



Legislation Details (With Text)

File #: 15-00692 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 11/4/2015 **In control:** City Council

On agenda: 11/10/2015 **Final action:** 11/10/2015

Title: A Resolution Approving Amended & Restated Bylaws of the Memorial Health System Enterprise

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2015MHSEBoardResolution, 2. 2015FinalBoardBylaws, 3. MHSEBdMtgNotice11092015

Date	Ver.	Action By	Action	Result
11/10/2015	1	City Council	approved	Pass
11/10/2015	1	City Council	adopted	Pass

A Resolution Approving Amended & Restated Bylaws of the Memorial Health System Enterprise

From:
Wynetta Massey, City Attorney

Summary:
The Memorial Health System Enterprise Board of Trustees, having been appointed by the City Council, will meet to review and approve its Amended & Restated Bylaws, and elect Board officers.

Previous Council Action:
Since 1949, the City has owned Memorial Health System (then known as Memorial Hospital) and was the licensed operator of Memorial Health System facilities from 1949 to 2012. Memorial Health System was established as an enterprise of the City (the “MHS Enterprise”) governed through a Board of Trustees.

In order to ensure the continued provision of the highest quality of care to the greater Colorado Springs community, careful consideration was given by the Board of Trustees, the City Council, and the citizens of the City to various options for the ownership, governance, and control of Memorial Health System, including the option of leasing the assets of Memorial Health System to an outside independent operator.

After determining it to be in the best interest of the public health, safety, and general welfare of the City and its residents, the City Council approved the City’s entry into (i) the Health System Operating Lease Agreement dated July 2, 2012 (which contemplated transfer of Memorial Health System assets and the long-term lease of Memorial Health System facilities to a lessee (first Poudre Valley Health Care, Inc., then UCH-MHS)), and (ii) the Integration and Affiliation Agreement, dated July 2, 2012, by and among the City, University of Colorado Health, Poudre Valley Health Care, Inc., and

UCH-MHS (such agreements, collectively, the “Memorial Health System Affiliation”).

On September 8, 2015, City Council approved on second reading comprehensive amendments to the City Code to define and explain the MHS affiliation, standardize terminology throughout the City Code, and clarify that certain provisions of the City Code are subject to the terms of the Memorial Health System Affiliation. In addition, the ordinances amended Chapter 13 to authorize the appointment of City Councilmembers to serve as the Memorial Health System Board of Trustees. At its October 13, 2015, regular meeting, Council approved the appointment of all nine Councilmembers to serve as the Memorial Health System Enterprise Board of Trustees.

The Board of Trustees is now poised to conduct its first meeting at which it will consider and approve Amended & Restated Bylaws, completing Article III, Section 1 (Officers: Election; Term.).

Background:

In accord with the recently passed ordinances amending the City Code, the Memorial Health System Enterprise Board of Trustees needs to adopt Amended & Restated Bylaws. Should the Board approve the Amended & Restated Bylaws, City Code § 1.2.903 also requires the City Council to approve the Amended & Restated Bylaws at a regular meeting.

At the October 26 Work Session briefing, several issues were raised and are addressed as follows:

1. Whether the term for membership on the Board of Trustees can be changed from 3 years to 2 years during the time the City Council chooses to appoint its members as Trustees. ANSWER: Ordinance No. 3131, approved by the voters on April 6, 1965, set the terms for the Board of Trustees at three years. These three year terms cannot be changed without the approval of the voters.
2. Whether all the duties and responsibilities of the Board set out in the Amended & Restated Bylaws must be exercised by the Board during the duration of the Memorial Health System Affiliation. Article X of the Amended and Restated Bylaws addresses this issue, and Appendix 1 lists the seven core functions of the Board during the duration of the Memorial Health System Affiliation. The City Attorney’s Office will prepare a separate memo to the Board regarding what actions will be needed in 2016 to perform these core functions.
3. Whether the Board must elect officers immediately, and how that election must be conducted. For purposes of the approval of the Amended & Restated Bylaws (Article III, Section 1), the initial officers of the newly constituted MHS Enterprise Board of Trustees must be set out in the Amended & Restated Bylaws. The current City Council and Utilities Board leadership has been proposed for the offices of Chair, Vice-Chair and Secretary of the Board, and Kara Skinner has been proposed for the office of Assistant Secretary as the City’s and Enterprise’s Chief Financial Officer. (See Amended & Restated Bylaws, Article III, Section 4.) The Board may choose to change these initial officer appointments at the November 9 meeting. Officer elections will be an item of business on the agenda for the 2016 annual meeting of the MHS Enterprise Board of Trustees.

Financial Implications:

N/A

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

Modify the proposed Amended & Restated Bylaws

Proposed Motion:

Move to approve the Amended and Restated Bylaws of the Memorial Health System Enterprise with the noted changes to Article III, Section 1 (Officers: Election; Term.)

N/A