

**BYLAWS OF THE BOARD OF DIRECTORS  
OF  
BIG BEND REGIONAL HOSPITAL DISTRICT  
BREWSTER AND PRESIDIO COUNTIES, TEXAS**

**ARTICLE I  
NAME AND LOCATION**

**Section 1.** The name by which the District shall be known shall be the Big Bend Regional Hospital District.

**Section 2.** The principal office of the District shall be located at 801 E. Holland Avenue, Alpine, Texas 79830.

**Section 3.** The District shall operate on the basis of a fiscal year commencing October 1 of each year and ending on September 30.

**ARTICLE II  
CREATION AND OWNERSHIP**

**Section 1.** The Big Bend Regional Hospital District is established pursuant to Chapter 643, Acts of the 59<sup>th</sup> Legislature, Regular Session, 1965 as amended by Chapter 706, Acts of the 72<sup>nd</sup> Legislature, Regular Session, 1991, and Chapter 386, Acts of the 76<sup>th</sup> Legislature, Regular Session, 1999, such provisions now codified as Chapter 1007, Texas Special District and Local Laws Code, which authorize the creation, establishment, administration, maintenance, operation and financing of a hospital district, the boundaries of which coexists with those of Brewster and Presidio Counties, Texas.

**Section 2.** The precinct lines separating the five hospital district precincts shall be established in accordance with population guidelines and regulations promulgated by the United States Department of Justice. Existing precinct lines will be adjusted every ten years in accordance with census data as published by the United States Census Department.

**Section 3.** The management, control and administration of and all funds and resources of the District are vested in the Board of Directors.

## **ARTICLE III OBJECTIVES**

**Section 1.** The objectives of the Board of Directors of the Hospital District shall be:

- a. To promote any educational activities related to rendering care to the sick and injured, or the promotion of health, that in the opinion of the Board of Directors may be justified.
- b. To participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the community.
- c. To accept monies from divisions of the Federal, State, County, or Municipal governments and from individuals, organizations, or corporations, for the furtherance of health care, educational activity, scientific research, or the promotion of the general health of the community.
- d. To promote quality patient care for all qualifying indigent clients in all areas for which the Hospital District is responsible.

## **ARTICLE IV DIRECTORS**

**Section 1. Membership.** The Board of Directors shall consist of five (5) members. One director shall be elected from each single member hospital district precinct. The candidate receiving the highest number of votes from a hospital district precinct is director for that precinct.

**Section 2. Elections and Term of Office.** An election for the purpose of electing the appropriate number of directors shall be held on the uniform election date in May of even numbered years as prescribed by the Texas Election Code, such election to be held every other year.

Directors shall be elected for four-year terms. Elections shall be held in accordance with the Texas Election Code.

In the event of uncontested election, the election may be canceled as provided by the Texas Election Code.

**Section 3. Qualifications for Directors.** To be eligible to serve as a Director, a person must be:

- (1) A resident of the District; and
- (2) A qualified voter.

All members of the Board of Directors shall execute the constitutional oath of office and a good and sufficient bond for \$1,000 payable to the District, conditioned upon the faithful performance of the director's duties, and such bond shall be purchased at the expense of the District. A person who is elected from a hospital district precinct or who is appointed to fill a vacancy for a hospital district precinct must be a resident of that hospital district precinct.

The following persons may not serve as a member of the Board of Directors:

- (1) An employee of the Hospital District;
- (2) A party to a contract with the Hospital District to perform services for compensation; or
- (3) A physician who has staff privileges at a District facility.

**Section 4. Vacancies.** Vacancies on the Board of Directors shall be filled for the unexpired term by appointment by the remaining directors.

**Section 5. Powers and Duties of the Board.** The Board of Directors shall have charge, control and management of the property, affairs, and funds of the Hospital District, and shall have the power and authority to do and perform all acts and functions not inconsistent with these bylaws, the Hospital District's enabling legislation, or state or federal law.

**Section 6. Conflict of Interest.** A conflict of interest, as used herein, shall be deemed to exist when the vote of any member of the Board of Directors on any particular issue may result in direct or indirect compensation or benefits to said member or any entity that they represent for compensation or other benefit.

- a. When it becomes apparent that a conflict of interest exists on the part of any Board member, such conflict shall be immediately disclosed to the other members of the Board and made a matter of record.
- b. Each board member shall sign a Conflict of Interest statement, which will be maintained on file in the Hospital District office.

- c. Any board member having a possible conflict of interest on any matter shall not vote and shall abstain from all discussion and deliberation on the matter in which the board member has a conflict. The minutes of the meeting should reflect that disclosure was made and the fact that the particular member abstained from all discussion and deliberation and voting on the matter.
- d. Except for those conflicts of interest governed by Local Government Code chapter 171 for which abstention from all participation is required, the existence of conflict of interest shall not be construed as preventing the Board member from stating his or her position in the matter, nor from answering pertinent questions of other Board members.

**Section 7. Compliance with Laws and Regulations.** The Board of Directors shall take all reasonable steps to conform to all applicable laws and regulations.

**Section 8. Compensation.** Members of the Board of Directors shall receive no compensation for their services. They may be reimbursed for actual and necessary expenses incurred in the performance of their duties, provided that such activities have been approved by the Board.

**Section 9. Training.** Within one year of taking office, each Board member shall endeavor to attend at least one meeting/training session of their choice on matters involving indigent health care, public health and/or administration of hospital district duties and functions.

## **ARTICLE V MEETINGS**

**Section 1. Regular Meetings.** The Board of Directors shall hold a regular meeting at a site selected by the Board that is convenient for the members of the Board, staff and the public on the third full week of each month or at any such time and place designated by the Chairman of the Board.

Any three members of the Board shall constitute a Quorum and concurrence of three (3) shall be sufficient in all matters pertaining to the business of the Hospital District.

**Section 2. Special Meetings.** Special meetings may be called by the Chairman or may be called at the written request of at least three (3) members of the Board of Directors.

**Section 3. Notice.** Written or printed notice of any annual, regular or special meeting of the Board of Directors shall be delivered to each director not less than three (3) nor more than thirty (30) days before the date of the meeting and shall be posted as required by the Texas Open Meetings Act, Chapter 551, Texas Government.

The notice shall state the place, day and time of the meeting and the purpose or purposes for which the meeting is called.

## **ARTICLE VI OFFICERS**

**Section 1. Officers.** The Board of Directors shall elect from among its members a president, vice chairman, secretary and treasurer at the first meeting of the board after each directors' election

Officers shall hold office for a period of one year or until their successors shall have been duly elected and qualified.

**Section 2. Chairman.** The Chairman shall preside at all meetings of the Board of Directors and shall be ex officio, non-voting member of all committees, but shall enjoy full voting privileges at all regular and special called board meetings.

Subject to the direction of the Board, the Chairman shall execute all contracts and other legal documents on behalf of the Board of Directors.

**Section 3. Vice Chairman.** The Vice Chairman shall act as Chairman in the absence of the Chairman or in the event the Chairman refuses to act. When acting as Chairman, the Vice Chairman shall have the power and authority of the Chairman.

**Section 4. Secretary.** The Secretary shall prepare or cause to be prepared appropriate notices and agendas with input from the Directors for all meetings of the Board of Directors; shall act as custodian of all records and reports; and shall be responsible for the keeping and reporting of adequate records of all meetings of the Board of Directors.

Minutes shall be signed by the Chairman and Secretary and approved by the Board of Directors.

The Secretary may delegate his or her duties to an employee of the District.

**Section 5. Treasurer.** The Treasurer shall maintain or cause to be maintained all financial records of the District and assist the Board of Directors in actions related to the Board's financial responsibilities.

The Treasurer will service as Chairman of the Finance Committee and serve as Investment Officer for the District.

The Treasurer may delegate his or her duties to an employee of the District.

**Section 6. Vacancies.** A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the officer's term.

## **ARTICLE VII COMMITTEES OF THE GOVERNING BOARD**

**Section 1. Committees.** Committees of the Board of Directors shall be standing or special.

Standing committees shall be the Finance Committee and such other standing committees as the Board of Directors may authorize. Standing committees shall be appointed by the Chairman after the first regular meeting of the Board of Directors of each fiscal year. The term of each standing committee shall be for one year. Any unfinished business by any standing committee may be counted by the appropriate next appointed standing committee.

Membership of all committees shall be appointed from within the membership of the Board of Directors. At a committee meeting, a quorum shall be a majority of the number of members of the committee, provided a quorum shall never be less than two.

The Chairman shall appoint the committee membership and shall designate a chair. Each committee must include membership of at least one member from the Board of Directors.

The Chairman may appoint special committees as circumstances dictate. A special committee shall limit its activities to the accomplishment of the task for which it is appointed and have no power to act except as specifically conferred by action of the Board of Directors. Upon completion of the task for which it was appointed such special committee shall stand discharged.

**Section 2. Executive Committee.** The Board of Directors shall serve as a committee of the whole to perform the duties of the executive committee of the Board of Directors.

## **ARTICLE VIII BUDGET OPERATIONS**

**Section 1. Annual Audit.** The Board shall cause an independent audit to be made of the financial condition of the district, which, together with other records of the district, shall be open to inspection at the principal office of the District.

**Section 2. Annual Budget.** An annual operating budget shall be prepared according to generally accepted accounting principles for approval by the Board of Directors. The budget shall contain estimated revenues and balances available to cover the proposed budget; and the estimated tax rate.

**Section 3. Budget Hearing.** A public hearing on the annual budget shall be held by the Board of Directors after notice of such hearing has been published at least ten (10) days before the date set therefore. Notice of the budget hearing shall be published in a newspaper of general circulation in the Hospital District. Any resident of the district shall have the right to be present and participate in said hearing.

**Section 4. Amendment of Budget.** The Board of Directors shall have authority to make such changes in the budget as in their judgment the law warrants and the interest of the taxpayers' demands. No expenditure may be made for any expense not included in the annual budget or an amendment thereto. The annual budget may be amended from time to time as the circumstances may require, but the annual budget and all amendments thereto shall be approved by the Board of Directors.

## **ARTICLE IX AMENDMENTS**

These Bylaws of the Board of Directors may be amended by affirmative vote of a two-thirds (2/3) majority of the members of the Board of Directors at any regular or special meeting of the Board of Directors, provided that a summary of such proposed amendments shall have been published in the notice calling the meeting.

## **ARTICLE X ANNUAL REVIEW**

These Bylaws and any amendments thereto shall be reviewed annually by the Board of Directors.

## **ARTICLE XI IDEMNIFICATION**

**Section 1.** To the fullest extent allowed by law, the District shall indemnify any director or Officer of the Hospital District who was or is a party or is threatened with being made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (all such actions, suits, and proceedings referred to herein as "proceedings"), by reason of the fact that he or she is or was a Director or Officer of the Big Bend Regional Hospital District or is or was serving at the request of the Board of Directors. Such indemnification may be made only against those expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if;

(1) he or she is successful in the merits or otherwise; or

(2) he or she acted in the transaction which is the subject of the proceeding and in good faith and in manner he or she reasonably believed to be in or not opposed to the best interest of the District, and with respect to any criminal proceeding, he or she had no reasonable cause to believe his conduct was unlawful.

However, no indemnification may be made in respect to any claim, issue, or matter in relation to which such person shall have been adjudged to be liable to the District for negligence or misconduct in the performance of his or her duties. The termination of any proceedings by judgment, order, settlement, conviction, or other plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the District, nor, with respect to any criminal proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

**Section 2.** Any indemnification under Section 1 of this article (other than one ordered by a court) may be made by the District only upon a determination that indemnification of such individual is proper in the circumstances because that person has met the applicable standard of conduct set forth in Section 1. Such determination may be made by the Board of Directors by a majority vote of a quorum consisting of the Directors who were not parties to such proceeding, or if such quorum is not obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.



- Section 3.** Expenses incurred in defending a civil or criminal proceeding may be paid by the District in advance of the final disposition of such proceeding as authorized by the Board of Directors or any other appropriate body or party in the manner identified in Section 2 of this article only when the District has received an undertaking by or on behalf of the individual. An individual who has received such payment will be asked to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the District as authorized by this Article.
- Section 4.** In determining whether the standard of conduct set forth in Section 1 has been met, it may be determined that the individual has met the standard as to some matters but not to others, and the amount of indemnification may be accordingly prorated.
- Section 5.** The indemnification provided by Sections 1 through 4 shall not be exclusive to any other rights to which an individual may be entitled by laws, bylaws, agreement, or otherwise.
- Section 6.** The indemnification provided by Sections 1 through 4 shall inure to their heirs, executors, and administrators of any individual entitled to indemnification under this Article.
- Section 7.** The District may purchase and maintain insurance on any individual who is or was a Director or Officer of the District or is or was serving at the request of the District as a Director, Officer, employee, trustee, or agent of another person against any liability incurred by him or her in any such position, arising out of his status as such, whether or not the District would have the power to indemnify such person against such liability under Sections 1 through 4.
- Section 8.** Directors and Officers shall mean all persons who were, now, or shall be Directors, Officers, or trustees of the Hospital District Board of Directors.

Adopted by the Board of Directors of the Big Bend Regional Hospital District on this 28th day of January, 2016.

BIG BEND REGIONAL HOSPITAL DISTRICT BOARD OF DIRECTORS

By:

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Jean Pearce, Chairman Board of Directors

Attest:

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Allen Haley, Secretary Board of Directors