



# Municipality of Skagway

## MEMO

<b>TO:</b>	Civic Affairs Committee
<b>FROM:</b>	Emily Deach, Deputy Borough Manager
<b>DATE:</b>	April 24, 2024
<b>SUBJECT:</b>	Draft Amendments to SMC 3.17 and Co-Applicant Agreement

Attached please find draft amendments to SMC 3.17 and the Co-Applicant Agreement. These proposed amendments have been developed by Mayor Bass, the Borough Attorney, Borough Manager, and myself. These are still working documents.

The intent of the draft amendments is to maintain current municipal policy for the Clinic Department, clarify some sections, and also address issues raised by HRSA; however, please note that it is not determined that HRSA would accept these amendments as compliant for the grant.

The operation of a Clinic Department that is also a federally funded FQHC is extremely complex. Navigating how to fix issues inherent in this structure will be challenging.

As noted by Clinic Executive Director Wall in his memo to the Assembly, staff would like the Assembly to make a general policy decision about how to move forward. Once the Assembly agrees to a direction, staff will need to work through the mechanisms required to reach the goal.

I would encourage you to reach out to Director Wall to help explain the nuances of this issue.

Chapter 3.17  
DAHL MEMORIAL CLINIC BOARD OF DIRECTORS

Sections:

3.17.010 Board of directors name and purpose.

3.17.015 Authority and general powers.

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3.17.050 Committee meetings.

3.17.055 Administration.

3.17.010 Board of directors name and purpose.

A. Name. The governing body of the Dahl Memorial Clinic shall be known as the Dahl Memorial Clinic board of directors.

B. Purpose.

1. To schedule the hours during which such services will be provided, approve the clinic's annual budget, approve the selection and dismissal of the clinic executive director, ~~and~~ establish general policies for the clinic, and select medical and other additional and specialty services to be offered to clinic patients. Patient care shall be provided to sick, injured, or disabled persons without regard to race, color, religion, national origin, age, sex, disabilities, pregnancy, parenthood, marital status, change in marital status, or ability to pay.

2. To improve the standards of health care in Skagway, Alaska; and to strive to maintain the quality of patient care that is achievable commensurate with resources available.

3. To encourage and to carry on such training and education activities related to rendering care to the sick and injured or to the promotion of health as may be reasonably feasible by the facilities, personnel, funds, or other requirements that are, or can be made, available.

4. To manage, operate or participate insofar as clinic policy, circumstances and available funds may warrant, and in compliance with the Municipal Code and policies, and state and federal law, any activity designed and carried on to promote general health in Skagway, Alaska.

C. Mission Statement of the Dahl Memorial Clinic. It is the mission statement of the Dahl Memorial Clinic to promote the health and wellness of all residents and visitors in the community of Skagway by providing comprehensive primary, preventative, and emergency health care services.

D. Address. The mailing address of the board of directors of the Dahl Memorial Clinic is P.O. Box 537, Skagway, AK 99840.

3.17.015 Authority and general powers.

A. Authority. The board of directors is constituted, authorized, and governed by the ordinances of the ~~municipality~~ Municipality of Skagway. Within the general revenue resources available to the

Dahl Memorial Clinic from the ~~municipality-Municipality~~ of Skagway and consistent with municipal personnel policies and consistent with municipal fiscal policies, ~~the~~ ~~municipality-Municipality~~ of Skagway, Alaska, delegates to the Dahl Memorial Clinic board of directors the authority to operate the Dahl Memorial Clinic. The borough assembly retains all powers and duties related to any construction of a new clinic or medical facility and any renovations or repairs of the clinic in excess of fifty thousand dollars (\$50,000.00). The borough assembly will consult with the board and clinic director in the planning of any major renovations or repairs and in the planning of any new clinic or medical facility, with all final approval and decisions to remain vested in the borough assembly.

B. General Powers. Subject to federal and state laws and the municipal code and ordinances, this section provides in part that the board of directors shall be responsible for the operation of the Dahl Memorial Clinic according to the best interests of the public's health. In fulfilling its obligations consistent with the mission statement of the clinic, the board shall have the following powers, duties, and responsibilities:

1. To make and enforce all rules and regulations necessary for the administration of the clinic under its management, except that the board has no authority to establish or alter the ~~municipality-Municipality~~ of Skagway personnel policies or fiscal policies which shall also be applicable to clinic staff and operations. The board has no authority to hire and fire municipal employees, including clinic employees. The board may suggest changes to personnel policies or fiscal policies to the borough manager for review and for review by the assembly. The assembly may implement or reject suggested changes to personnel policies or fiscal policies in its sole discretion;
2. The board shall have the authority to make rules and regulations other than as related to personnel policies and fiscal policies of the municipality for the efficient and safe operation of the clinic; provided, that any rules and regulations shall be consistent with federal and state law and the Skagway Municipal Code ~~and personnel policies~~, and be in the best interests of the borough and in accordance with sound business practices;
3. To prescribe the terms under which patients shall be admitted to the clinic;
4. To enter a co-applicant agreement with the municipality for the purpose of receiving Health Resource and Services Administration federal grants (HRSA), if a co-applicant agreement is required and authorized by the borough assembly;
5. Undertake and approve the annual budget, annual audit, and annual reports for the clinic and provide annual budget, annual audit, and annual reports to the borough manager and assembly. The board shall make no expenditure of funds or obligation of funds unless the expenditure or obligation is in conformance with the annual budget, or a budget amendment, funding for which has been approved and adopted by the assembly;
6. To solicit grants and funds from any sources, including HRSA, for the furtherance of the provision of medical care at the clinic and to respond to funding source requests regarding the scope of any project subject, including requests from HRSA. Any solicitations from federal or state agencies shall be subject to prior review by the borough manager and approval of the assembly. The board shall keep the borough manager advised of grants and funds being sought by a written report from the board or clinic executive director;
7. Determine, charge, and collect fees and charges for the services rendered and furnished by the clinic. The rates as determined by the board shall be in full compliance with federal and state laws. The board shall provide justification and rate reviews for the rates as determined by the board to the assembly upon request by the borough manager or assembly. The assembly may change the rates with approval of the board;

8. To take all lawful action to collect all accounts owing to the clinic and the borough for services rendered or furnished by the clinic. No legal action shall be instituted unless reviewed and approved by the borough manager and borough attorney.

#### 3.17.020 Functions.

##### A. Functions and Role of the Board.

1. The board of directors shall establish policies and procedures for the administration of the clinic, which policies and procedures shall be submitted to the borough assembly. A manual of policies and procedures shall be maintained.
2. Policies and procedures, with the exception of personnel and financial policies and procedures, may be adopted, amended, or repealed at any meeting of the board of directors, provided the proposed adoption, amendment, or repeal shall have, in substantive form, been proposed at a previous meeting of the board. The board may suspend, adopt, amend, or repeal a policy or procedure without prior notice if the board determines there is an emergency threat to health or safety.
3. Policies and procedures shall be adopted, amended, or repealed by the prevailing vote of at least five (5) members of the board.
4. Policies and procedures shall be reviewed annually by the board or its committees, designated for that purpose.
5. At the January meeting, the president of the board or ~~his/her~~their appointees shall ensure that all policies and procedures have been reviewed and/or revised as necessary.
6. By the last working day prior to September 30th of each year the board shall submit to the borough manager its annual budget for assembly consideration. Other budgets will be prepared as necessary to meet the requirements of significant funding agencies.

##### B. Evaluation. The board of directors shall annually evaluate its performance in the control and management of the clinic according to goals, policies, and procedures duly adopted by the board.

#### 3.17.025 Membership.

##### A. Number and Appointments.

1. The board of directors shall consist of nine (9) members and two (2) alternate members. The nine (9) members shall consist of at least one (1) member from the Skagway traditional council (STC), a federally recognized tribal entity. All members shall reside within the ~~municipality~~Municipality of Skagway. The total board must consist of at least fifty-one percent (51%) consumers of the clinic. No more than one-half (1/2) of the nonconsumer portion of the board may derive more than ten percent (10%) of their income from the health care industry. Patient members of the board must reasonably represent the individuals who are served by the clinic as to race, ethnicity, and gender. The board shall be appointed by the borough assembly, after review of nominations by the board, persons indicating interest in serving on the board, and recommendations from the mayor. Any board member may be removed by a majority vote of the assembly at any time regardless of whether that person's term on the board has expired. A borough assembly member shall serve as the ex officio member of the board, may attend all meetings, including executive sessions, and have the privilege of the floor, but shall have no vote.
2. The Skagway ~~traditional~~Traditional ~~council~~Council shall nominate the member to fill the STC board position. In the event that the Skagway ~~traditional~~Traditional ~~council~~Council

- is unable to forward a nomination to the mayor within thirty (30) days of a vacancy, the mayor may recommend for appointment another member of the community to fill the unexpired term of the open STC board position. Upon approval by a majority of the assembly, the mayor's recommended appointee shall be appointed to the STC board seat.
3. An alternate member shall abstain from voting unless replacing an absent board member. The chair of the board of directors shall determine such absence and alternate replacement when establishing a quorum.
- B. Qualifications. A voting member shall show willingness to give as much time as is reasonably requested or required. Board members must be willing to accept responsibility for governance, including availability to participate actively in board and committee activities; to provide input in areas of interest and expertise; and to utilize experience in organizational and community activities. The board recognizes that the borough assembly seeks to include a broad representation of the geographic area encompassed by the boundaries of the ~~municipality~~ Municipality of Skagway. Due to the extremely remote geographic area of Skagway, it is important to encourage and maintain persons to serve on the board and at the same time prohibit persons from serving if there is a conflict of interest under the board policies or Municipal Code. In recognition of the potential for conflicts of interest, no ~~board member or~~ board member's parent, spouse, domestic partner, child, or sibling may be an employee of the municipality ~~involved with decision-making authority in~~ involved with decision-making authority over the fiscal or personnel policies applicable to the clinic. Board members shall not be a relative of a clinic employee.
- C. Term. The term of membership shall be three (3) years and until a successor takes office, except that a member appointed to fill a vacancy shall serve for the unexpired term. Terms shall commence in October upon approval of the borough assembly. Unless a vacancy is declared during a term, terms shall end in October after three (3) years, at which time members may be reappointed by the borough assembly. The terms shall be staggered so that members shall be appointed each year.
- D. Vacancy. The office of a board member shall become vacant upon ~~his or her~~ their death, resignation, or removal from office during their term.
1. A board member who has received notice of and failed to attend three (3) consecutive regular meetings of the board or fifty percent (50%) of all meetings within the preceding twelve (12) months (including committee meetings) shall be counseled by the president or the executive committee, who shall make a recommendation to the board concerning removal or retention, if deemed appropriate.
  2. A board member may be removed upon the prevailing vote of at least five (5) members of the board.
  3. A director may resign at any time by giving written notice to the mayor, with a copy to the president of the board. Such resignation shall take effect on the date of receipt or at any later time specified in it.
  4. Vacancies on the board shall be filled in accordance with subsection (A) of this section.
- E. Compensation.
1. Board members and members of all committees shall receive no compensation for any services rendered in their capacities as board members or committee members. Board members may be reimbursed for expenses directly related to board service. Receipts for expenses claimed must be submitted to the clinic executive director for approval. The executive director is not authorized to approve any reimbursement without receipts for expenses directly related to board service.

2. The board of directors may maintain membership in any local, state, or national group or association organized and operated for the promotion of the public health and welfare or the advancement of the efficiency of clinic administration and, in connection therewith, the clinic may pay dues and fees for such membership.
- F. Training. New board members shall learn the operations of the clinic and the board, and become conversant with the history and traditions of the clinic and the community.
1. Each new board member will ~~be given~~ acquire, not later than their first regular meeting as a board member and for their use and possession for the duration of their term, a copy of Chapter 3.02 and this chapter, the co-applicant agreement related to HRSA grants, the executive director contract, the borough personnel manual, and the clinic policies and procedures, and any other documents related to the operation of the health center.
  2. The board shall strongly encourage and bear the costs of the attendance of each new board member at orientation meetings or training sessions.
- G. Dissolution of the Board. If at any time the assembly determines that the municipality does not have adequate resources and funds to continue to operate the clinic, and determines to close the clinic as a municipal department, or if the assembly determines to sell or otherwise transfer the ownership and operation of the clinic to a private entity, the assembly may by majority vote terminate the co-applicant agreement with the clinic board.

### 3.17.030 Organization.

- A. Organization Meeting. The board shall elect annually from its members a president, vice president, secretary, and such other officers, as it deems necessary.
- B. Officers.
1. The officers of the board shall be a president, a vice president, and a secretary.
  2. Officers shall be elected by the board at a regular meeting in November, and each shall hold office for a one (1) year term and until successors shall have been elected. Officers shall serve at the pleasure of the board.
  3. Any officer may resign their office at any time by giving written notice to the board. Such resignation shall take effect on the date of receipt or at any later time specified in it.
  4. The president shall preside at all meetings of the board, and shall be a member of all committees. The president shall be the chairperson of the executive committee.
  5. The vice president shall act as president in the absence of the president, and when so acting, shall have the power and authority of the president. The vice president shall succeed to the office of president for the unexpired term if that office becomes vacant.
  6. The secretary shall provide for the keeping of minutes of all meetings of the board and board committees, shall give or cause to be given all notices in accordance with this chapter or as required by law, and shall act as custodian of all records and reports.
  7. Upon a vacancy in the office of vice president, or secretary, the board shall appoint at its next regular meeting to fill such vacancy for the unexpired term.
- C. Committees.
1. The board shall establish an executive committee, a ~~financial~~-finance committee, and a planning committee. The board shall assign such duties and responsibilities to the committees or appoint such other committees, as it deems necessary.
  2. The president shall appoint the chair and members of all committees.
  3. With the exception of the executive committee, committees of the board shall, when specifically charged to do so by the board, conduct studies, make recommendations to

the board, and act in an advisory capacity, but shall not take action on behalf of the board, except that the finance committee may approve expenditures.

4. Unless otherwise determined by the board, committees shall consist of no less than two board members and shall serve until the committee is discharged.
5. The planning committee shall serve as the maintenance and building committee.
6. A committee shall be convened by the chair, who shall report for the committee. The committee chair shall appoint a secretary for each committee. The secretary will keep minutes during the meeting.
7. The board may assign the functions of any management and/or board committee, except the executive committee, to combined or new committees or to the board acting as a committee of the whole.

D. Committee Functions.

1. Executive Committee. The executive committee shall consist of the president, vice president, and secretary. The president shall be chair of the executive committee and in ~~his or her~~their absence the vice president shall be chair. The executive committee shall be empowered to transact ~~all regular~~ special or emergency business of the clinic during the interim between meetings of the board; provided, that any action it may take shall not conflict with the policies of the board or the policies of the municipality. Any action taken by the executive committee shall be reported at the next regular meeting of the board and may be rescinded by board action at the meeting.
2. Finance Committee. The finance committee shall consist of a chair and three (3) members appointed by the president. The duties and responsibilities of the finance committee are to review and make recommendations to the board concerning all matters affecting the financial condition of the clinic, including, but not limited to, the annual budget and capital budget matters referred to the committee by the president.
  - a. The finance committee will prepare the annual budget for submission to the board not later than September 1st. The budget will include a three (3) year capital plan.
  - b. The finance committee will submit to the board for approval the annual budget before it is submitted to the borough assembly.
  - c. The year-end audited financial reports by an outside auditing firm shall be reviewed by the finance committee, and the committee shall report conclusions to the board at the next board meeting.
3. Planning Committee. The planning committee shall consist of a chair and three (3) members appointed by the president. The planning committee shall provide information to the board on changes and trends in the health care field that may influence the growth and development of the clinic. It may also assist in the preparation and modification of long-range and short-range plans to assure that the total clinic program is attuned to meeting the health care needs of the community served by the clinic. The plan should coordinate the clinic services with those of other health care facilities and related community resources.
  - a. The board shall provide for institutional planning by including the administration, ~~and~~ the medical staff, other department/services, and appropriate advisors in the planning process through participation on the planning committee.

4. Other Standing Committees. The board may constitute additional standing committees not herein identified to assist it in conducting its ~~day-to-day~~day-to-day business. Members shall be appointed by the president.
5. Special Committees. Special committees may be appointed by the president for special tasks. Upon completion of the task for which appointed, such special committees shall be discharged.

3.17.035 Meetings.

- A. Board Calendar. The board shall conduct its business by reference to a calendar, which specifies the month or date that decisions, resolutions, deliberations, notices, and reports must be made or instituted by the board or should be received by the board. The calendar shall be adopted annually at the January meeting of the board, but may be amended at any time thereafter.
- B. Parliamentary Authority. Meetings shall be conducted under Robert's Rules of Order, and such modified or amended rules as may be adopted by the board.
- C. Quorum. Five (5) members of the board shall constitute a quorum of the board, and no business shall be conducted in the absence of a quorum.
- D. Presiding Officer. The president shall preside at all meetings of the board. In the absence, disability, or disqualification of the president, the vice president shall preside. In the absence, disability, or disqualification of the president and vice president, the secretary shall preside. In the absence, disability, removal, or disqualification of the president, vice president, and secretary, the person with the longest period of current consecutive service on the board shall preside.
- E. Call.
  1. Regular meetings shall be held at least once a month.
  2. Special meetings not regularly scheduled may be called by the president or shall be called at the request of three (3) members.
  3. All meetings of the board and committees of the board shall be open to the public, except as otherwise provided by this chapter. ~~This section does not apply to meetings of the board or a committee of the board when holding a meeting solely to act upon matters of professional qualifications, privileges or discipline.~~
- F. Notice.
  1. The president, or the president's designee, shall notify, in writing and no later than two (2) days in advance of the meeting, each board member of the time, date, location, and, to the extent it is known, the agenda of any regular meeting. Notice of the time, date, location, and purpose of a special board meeting shall be given to board members no later than twenty-four (24) hours in advance of the meeting.
  2. Reasonable public notice shall be given for all meetings. Notice of all board meetings and committee meetings shall be posted at the post office, borough administrative offices, the borough website, library and clinic bulletin boards at least twenty-four (24) hours prior to such meetings. In calling a special meeting this notice shall state the business for the transaction of which the special meeting has been called, and no business other than that stated in the notice shall be transacted at such special meeting.
- G. Agenda.
  1. At the direction of the board president, the executive director shall prepare an agenda of items of business and board member requested matters to come before the board at each board meeting.



2. Any board member who desires certain matters be placed on the agenda shall bring such matters to the attention of the executive director prior to the meeting and the executive director shall place such items on the agenda. Individuals and groups desiring to make presentations to the board may contact the executive director to be placed on the agenda.
3. The agenda shall be delivered to each board member not later than two (2) days before regular meetings, and shall be delivered no later than twenty-four (24) hours before special meetings.
4. The agenda shall include such reports and supplementary materials as are appropriate and available. Copies of the agenda and other materials shall be prepared for the public and the press and shall be available in the executive director's office. The agenda shall be posted at the post office, borough administrative offices, [the borough website](#), ~~library~~ and clinic bulletin boards at least twenty-four (24) hours before the meeting.
5. Any member of the public may request the placement of an item on the board agenda. The board agenda shall include a designated time for the public to discuss an item not included on the prepared agenda.
6. An agenda for a special meeting may be prepared without a packet of information at the discretion of the executive director with the concurrence of the board president.
7. The agenda shall comply with the Alaska Open Meetings Act.
8. The order of business shall include the following:
  - Call to Order.
  - Roll Call.
  - Approval of Agenda.
  - Approval of Minutes of Previous Meeting(s).
  - Announcements/Reports.
  - Public Participation.
  - Unfinished Business.
  - New Business.
  - Executive Session (if needed).
  - Board Comments and Questions.
  - Schedule Next Meeting.
  - Adjournment.

H. Voting.

1. The prevailing vote of at least five (5) members of the board shall be required for official action.
2. Any board member who could potentially benefit personally or financially from any decision or action that comes before the board shall be considered to have a conflict of interest and shall declare the conflict of interest. A board member with a declared conflict of interest on an issue ~~shall~~ may be excused from voting by the president and must abstain from the vote. President excuses ~~him/herself~~ themselves. ~~If the board president does not direct the board member to abstain from voting, t~~he board may override ~~that the president's~~ decision by a vote of five (5) members ~~to and~~ to direct the board member to abstain from voting.
3. A vote may be taken by voice, show of hands, or roll call. Proxy voting or board polling shall not be permitted.

4. Unless excused by the president or board due to a conflict of interest, board members shall vote on every motion.

I. Executive Sessions.

1. If excepted subjects are to be discussed at a meeting, the meeting must first be convened as a public meeting and the question of holding an executive session to discuss matters that come within the exceptions set forth below shall be determined by a majority vote of the board. No subjects may be considered at the executive session except those mentioned in the motion calling for the executive session unless auxiliary to the main question. No action may be taken at the executive session. The following subjects may be discussed in an executive session:

- a. Matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the clinic;
- b. Subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;
- c. Matters which by law, municipal charter, or ordinance are required to be confidential;
- d. Union negotiations and directions to ~~an~~ the borough attorney.

2. Any executive session where the subject to be discussed tends to prejudice the reputation and character of any person shall require advance notification of the person and the opportunity for the person to request a public discussion.

J. Hearing of Public. Members of the public present at the meeting of the board shall be offered a reasonable opportunity to be heard in accordance with board policy.

K. Time Limit. All board and board committee meetings shall be limited to three (3) hours, unless extended by a majority vote of the members attending a board or board committee meeting.

L. Adjournment. The board may at any time recess or adjourn a meeting to a time and place certain. Upon resuming, the board shall commence business at the point in the agenda where the motion to recess or adjourn was adopted.

3.17.040 Code of conduct.

The board adopts as its code of ethics the American Hospital Association (AHA) Code of Ethical Conduct for Health Care Organizations, which was adopted by the AHA in 1992. A copy of the code is available from the clinic's executive director.

3.17.045 Official minutes.

- A. The board shall keep written minutes of all of its board meetings and board committee meetings and a record of all proceedings of the board.
- B. All minutes shall be filed in the office of the executive director in a minutes book as the permanent record of the acts of the board. A copy of the minutes shall be provided to the borough clerk.
- C. The minutes shall show the time and place, the members present, the members absent, the subjects considered, the actions taken, the vote taken, and any other information required by law.
- D. Copies of all written reports received at a board or committee meeting shall be attached to the minutes for that meeting.

3.17.050 Committee meetings.

- A. Committee meetings may be called at any time by the committee chair or when a meeting is requested by a majority of the committee.
- B. The finance and planning committees have four (4) members and two (2) must be present for a quorum to conduct business. For any other committees a majority of the total membership shall constitute a quorum of that committee.
- C. Reasonable public notice shall be given of all committee meetings and the meeting shall be open to the public.
- D. Minutes of all committee meetings shall be maintained and transmitted to all board members.
- E. No issues affecting the discharge of medical staff responsibilities shall be deliberated by the board unless there is representation of the medical staff present.

3.17.055 Administration.

- A. Appointment. The board shall approve the selection of the clinic executive director pursuant to Section B. No executive director shall be employed except by a contract reviewed by the borough attorney and borough manager and approved by the borough assembly. The executive director's municipal employment contract may not be modified, amended, or changed without review by the borough attorney and the borough manager, ~~approved approval~~ by the board, and approval by the assembly. The board may not dismiss the executive director except after review by the borough attorney and the borough manager, and approval by the board. This provision does not change or alter the at-will employment status of the executive director or any contract provisions specifically directed at termination.
- B. Vacancy. Whenever a vacancy occurs, at in the position of clinic Executive Director, the Assembly shall establish a Selection Committee that consists of the Borough Manager, Borough Deputy Manager, and one member from the Dahl Memorial Clinic Board, to be appointed by the Dahl Memorial Clinic Board, for the purpose of soliciting applications, reviewing applications, interviewing applicants for the position of Executive Director, and selecting an Executive Director applicant to recommend to the Dahl Memorial Clinic Board for approval. Upon approval of the recommendation by the board, the Municipality hiring and negotiation process will be followed, with final approval and confirmation residing with the Assembly. ~~a search committee consisting of two (2) board members, the borough manager and the borough assembly representative shall be established for the purpose of finding and recommending a qualified executive director to the board.~~
- C. Qualifications.
  - 1. The board shall approve the selection of an executive director consistent with subsections (A) and (B) of this section who has appropriate education, experience, and managerial qualifications.
  - 2. It is desirable, but not mandatory, that the applicant have a graduate degree in hospital or health care administration. The applicant must have demonstrated ability to successfully manage and work with others.
- D. Supervision and Authority.
  - 1. The clinic board approves the selection of the executive director, subject to the power of the assembly specified ~~in Section 3.17.010(B)(1) and subsections (A) and (C) of this section~~ this chapter; however, the clinic board has no authority to establish or alter municipal personnel or fiscal policies which shall also be applicable to clinic staff and operations. It shall be the responsibility of the clinic board to work with and seek the counsel of the ~~municipality~~ Municipality of Skagway to ensure that the clinic budget and

- employee practices adhere to and are consistent with the fiscal and personnel policies of the ~~municipality~~ Municipality of Skagway.
2. The executive director is responsible for the overall supervision and management of the clinic. The duties and responsibilities of the executive director shall be as set forth in subsection (F) of this section. The executive director in conjunction with the board president will ensure that all policies and procedures are reviewed and/or revised at least annually.
  3. The executive director shall have the authority necessary to ~~effect~~ affect the duties and responsibilities as outlined in subsection (F) of this section.
- E. Meetings.
1. The executive director shall attend all meetings of the board and standing committees, except as the board may direct otherwise. The executive director may attend all meetings of any other committees.
  2. The executive director shall, unless otherwise expressly provided, be a nonvoting ex officio member of all board committees and shall act as the duly authorized representative of the board in all matters in which the board has not formally designated some other person or group to act.
- F. Executive Director. The executive director shall have the following duties and responsibilities with respect to the board:
1. Conduct and coordinate for the board a comprehensive orientation program for new members and a continuing education program for all members based, at least in part, on identified needs.
  2. Prepare the agenda for board meeting in conjunction with the president and the secretary of the board.
  3. Serve as the liaison between the board and the clinic staff and contract medical providers.
  4. Report to the board and the staff on the overall activities and mechanisms for monitoring and evaluating the quality of patient care, for identifying and resolving problems, and for identifying opportunities to improve patient care. Reports should also include federal, state, and local developments that affect the operation of the clinic.
  5. Forward reports to the board reflecting assurance that one (1) level of care is being provided.
  6. Carry out the policies established by the board.
  7. Perform such other duties as the board may direct.
- G. Clinic Professional Staff. The executive director shall work with the professional staff of the clinic and with those concerned with the rendering of professional services to the end that the best possible care may be rendered to all patients.
- H. Staff.
1. The executive director shall publish criteria utilized to select clinic employees subject to the provisions of ~~municipality~~ Municipality of Skagway personnel policy, and any ~~personnel rules~~ policies adopted by the clinic.
  2. The executive director shall organize the functions of the clinic, delegate duties, and establish formal means of accountability on the part of subordinates.
- I. Management.
1. The executive director shall be responsible, except as otherwise provided by the board, for implementing, controlling, developing, and maintaining policies and practices for the clinic, consistent with the personnel policies of the municipality.

2. The executive director shall establish and implement a written plan of internal control and a management reporting system for the clinic.
- J. Business Affairs.
1. The executive director shall supervise the business affairs of the clinic to assure that funds are expended to achieve the highest quality services at the clinic and in the best interests of the clinic and the borough.
  2. The executive director shall direct the preparation of the annual operating and capital budgets for approval by the board and monitor and present monthly operating reports to the board.
  3. The executive director may authorize expenditures not to exceed five thousand dollars (\$5,000.00) without board approval. ~~Consultant—e~~Contracts that may exceed five thousand dollars (\$5,000.00) must be approved by the board, and be approved ~~by the assembly~~ consistent with Section 4.04.030.
  4. The executive director shall be responsible for recommending adequate malpractice and general liability insurance coverage, directing effective safety and risk management programs, and maintenance of all physical properties.
  5. The executive director has no authority to enter any agreements or contracts without prior review by the borough attorney and approval by the borough manager and compliance with municipal fiscal and personnel policies.
- K. Other Duties. The executive director shall perform such other duties and responsibilities as may be necessary for the best interests of the clinic.
- L. Delegation of Authority. The executive director shall designate, in writing, other individuals by name or position who are, in order of succession, authorized to act for the executive director during any period of the executive director's absence from the clinic.
- M. Annual Evaluation or Evaluation Pursuant to Contract. The board may review the performance of the executive director, annually or more frequently, or in accordance with the executive director's contract, using procedures consistent with the municipality of Skagway's personnel policies and the executive director's duties and obligations, and the executive director's contract, and forward the evaluation to the borough manager.
1. Minutes of the board meeting shall document the evaluation of the executive director.
- N. Criteria. Consideration of subsections (A) through (M) of this section relating to the duties and responsibilities of the executive director shall be given in the evaluation of the executive director.

**CO-APPLICANT AGREEMENT BETWEEN THE MUNICIPALITY OF SKAGWAY, ALASKA AND THE DAHL MEMORIAL CLINIC, A DIVISION OF THE MUNICIPALITY OF SKAGWAY**

This Co-Applicant Agreement (“Agreement”) is entered into effective January 1st, 2024, by and between the Municipality of Skagway Borough Assembly (hereafter Assembly) and the Dahl Memorial Clinic Board of Directors (hereafter Board) and which may be collectively referred to as “the Parties.” The Municipality may also be referred to interchangeably as the Borough, as the Municipality of Skagway is a Borough under the laws of the State of Alaska.

**WHEREAS**, the Municipality of Skagway through the Dahl Memorial Clinic applied for and received a grant from the United States Department of Health and Human Services Health Resources and Services Administration (“HRSA”), pursuant to Section 330 (e) of the Public Health Services Act to support the planning and delivery of medical services to medically underserved populations;

**WHEREAS**, as a condition of the receipt of the Section 330 grant funds, the Clinic must have a governance structure that complies with HRSA requirements, including the establishment of a governing board with certain powers relating to the Clinic;

**WHEREAS**, the Dahl Memorial Clinic is not an independent, private corporation, and is not a separate legal entity from the Municipality, but rather is a division of the Borough, and owned and operated by the Municipality as a division of the Borough;

**WHEREAS**, the Municipality established the Dahl Memorial Clinic Board of Directors (may be referred to hereafter as Board) to act as the governing board over the Clinic, and the Assembly and Board have agreed that the Municipality will serve as the Section 330 public entity grantee and the Clinic Board of Directors will operate as the “Co-applicant” governing board consistent with the requirements of Section 330, the law’s implementing regulations, and the policies of HRSA, as related to clinics owned and operated by a municipality such as the Dahl Memorial Clinic, distinct from clinics owned and operated by private, non-profit corporations;

**WHEREAS**, in order to accomplish their joint interests, the Assembly and the Board through this Co-Applicant Agreement wish to define their responsibilities with respect to the governance and operation of the Clinic consistent with Section 330 rules and regulations, as well as the terms and conditions set forth in HRSA policies regarding co-applicants, as related to clinics owned and operated by a municipality such as the Dahl Memorial Clinic, distinct from clinics owned and operated by private, non-profit corporations;

**WHEREAS**, the Assembly and the Co-Applicant Board establish policies and procedures designed to ensure the Clinic’s provision of preventive, primary, and supplemental health care services (including health education and enabling services) to the residents of the Borough of Skagway and visitors to the Borough of Skagway and other areas as may need services, regardless of an individual’s or family’s ability to pay;

**THE ASSEMBLY AND THE CLINIC BOARD AGREE AS FOLLOWS:**

**Section 1. Establishment of Co-Applicant Board:**

The Dahl Memorial Clinic is owned by the Municipality of Skagway, and operated by the Municipality of Skagway, for the benefit of the community and the residents and visitors to the Skagway Borough. Skagway Municipal Code sections 3.02.010, 3.02.040, and 3.17.010-.055 establish the Dahl Memorial Clinic Board of Directors Governing Board. The Board will serve as the primary governance structure for the Clinic, and shall exercise the governance powers for the Clinic as set forth in that Municipal Code.

**Section 2. Purpose:**

The Board shall oversee the implementation of the Section 330 grant and operation of the Clinic in accordance with the terms of this Agreement and the Municipal Code provisions outlined in Section 1 above. The Board shall provide leadership and guidance in support of the Clinic's mission in accordance with federal, state, and municipal laws in coordination with the Assembly through this Agreement.

**Section 3. Membership and Appointment:**

**A. Membership**

As set forth in the Municipal Code, membership on the Board will comply with Section 330 requirements. The Board shall consist of nine (9) voting members who are residents of the Skagway Borough. The Board shall consist of at least 51% consumers of the Clinic and at least one Board member shall be a member of the Skagway Traditional Council. The user members of the Board shall be representative of the geographical areas served by the Clinic and, as a group, shall represent the Clinic's user population as to ethnicity, location of residence, race, gender, age, and economic status.

No more than two of the non-user members may receive more than 10% of their income from the healthcare industry as required by HRSA. Due to the extremely remote geographic area of Skagway and its population of ~~less than~~ approximately 1,000 people, it is important to encourage and maintain persons to serve on the Board and at the same time prohibit members from serving if there is a conflict of interest under the Board policies or Municipal Code. In recognition of the potential for conflicts of interest, no Board member or Board member's parent, spouse, domestic partner, child, or sibling may be an employee of the Municipality ~~who is involved in~~ with decision-making authority over the municipal fiscal or personnel policies applicable to the Clinic. Board members shall not be a relative of a clinic employee.

**B. Appointment**

~~The Board shall nominate persons for appointment to the Board to the Mayor. The Mayor shall consider those persons along with any other persons who express interest in service on the Board~~

~~and are otherwise eligible to serve under HRSA guidelines to recommend to the Borough Assembly for confirmation by the Borough Assembly.~~

~~The board shall be appointed by the borough assembly, after review of nominations by the board, persons indicating interest in serving on the board, and recommendations from the mayor. Any board member may be removed by a majority vote of the assembly at any time regardless of whether that person's term on the board has expired. A borough assembly member shall serve as the ex officio member of the board, may attend all meetings, including executive sessions, and have the privilege of the floor, but shall have no vote.~~

~~The Skagway Traditional Council shall nominate the member to fill the STC board position. In the event that the Skagway Traditional Council is unable to forward a nomination to the mayor within thirty (30) days of a vacancy, the mayor may recommend for appointment another member of the community to fill the unexpired term of the open STC board position. Upon approval by a majority of the assembly, the mayor's recommended appointee shall be appointed to the STC board seat.~~

The Board members shall serve in accordance with the Municipal Code.

#### **Section 4. Meeting:**

##### **A. Regular Meetings**

The Board shall hold regular meetings at the ~~City Hall, Assembly Chambers Dahl Memorial Clinic Conference room~~ in Skagway, Alaska. The meetings shall be held at least once a month on a day and at a time set by the Board with proper Notice to the public.

The Board will not use an Executive Committee to substitute for regular meetings.

##### **B. Quorum**

A quorum is necessary to conduct business and make recommendations. A quorum shall constitute five members of the voting membership. A prevailing vote of at least five members of the voting majority shall be required ~~to take any~~for official action.

The Executive Committee established by the Board shall be empowered to transact ~~the regular special or emergency~~ business of the Clinic during the interim between Board meetings, provided that any action taken by the Committee shall not conflict with the policies of the Board or the policies of the Municipality. Any action taken by the Executive Committee shall be reported at the next regular meeting of the Board and may be rescinded by Board action at the meeting.

#### **Section 5. Functions and Responsibilities of Board:**

The Board shall have the following authority as required by HRSA and consistent with state and local law:



- A. To hold monthly meetings and maintain records/minutes that verify and document the Clinic's functioning.
- B. To approve the annual Clinic budget, for each fiscal period with submission to the Assembly. The fiscal period of the Clinic shall be consistent with the fiscal period of the Municipality.
- C. To review and approve the annual audit of the Clinic Program, and provide the audit to the Assembly for its review and approval.
- D. To approve applications and renewals related to the 330 Health Care grants and provide those applications and renewals to the Assembly.
- E. To approve the selection, evaluation, and dismissal of the Clinic's Executive Director.
- F. To establish general policies necessary and proper for the efficient and effective operation of the Clinic, and to review and approve the scope and availability of services, location, and hours of services.
- G. To provide periodic evaluation of the effectiveness of the Clinic in making services accessible to Borough residents through a review of its ~~long-term~~ long-term strategic planning goals.
- H. To develop and implement a procedure for hearing and resolving patient grievances regarding the Clinic.
- I. To evaluate the Clinic's activities, including client satisfaction and achievement of quality improvement measures, and achievement of project objectives.
- J. To review and evaluate compliance with the quality assurance programs.
- K. To maintain compliance with applicable federal, state and local laws, rules, and regulations.
- L. To develop and approve policies for billing and collections activities, including policies regarding determinations of eligibility for services, charge structure, and criteria for sliding fee discount schedules, which shall not conflict with the fiscal and personnel policies of the Municipality, and which shall at all times be in accordance with federal and state statutes and regulations.
- M. The Board shall comply with Alaska law governing the notice of meetings and maintaining records of meetings, and comply with the Alaska Open Meetings Act.
- N. The Board shall not take actions which are not in compliance with Federal or State law or the fiscal or personnel provisions set forth in the Skagway Municipal code. The Board does not have authority to direct hiring, promotion, or firing decisions regarding any Borough employee.

**Section 6. Functions and Responsibilities of the Municipality:**

The Assembly shall retain certain governance responsibilities and authorities with respect to the Clinic. The Borough Assembly shall have the sole authority to determine any policies governing the Clinic related to fiscal and personnel matters for all Borough facilities and programs. These policies include policies related to financial management practices, labor relations, and conditions of employment.

Specific responsibilities of the Borough shall include, but not be limited to, the following:

- A. Developing, adopting, and periodically updating policies for financial management practices including policies and procedures designed to ensure sound financial management of the Clinic, and procurement policies and standards.
- B. Review and approval of the Clinic's annual financial audit after preparation by the Clinic and review and approval by the Board.
- C. Preparing financial and operational reports for the Clinic and any other reports reasonably requested by the Board to enable the Board to fulfill its responsibilities for the Clinic.
- D. Establishing and periodically updating personnel policies and procedures applicable to all Borough employees assigned to the Clinic. All Clinic personnel, except independent contractors, ~~and contract employees whose benefits are specified by contract,~~ shall be employees of the Borough and shall be subject to the Skagway Municipal Code. The Borough shall be responsible for the payment of wages, fringe benefits, workers' compensation, and unemployment compensation for Clinic personnel and as may be specified in an employment contract, other than ~~contracted Clinic personnel and~~ independent contractors.
- E. Disbursing Section 330 grant funds in accordance with the federally approved budget. The Assembly and Board understand and agree that the Section 330 grant funds shall be used solely for the purposes allowed by the grant. Any Section 330 grant funds remaining after the end of the fiscal year shall be disbursed at the direction of the granting authority.

#### **Section 7. Shared Responsibilities:**

The Assembly or its designee, and the Board will collaborate and coordinate as needed to ensure successful implementation of the Clinic. The Assembly and the Board shall coordinate efforts to meet their respective obligations under this agreement and shall cooperate to communicate and resolve any issues between the Assembly and the Board.

Shared responsibilities include:

- A. Selecting, evaluating and dismissing the Clinic Executive Director as follows:
  - i. Approval of the Selection of the Clinic Executive Director:

~~Candidates for the Clinic Executive Director will be initially screened by the Assembly, or the Borough Manager, consistent with Municipal code. After a candidate or candidates have been screened by the Assembly, the Clinic Board shall approve the selection of the Clinic Executive Director.~~

Whenever a vacancy occurs in the position of clinic Executive Director, the Assembly shall establish a Selection Committee that consists of the Borough Manager, Borough Deputy Manager, and one member from the Dahl Memorial Clinic Board, to be appointed by the Dahl Memorial Clinic Board, for the purpose of soliciting applications, reviewing applications, interviewing applicants for the position of Executive Director, and selecting an Executive Director applicant to recommend to the Dahl Memorial Clinic Board for approval. Upon approval of the recommendation by

the board, the Municipality hiring and negotiation process will be followed, with final approval and confirmation residing with the Assembly.

- ii. Annual Evaluation or Evaluation as Otherwise Determined by Contract:  
It shall be the Board's responsibility to evaluate and provide feedback to the Executive Director on his/her/their performance related to operation of the Clinic.

- iii. Dismissal of the Clinic Executive Director:

The Board has authority, after consultation with the borough attorney, and the borough manager, to approve the dismissal of the Clinic Executive Director from his/her/their Clinic responsibilities; but the Board has no authority to terminate other Municipal employment. The board may not dismiss the executive director except after review by the borough attorney and the borough manager, and approval by the board. The Assembly, or the Borough Manager, if so designated by the Assembly, will make the decision whether to terminate the Clinic Executive Director from municipal employment.

- B. Developing long-range/long-range and operational plans for the Clinic. The Assembly shall participate in the planning process. The Board will approve all long-long-range, strategic, and operational plans.
- C. Developing the Clinic's annual operating and capital budgets.
  - i. The municipal funding of the Clinic's annual budget shall be developed by the Assembly in its annual budget process.
  - ii. The Clinic Board shall have the specific authority to approve the Clinic's annual operating budget.
- D. Implementing the Clinic's policies and procedures for ensuring quality of care at the Clinic. The QI committee established by the Board will implement the Quality Improvement ("QI") plan and procedures, including conducting QI audits, collecting and reporting QI data to the Board, and preparing required data for submission to HRSA. The Board will approve the Clinic's Quality Improvement Plan and procedures and provide the Plan to the Assembly.
- E. Assuring that the Clinic is operated pursuant to all applicable program requirements and grant conditions, related federal statutes, rules, and regulations, and other Federal, State, and local laws and regulations.

**Section 8. Borough Support of Board:**

The Municipality shall offer support for the Clinic, as needed, for such as personnel and equipment for taking minutes of meetings, noticing meetings of the Board, and maintaining archives of Board documents as required by law.

**Section 9. Term:**

This Agreement shall begin on ~~March 16, 2017,~~ \_\_\_\_\_ and shall remain in effect during the project period of any/all Section 330 grant awards the Municipality of Skagway receives with the Clinic as its co-applicant, unless terminated at an earlier date. Subject to any Federal and/or State regulatory approval which might be required to terminate the operation of the Clinic, nothing in this Agreement is intended to require, nor should be construed to require, that the Clinic remain in operation, or that the Assembly apply for any grant funding, including continued Section 330 funding, for the Clinic.

**Section 10. Modification or Termination of the Co-Applicant Agreement:**

Notwithstanding any other provision in this Agreement to the contrary, if the Clinic no longer receives funding under Section 330 of the Public Health Services Act or any successor to