

**CITY OF CORDOVA, ALASKA  
ORDINANCE 1197**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF CORDOVA, ALASKA, REPEALING AND REENACTING CMC TITLE 15 “HOSPITAL SERVICES” TO CLARIFY THE AUTHORITY FOR THE SALE, TRANSFER, EXCHANGE OR DISPOSAL OF THE CORDOVA COMMUNITY MEDICAL CENTER OR A CITY-OWNED INTEREST OR FACILITY IN ITS INVENTORY, PROVIDING THE DISPOSAL NOTICE AND PROCESS REQUIREMENTS FOR SUCH A TRANSACTION, AND UPDATING AND REFORMATTING TITLE 15, ITS DEFINITIONS, AND ITS ORGANIZATION FOR UNIFORMITY**

**WHEREAS**, the City Council established the Cordova Community Medical Center Authority (“CCMC”) in late 2016 and provided CCMC authority to manage and operate property and assets within its inventory subject to certain City Council oversights; and

**WHEREAS**, prior to the establishment of CCMC as an independent authority in 2016, CCMC functioned as a City Department pursuant to City Charter Section 3-9 with City Council sitting as the Hospital Services Board; and

**WHEREAS**, CMC Title 15 addresses the creation and duties of the Hospital Services Board and CCMC’s Executive Director but does not provide clear authority or direction regarding the sale, exchange, transfer or disposal of City-owned property or substantial portions of CCMC assets; and

**WHEREAS**, the sale, exchange, transfer or disposal of City-owned property or any transaction substantially impacting community medical services raises matters of significant public interest and financial impact that necessitate clear laws governing any such transaction; and

**WHEREAS**, City Council and the City Manager have responsibilities under City Charter, Code, and Alaska law to manage the exchange, transfer, sale, or disposal of City-owned property that cannot lawfully be delegated to CCMC; and

**WHEREAS**, City Council does have the authority to adopt alternative procurement and disposal methods by law so long as the methods adopted promote the best interest of the City and public health and welfare; and

**WHEREAS**, it is in the City’s best interest to provide clear disposal notice and process requirements that maintain CCMC’s autonomy when managing facilities and assets but preserve City Council’s and the City Manager’s authority and obligation to manage the disposal, exchange, transfer, and sale of City-owned property; and

**WHEREAS**, it is in the City’s best interest to amend the Code to update Title 15 to reflect current Code formatting and language standards,

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Cordova, Alaska that:

Section 1. Cordova Municipal Code Title 15 – Cordova Community Medical Center Authority is repealed and reenacted to read as follows:

## **Title 15 CORDOVA COMMUNITY MEDICAL CENTER AUTHORITY**

### **Chapter 15.10 General Provisions**

#### **Chapter 15.20 Hospital Services Board**

#### **Chapter 15.30 Hospital Administration**

#### **Chapter 15.40 Revenue and Finance Management**

### **Chapter 15.10 General Provisions**

#### **15.10.001 Established.**

A. The Cordova Community Medical Center Authority shall be established as a public corporate authority of the City of Cordova ("city"), for the purposes of managing the operations of the Cordova Community Medical Center ("CCMC"). This authority is an instrument of the City but exists independently of and separately from the City.

#### **15.10.005 Definition of Cordova Community Medical Center or CCMC.**

Cordova Community Medical Center or CCMC shall mean the group of facilities consisting of an acute care hospital, long term care facility and clinic, and all other health care facilities owned and/or operated by the City.

#### **15.10.050 Powers.**

In furtherance of its corporate powers, the authority has the following powers:

1. To sue and be sued. To have a seal and alter it at pleasure.
2. To adopt, amend, and repeal bylaws for its organization and internal management in compliance with federal, state, and local laws.
3. To operate and manage the City land and facilities in CCMC's inventory.
4. To design, construct, improve, alter, or repair the City land and facilities in CCMC's inventory, subject to budgetary approval.
5. Subject to Section 3.10.020, to accept gifts, grants, or loans, and enter into contracts, partnerships, joint ventures, and similar agreements, or other transactions with any public or private entity regarding the management or operation of City land and facilities in CCMC's inventory.
6. To deposit or invest its funds.

#### **15.10.060 Legal counsel.**

The City Attorney shall advise and assist CCMC in general legal matters. CCMC shall also have the power to retain independent and/or specialized counsel in matters affecting CCMC.

#### **15.10.070 Restructuring, Dissolution or Sale of CCMC.**

- A. The dissolution, disposal, substantial restructuring, exchange, sale, or transfer of an interest in CCMC itself or City real property or buildings within CCMC's inventory must be approved by City Council via ordinance.
- B. Except as otherwise provided in this Section, any dissolution, disposal, exchange, sale or transfer of an interest in CCMC or City-owned real property or buildings within its inventory must comply with the disposal and notice requirements in Title 5 of this Code.
- C. Council may authorize the use of alternative disposal and notice requirements for the dissolution, disposal, substantial restructuring, exchange, sale or transfer of an interest in CCMC itself, or in real property or buildings within CCMC's inventory, so long as Council adopts a resolution containing the following:
  - 1. Findings by Council that the dissolution, disposal, substantial restructuring, exchange, sale or transfer cannot be completed without the use of an alternative disposal method and that the use of an alternative disposal method is necessary to promote the best interests of City residents and visitors; and
  - 2. Directive to City Manager to form a Joint Administrative Negotiation Team.

**15.10.080 CCMC Joint Administration Negotiation Team.**

- A. The City Manager shall appoint members of the Joint Administrative Negotiations Team and provide the tasks and responsibilities of the Team. Team members shall at least include:
  - 1. Hospital Administrator or his or her designated CCMC employee
  - 2. Board Chair or other individual appointed by the Board
  - 3. Mayor or other individual appointed by City Council
- B. The City Manager may retain separate legal counsel to represent the interests of the City in negotiations and to advise the Team and may retain consultants to represent the City and advise the Team during negotiations.
- C. The Team shall be solely administrative in nature and shall not be subject to the open meetings act.
- D. Team members and/or members of their household may not have a substantial financial interest in the transaction nor any relationship or interest in the transaction that could reasonably be found to result in bias or partiality by a Team member or member of his or her household.

**15.10.090 Dissolution.**

CCMC shall continue to exist until and unless it is terminated by ordinance. Upon termination, any City-owned property or assets shall return to the exclusive control and ownership of the City.

**Chapter 15.20 Hospital Services Board**

**15.20.010 Board of directors.**

- A. CCMC shall be governed by a board of directors consisting of five members, elected by the voters of Cordova, Alaska and referred to as the Hospital Services Board. Board members shall be qualified electors of the city of Cordova.
- B. No member of the Board shall be an employee, or immediate family member (as defined in 42 CFR 1001.1001(a)(2)) or member of the household of an employee of CCMC or other medical provider in Cordova either now or any time in the past twelve months; a tenant of the facility either now or any time in the past twelve months; a board member or director of a medical provider other than CCMC either now or any time in the past twelve months; a contractor that provides medical or other services to the facility either now or any time in the past twelve months; an employee of any such tenant or contractor either now or any time in the past twelve months; an individual, an immediate family member (as defined in 42 CFR 1001.1001(a)(2)) or a member of the household of an individual, or a managing employee of an entity, that has been excluded from participation in Medicare, Medicaid or any other Federal health care program as listed on the United States Department of Health and Human Services, Office of Inspector General's List of Excluded Individuals/Entities.
- C. No member, or former member, of the Board shall be eligible for employment or contracting to provide services to CCMC until at least twelve months have elapsed since they last served on the Board.
- D. Members shall be elected by the voters to three-year, staggered terms. In the first election, the highest vote getter will serve a three-year term, the next two highest vote getters will serve two-year terms and the next two highest vote getters will serve one-year terms. Thereafter, the members elected will serve three-year terms.
- E. Vacancies on the board shall be filled by the board until the next regular election, when a member shall be elected to serve the rest of the unexpired term in the same manner that a mayor is now or may hereafter be elected to serve the rest of an unexpired term.
- F. In the event that there are not enough members elected to fully seat a five-member board at the first election, the Cordova City Council shall select enough members to fill the vacancies. This section shall only apply to the first election, all other vacancies thereafter shall be filled in accordance with subsection E. above.
- G. The Board shall meet at least monthly, at a time and place to be designated by the board. Notice and agenda of all regularly scheduled meetings shall be posted at a public location in the CCMC, and at City Hall. Any two members of the Board may schedule a special meeting at any time when they determine such a meeting is necessary and all special meetings shall be posted with a minimum of 24 hours' notice.
- H. The Board 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 medical center and community health facilities administration, and in connection therewith, pay dues and fees thereto.

## **Chapter 15.30 Hospital Administration**

### **15.30.020 Administration.**

- A. The Board shall select the chief executive officer ("CEO") of the CCMC. The CEO shall serve at the pleasure of the Board. The CEO shall establish and direct all operations of CCMC activities, both internal and external.
- B. The authority and duties of the CEO are as follows:
1. The CEO shall be the Hospital Administrator, responsible for the overall supervision and direction of the affairs and activities of CCMC. The CEO shall have such authority and duties as may be assigned and directed by the board and those generally incumbent with CEOs at other hospitals.
  2. Be responsible for carrying out all applicable federal and state laws, city code, and CCMC rules and regulations. Ensure compliance of CCMC with national, state and local standards and accreditation agencies.
  3. Establishes policies pertaining to total patient care, personnel, medical staff, financial status, public relations, maintenance of building and grounds, all other policies needed for the operation of CCMC under broad directives from the board. Reviews compliance with established policies by personnel and medical staff. Periodically reviews policies and makes changes as found necessary.
  4. Establishes departmental staffing patterns. Evaluates job performance, prepares job descriptions, establishes job classifications and sets wage and salary schedules. Hires and discharges employees at CCMC in a manner consistent with federal and state laws and in accordance with the personnel policies of CCMC. Evaluates competence of the work force.
  5. Work with the professional staff and those concerned with the delivery of quality professional services at the hospital to ensure that the best possible care may be rendered to all patients.
  6. Regularly checks financial status of CCMC and maintains an efficient accounting system to meet the needs of the facility. Develops budget forecasting model, prepares changes to the fee schedules to insure coverage of cost of operations.
  7. Attends all meetings of the CCMC boards and all committee meetings of the board.
  8. Prepares such reports as may be required on any phase of hospital activity by the board.
  9. Represents CCMC in dealings with outside agencies, including governmental and third-party payors. Represents CCMC at top level meetings, etc. and participates in such.
  10. Perform other duties that may be in the best interests of CCMC.

### **15.30.040 Reports and recommendations.**

CCMC shall file with the City Manager and the City Council an annual report, and schedule an annual work session of its activities and shall make recommendations for legislative or other actions it considers necessary to carry out its corporate purposes. The annual report shall include an annual audit, including income, expenditures, investments and inventory.

## **Chapter 15.40 Revenue and finance management**

### **15.40.010 Fiscal management.**

Finances of the authority and CCMC shall be managed in accordance with city, state and federal laws and regulations, those regulations generally prescribed by any accrediting associations as may apply, and as the Board determines to accept.

### **15.40.020 Exemptions from taxes.**

The real and personal property of the authority and its assets, income and receipts are declared to be the property of a political subdivision of the state, and together with any City land or facilities in CCMC's inventory devoted to an essential public and governmental function and purpose, and the property assets, income, receipts and facilities, shall be exempt from all City taxes.

### **15.40.030 Annual budget.**

The authority shall have a budget, separate from the annual city budget and shall prepare and submit for review an annual budget to the City Manager and city council prior to approval of the City's annual budget in accordance with Section 5.2 of the City of Cordova Charter.

### **15.40.040 Annual audit.**

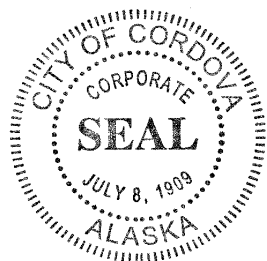
The authority shall be subject to the audit requirements of government auditing standards, in addition to any applicable requirements of the State of Alaska, Department of Health and Social Services, or the Centers for Medicare and Medicaid Services, or any other grantor or funding source.

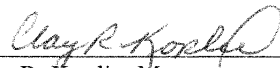
Section 2. This ordinance shall be effective thirty (30) days after its passage and publication. This ordinance shall be enacted in accordance with Section 2.13 of the Charter of the City of Cordova, Alaska, within ten (10) days after its passage.

1st reading: May 5, 2021

2nd reading and public hearing: May 19, 2021

**PASSED AND APPROVED THIS 19<sup>th</sup> DAY OF MAY 2021.**



  
Clay R. Koplín, Mayor

ATTEST:

  
Susan Bourgeois, CMC, City Clerk