Update

#### Progress Update

1. Geotechnical/Geohazard Reports (Complete)
2. Material Testing Program + Construction Documents (Complete)
3. Condition Assessment Program (Complete)
4. SPC 4D Evaluation + Retrofit Scope SCU/Peer Review (90-Day Review in Process)
5. SPC 4D RETROFIT CDs & Construction BSS Review – (Anticipated BSS Approval + Permit 2024)

#### Seismic Upgrade:

##### NPC-4, NPC-4D & NPC-5 Compliance

The non-structural performance scope is limited to critical areas that have not yet been completed and the underground storage tanks for potable water and sewer tanks for continued operations during emergencies. NPC4d compliance of noncritical care areas will be targeted with operational plans for compliance. Documentation of historical projects that have been constructed to code and existing above-ceiling inventory activities to commence during preconstruction activities ahead of the design-builder on boarding. State law requires inventory/evaluation plan be submitted before Jan 1, 2024 and a plan set submitted by Jan 1, 2026 and building permit issued by Jan 1, 2028.

##### SVMHS Master Plan: Design, Construction and Permitting (Phase 1 Funding)

18 months need to be completed by December 2025.

##### Funding Phase 2

##### Surgery Additions: Plan View

The surgical expansion is a one story with a basement. At the basement level, there are 11,800 square feet of mechanical and electrical support and general. The first floor is 42,300 square feet and includes 8 operating rooms (3 general, 2 cardiovascular, 2 orthopedic, and 1 robotic operating rooms); 12 post-anesthesia care unit bays; 21 pre-post bays; 2 endoscopy rooms and the supporting areas; complete sterile processing department; surgical support; ambulatory entry to support same-day surgery and imaging functions. The building includes a new ambulatory entry drop-off and a new hospital entry canopy.

Mr. Sullivan reviewed the Surgery Addition: Los Palos / Romie Perspective

Welcome Center: Romie Perspective

##### SVMHS Master plan: Design, Construction and Permitting (Phase 2)

- Welcome Center – Design Build
- Surgery Addition – Design Build (2029)

## Cost Estimation

### SVMHS – Master Plan Milestone + Budget snapshots Version 2A Surgery Expansion

#### Option A- Design Build (DB)

Phase	CEQA Approval Date	HCAI Approval Date	Construction Start	Construction Completion	Total Cost
Parking Garage Annex	October 1, 2021	N/A	July 1, 2022	November 1, 2023	\$ 36,000,000
Seismic	Exempt	September 1, 2023	March 1, 2024	December 1, 2025	\$ 62,500,000
Welcome Center	September 1, 2024	June 1, 2025	July 1, 2025	August 1, 2026	\$31,000,000
Surgery Addition	September 1, 2024	June 1, 2026	June 1, 2026	June 1, 2029	\$ 178,500,000

### **CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF APPOINTMENT OF SUBJECT MATTER EXPERT TO THE COMMUNITY ADVOCACY COMMITTEE.**

Adrienne Laurent, Chief Communication Officer, reported that Harald Barkhoff, Ph.D. from CSUMB has showed interest in serving in the Community Advocacy Committee.

No public comment received.

#### **MOTION:**

Upon motion by Committee member Laurent, second by Committee member Gattis, the Transformation, Strategic Planning and Governance Committee recommends the Board of Directors approved the appointment of Harald Barkhoff, Ph.D. as subject matter expert to the SVMHS Community Advocacy Committee.

Ayes: Committee members: Delgado, Gattis, Greenson, Laurent, Lopez, Martens, Miller, Turner, and Chair Hernandez Laguna. Noes: None; Abstentions: None; Absent: Committee members: Kaczmar, MCune, Paulo, and Radner, MD. Motion Carried.

### **FINANCIAL AND STATISTICAL REVIEW**

Augustine Lopez, CFO, provided a financial and statistical performance review for the month ending September 2022. This information was included in the Committee packet.

Key highlights of the financial summary for September 2022 were: (1) Income from operations was \$4.8M with an operating margin of 7.6%, (2) Net income was \$2.6M with a net income margin of 4.1%; (3) Inpatient gross revenues 3%, favorable to the budget; (4) Emergency Department gross revenues were 13% favorable to the budget; (5) Outpatient gross revenues were 20% favorable to the budget in Infusion Therapy, Radiology, Surgery and Cardiology; (6) Payor mix was unfavorable to the budget; (7) Total normalized net patient revenues were \$54.1M, which was favorable to the budget by \$7.3M or 15.5%; (8) Inpatient surgeries were above budget and higher than expected inpatient business; (9) Average daily census was 123, 7% above budget and total admissions were above budget by 16%; (10) Total acute average length of stay (ALOS) Medicare traditional ALOS CMI adjusted was 1% favorable at 2.31 days with a Case Mix Index of 1.7; (11) Operating revenues were above expenses; (13) Days cash on hand was 338; days of net accounts receivable is 45.

Outpatient Surgeries were 11% (25 cases) above budget at 256; COVID cases decreased to 13 cases, a decrease of 73% over prior month; Out Patient Observation cases were below budget by 11% at 146

## **PUBLIC INPUT**

No public input received.

## **ADJOURNMENT**

There being no other business, the meeting was adjourned at 1:18 p.m. The Transformation, Strategic Planning and Governance Committee meets quarterly. The next meeting is scheduled for **Wednesday, January 25, 2023 at 12:00 p.m.**

## **ATTEST:**

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Joel Laguna Hernandez, Chair  
Transformation, Strategic Planning and Governance

/es



# Board Paper

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Agenda Item: Amended and Restated District Bylaws  
Executive Sponsor: Pete Delgado, President/CEO  
Date: January 25, 2023

## Executive Summary

Best practices in governance call for the regular review of organizational Bylaws. The Charter for the Transformation, Strategic Planning, and Governance Committee calls for this Committee to “Provide for a review of the Bylaws at least once every three years.”

## Background/Situation/Rationale

In an initial review, a few opportunities exist for updating in District Bylaws, as reflected in the attached document.

- Name change to reflect the new Salinas Valley Health rebrand.
- Updated Vision statement.
- Opportunity to have our board chair serve as an alternate committee member in the event that the board member assigned to a committee is absent.

## Meeting our Mission, Vision, Goals

Strategic Plan Alignment:

Salinas Valley Memorial Healthcare System’s practice of excellence in governance allows us to meet our Mission, Vision and Goals.

## Pillar/Goal Alignment:

Service     People     Quality     Finance     Growth     Community

## Timeline

**January 25:** Transformation, Strategic Planning, and Governance Committee reviews proposed changes to District Bylaws.

**January 26:** Board of Directors considers approval of a Board resolution adopting the amended Bylaws, along with a vote to adopt the Bylaws.

AMENDED AND RESTATED  
BYLAWS OF  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
OPERATING AS SALINAS VALLEY HEALTH  
MONTEREY COUNTY, CALIFORNIA  
ADOPTED BY  
LOCAL HEALTH CARE DISTRICT BOARD OF DIRECTORS  
~~May 25, 2017~~ January 26, 2023

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AMENDED AND RESTATED BYLAWS
of
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

Operating as Salinas Valley Health

Monterey County, California

PREAMBLE

These Amended and Restated Bylaws are adopted by the Board of Directors (the "Board") of Salinas Valley Memorial Healthcare System, operating as Salinas Valley Health ("SVMHS" or the "District"), a public health care district organized June 20, 1947, under the terms of the Local Health Care District Law (Health and Safety Code of the State of California, Division 23, Sections 32000-32492), pursuant to Section 32104 of the California Health and Safety Code. These Bylaws are adopted by the SVMHS Salinas Valley Health Board for the purpose of establishing such rules and regulations, not inconsistent with governing laws and regulations, that in the opinion of the Board, are necessary for the exercise of the powers and duties of the Board imposed upon it by Local Health Care District Law and related statutes.

ARTICLE I. PURPOSE, AUTHORITY, OBLIGATIONS

1.1 Purpose. Salinas Valley Memorial Healthcare System, Salinas Valley Health, organized and operating pursuant to Division 23 of the California Health and Safety Code, is committed to serving the healthcare needs of its constituents. The purpose of SVMHS Salinas Valley Health is to establish, maintain, operate and provide assistance in the operation of one or more health facilities or health services at any location inside or outside of the territorial limits of the District for the benefit of the District and the community served by SVMHS Salinas Valley Health; and to do or take any other actions necessary to carry out the provisions of these Bylaws and Local Health Care District Law. SVMHS Salinas Valley Health is committed to quality care in a family centered atmosphere.

1.2 Mission. The Mission of SVMHS Salinas Valley Health is to provide quality healthcare to our patients and to improve the health and well-being of our community.

1.3 Vision. The Vision of SVMHS Salinas Valley Health is to be a center of excellence where an inspired team delivers compassionate and culturally sensitive care, outstanding quality, and an exceptional patient experience; a community where good health grows through every action, in every place, for every person.

1.4 Authority. The authority of the Board arises from Division 23 of the California Health and Safety Code, Sections 32000 and following. The Board is required to comply with all federal and state laws and regulations.

1.4.1 Title to Property. The title, direction and control of property owned by SVMHS Salinas Valley Health shall be vested in the Board. Purchases or sales of property and investment, transfer or other expenditures of trust funds shall be only upon the signature of the President and Treasurer of the Board, or their designees. Any officer of the Board or the President/CEO of SVMHS is authorized to execute any documents accepting and consenting to any deeds or grants conveying real property to SVMHS Salinas Valley Health.

1.4.2 Professional and Other Health Care Staff. The Medical Staff and other health care professionals providing patient care services in or under the auspices of SVMHS Salinas Valley Health are subject to the authority of the Board.

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1.4.3 Disposition of Surplus Funds. In the event of a surplus of revenue over expenses, use of surplus funds shall be determined by the Board, within the limits of these Bylaws, Local Health Care District Law, and applicable California statutes and regulations.

1.5 Obligations. The business of ~~SVMHS~~ Salinas Valley Health is conducted by the Board with due attention to relevant community interests and concerns. Obligations of the Board include, but are not necessarily limited to:

1.5.1 Ultimate accountability for the safety and quality of care, treatment, and services provided by ~~SVMHS~~ Salinas Valley Health.

1.5.2 Retain fiduciary responsibility and legal authority for all aspects of operations for ~~SVMHS~~ Salinas Valley Health, ~~Salinas Valley Memorial Hospital ("Hospital") and Salinas Valley Medical Clinic ("Clinic")~~, including approval of the ~~Hospital~~ Medical Center's and ~~Clinic~~'s budgets;

1.5.3 Select a President/CEO for ~~SVMHS~~ Salinas Valley Health;

1.5.4 Evaluate the performance of the President/CEO annually in accordance with preset criteria for that year, with a written evaluation conducted every other year;

1.5.5 Delegate certain specific responsibilities, subject to Board authority, to the ~~SVMHS~~ Salinas Valley Health President/CEO;

1.5.6 Delegate certain specific responsibilities, subject to Board authority, to the ~~Hospital~~ Medical Center Medical Staff;

1.5.7 Take action on the Bylaws, Rules and Regulations of affiliated organizations whose Bylaws are subject to Board approval;

1.5.8 Appoint and/or remove Medical Staff members and grant and/or limit specific clinical privileges, acting upon recommendations from the Medical Executive Committee;

1.5.9 Meet situations not specifically covered in these Bylaws through adoption of resolutions, and/or procedural descriptions in the policies and procedures of the Board; and

1.5.10 Account for ~~SVMHS~~ Salinas Valley Health funds.

## ARTICLE II. BOARD MEMBERS

2.1 Number, Qualifications, District Zones, Election and Term.

2.1.1 Number. The Board shall consist of five (5) elected board members.

2.1.2 Qualifications. Each member of the Board (i) shall be a registered voter; (ii) shall reside within the geographic boundaries of the District Zone where elected; and (iii) shall for the duration of the member's term continue to reside within the geographic boundaries of the District Zone where elected.

- 2.1.3 **District Zones.** The District shall consist of five (5) District Zones designated Zone 1, Zone 2, Zone 3, Zone 4 and Zone 5. Beginning with the General Election in November, 2012, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 2 and Zone 3. Beginning with the General Election in November, 2014, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 1, Zone 4 and Zone 5.
- 2.1.4 **Election.** Each member of the Board shall be elected by the eligible voters within the geographic boundaries of the District Zone represented by the Board member. Procedures of the election shall be governed by Local Health Care District Law and the Uniform District Election Law.
- 2.1.5 **Term.** Each Board member shall serve a term of four (4) years. Board members may succeed themselves indefinitely. In the event a member is appointed to a vacancy on the Board, such member will serve the balance of the unexpired term of office or will serve until the next consolidated election subsequent to the appointment, as provided in Section 1780 of the California Government Code.
- 2.1.6 **Public Meeting Regulations.** The District shall cause each Board member and any person elected to serve as a member of the Board who has not assumed the duties of office to receive a copy of California Government Code Sections 54950-54962 ("The Ralph M. Brown Act").
- 2.2 **Duties.** Duties of individual Board members include, but are not necessarily limited to:
  - 2.2.1 Attend Board meetings;
  - 2.2.2 Attend meetings of committees to which the member is assigned;
  - 2.2.3 Relate community input to the Board;
  - 2.2.4 Represent [SVMHS-Salinas Valley Health](#) in a positive and effective manner in public forums;
  - 2.2.5 As appropriate, be politically active on behalf of [SVMHS-Salinas Valley Health](#) and its interests and needs;
  - 2.2.6 Learn enough details about hospital management and patient care services that the Board member can effectively question reports of both institutional managers and the professional staff, and evaluate the answers;
  - 2.2.7 Accept and fulfill reasonable assignments from the President of the Board;
  - 2.2.8 Participate in the performance evaluation of the Board members pursuant to the evaluation process established by the Board;
  - 2.2.9 Participate in the orientation program for new Board members; and
  - 2.2.10 Become familiar with the provisions of The Ralph M. Brown Act and Local Health Care District Law.

2.3 **Removal of Director.** If a Board member is absent from three (3) consecutive regular meetings of the Board, or from three (3) of any five (5) consecutive meetings of the Board, or if their absences jeopardize the Board's ability to continue to conduct Board Meetings via videoconference under the Brown Act, the Board may, by resolution, declare that a vacancy on the Board exists.

2.4 **Filling Board Vacancies.** Board vacancies created by removal, resignation, death, or moving out of the boundaries of the District or Zone, shall be filled by the methods provided by law.

~~2.5~~ **Compensation.** A member of the Board shall receive one hundred dollars (\$100.00) per meeting, not to exceed five (5) meetings per month. Each member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of ~~SVMHS-Salinas Valley Health~~ as assigned by the Board. "Meeting," as that term is used in this Section, shall mean regular and annual meetings held pursuant to Section 5.1 of these Bylaws, special meetings held pursuant to Section 5.3, standing committee meetings held pursuant to Section 4.2, ad hoc committee meetings held pursuant to Section 4.3, and meetings of the Medical Staff of the ~~Hospital Medical Center.~~

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~~2.6~~ **2.5 Conflict of Interest.** No Board member shall realize economic gain from an action of the Board in which that Board member participated. Board members shall be required to follow the Conflict of Interest Code adopted by the Board.

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**ARTICLE III. OFFICERS**

3.1 **List of Officers.** The Officers of the Board shall be:

- ▶ President
- ▶ Vice President
- ▶ Secretary
- ▶ Treasurer
- ▶ Assistant Treasurer

3.2 **Qualifications, Selection and Term**

3.2.1 Officers are elected by the Board at the annual meeting from among its own members. Election must be by no less than three (3) votes.

3.2.2 Officers are elected for a period of two (2) years and shall serve until a successor has been duly elected. No Board member shall serve more than six (6) consecutive years in the same office.

3.2.3 A Board member shall not simultaneously hold more than one (1) office.

3.3 **Duties of the President.** The President of the Board shall:

3.3.1 Preside at all meetings of the Board;

3.3.2 Execute contracts, correspondence, conveyances, and other written instruments as authorized by the Board; and

3.3.3 Appoint chairpersons and members of Board committees, and serve as an alternate.



Committee Member on all Board committees.

3.4 **Duties of the Vice President.** The Vice President shall:

- 3.4.1 In the absence of the President of the Board, assume the duties of the President of the Board; and
- 3.4.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.5 **Duties of the Secretary.** The Secretary shall:

- 3.5.1 Be responsible for maintaining minutes of Board meetings;
- 3.5.2 Be responsible for maintaining other documentation as may from time to time be required by the Board's activities; and
- 3.5.3 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.6 **Duties of the Treasurer.** The Treasurer shall:

- 3.6.1 Be responsible for the safekeeping, accounting for and disbursement of SVMHS funds, at the direction of the Board; and
- 3.6.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.7 **Duties of the Assistant Treasurer.** The Assistant Treasurer shall:

- 3.7.1 In the absence of the Treasurer, assume the duties of the Treasurer; and
- 3.7.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.8 **Removal of Officers and Vacancies**

- 3.8.1 Removal. Officers may be removed by vote of three (3) Board members for failure to perform the duties of the office, or for malfeasance in office.
- 3.8.2 Vacancies. Vacancy in any office shall be filled by Board election, as soon as 1s reasonably possible.

**ARTICLE IV. COMMITTEES**

- 4.1 **Appointment and Terms of Members of Board Committees.** The President of the Board shall appoint voting members of the Board committees. Appointments are for two (2) years. In addition, the President of the Board shall serve as an alternate voting member of each of the Board committees.

- 4.2 **Standing Committees.** All meetings of the standing committees described in this Article, including without limitation regular, adjourned regular, and special meetings, shall be conducted in accordance with the provisions of The Ralph M. Brown Act. The Board of Directors shall adopt Committee Charters to include the purpose, authority, membership and scope of duties for the following standing committees of the Board:
- 4.2.1 Community Advocacy Committee
  - 4.2.2 Corporate Compliance and Audit Committee
  - 4.2.3 Finance Committee
  - 4.2.4 Personnel, Pension and Investment Committee
  - 4.2.5 Quality and Efficient Practices Committee
  - 4.2.6 Transformation, Strategic Planning and Governance Committee
- 4.3 **Additional Committees.** Additional committees, permanent or temporary, can be established at any time and from time to time by the Board.

#### ARTICLE V. MEETINGS

- 5.1 **Regular Meetings and Annual Meeting.** The Board shall meet each month, and the December meeting is designated the annual meeting. Regular meetings and the annual meeting shall commence at 4:00 p.m., and shall be held at the ~~Hospital- Medical Center~~ or another SVMHS facility located within the District boundaries. If all members of the Board are absent from a regular meeting or the annual meeting, the Secretary shall declare the meeting adjourned to a stated time and place. The Secretary shall cause a notice of adjournment to be posted within twenty-four (24) hours after the adjournment. The Secretary shall cause a written notice of adjournment to be mailed to each Board member at least twenty-four (24) hours before the time and date to which the meeting is adjourned.
- 5.2 **Agenda.** SVMHS shall post an agenda complying with Government Code Section 54954.2 at least seventy-two (72) hours before a regular meeting and before the annual meeting.
- 5.3 **Special Meetings.** Special meetings may be called at any time for a specific, announced purpose by the President of the Board, or on request of any three (3) Board members. SVMHS shall deliver written notice of a special meeting to all Board members at least twenty-four (24) hours before the time of the meeting as specified in the notice. SVMHS shall post the notice of the special meeting at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public.

This 24 hour notice requirement shall not apply in an "emergency situation" as defined in California Government Code Section 54956.5. If all members of the Board are absent from a special meeting, the Board secretary shall follow the same adjournment procedures set forth in Section 5.1 of these Bylaws.

- 5.4 **Quorum.** For regular and special meetings of the Board, a quorum shall be three (3) members. For committees, a quorum shall be a majority of the members of that committee, and shall include one (1) Board member.
- 5.5 **Majority Vote.** Actions of the Board shall be by a majority of three (3) members of the Board. No action shall be taken by the Board, however, by secret ballot, whether preliminary or final.
- 5.6 **Minutes.** A record of proceedings of all meetings of the Board and of all standing committees of the Board shall be kept on file.
- 5.7 **Public Meetings.** Except as otherwise provided in the California Government Code, all meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting, unless otherwise provided by law. Public testimony or comment on a particular issue shall be limited to a maximum of three (3) minutes for each individual speaker for each issue. The Board may, at its discretion, allow for more time if deemed appropriate or necessary.

**ARTICLE VI. SVMHS PRESIDENT/CEO**

- 6.1 **Employment of SVMHS President/Chief Executive Officer.** A qualified and competent President/CEO shall be employed by the Board and given responsibility for the day-to-day management of SVMHS, subject to Board policy. Such management shall include the selection and evaluation of key management staff.
- 6.2 **Duties of SVMHS President/CEO.** The duties of the President/CEO shall include but not be limited to the following:
  - 6.2.1 The President/CEO, or the President/CEO's designee, shall make periodic reports to the Board regarding the operations of ~~the Hospital.~~ [Salinas Valley Health.](#)
  - 6.2.2 The President/CEO shall be a member of all Board committees.
  - 6.2.3 The President/CEO has the authority to sign temporary privileges and Board approvals of Medical Staff membership and/or privileges for and on behalf of the Board.
- 6.3 **Evaluation of SVMHS President/CEO.** The President/CEO shall be evaluated annually in accordance with preset criteria for that year. A written evaluation of the President/CEO by the Board will be conducted every other year.
- 6.4 **CDPH Notification.** The California Department of Public Health shall be notified in writing if a new President/CEO is employed.

**ARTICLE VII. MEDICAL STAFF**

- 7.1 **Appointment and Duties.** The Board shall:
  - 7.1.1 Appoint a Medical Staff (see Medical Staff Bylaws approved by the Board for descriptions of qualifications for Medical Staff membership and clinical privileges). In appointing practitioners to the Staff, and in granting clinical privileges, the Board acts upon recommendations from the Medical Executive Committee;

- 7.1.2 Approve Medical Staff Bylaws by which the Medical Staff shall govern its affairs, subject to Board policy and to relevant statutes and legal precedents;
  - 7.1.3 Consider appointment and specific clinical privileges of each practitioner at least every two (2) years. The Board acts upon Medical Executive Committee recommendations regarding renewal and/or upgrading and/or restriction of Medical Staff membership and/or clinical privileges for each practitioner subject to the Medical Staff Bylaws;
  - 7.1.4 Require that patient care services provided at the ~~Hospital~~ Medical Center, or under the auspices of the ~~Hospital~~ Medical Center be within the scope of privileges granted by the Board;
  - 7.1.5 Receive, question, and act upon regular reports of the clinical activities of Medical Staff members and of other practitioners actively engaged in providing clinical services in or under the auspices of the ~~Hospital~~ Medical Center;
  - 7.1.6 Provide adequate support personnel to assist the Medical Staff with organizational functions, including Medical Staff membership and clinical privileges (credentialing), physician performance evaluation (peer review), and collection and analysis of clinical data (quality assurance, utilization review, risk management); and
  - 7.1.7 Review, revise and update as appropriate the Performance Improvement Plan for Medical Staff and ~~Hospital~~ Medical Center activities.
- 7.2 **Termination and Due Process.** Membership on the Medical Staff and specific practice privileges are subject to denial, suspension, termination, or curtailment for cause by the Board. In such an event, due process shall be provided as described in the Medical Staff Bylaws.

**ARTICLE VIII. CHIEF MEDICAL OFFICER**

- 8.1 **Appointment and Duties.** The President/CEO, after consultation with the Board and with the Medical Executive Committee, may select a Chief Medical Officer who shall:
- 8.1.1 Be a non-voting member of the Medical Executive Committee;
  - 8.1.2 Be responsible to the President/CEO (reporting relationship) and for working with and assisting the Chief of the Medical Staff, the Medical Executive Committee, and clinical department chiefs (functional relationship);
  - 8.1.3 Be concerned, among other duties, with medico-administrative aspects of patient care provided in or under the auspices of the ~~Hospital~~ Medical Center, and with coordination of organizational functions of the Medical Staff, working with and through the Chief of Staff, Medical Executive Committee, and department chiefs; and
  - 8.1.4 Work with and through the Chief of Staff, Medical Executive Committee, and clinical department chiefs to invoke Article IX of Medical Staff Bylaws when and if necessary.
- 8.2 **Removal.** Removal of the Chief Medical Officer shall be by the President/CEO only after consultation with the Board and Medical Executive Committee.

- 8.3 **Responsiveness to the Medical Staff and Board.** The job description of the Chief Medical Officer and his evaluation by the President/CEO shall include reasonable responsiveness to the needs and concerns of Medical Staff officers and members, clinical department chiefs, and to the Board.

**ARTICLE IX. INDEMNIFICATION**

- 9.1 **Indemnification of Directors and Officers.** Members of the Board and officers shall be indemnified to the full extent permitted by law against all claims, liabilities and expenses incurred as a result of an action by the Board, except in the instance of willful misconduct in the performance of duties as a director or officer.

**ARTICLE X. RULES AND PROCEDURES**

- 10.1 **Board Policies and Procedures.** Agreed upon rules and procedures for implementation of these Bylaws may be contained in the policies and procedures of the Board.

**XI. AMENDMENT, ADOPTION AND REVIEW**

- 11.1 **Amendment.** These Bylaws may be amended at any properly noticed meeting of the Board by a majority of three (3) Board members.
- 11.2 **Adoption.** Adoption of Bylaws shall be by a majority of three (3) Board members, at any properly noticed meeting of the Board.
- 11.3 **Review.** These Bylaws will be reviewed at least every two (2) years for revision as necessary.

REVIEW

Reviewed by Board/No Revisions            July 1, 2019  
Reviewed by Board/Amended & Restated    May 25, 2017

**CERTIFICATE OF SECRETARY**

I, the undersigned, the duly elected Secretary of the Board of Directors of Salinas Valley Memorial Healthcare System, do hereby certify:

That the foregoing Amended and Restated Bylaws adopted as the Bylaws of Salinas Valley Memorial Healthcare System by Resolution 2017-05 of the Board of Directors of the Salinas Valley Memorial Healthcare System on May 25, 2017, were reviewed by the Board of Directors without revision, and that the same do now constitute the Bylaws of Salinas Valley Memorial Healthcare System.

Dated: ~~July 1, 2019~~ January 26, 2023



<sup>7</sup>  
~~Norm Nelson~~ Rolando Cabrera, MD, Board  
Secretary  
Salinas Valley ~~Memorial Healthcare System~~ Health

# *PUBLIC INPUT*



# ***ADJOURNMENT***

*The Transformation, Strategic Planning &  
Governance Committee meets Quarterly.*