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6 Attorneys for Plaintiff Jane Rozanski

7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **COUNTY OF VENTURA**

10 JANE ROZANSKI, an individual,  
11 Plaintiff,

12 v.

13 CAMARILLO HEALTH CARE DISTRICT, a  
14 California Special District,  
15 Defendant.

16 CAMARILLO ACORN,  
17 Real Party in Interest.

Case No.

**DECLARATION OF ANDREW M.  
GILFORD IN SUPPORT OF  
PETITIONER'S EX PARTE  
APPLICATION FOR TEMPORARY  
RESTRAINING ORDER AND ORDER TO  
SHOW CAUSE RE ISSUANCE OF  
PRELIMINARY INJUNCTION**

Hearing:  
Date: December 5, 2016  
Time: 8:30 a.m.  
Dept.: 43

BAUTE CROCHETIERE & GILFORD LLP  
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1 I, Andrew M. Gilford, declare as follows:

2 1. I am an attorney duly authorized to practice law before all courts in the State of  
3 California. I am a partner with Baute Crochetiere & Gilford LLP, attorneys of record for  
4 Plaintiff/Petitioner Jane Rozanski (“Petitioner”). I have personal knowledge of the facts set below  
5 and, if called as a witness, I could, and would competently testify thereto.

6 2. At approximately 4:00 p.m. on December 1, 2016, I contacted counsel for  
7 Defendant/Respondent Camarillo Health Care District (“Respondent”), Michael A. Velthoen, Esq. via  
8 email and informed him that Petitioner would appear *ex parte* on December 5, 2016 in Department 43  
9 of the above-entitled court to seek a temporary restraining order and an order to show cause why a  
10 preliminary injunction should not issue pending the final resolution in this action. Mr. Velthoen  
11 confirmed his receipt of my email. Mr. Velthoen’s contact information is as follows:

12 Michael A. Velthoen, Esq.  
13 Ferguson Case Orr Paterson LLP  
1050 South Kimball Road  
14 Ventura, CA 93004  
Phone: (805) 659-6800  
15 Fax: (805) 659-6818  
mvelthoen@fcoplaw.com

16 3. Before 10:00 a.m. on December 2, 2016, I contacted Real Party in Interest the  
17 Camarillo Acorn (“Requestor”) via facsimile and informed Requestor that Petitioner would appear *ex*  
18 *parte* on December 5, 2016 in Department 43 of the above-entitled court to seek a temporary  
19 restraining order and an order to show cause why a preliminary injunction should not issue pending  
20 the final resolution in this action. Requestor’s contact information is as follows:

21 Camarillo Acorn  
22 Daniel Wolowicz, Editor  
1203 Flynn Road, Ste. 140  
23 Camarillo, CA 93012  
Phone: (805) 484-1949  
24 Fax: (805) 484-2313  
camarillo@theacorn.com

25 4. We anticipate that Respondent and Requestor will oppose the *ex parte* application.

26 5. Attached as Exhibit A hereto is a true and correct copy of the Complaint and Petition  
27 for Writ of Mandate (“Petition”), filed on December 2, 2016. The Petition was verified by Petitioner  
28 on December 1, 2016.

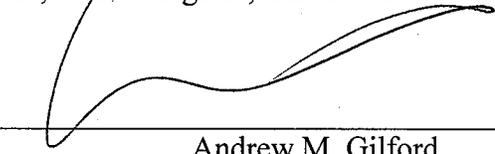
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6. On or about November 16, 2016, I received notice from Respondent that Requestor was seeking the subject records. A copy of the November 16, 2016 letter is attached as Exhibit E to the Petition. Since that date, I have attempted to persuade Respondent not to release the voicemails. When those efforts proved unsuccessful, the instant *ex parte* application was filed.

7. Petitioner has not made any previous application to any judicial officer for relief similar to that requested in the *ex parte* application filed concurrently herewith.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 2nd day of December, 2016, at Los Angeles, California.



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Andrew M. Gilford

70429.1

**EXHIBIT A**

216817.1

1 ANDREW M. GILFORD (State Bar No. 144994)  
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7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **COUNTY OF VENTURA**

10  
11 JANE ROZANSKI, an individual,

12 Plaintiff/Petitioner,

13 v.

14 CAMARILLO HEALTH CARE DISTRICT,  
a California Special District,

15 Defendant/Respondent.

16  
17 CAMARILLO ACORN,

18 Real Party in Interest.

Case No.

**VERIFIED COMPLAINT AND PETITION  
FOR WRIT OF MANDATE**

(Cal. Const., art I, § 1; Cal. Evid. Code § 950,  
*et seq.*; Cal. Civ. Proc. Code § 1085, 1086;  
Cal. Gov. Code § 6250. *et seq.*)

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## INTRODUCTION

1. This Verified Complaint and Petition is what the California courts have termed a “Reverse-CPRA” action — an action by a private citizen to prevent the unauthorized disclosure by a public entity of sensitive private information and records pertaining to the Petitioner in the possession of the Respondent entity. Petitioner Jane Rozanski (“Petitioner”) files this Complaint and petitions this Court for a writ of mandate to prevent the unlawful release of her personal and private communications with attorney Ralph Ferguson (“Ferguson”) by Respondent Camarillo Health Care District (“Respondent”), pursuant to a California Public Records Act (“CPRA”), Cal. Gov. Code § 6250, *et seq.*, request.

2. At issue on this Petition are private and personal voicemails inadvertently left on a cellular phone which Petitioner returned to Respondent upon retiring in 2015 from her position as Respondent’s CEO. Petitioner’s private voicemails are unrelated to her work for Respondent. Emergency relief in the form of a temporary restraining order and the setting of an Order to Show Cause (“OSC”) hearing regarding the issuance of a preliminary injunction is requested because, absent such relief, Respondent has stated its intention to release all of these private voicemails on December 6, 2016 to real party in interest Camarillo Acorn (“Requestor”), a local newspaper in Camarillo, California where Petitioner and her husband have lived for almost 50 years.

3. Petitioner learned that Respondent had listened to her private voicemails when Respondent informed Petitioner that they were investigating her actions as CEO, eventually resulting in the filing of a Complaint against Petitioner in the Superior Court for Ventura County. This public filing was in direct breach of Petitioner’s employment agreement, which required that any personnel matter be arbitrated. Respondent has now conceded the issue, and the Superior Court litigation will be dismissed and an arbitration proceeding commenced.

4. But the damage to Petitioner’s reputation had already begun. Respondent’s improperly-filed Complaint alleged that Petitioner and Ferguson had engaged in a “secret romantic relationship” while Petitioner was CEO and Ferguson was counsel to Respondent. This triggered Requestor, seeking to exploit the “scandal” for its own commercial purposes, to file a CPRA request with Respondent. Respondent, despite the fact that its breach of contract caused the CPRA request,

1 has declined to challenge the disclosure of the private information of its former long-time CEO to  
2 Requestor. Thus, without the emergency relief requested in this Petition, a newspaper in Petitioner’s  
3 own community will publish what it will no doubt characterize as the prurient details of a purported  
4 extra-marital affair.

5         5.         The legal analysis on this Petition is straightforward, and requires that Respondent be  
6 enjoined from voluntarily disclosing Petitioner’s private voicemails. California courts have  
7 recognized the viability of “Reverse-CPRA” actions where necessary to prevent the improper  
8 disclosure of private information by a public entity. As a preliminary matter, Petitioner’s private  
9 voicemails, which by happenstance were included on the cellular phone returned to Respondent, are  
10 not “public records” which could be subject to a CPRA request. Section 6252 of the California  
11 Government Code defines “public records” as writings containing information “relating to the conduct  
12 of the public’s business,” something Petitioner’s private voicemails are not.

13         6.         Further, the CPRA expressly exempts from disclosure records which, if disclosed,  
14 would “constitute an unwarranted invasion of personal privacy.” Under the balancing test required by  
15 the statute, the potential harm to Petitioner’s privacy interests from disclosure substantially outweighs  
16 the public interest in disclosure. It is not even close. Petitioner is a prominent figure in California and  
17 in her Ventura County community. She has been recognized as Woman of the Year by the California  
18 Legislature, and was named Special Districts General Manager of the Year by both the State of  
19 California and Ventura County. She has been cited by the United States Congress for her work on  
20 aging issues, and in 2013 was appointed by Governor Brown to the prestigious California Commission  
21 on Aging. Now in her 70’s, Petitioner is married with two grown children. The release of private  
22 voicemails to be publicly characterized as revealing a purported “secret romantic relationship” will be  
23 devastating to Petitioner’s reputation built over 40 years of public service.

24         7.         In contrast, the supposed “public” interest in publishing these private voicemails in a  
25 newspaper based in Petitioner’s home town with circulation in Ventura County is purely prurient only.  
26 Requestor’s hope is obviously that promising salacious details about an alleged extra-marital affair by  
27 a prominent Ventura County public servant will attract more readers for a week or a month, until the  
28 public’s attention turns to the next “scandal.” That is not worth the threat of the permanent

1 destruction of Petitioner’s reputation, and the pain and embarrassment such characterizations would  
2 cause her and her family.

3 8. The voicemails are private, personal communications in which Petitioner had a  
4 reasonable expectation of privacy. Petitioner does not consent to this disclosure in violation of her  
5 rights of privacy and brings this “reverse-CPRA” action pursuant to *Marken v. Santa Monica-Malibu*  
6 *Unified School Dist.*, 202 Cal. App. 4th 1250 (2012).

7  
8 **THE PARTIES**

9 9. Petitioner is an individual who resides in Ventura County, California. Petitioner was  
10 the CEO of Respondent from 1993 until her retirement in 2015.

11 10. Respondent is an independent special district and public agency with a business  
12 address in Ventura County, California. Respondent’s predecessor was formed in 1969 as an acute  
13 care hospital, and in 1984 Respondent was reorganized as a health care district and given its current  
14 name. Respondent has a mandate to provide community-based healthcare services. Respondent  
15 provides a range of health, wellness, and safety services to residents of Camarillo, primarily through  
16 education and wellness programs.

17 11. Requestor is a newspaper located in the City of Camarillo, Ventura County, California.  
18 Requestor publishes a free print newspaper and maintains a website at [www.thecamarilloacorn.com](http://www.thecamarilloacorn.com),  
19 which is continuously updated.

20  
21 **JURISDICTION AND VENUE**

22 12. Jurisdiction and venue are proper in this Court because the action arises under  
23 California state law, Respondent resides in Ventura County, and the Respondent’s actions occurred  
24 and continue to occur in Ventura County.



1 17. Petitioner retired from her position with Respondent in 2015. At the time,  
2 Respondent's President of the Board Rodger Brown stated, "Jane's leadership and service to the  
3 community during her tenure at the Camarillo Health Care District has been remarkable."

4 18. Since her retirement, Petitioner has continued to serve her community as a member of  
5 the Rotary Club, by working on Assemblymember Jacquie Irwin's Older Adult Population Advisory  
6 Committee and the Somis Union School District's Measure S Oversight Committee, and as an  
7 Advisory Committee Member and Founder of the Ventura County Leadership Committee, among  
8 other things.

9 **B. Petitioner's Use of a Cellular Phone Provided By Respondent**

10 19. Pursuant to her employment agreement with Respondent, Petitioner was issued  
11 electronic devices to facilitate her role as CEO. This included a cellular phone and laptop computer.  
12 A true and correct copy of the last Employment Agreement between Petitioner and Respondent is  
13 attached hereto as Exhibit A.

14 20. Petitioner used her cellular phone for both personal and work correspondence. She  
15 routinely received from, and made phone calls to, her family members and close friends, as well as  
16 business associates and coworkers. Such uses were common among employees of Respondent.

17 21. Among other communications, Petitioner routinely communicated with attorney  
18 Ferguson, who served as outside legal counsel to Respondent from 2011 to 2015.

19 22. Petitioner never intended for any of her personal communications or voicemails to be  
20 read or received by anyone other than herself and the senders or intended recipients. At no time did  
21 Respondent inform Petitioner that any correspondence on her communication devices would be  
22 disclosed to a newspaper or to the public at large.

23 **C. Respondent's Review of Personal Communications on Petitioner's Telephone**

24 23. After Petitioner retired as CEO and returned the cellular phone to Respondent,  
25 Respondent examined Petitioner's communications. Respondent discovered private voicemails  
26 remaining on her cellular phone from Ferguson. Petitioner was not aware that the voicemails  
27 remained on the cellular phone, or that they could be accessed by Respondent. Petitioner did not  
28

1 intend to preserve the voicemails on the cellular phone, to turn them over to Respondent, or to have  
2 anyone listen to the voicemails other than her.

3 24. The presence of the voicemails on the cellular phone at the time it was turned over to  
4 Respondent was inadvertent and accidental. Petitioner never intended the voicemails to be shared  
5 with Respondent, much less the Requestor or any other entity or person. Petitioner had a reasonable  
6 expectation that her communications, including the voicemails, would be kept private and  
7 confidential.

8 25. The voicemails were left only for Petitioner. They were meant solely for her receipt,  
9 and did not seek to relay any information to anyone other than Petitioner. The voicemails were not  
10 intended to be heard by any third party, and neither Petitioner nor Ferguson ever contemplated that the  
11 voicemails would be heard by anyone other than Petitioner.

12 **D. Respondent's Reference to Petitioner's Private Communications in its Lawsuit**

13 26. Ferguson's billing practices were under review by Respondent at the time Petitioner  
14 retired from her position as CEO. Respondent has alleged that Ferguson falsely inflated his billing,  
15 and is presently litigating that claim against Ferguson. Respondent claims that Petitioner's voicemails  
16 evidence a personal, intimate relationship between Petitioner and Ferguson, and that because of that  
17 relationship Petitioner and Ferguson conspired together to charge excessive legal fees to Respondent,  
18 to the benefit of Ferguson. These allegations are absolutely false.

19 27. On October 7, 2016, Respondent filed a Complaint in Ventura County Superior Court  
20 against Petitioner (the "District Complaint"). A true and correct copy of the District Complaint is  
21 attached as Exhibit B hereto. This filing was in breach of Petitioner's Employment Agreement which  
22 requires all personnel matters be arbitrated. Respondent has now agreed to dismiss the Superior Court  
23 action and proceed in arbitration.

24 28. Respondent's Complaint repeatedly uses the phrase "romantic relationship" and "secret  
25 romantic relationship" in describing the relationship between Petitioner and Ferguson. The allegations  
26 that Petitioner has been involved in an alleged extra-marital romantic relationship with Ferguson were  
27 picked up by local newspapers, including Requestor. Requestor published an article on the allegations  
28 on October 28, 2016, with the sub-headline "Suit alleges CEO and attorney were having an affair." A

1 true and correct copy of the article is attached as Exhibit C hereto. The salacious nature of the  
2 allegations in the District Complaint no doubt prompted Requestor to file a CPRA claim.

3 **E. The CPRA Request By Requestor**

4 29. On November 11, 2016, and again on November 15, 2016, Daniel Wolowicz, the  
5 Editor of Requestor, emailed Respondent to request Petitioner’s private voicemails (the “CPRA  
6 Request”). A true and correct copy of the email request from Mr. Wolowicz is attached as Exhibit D  
7 hereto.

8 30. Rather than protecting the privacy of its former CEO, Respondent has agreed to  
9 disclose the voicemails absent intervention by this Court. On November 16, 2016, Respondent  
10 notified Petitioner of its intent to comply with the CPRA Request. A true and correct copy of the  
11 letter from Respondent’s counsel is attached as Exhibit E hereto.

12 31. Respondent has identified to Petitioner the specific voicemails responsive to the  
13 Request that will be turned over absent a writ from this Court. Petitioner and her counsel have  
14 listened to the voicemails, and all are personal and private, and intended only for Petitioner. Petitioner  
15 is prepared to produce the subject voicemails to the Court to review in camera, if necessary, subject to  
16 Cal. Gov’t Code § 6259(a) and Cal. Evid. Code § 915.

17 32. Ferguson has also refused to consent to the disclosure of the voicemails, including in an  
18 email to the District dated November 30, 2016. A true and correct copy of the email from Ferguson is  
19 attached as Exhibit F hereto. Ferguson objects on the basis that disclosure of the voicemails would be  
20 an “unwarranted invasion on [his] personal privacy.” He states, “Unless relevance to matters of  
21 material public concern can be demonstrated, there are no grounds that override my reasonable expectation  
22 of personal privacy within a confidential relationship. As a public health care district, CHCD has an  
23 obligation under California law to avoid unnecessary disclosure of the personal information of its staff and  
24 others retained by the district.” He further objects on the grounds of attorney-client privilege.

25 33. Petitioner does not consent to Requestor’s CPRA Request, and therefore files this  
26 Complaint and Petition for Writ of Mandate, seeking a writ from this Court commanding Respondent  
27 to protect the confidentiality of the communications.  
28

1                   **PETITIONER IS ENTITLED TO BRING A REVERSE-CPRA ACTION**

2           34.     *Marken v. Santa Monica-Malibu Unified Sch. Dist.* (2012) 202 Cal. App. 4th 1250  
3 authorizes Petitioner’s “Reverse-CPRA” action to prevent the release of the voicemails.

4           35.     In *Marken*, the requestor argued that the petitioner had no right to seek a judicial ruling  
5 preventing the disclosure of the petitioner’s personnel file. The court examined the holding of  
6 *Filariski v. Superior Court* (2002) 28 Cal. 4th 419, which held that the federal counterpart of the  
7 CPRA, the Freedom of Information Act, permitted a “Reverse FOIA” case to prevent the disclosure of  
8 records. However the *Filariski* court specifically declined to address whether the same right existed in  
9 a CPRA case. *See Filariski*, 28 Cal. 4th at 431 (“We have no occasion in the present case to determine  
10 whether a third party possesses the right to seek a judicial ruling precluding a public agency from  
11 disclosing documents pursuant to the CPRA.”). In *Marken*, the court addressed the issue, and  
12 specifically held that there was a right to seek such a judicial ruling:

13                   In papers filed in the trial court and again on appeal, Chwe has raised  
14 the issue reserved in *Filarisky*, contending Marken has no right to file a  
15 reverse-CPRA action seeking a judicial ruling precluding the District  
16 from disclosing the documents Chwe has requested.... If Chwe were  
17 right, of course, Marken would not be entitled to a preliminary  
injunction or to any other form of relief. **Although this issue has not  
previously been resolved in a published appellate decision and is  
not free from doubt, we conclude Chwe is wrong.**

18 *Marken*, 202 Cal. App. 4th at 1265 (emphasis added); *see also id.* at 1265-1271 (holding that no other  
19 remedy exists for an interested party to obtain judicial review of an agency’s improper decision to  
20 release records, and that a Reverse-CPRA action will not impair the procedural protections available  
21 to the party requesting information under the CPRA).

22           36.     Therefore, Petitioner here, as a party alleging that her rights will be violated by a  
23 disclosure of the subject voicemails, has the right to bring a Reverse-CPRA action.

24  
25                   **THE VOICEMAILS ARE NOT “PUBLIC RECORDS” SUBJECT TO**  
26                   **DISCLOSURE BY WAY OF A CPRA REQUEST**

27           37.     California Government Code § 6252 defines “public records” as writings “containing  
28 information *relating to the conduct of the public’s business* prepared, owned, used or retained by any

1 state or local agency. . . .” (emphasis added). The mere custody of a writing by a public agency does  
2 not make it a public record; it is a public record if it is kept by an officer because it is necessary or  
3 convenient to the discharge of his official duty. *San Gabriel Tribune v. Superior Court* (1983) 143  
4 Cal. App. 3d 762, 774. “A public record, strictly speaking, is one made by a public officer in  
5 pursuance of a duty, the immediate purpose of which is to disseminate information to the public, or to  
6 serve as a memorial of official transactions for public reference.” *People v. Olson* (1965) 232 Cal.  
7 App. 2d 480, 486. The courts have repeatedly held that purely personal information unrelated to the  
8 “conduct of the public’s business” is not a public record. *See, e.g., Sander v. State Bar of California*  
9 (2013) 58 Cal. 4th 300, 322; *Braun v. City of Taft* (1984) 154 Cal. App. 3d 332, 340.

10 38. The Colorado Supreme Court in *Denver Pub. Co. v. Bd. of Cty. Comm’rs of Cty. of*  
11 *Arapahoe* (Colo. 2005) 121 P.3d 190 held that sexually explicit and romantic e-mails exchanged  
12 between a county recorder and the recorder’s assistant chief deputy were not “public records” within  
13 the scope of Colorado’s public records act.<sup>1</sup> There, the court distinguished between: “1) messages  
14 that address the performance of public functions that do not contain any personal information or  
15 sexually-explicit content” and “2) messages that do not address the performance of public functions  
16 and do contain sexually-explicit content or other private communications.” *Id.* at 204. As to the first  
17 group of records, the court agreed with the disclosure of the records by the court below. As to the  
18 second group of records, the court held they were not subject to disclosure:

19 The second group of e-mail messages contains those types of private  
20 communications the General Assembly intended to protect as private  
21 and fall outside the “public records” definition. These messages were  
22 sent and received in furtherance of the personal relationship between  
23 Baker and Sale and do not address the performance of their public  
24 functions.

24 <sup>1</sup> The public records acts of California and Colorado are both patterned on the federal Freedom of  
25 Information Act. *See California State Univ. v. Superior Court*, 90 Cal. App. 4th 810, 824 (2001);  
26 *Wick Commc’ns Co. v. Montrose Cty. Bd. of Cty. Comm.*, 81 P.3d 360, 362 (Colo. 2003). Colorado’s  
27 act specifically excludes from the definition of public records correspondence “[w]ithout a  
28 demonstrable connection to the exercise of functions required or authorized by law or administrative  
rule and does not involve the receipt or expenditure of public funds.” Colo. Rev. Stat. Ann. § 24-72-  
202. The California Public Records Act similarly exempts from disclosure records that do not  
“relate[e] to the conduct of the public’s business.” Cal. Gov’t. Code § 6252(e).

1 *Id.* at 205.

2 39. Here, the voicemails fall into the second category identified by *Denver* – wholly  
3 personal and private communications. These records are protected under the California Constitution,  
4 and are not subject to disclosure under the CPRA.

5  
6 **THE VOICEMAILS ARE PRIVATE COMMUNICATIONS PROTECTED BY THE**  
7 **CALIFORNIA CONSTITUTION AND CANNOT BE DISCLOSED UNDER THE CPRA**

8 40. The CPRA specifically exempts from disclosure certain records, “the disclosure of  
9 which would constitute an unwarranted invasion of personal privacy.” Cal. Gov’t. Code § 6254(c).  
10 “[R]ecognition of the importance of preserving individual privacy is also evident in the [CPRA]. The  
11 [CPRA] begins with the phrase: “In enacting this chapter, the Legislature is mindful of the right of  
12 individuals to privacy....” Disclosure of public records thus involves two fundamental yet competing  
13 interests: (1) prevention of secrecy in government; and (2) protection of individual privacy.” *BRV*,  
14 *Inc. v. Superior Court* (2006) 143 Cal. App. 4th 742, 750, *as modified on denial of reh’g* (Oct. 26,  
15 2006) (internal citations and quotations omitted) (“*BRV*”); *see also* Cal. Gov’t Code § 6254 (barring  
16 disclosure of “[p]ersonnel, medical, or similar files, the disclosure of which would constitute an  
17 unwarranted invasion of personal privacy.”).

18 41. In order to determine whether the subject records must be disclosed, a court must  
19 engage in a balancing test:

20 [A] court determining whether personnel records should be disclosed  
21 first must determine whether disclosure of the information would  
22 compromise substantial privacy interests; if privacy interests in given  
information are *de minimis* disclosure would not amount to a clearly  
unwarranted invasion of personal privacy.

23 Second, the court must determine whether the potential harm to  
24 privacy interests from disclosure outweighs the public interest in  
25 disclosure. In weighing the competing interests, we must determine the  
extent to which disclosure of the requested item of information will  
shed light on the public agency’s performance of its duty.

26 *BRV*, 143 Cal. App. 4th at 755 (internal citations and quotations omitted); *see also Caldecott v.*  
27 *Superior Court* (2015) 243 Cal. App. 4th 212.

28

1           42.     In California, an individual has an overriding right to privacy in her personal, intimate  
2 contacts. The California Constitution recognizes an “inalienable” right to privacy: “All people are by  
3 nature free and independent and have inalienable rights. Among these are enjoying and defending life  
4 and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety,  
5 happiness, and *privacy*. (emphasis added)”

6           43.     This “inalienable” right includes the privacy of one’s own romantic choices, even if  
7 those choices are, as alleged here, outside the bounds of one’s marriage. “This right to privacy applies  
8 to sexual relations outside of marriage.” *Rider v. Superior Court* (1988) 199 Cal. App. 3d 278, 282.

9           44.     Petitioner has a very significant privacy interest in the voicemails, in that they will be  
10 cast publicly as evidence she had a purported extra-marital affair with Ferguson and that they  
11 conspired together to overbill attorneys’ fees to the District. These allegations are absolutely false.  
12 The release of the voicemails accompanied by this false characterization would cause immeasurable  
13 hurt, humiliation, and embarrassment to Petitioner and Petitioner’s family.

14           45.     Petitioner did nothing to allow this information to come to the attention of the public.  
15 The disclosure of the information to Respondent was entirely inadvertent, the result of the return of a  
16 cellular phone upon which these private voicemails still were present. Petitioner at all times had a  
17 reasonable expectation of privacy in her communications in relation to the outside world. Petitioner  
18 never expected her communications to be disclosed to the public. Neither did the Respondent, which  
19 did not know that the communications existed until it eavesdropped on her private conversations.

20           46.     There is no question that Petitioner has an “inalienable” privacy interest in the  
21 voicemails so as to overcome any possible public interest in their disclosure.

22           47.     Further, there is no public interest in this disclosure, except for a prurient interest in the  
23 private matters of others, and Requestor’s interest in selling subscriptions and page views. As the  
24 saying goes, “sex sells,” and Requestor’s interest in the voicemails is purely to advance an attention-  
25 getting story of a supposed sex scandal involving a prominent and respected former government  
26 official.

27  
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1 48. Further, Respondent has no possible interest in permitting the disclosure. Indeed, it is  
2 Respondent's breach of the arbitration provision which identified the existence of the voicemails and  
3 triggered Requestor's CPRA request.

4 49. Communications which purportedly contain information related to intimate  
5 relationships have been determined to be exempt from disclosure by courts around the country. In  
6 *Kentucky Bd. of Examiners of Psychologists & Div. of Occupations & Professions, Dep't for Admin.*  
7 *v. Courier-Journal & Louisville Times Co.*, 826 S.W.2d 324, 328-29 (Ky. 1992), the Kentucky  
8 Supreme Court held that records which contained allegations of sexual misbehavior between a  
9 psychologist and a client were private and not subject to disclosure under Kentucky's version of the  
10 CPRA:

11 We must conclude that the information contained in the complaint file  
12 is of a personal nature—indeed, of a *very* personal nature—and that  
13 disclosure of the remainder of the public record in this case would  
14 constitute a serious invasion of the personal privacy of those who  
15 complained against Tadajewski, as well as other former clients  
16 involved in the investigation. The information sought touches upon the  
17 most intimate and personal features of private lives. Mindful that the  
18 policy of disclosure is purposed to subserve the public interest, not to  
19 satisfy the public's curiosity, and that the Board has in this case  
20 effectually promoted the public interest in regulation, and that there is a  
21 countervailing public interest in personal privacy, here strongly  
22 substantiated, we hold that further disclosure of information contained  
23 in the public record in this case would, as a matter of law, constitute a  
24 clearly unwarranted invasion of personal privacy.

18 *Id.* at 328-29; *see also Denver*, 121 P.3d 190.

21 **THE VOICEMAILS ARE PRIVILEGED AND CANNOT BE DISCLOSED**  
22 **UNDER THE CPRA**

23 50. To the extent that any portion of the voicemails is not a personal, private  
24 communication unrelated to the parties' work and duties, those communications are attorney-client  
25 communications and, as such, are not subject to disclosure under the CPRA.

26 51. The CPRA itself prevents disclosure which would violate the provisions of the  
27 Evidence Code. Cal. Gov. Code § 6254(k) exempts from disclosure "[r]ecords the disclosure of  
28 which is exempted or prohibited pursuant to federal or state law, including, but not limited to,

1 provisions of the Evidence Code relating to privilege.” *See also STI Outdoor v. Superior Court*  
2 (2001) 91 Cal. App. 4th 334 (holding that attorney-client privileged communications were exempt  
3 from disclosure under the CPRA).

4 52. The Evidence Code provides that communications between an attorney and client are  
5 strictly privileged. Cal. Evid. Code § 954 provides that “the client... has a privilege to refuse to  
6 disclose, and to prevent another from disclosing, a confidential communication between client and  
7 lawyer if the privilege is claimed by... [t]he holder of the privilege.”

8 53. The “client” includes persons such as the Petitioner. “[C]lient’ means a person who,  
9 directly or through an authorized representative, consults a lawyer for the purpose of retaining the  
10 lawyer or securing legal service or advice from him in his professional capacity.” Cal. Evid. Code  
11 § 951. Public entities are considered “clients” in the same way as private persons. *See Roberts v. City*  
12 *of Palmdale* (1993) 5 Cal. 4th 363, 374 (“public entities need confidential legal advice to the same  
13 extent as do private clients”). The privilege extends to an entity’s employees, in particular officers of  
14 the entity, such as the CEO. *See Nat’l Football League Properties, Inc. v. Superior Court* (1998) 65  
15 Cal. App. 4th 100, 111. Further, the privilege is not severed when the employee leaves the employ of  
16 the client entity. “[T]he attorney-client privilege is served by the certainty that conversations between  
17 the attorney and client will remain privileged after the employee leaves.” *In re Coordinated Pretrial*  
18 *Proceedings in Petroleum Prod. Antitrust Litig.*, 658 F.2d 1355, 1361 (9th Cir. 1981); *see also Bobele*  
19 *v. Superior Court* (1988) 199 Cal. App. 3d 708, 713-15.

20 54. Here, at the time of the voicemail communications, Petitioner was the CEO of  
21 Respondent, an officer, and Ferguson, its general counsel. Further, Petitioner was the main point of  
22 contact between Respondent and its attorney, Ferguson.

23 55. Any non-personal communications between Petitioner and Ferguson are privileged, to  
24 the extent that they relate to the purpose for which Ferguson was retained. Cal. Evid. Code § 952  
25 provides that a “‘confidential communication between client and lawyer’ means information  
26 transmitted between a client and his or her lawyer in the course of that relationship and in confidence  
27 by a means which, so far as the client is aware, discloses the information to no third persons other than  
28 those who are present *to further the interest of the client* in the consultation or those to whom

1 disclosure is reasonably necessary for the transmission of the information or the accomplishment of  
2 the purpose for which the lawyer is consulted ....”

3 56. Further, the burden to show that privilege does not apply is on the party opposing the  
4 application of the privilege. “If a privilege is claimed on the ground that the matter sought to be  
5 disclosed is a communication made in confidence in the course of the lawyer-client... relationship, the  
6 communication is presumed to have been made in confidence and the opponent of the claim of  
7 privilege has the burden of proof to establish that the communication was not confidential.” Cal.  
8 Evid. Code § 917(a); *see also Costco Wholesale Corp. v. Superior Court* (2009) 47 Cal. 4th 725, 733  
9 (“Once that party establishes facts necessary to support a prima facie claim of privilege, the  
10 communication is presumed to have been made in confidence and the opponent of the claim of  
11 privilege has the burden of proof to establish the communication was not confidential or that the  
12 privilege does not for other reasons apply.”).

13 57. If any of the voicemails are not personal, private communications as detailed above,  
14 they are necessarily related to Petitioner’s and Ferguson’s work. Thus, those communications would  
15 be privileged and are barred from disclosure under the CPRA.

16  
17 **PETITIONER IS ENTITLED TO A WRIT OF MANDATE COMMANDING**  
18 **RESPONDENT TO PROTECT THE CONFIDENTIALITY OF**  
19 **PETITIONER’S VOICEMAILS**

20 58. Petitioner does not consent to the CPRA Request, and seeks a writ of mandate from  
21 this Court commanding Respondent to comply with the California Constitution, the California  
22 Evidence Code, and the CPRA and protect the confidentiality of the requested communications.

23  
24 **FIRST CAUSE OF ACTION**  
25 **(Violation of Cal. Const., art. I, § 1)**

26 59. Petitioner incorporates and re-alleges paragraphs 1-57 as though fully set forth herein.

27 60. The California Constitution gives each California citizen an “inalienable” right to  
28 pursue and obtain privacy in article 1, Section 1. Section 1 reads: “All people are by nature free and

1 independent and have inalienable rights. Among those are enjoying and defending life and liberty,  
2 acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and  
3 privacy.”

4 61. Respondent has an obligation as a public entity to comply with the California  
5 Constitution and protect all persons from the disclosure which would invade their privacy.  
6 Respondent’s intended disclosure of Petitioner’s private voicemails would violate this basic tenant of  
7 California law.

8 62. Petitioner did not waive her right to privacy under the California Constitution, Article  
9 1, § 1, in connection with the subject voicemails. Respondent did not obtain consent from Petitioner,  
10 and Petitioner will not consent to the release of her private voicemails to the public.

11 63. Allowing the disclosure of the voicemails would serve no interest other than the  
12 prurient interest of the press and readers hungry for scandal.

13 64. The disclosure of the voicemails would cause irreparable harm to Petitioner in the form  
14 of embarrassment, harassment, humiliation, and harm to reputation, as well as economic and non-  
15 economic injury.

16 65. At all times mentioned, Respondent has been able to exercise the discretion to withhold  
17 the voicemails. Notwithstanding this ability, Respondent has refused to withhold the voicemails and  
18 instead intends to deliver them to the press.

19 66. Petitioner has no plain, speedy, and adequate remedy in the ordinary course of the law,  
20 other than the relief sought in this petition because, pursuant to the CPRA, no other judicial,  
21 administrative, or contractual remedy is available to Petitioner. Furthermore, release of the voicemails  
22 would render any subsequent judicial, administrative, or contractual remedy moot.

23  
24 **SECOND CAUSE OF ACTION**

25 **(Violation of Cal. Evid. Code § 950, et seq.)**

26 67. Petitioner incorporates and re-alleges paragraphs 1-57 as though fully set forth herein.

27 68. The California Evidence Code provides at Section 950, et seq., that communications  
28 between attorneys and clients are strictly confidential and not subject to disclosure to third parties.





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DATED: December 2, 2016

ANDREW M. GILFORD  
JESSICA R. CORPUZ  
**BAUTE CROCHETIERE & GILFORD LLP**

*Andrew M. Gilford / ORC*

Andrew M. Gilford  
Attorneys for Plaintiff/Petitioner Jane Rozanski

BAUTE CROCHETIERE & GILFORD LLP  
777 South Figueroa Street, Suite 4900  
Los Angeles, CA 90017  
Tel (213) 630-5000 • Fax (213) 683-1225

VERIFICATION

I, JANE ROZANSKI, declare as follows:

1. I am a party in the above-entitled action.

2. I have read the foregoing Complaint and Petition for Writ of Mandate for Declaratory and Injunctive Relief and know the contents thereof. The matters stated in the Complaint and Petition for Writ of Mandate for Declaratory and Injunctive Relief are true based on my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at Camarillo, California on December 1, 2016.

  
\_\_\_\_\_  
JANE ROZANSKI

BAUTE CROCHETIERE & GILFORD LLP  
777 South Figueroa Street, Suite 4900  
Los Angeles, CA 90017  
Tel (213) 630-5000 • Fax (213) 683-1225

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## **EXHIBIT A**

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**CAMARILLO HEALTH CARE DISTRICT**

**CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT**

The Camarillo Health Care District ("CHCD" or the "District"), a California Health Care District operating under Health & Safety Code section 32000, et seq., with offices located at 3639 Las Posas Rd, Suite E117, Camarillo, CA 93010, through its Board of Directors, and Ms. Jane Rozanski (herein "Ms. Rozanski" or "Chief Executive Officer"), an individual, who currently serves as Chief Executive Officer of CHCD, (jointly referred to herein as the "Parties") mutually desire to enter into this Chief Executive Officer Employment Agreement (herein the "Agreement"), and in consideration of the mutual covenants, representations and promises made herein, agree as follows:

**ARTICLE 1. Term of Agreement**

**Three Year Term**

1.1 The Camarillo Health Care District agrees to retain and employ Ms. Rozanski to serve as Chief Executive Officer and Ms. Rozanski agrees to provide her services as Chief Executive Officer to the District, as specified herein and otherwise as according to California law and the District Bylaws, for a term of three (3) years beginning on March 1, 2012 and ending on February 28, 2015, regardless of when the Agreement is later executed by the Parties. The Agreement shall govern the rights and obligations of the Parties during the stated term or any extended term(s) of the Agreement as set forth herein.

**Renewal or Extension of Agreement**

1.2 The Parties may agree to renew or extend this Agreement beyond the stated term for an additional term of from one (1) year to three (3) years upon the Parties agreeing on the terms and conditions of such renewal or extension. If either Party decides not to renew or extend the Agreement at the conclusion of the stated term or any extended term, then that Party shall give notice to the other Party at least sixty (60) days prior to conclusion of the term or any extended term of its/her intention not to renew or extend the Agreement. If neither Party provides notice of its/her intention not to renew or extend the Agreement, and no new Agreement or extension has been negotiated, then the current Agreement shall automatically be extended on its existing terms and conditions from month-to-month.

**Employment as the Chief Executive Officer**

1.3 Ms. Rozanski shall at all times perform her duties as Chief Executive Officer in the legal capacity of an employee of CHCD reporting on day-to-day administrative and operational matters to the CHCD Executive Committee and on matters of policy and overall performance to the CHCD Board of Directors.

## **ARTICLE 2. Duties and Obligations of Chief Executive Officer**

### **General Duties**

2.1 Ms. Rozanski shall serve in the employed position of Chief Executive Officer of CHCD. This position shall include the title, duties and capacities of the Chief Executive Officer of CHCD wherever and whenever that designation is used in the CHCD Bylaws, official documents, correspondence or elsewhere. In her capacity as Chief Executive Officer of CHCD, Ms. Rozanski shall do and perform all services, acts, or things necessary or advisable to manage and conduct the business of CHCD, including the hiring, compensation, supervision and termination of all employees, contractors and others providing services to CHCD. In fulfilling the duties of the Chief Executive Officer, Ms. Rozanski shall be subject at all times to the policies regarding this position in the District Bylaws, and to the consent of the Board of Directors when required by the terms of this Agreement.

### **Time Commitment to Chief Executive Officer Positions**

2.2 (a) Ms. Rozanski shall devote such time, skill and attention as is reasonably necessary to successfully carry out the duties and responsibilities of the Chief Executive Officer of CHCD. The Parties understand and agree that Ms. Rozanski will devote a significant majority of her productive time during the term of this Agreement to the duties, activities and responsibilities of the Chief Executive Officer of CHCD. The Parties recognize and agree that within the activities of the Chief Executive Officer are business obligations to serve as a member of various committees and boards of entities that support and advance the mission and activities of the District. It is expressly understood by the Parties that the time commitment of Ms. Rozanski under this Agreement does not preclude her performing professional work from time-to-time as an external consultant or presenter for organizations that are not in direct competition with the District.

## **ARTICLE 3. Relationship of the Parties**

### **Uniqueness of Chief Executive Officer's Services**

3.1 CHCD and Ms. Rozanski acknowledge and agree that the services to be performed under the terms of this Agreement are of a highly skilled executive and intellectual character that give those services a special value to the District. The Parties further acknowledge and agree that the unplanned loss of the services of a chief executive officer without adequate notice to CHCD cannot be reasonably or adequately compensated in damages. Except in situations involving a personal health or family emergency, Ms. Rozanski agrees to provide a minimum of sixty (60) days notice of her intention to permanently resign from her position.

### **Confidential Information**

3.2 (a) The Parties acknowledge and agree that during the term of this Agreement and in the course of the performance of her duties hereunder, Ms. Rozanski will have access to and become acquainted with financial, personnel, technical and other information regarding programs, methods, plans and processes that are the property of CHCD, which are actually or potentially used in the operation of CHCD or obtained from third parties under an agreement of confidentiality, and that such information legally constitutes confidential information.

(b) Ms. Rozanski specifically agrees that she will not misuse, misappropriate, or wrongfully disclose confidential information to any unauthorized person, or to use confidential information in any way during the term of this Agreement except as required in the course of appropriately performing as the Chief Executive Officer of CHCD as set forth in this Agreement.

### **ARTICLE 4. Obligations of CHCD**

#### **General Description**

4.1 As the District's responsibility pursuant to the Agreement, CHCD shall provide Ms. Rozanski with the compensation, incentives, benefits and business expense reimbursement as specified in this Agreement or otherwise as provided by District policies or California law. CHCD shall provide Ms. Rozanski with payment or reimbursement for the dues of professional organizations, full payment or reimbursement for all reasonable business and travel expenses (not including driving her own automobile on local business travel); including expenses incurred in connection with attendance at community, professional or industry meetings.

#### **Office and Staff**

4.2 As the District's responsibility pursuant to the Agreement, CHCD shall provide Ms. Rozanski with office space, computer equipment, business communication devices and necessary administrative support suitable to Ms. Rozanski's position and adequate for the effective performance of her duties.

#### **Indemnification of Losses of Chief Executive Officer**

4.3 In accord with and as required by California law, CHCD shall indemnify Ms. Rozanski for all necessary expenditures or losses, including the cost of legal defense, incurred by Ms. Rozanski in direct consequence of the discharge of her duties on CHCD's behalf.

**ARTICLE 5. Compensation of Chief Executive Officer By CHCD**

**Annual Compensation and Benefits**

**5.1 (a)** As payment for the services as Chief Executive Officer of CHCD to be performed during each year of the three (3) year term of this Agreement, Ms. Rozanski shall receive annual compensation and benefits as follows:

(i) Beginning March 1, 2012 through February 28, 2013 - a minimum annual base salary in the amount of \$185,400 (which amount now includes the \$700 monthly car allowance paid separately under the prior Agreement), payable bi-weekly during the term of the Agreement.

(ii) Beginning March 1, 2013 through February 28, 2014 - a minimum annual base salary in the amount of \$185,400, plus a cost-of-living (COLA) increase as approved by the Board of Directors, payable bi-weekly during the term of the Agreement.

(iii) Beginning March 1, 2014 through February 28, 2015 - the minimum annual base salary as determined in section 5.1 (a) (ii) above, plus a cost-of-living (COLA) increase as approved by the Board of Directors, payable bi-weekly during the term of the Agreement.

The cost-of-living computation included in this section 5.1 shall not result in any decrease in the amount of compensation payable to the Chief Executive Officer under this Agreement.

(b) Annual deferred compensation of twelve percent (12%) of each year's base salary to be paid monthly.

(c) Reimbursement for medically related out-of-pocket expenses up to a maximum amount of \$9,480 annually. Medical reimbursement will be determined on a calendar year basis.

**5.2 (a)** As part of her total compensation under this Agreement, Ms. Rozanski shall be entitled to the following:

(i) Thirty (30) paid vacation days annually, which if not used within the calendar year can be accrued up to a maximum of sixty (60) days. At the request of Ms. Rozanski, unused or accrued vacation days can be paid and received as a single sum at the end of a calendar year, at the termination of this Agreement or the end of her employment.

(ii) Eight (8) paid administrative days or health related days annually (including days away from work due to accident, illness or medical treatment). Unused days under this Section 5.2 (a) (ii) cannot be accrued from year to year.

(b) The change in the annual compensation of the Chief Executive Officer during the term of this Agreement as provided in Article 5.1 (a) (ii) and (a) (iii) shall be set specifically forth in a written Resolution of the Board of Directors. The Resolution(s) shall be made an attachment to this Agreement.

## **ARTICLE 6. BUSINESS EXPENSES**

### **Use of Credit Card In the Business of CHCD**

6.1 (a) All business expenses reasonably incurred by Ms. Rozanski in conducting and promoting the business of CHCD, including expenditures for airfare, lodging, meals and entertainment, shall generally be arranged in advance and, insofar as possible, by or directly by the District or by a credit card in the name of CHCD which has been furnished to Ms. Rozanski.

(b) Ms. Rozanski shall furnish to CHCD upon request adequate records and other documentary evidence required by federal and state statutes and regulations for the substantiation of business expenditures as an income tax deduction.

## **ARTICLE 7. Termination of Agreement**

### **Termination of Agreement**

7.1 (a) The CHCD Board of Directors at a noticed Special Meeting, upon the recommendation of the Executive Committee and a vote of four-fifths (4/5) of the Directors in support of such recommendation, may terminate this Agreement on behalf of CHCD at any time after five (5) days written notice to Ms. Rozanski. Prior to a vote by the Board of Directors under this Section 8.1, Ms. Rozanski shall be entitled to present such information and/or documentation to the Board of Directors as the Board deems relevant to the issues involved in the recommended termination. The Chief Executive Officer may choose to have her response to the issues and the recommended termination heard and considered in either a public or closed session.

(b) The decision of the Board of Directors of CHCD to terminate this Agreement under this Section 8.1 is without prejudice to any other remedy to which CHCD may be entitled either at law, in equity, or otherwise under this Agreement.

7.2 (a) This Agreement shall be terminated upon the death of Ms. Rozanski, or the inability of Ms. Rozanski to perform a substantial portion of her duties for a period longer than six (6) months as reasonably determined by the Board of Directors, or the dissolution of CHCD.

### **Payment on Early Termination or Non-Renewal**

7.3 (a) If CHCD terminates this Agreement under this Article 7, for reasons other than material dishonesty, abandonment of duties unrelated to serious illness, or arrest for a crime related to her role as Chief Executive Officer, CHCD shall continue to pay Ms. Rozanski for nine (9) additional months of her then current base salary pursuant to Section 5 (a) as calculated on the last day of her employment.

(b) If CHCD decides not to renew or extend the Agreement at the conclusion of the stated term or any extended term, CHCD shall continue to pay Ms. Rozanski for four (4) additional months of her then current base salary pursuant to Section 5 (a) (iii).

## **ARTICLE 8. General Provisions**

### **Notices**

8.1 Any notices to be given hereunder by either Party shall be in writing and may be transmitted by personal delivery, or by overnight mail or Federal Express. Mailed notices shall be addressed to the Parties at the addresses appearing in the introductory paragraph of this Agreement, but such Party may change that address by written notice in accordance with this Article 8. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated three (3) days after the date of mailing regardless of any earlier actual delivery.

### **Arbitration**

8.2 Any controversy between CHCD and Ms. Rozanski involving the construction, application or any alleged breach of any of the terms, provisions, or conditions of this Agreement shall be resolved by binding arbitration before a single arbitrator. CHCD AND MS. ROZANSKI INDIVIDUALLY AND JOINTLY AGREE THE RIGHT OF TRIAL BY JURY SHALL NOT BE AVAILABLE TO EITHER PARTY UNDER THIS AGREEMENT. The serving of a demand for arbitration on the other Party shall not be deemed a notice of termination of the Agreement. Arbitration shall comply with and be governed by the provisions of Title 9 of the California Code of Civil Procedure sections 1280, et seq. Both sides shall be responsible for her/its own attorneys' fees and costs. The Parties shall share equally in the fees of the arbitrator and the costs of the arbitration hearing. The arbitration shall be held in Camarillo, California with any judicial proceedings brought in Ventura County Superior Court.

### **Entire Agreement**

8.3 This Agreement supersedes any and all other agreements and addendums, either oral or in writing, between the Parties hereto with respect to the retention of Ms. Rozanski by CHCD and contains all of the covenants and agreements between the Parties with respect to that retention. Each Party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either Party.

### **Modifications**

8.4 Any modification of this Agreement will be effective only if it is in writing and signed by the Party to be charged. If at the conclusion of the stated term or any extended term(s) of the Agreement, neither Party gives notice of its intent to terminate, renew or extend the Agreement, then the Agreement shall be automatically extended month-to-month on the then existing terms and conditions.

**Law Governing Agreement**

8.5 This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Agreement shall not be construed against either party to this Agreement.

Dated: May 22 2012

**CAMARILLO HEALTH CARE DISTRICT**

By: Peggy O'Neill  
Ms. Peggy O'Neill  
Chair of the Board of Directors

Dated: May 22 2012

Janie Rozanski  
Ms. Janie Rozanski, an Individual

70429.1

## **EXHIBIT B**

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COPY

1 MICHAEL A. VELTHOEN (SBN 187909)  
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4 Ventura, California 93004  
5 Telephone: (805) 659-6800  
6 Facsimile: (805) 659-6818  
7 Email: mvelthoen@fcoplaw.com

8 Attorneys for Plaintiff Camarillo Health Care  
9 District

VENTURA  
SUPERIOR COURT  
FILED

OCT - 7 2016

MICHAEL D. PLANET  
Executive Officer and Clerk  
BY: JERRY S. RICARDEZ Deputy

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11  
12 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**  
13  
14 **COUNTY OF VENTURA**

15 CAMARILLO HEALTH CARE  
16 DISTRICT, a California Special District,

17 Plaintiff,

18 v.

19 JANE ROZANSKI, an individual, and  
20 DOES 1 through 10, inclusive,

21 Defendant.

Case No. 56-2016-00487601-CU-MC-VTA

**COMPLAINT FOR:**

- 1. BREACH OF CONTRACT
- 2. BREACH OF FIDUCIARY DUTY
- 3. CONSTRUCTIVE FRAUD
- 4. NEGLIGENCE
- 5. FRAUD & DECEIT

22 Plaintiff Camarillo Health Care District ("the District") alleges the following Complaint  
23 against defendant Jane Rozanski ("Rozanski") and Does 1 through 10, inclusive:

**NATURE OF THIS PROCEEDING**

24 1. The District is a public agency which offers community-based, healthcare services.  
25 Rozanski is the District's former Chief Executive Officer. Acting as the District's CEO, Rozanski  
26 retained attorney Ralph Ferguson ("Ferguson") to act as the District's outside legal counsel.  
27 Unbeknownst to the District, Rozanski and Ferguson were secretly involved in a romantic  
28 relationship with each other. Over the course of approximately three and one-half years, Rozanski

1 and Ferguson carried out a scheme to cause the District to pay Ferguson's false, inflated, and  
2 unnecessary legal bills, and thereby bilk the District out of hundreds of thousands of taxpayer  
3 dollars

4 2. The District recently obtained a fee arbitration award against Ferguson, which has  
5 since been confirmed by the Ventura County Superior Court. Because she was complicit in the  
6 scheme, the District brings this action to recover against Rozanski for breach of contract, breach of  
7 fiduciary duty, constructive fraud, negligence, and fraud and deceit.

8 3. The true names and capacities, whether individual, corporate, associate, or  
9 otherwise, of the defendants named herein as Does 1 through 10, inclusive, are unknown to the  
10 District, who therefore sues said defendants by such fictitious names pursuant to Code of Civil  
11 Procedure section 474. The District will amend this complaint to show their true names and  
12 capacities when the same have been ascertained. The District is informed and believes, and based  
13 upon such information and belief, allege that all defendants sued herein as Does 1 through 10,  
14 inclusive, are in some manner responsible for the acts herein alleged. The District is informed and  
15 believes that Does 1 through 10 conspired with Rozanski to defraud the District as set forth below.

16 4. Venue is appropriate under California Code of Civil Procedure section 395 as  
17 Rozanski is a resident of Ventura County.

18 **FACTUAL ALLEGATIONS**

19 5. The District is a public agency organized under the Health Care District Law, with a  
20 business address in Camarillo, Ventura County, California. The District was formed in 1969 in  
21 order to provide health, safety, and wellness programs to Camarillo and its surrounding areas. The  
22 District, for example, provides nutrition programs, exercise classes, transportation, and day care  
23 services to the public.

24 6. Rozanski is an individual who resides in Camarillo, Ventura County, California.

25 7. Rozanski was hired by the District as CEO in January 1993. Rozanski served as  
26 CEO of the District pursuant to seriatim employment agreements. Rozanski and the District  
27 entered into the last employment agreement on or about May 22, 2012, entitled "Chief Executive  
28 Officer Employment Agreement" ("Employment Agreement"). A true and accurate copy of the

1 last Employment Agreement is attached hereto as Exhibit A.

2 8. As CEO, Rozanski was responsible for overseeing the day-to-day administrative  
3 and operational matters of the District, as well as reporting on matters of policy and overall  
4 performance to the District's Board of Directors.

5 9. Article 2.1 of the Employment Agreement provides that "[i]n fulfilling the duties of  
6 the Chief Executive Officer, Ms. Rozanski shall be subject to the policies regarding this position in  
7 the District Bylaws." (Exhibit A, Art. 2.1) The District By-Laws, in turn, provide that the Chief  
8 Executive Officer is responsible for "[s]upervising business affairs *to ensure that funds are*  
9 *collected and expended to the best possible advantage.*" (See Camarillo Health Care District By-  
10 Laws, Article VII, Section 2(e), attached hereto as Exhibit B (emphasis added).

11 10. In 2011, Rozanski engaged Ferguson to provide legal services to the District.  
12 Rozanski unilaterally made the decision to hire Ferguson, and there was no fee agreement or other  
13 document which memorialized the scope or other terms of his legal representation. Ferguson had  
14 previously served as the CEO of the Association of California Healthcare Districts ("ACHD")  
15 from approximately 2001 to 2011. Ferguson was terminated by ACHD under questionable  
16 circumstances.

17 11. At the time Rozanski hired Ferguson on behalf of the District, she had been engaged  
18 in a secret romantic relationship with him since at least 2007. Neither Rozanski nor Ferguson  
19 disclosed this relationship to the District's Board of Directors or to anybody else at the District at  
20 or before the time the District engaged Ferguson. Rozanski actively concealed her relationship  
21 with Ferguson from the District while she was employed as CEO.

22 12. Ferguson initially provided legislative services to the District, even though such  
23 services were already provided by ACHD on behalf of all California Healthcare Districts.  
24 Ferguson's role with the District expanded over time. He eventually became the District's general  
25 counsel even though such a role was never formally approved by the Board of Directors.  
26 Ferguson, with Rozanski's encouragement and assistance, insinuated himself into the daily affairs  
27 of the District. As a result, Ferguson was consulted on matters for which there was no need for  
28 legal advice. Ferguson routinely spent considerable time on the phone with Rozanski and other

1 District employees, even though his input and assistance were unnecessary. The phone calls with  
2 Ferguson were generally meandering and pointless. When provided specific tasks, Ferguson had  
3 great difficulty accomplishing them in a timely and competent manner. Ferguson billed for  
4 duplicative work, as well work not actually performed. In addition, Ferguson inflated his bills to  
5 reflect time not actually spent by him providing services to the District.

6 13. Prior to hiring Ferguson, the District's legal fees were very modest; specifically, the  
7 District incurred total legal fees for the previous fiscal years as follows:

8	2007-08	\$1,889
9	2008-09	\$1,724
10	2009-10	\$5,910
11	2010-11	\$19,922

12 During these prior years, the District's legal fees were driven largely by public records requests  
13 and questions regarding specific issues, such as employment.

14 14. The District's legal fees dramatically spiked after Ferguson's retention. Between  
15 2011 and January 2015 – when the District terminated Ferguson's services – the District paid  
16 Ferguson over \$425,000 in legal fees. There was no apparent justification for such an abrupt and  
17 dramatic increase in legal fees. For example, the District engaged in no litigation during these  
18 years.

19 15. Rozanski maintained tight control over the review of Ferguson's bills. She  
20 personally reviewed and approved the bills. Ferguson typically received payment on his invoices  
21 within a matter of days from receipt by the District of his invoice. Rozanski approved each invoice  
22 and instructed her assistant to pay them immediately. In one instance, after her assistant raised a  
23 question regarding Ferguson's invoice, Rozanski called the assistant into her office and ordered her  
24 to speak with Ferguson on the phone. Ferguson told the assistant that the amount of his fees was  
25 typical and that she was not to question them again. Rozanski never challenged or questioned  
26 Ferguson's bills. The District paid Ferguson 100% of the fees he invoiced. Ferguson's bills were  
27 not reviewed or approved by the Board of Directors or any other officer of the District.

28 16. Rozanski also disguised the amount of Ferguson's bills on the District's annual

1 budget. Instead of including all of Ferguson's fees as a single budget item, Rozanski organized the  
2 budget so that Ferguson's fees were allocated to specific projects or departments. In addition, the  
3 payments to Ferguson were identified as "professional services" rather than legal fees.

4 17. At the District's December 2014 Board of Directors meeting, while discussing the  
5 budget for the recently-completed remodeling of the District's Adult Day Care Center, certain  
6 members of the Board asked for the amount of attorneys' fees incurred in connection with the  
7 project. The Board was advised that the fees paid to Ferguson in connection with the project  
8 amounted to over \$120,000, despite the fact that the total cost for the remodeling project –  
9 including the fees – was approximately \$560,000. In other words, Ferguson's fees amounted to  
10 almost one-quarter of the total budget of the project.

11 18. After several members of the Board expressed concern that the fees charged by  
12 Ferguson for the project were excessive, the Board voted to inquire further into Ferguson's fees.  
13 Ferguson refused to cooperate with the Board's inquiry, claiming he was unable to participate due  
14 to alleged life-threatening health issues and an unwillingness to be "slandered at the end of [his]  
15 life."

16 19. A review of Ferguson's invoices for the remodeling project revealed the fees were  
17 unnecessary and excessive. For example, of the hundreds of hours Ferguson purportedly devoted  
18 to the remodeling project, the District learned that Ferguson effectively inserted himself as a quasi-  
19 project manager, even though the District had engaged an outside construction management firm to  
20 handle the project. To facilitate this, Rozanski instructed the actual project manager to copy  
21 Ferguson on every communication regarding the project. Ferguson also billed for a significant  
22 amount of time spent on the telephone with Rozanski and others involved simply discussing  
23 various, non-legal aspects of the project. Ferguson also turned a relatively simple project into  
24 something more grandiose. For example, he recommended requiring the project bidders to submit  
25 answers to a prequalification questionnaire, which was neither required nor customary for a project  
26 of such modest scope. Ferguson also purported to spend numerous hours reviewing boilerplate  
27 contracts for small matters on the project.

28 20. The District hired outside counsel to pursue a claim for refund of fees paid to

1 Ferguson on the remodeling project. At the same time, the District terminated Ferguson's services.  
2 Rozanski opposed the Board's decision. Unbeknownst to the Board, Rozanski and Ferguson were  
3 in constant contact about how to stop the District from pursuing a claim against Ferguson. Among  
4 other things, Ferguson drafted a letter for Rozanski to send to the District's outside counsel  
5 terminating his services.

6 21. When it came to the Board's attention that Rozanski had purportedly terminated the  
7 District's outside counsel without Board approval, Rozanski chose to step down as Chief Executive  
8 Officer of the District. Rozanski resigned from the District in June 2015. At no time prior to her  
9 departure did Rozanski or Ferguson ever disclose that they were engaged in a romantic  
10 relationship.

11 22. Following her resignation, the District learned, for the first time, of Rozanski's  
12 romantic involvement with Ferguson, as voicemails on Rozanski's District-issued cell phone  
13 revealed the romantic nature of their relationship, as well as their close collaboration in response to  
14 the Board's inquiry into Ferguson's fees.

15 **FIRST CAUSE OF ACTION**  
16 **Breach of Contract Against Defendant Rozanski**

17 23. Plaintiff realleges and incorporates the allegations of Paragraphs 1 to 22 as though  
18 fully set forth herein.

19 24. Article 2.1 of the Employment Agreement provided that "[i]n fulfilling the duties of  
20 the Chief Executive Officer, Ms. Rozanski shall be subject to the policies regarding this position in  
21 the District Bylaws." (Exhibit A, Art. 2.1)

22 25. The District By-Laws provided that the Chief Executive Officer is responsible for  
23 "[s]upervising business affairs to ensure that funds are collected and expended to the best possible  
24 advantage." (*See Exhibit B, Article VII, Section 2(e)*).

25 26. Rozanski breached her contractual obligation to ensure that District funds were  
26 expended to the best possible advantage by conspiring with Ferguson in the manufacture of  
27 unnecessary and inflated bills, approving and directing the District's payment of legal bills which  
28 she knew were false and grossly inflated, and obscuring the amounts paid to Ferguson in the

1 District's budget.

2 27. As a direct and proximate result of Rozanski's breach, the District suffered damages  
3 in the amount of at least \$425,000.

4 **SECOND CAUSE OF ACTION**  
5 **Breach of Fiduciary Duty Against All Defendants**

6 28. Plaintiff realleges and incorporates the allegations of Paragraphs 1 to 27 as though  
7 fully set forth herein.

8 29. As its chief executive officer, Rozanski was the District's fiduciary.

9 30. As such, Rozanski owed fiduciary duties of good faith, care and loyalty to the  
10 District.

11 31. Rozanski breached said fiduciary duties by, among other things, 1) maintaining a  
12 secret romantic relationship with Ferguson; 2) maintaining divided loyalties which caused her to  
13 fail to properly assess the propriety of Ferguson's legal bills; 3) assisting Ferguson in the  
14 manufacture of unnecessary and inflated bills; 4) approving and directing the District's payment of  
15 legal bills which she knew, or should have known were false and grossly inflated; and 5) obscuring  
16 the amounts paid to Ferguson in the District's budget. Does 1 through 10 conspired with Rozanski  
17 to breach her fiduciary duties to the District.

18 32. As a direct and proximate result of Rozanski's breach of fiduciary duties, the  
19 District suffered damages in the amount of at least \$425,000.

20 33. In addition, Rozanski and Does 1 through 10 acted with reckless, willful, or callous  
21 disregard of the District's rights and with malice, fraud, and oppression, thereby justifying an  
22 award of punitive damages against Rozanski and Does 1 through 10 in an amount to be proven at  
23 trial.

24 **THIRD CAUSE OF ACTION**  
25 **Constructive Fraud Against All Defendants**

26 34. Plaintiff realleges and incorporates the allegations of Paragraphs 1 to 33 as though  
27 fully set forth herein.

28 35. "Constructive fraud is a unique species of fraud applicable only to a fiduciary or  
confidential relationship." *Salahutdin v. Valley of California, Inc.* (1994) 24 Cal.App.4th 555,

1 561-562.

2 36. “[C]onstructive fraud comprises any act, omission or concealment involving a  
3 breach of legal or equitable duty, trust or confidence which results in damage to another *even*  
4 *though the conduct is not otherwise fraudulent*. Most acts by an agent in breach of his fiduciary  
5 duties constitute constructive fraud. The failure of the fiduciary to disclose a material fact to his  
6 principal which might affect the fiduciary’s motives or the principal’s decision, which is known (or  
7 should be known) to the fiduciary, may constitute constructive fraud.” (*Id.*) (emphasis in original)

8 37. As its chief executive officer, Rozanski was the District’s fiduciary.

9 38. Rozanski knew, or should have known, that Ferguson’s legal bills were false and  
10 grossly inflated.

11 39. Rozanski engaged in constructive fraud by failing to disclose a secret romantic  
12 relationship with Ferguson which compromised her duty of loyalty to the District, and which  
13 resulted in the District’s payment of legal bills which were false and grossly inflated.

14 40. Had Rozanski informed the District of said romantic relationship, the District would  
15 have terminated Ferguson’s representation, or at the very least, taken steps to have his legal bills  
16 independently reviewed.

17 41. Rozanski also engaged in constructive fraud by obscuring the amounts paid to  
18 Ferguson in the District’s budget. Does 1 through 10 conspired with Rozanski to commit such  
19 constructive fraud.

20 42. As a direct and proximate result the unlawful conduct of Rozanski and Does 1  
21 through 10, the District suffered damages in the amount of at least \$425,000.

22 43. In addition, Rozanski and Does 1 through 10 acted with reckless, willful, or callous  
23 disregard of the District’s rights and with malice, fraud, and oppression, thereby justifying an  
24 award of punitive damages against Rozanski and Does 1 through 10 in an amount to be proven at  
25 trial.

26 **FOURTH CAUSE OF ACTION**  
27 **Fraud & Deceit Against All Defendants**

28 44. Plaintiff realleges and incorporates the allegations of Paragraphs 1 to 43 as though

1 fully set forth herein.

2 45. Rozanski concealed or suppressed the fact that she was in a romantic relationship  
3 with Ferguson.

4 46. Rozanski knew that Ferguson's legal bills were false and grossly inflated.

5 47. Rozanski further concealed and suppressed the fact that her secret romantic  
6 relationship caused her to approve Ferguson's false and grossly inflated legal bills, and to further  
7 direct the District's payment of said bills.

8 48. Rozanski also concealed the amounts of fees paid to Ferguson in the District's  
9 budget.

10 49. Rozanski intentionally concealed or suppressed the aforesaid facts with the intent to  
11 defraud the District.

12 50. In addition, these concealed and suppressed facts were material facts which  
13 Rozanski was under a duty to disclose to the District.

14 51. Does 1 through 10 conspired with Rozanski to defraud the District.

15 52. As a direct and proximate result of the unlawful conduct of Rozanski and Does 1  
16 through 10, the District suffered damages in the amount of at least \$425,000.

17 53. In addition, Rozanski and Does 1 through 10 acted with reckless, willful, or callous  
18 disregard of the District's rights and with malice, fraud, and oppression, thereby justifying an  
19 award of punitive damages against Rozanski in an amount to be proven at trial.

20 **DEMAND FOR RELIEF**

21 WHEREFORE Plaintiff Camarillo Health Care District, demands an award against  
22 Respondent, Jane Rozanski and Does 1 through 10, as follows:

23 1. As to all Causes of Action herein, for damages in an amount to be proven at or  
24 before trial in an amount in excess of \$425,000, with interest thereon at the legal rate;

25 2. For prejudgment interest;

26 3. For punitive damages in an amount to be proven at trial;

27 4. For attorney's fees incurred herein;

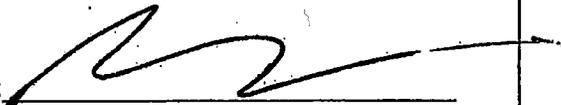
28 5. For costs of suit incurred herein; and

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6. For such other relief as the Court may deem just and proper.

Date: 10-7-2016

FERGUSON CASE ORR PATERSON LLP

By: 

MICHAEL A. VELTHOEN  
Attorneys for Plaintiff Camarillo Health  
Care District

FERGUSON CASE ORR PATERSON LLP  
1059 South Kimball Road  
Ventura, California 93004

2801 Townsgate Road, Suite 215  
Westlake Village, California 91361

# **EXHIBIT "A"**

**CAMARILLO HEALTH CARE DISTRICT**

**CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT**

The Camarillo Health Care District ("CHCD" or the "District"), a California Health Care District operating under Health & Safety Code section 32000, et seq., with offices located at 3639 Las Posas Rd, Suite E117, Camarillo, CA 93010, through its Board of Directors, and Ms. Jane Rozanski (herein "Ms. Rozanski" or "Chief Executive Officer"), an individual, who currently serves as Chief Executive Officer of CHCD, (jointly referred to herein as the "Parties") mutually desire to enter into this Chief Executive Officer Employment Agreement (herein the "Agreement"), and in consideration of the mutual covenants, representations and promises made herein, agree as follows:

**ARTICLE 1. Term of Agreement**

**Three Year Term**

1.1 The Camarillo Health Care District agrees to retain and employ Ms. Rozanski to serve as Chief Executive Officer and Ms. Rozanski agrees to provide her services as Chief Executive Officer to the District, as specified herein and otherwise as according to California law and the District Bylaws, for a term of three (3) years beginning on March 1, 2012 and ending on February 28, 2015, regardless of when the Agreement is later executed by the Parties. The Agreement shall govern the rights and obligations of the Parties during the stated term or any extended term(s) of the Agreement as set forth herein.

**Renewal or Extension of Agreement**

1.2 The Parties may agree to renew or extend this Agreement beyond the stated term for an additional term of from one (1) year to three (3) years upon the Parties agreeing on the terms and conditions of such renewal or extension. If either Party decides not to renew or extend the Agreement at the conclusion of the stated term or any extended term, then that Party shall give notice to the other Party at least sixty (60) days prior to conclusion of the term or any extended term of its/her intention not to renew or extend the Agreement. If neither Party provides notice of its/her intention not to renew or extend the Agreement, and no new Agreement or extension has been negotiated, then the current Agreement shall automatically be extended on its existing terms and conditions from month-to-month.

**Employment as the Chief Executive Officer**

1.3 Ms. Rozanski shall at all times perform her duties as Chief Executive Officer in the legal capacity of an employee of CHCD reporting on day-to-day administrative and operational matters to the CHCD Executive Committee and on matters of policy and overall performance to the CHCD Board of Directors.

## **ARTICLE 2. Duties and Obligations of Chief Executive Officer**

### **General Duties**

2.1 Ms. Rozanski shall serve in the employed position of Chief Executive Officer of CHCD. This position shall include the title, duties and capacities of the Chief Executive Officer of CHCD wherever and whenever that designation is used in the CHCD Bylaws, official documents, correspondence or elsewhere. In her capacity as Chief Executive Officer of CHCD, Ms. Rozanski shall do and perform all services, acts, or things necessary or advisable to manage and conduct the business of CHCD, including the hiring, compensation, supervision and termination of all employees, contractors and others providing services to CHCD. In fulfilling the duties of the Chief Executive Officer, Ms. Rozanski shall be subject at all times to the policies regarding this position in the District Bylaws, and to the consent of the Board of Directors when required by the terms of this Agreement.

### **Time Commitment to Chief Executive Officer Positions**

2.2 (a) Ms. Rozanski shall devote such time, skill and attention as is reasonably necessary to successfully carry out the duties and responsibilities of the Chief Executive Officer of CHCD. The Parties understand and agree that Ms. Rozanski will devote a significant majority of her productive time during the term of this Agreement to the duties, activities and responsibilities of the Chief Executive Officer of CHCD. The Parties recognize and agree that within the activities of the Chief Executive Officer are business obligations to serve as a member of various committees and boards of entities that support and advance the mission and activities of the District. It is expressly understood by the Parties that the time commitment of Ms. Rozanski under this Agreement does not preclude her performing professional work from time-to-time as an external consultant or presenter for organizations that are not in direct competition with the District.

## **ARTICLE 3. Relationship of the Parties**

### **Uniqueness of Chief Executive Officer's Services**

3.1 CHCD and Ms. Rozanski acknowledge and agree that the services to be performed under the terms of this Agreement are of a highly skilled executive and intellectual character that give those services a special value to the District. The Parties further acknowledge and agree that the unplanned loss of the services of a chief executive officer without adequate notice to CHCD cannot be reasonably or adequately compensated in damages. Except in situations involving a personal health or family emergency, Ms. Rozanski agrees to provide a minimum of sixty (60) days notice of her intention to permanently resign from her position.

### **Confidential Information**

3.2 (a) The Parties acknowledge and agree that during the term of this Agreement and in the course of the performance of her duties hereunder, Ms. Rozanski will have access to and become acquainted with financial, personnel, technical and other information regarding programs, methods, plans and processes that are the property of CHCD, which are actually or potentially used in the operation of CHCD or obtained from third parties under an agreement of confidentiality, and that such information legally constitutes confidential information.

(b) Ms. Rozanski specifically agrees that she will not misuse, misappropriate, or wrongfully disclose confidential information to any unauthorized person, or to use confidential information in any way during the term of this Agreement except as required in the course of appropriately performing as the Chief Executive Officer of CHCD as set forth in this Agreement.

### **ARTICLE 4. Obligations of CHCD**

#### **General Description**

4.1 As the District's responsibility pursuant to the Agreement, CHCD shall provide Ms. Rozanski with the compensation, incentives, benefits and business expense reimbursement as specified in this Agreement or otherwise as provided by District policies or California law. CHCD shall provide Ms. Rozanski with payment or reimbursement for the dues of professional organizations, full payment or reimbursement for all reasonable business and travel expenses (not including driving her own automobile on local business travel); including expenses incurred in connection with attendance at community, professional or industry meetings.

#### **Office and Staff**

4.2 As the District's responsibility pursuant to the Agreement, CHCD shall provide Ms. Rozanski with office space, computer equipment, business communication devices and necessary administrative support suitable to Ms. Rozanski's position and adequate for the effective performance of her duties.

#### **Indemnification of Losses of Chief Executive Officer**

4.3 In accord with and as required by California law, CHCD shall indemnify Ms. Rozanski for all necessary expenditures or losses, including the cost of legal defense, incurred by Ms. Rozanski in direct consequence of the discharge of her duties on CHCD's behalf.

**ARTICLE 5. Compensation of Chief Executive Officer By CHCD**

**Annual Compensation and Benefits**

**5.1 (a)** As payment for the services as Chief Executive Officer of CHCD to be performed during each year of the three (3) year term of this Agreement, Ms. Rozanski shall receive annual compensation and benefits as follows:

(i) Beginning March 1, 2012 through February 28, 2013 - a minimum annual base salary in the amount of \$185,400 (which amount now includes the \$700 monthly car allowance paid separately under the prior Agreement), payable bi-weekly during the term of the Agreement.

(ii) Beginning March 1, 2013 through February 28, 2014 - a minimum annual base salary in the amount of \$185,400, plus a cost-of-living (COLA) increase as approved by the Board of Directors, payable bi-weekly during the term of the Agreement.

(iii) Beginning March 1, 2014 through February 28, 2015 - the minimum annual base salary as determined in section 5.1 (a) (ii) above, plus a cost-of-living (COLA) increase as approved by the Board of Directors, payable bi-weekly during the term of the Agreement.

The cost-of-living computation included in this section 5.1 shall not result in any decrease in the amount of compensation payable to the Chief Executive Officer under this Agreement.

(b) Annual deferred compensation of twelve percent (12%) of each year's base salary to be paid monthly.

(c) Reimbursement for medically related out-of-pocket expenses up to a maximum amount of \$9,480 annually. Medical reimbursement will be determined on a calendar year basis.

**5.2 (a)** As part of her total compensation under this Agreement, Ms. Rozanski shall be entitled to the following:

(i) Thirty (30) paid vacation days annually, which if not used within the calendar year can be accrued up to a maximum of sixty (60) days. At the request of Ms. Rozanski, unused or accrued vacation days can be paid and received as a single sum at the end of a calendar year, at the termination of this Agreement or the end of her employment.

(ii) Eight (8) paid administrative days or health related days annually (including days away from work due to accident, illness or medical treatment). Unused days under this Section 5.2 (a) (ii) cannot be accrued from year to year.

(b) The change in the annual compensation of the Chief Executive Officer during the term of this Agreement as provided in Article 5.1 (a) (ii) and (a) (iii) shall be set specifically forth in a written Resolution of the Board of Directors. The Resolution(s) shall be made an attachment to this Agreement.

## **ARTICLE 6. BUSINESS EXPENSES**

### **Use of Credit Card In the Business of CHCD**

6.1 (a) All business expenses reasonably incurred by Ms. Rozanski in conducting and promoting the business of CHCD, including expenditures for airfare, lodging, meals and entertainment, shall generally be arranged in advance and, insofar as possible, by or directly by the District or by a credit card in the name of CHCD which has been furnished to Ms. Rozanski.

(b) Ms. Rozanski shall furnish to CHCD upon request adequate records and other documentary evidence required by federal and state statutes and regulations for the substantiation of business expenditures as an income tax deduction.

## **ARTICLE 7. Termination of Agreement**

### **Termination of Agreement**

7.1 (a) The CHCD Board of Directors at a noticed Special Meeting, upon the recommendation of the Executive Committee and a vote of four-fifths (4/5) of the Directors in support of such recommendation, may terminate this Agreement on behalf of CHCD at any time after five (5) days written notice to Ms. Rozanski. Prior to a vote by the Board of Directors under this Section 8.1, Ms. Rozanski shall be entitled to present such information and/or documentation to the Board of Directors as the Board deems relevant to the issues involved in the recommended termination. The Chief Executive Officer may choose to have her response to the issues and the recommended termination heard and considered in either a public or closed session.

(b) The decision of the Board of Directors of CHCD to terminate this Agreement under this Section 8.1 is without prejudice to any other remedy to which CHCD may be entitled either at law, in equity, or otherwise under this Agreement.

7.2 (a) This Agreement shall be terminated upon the death of Ms. Rozanski, or the inability of Ms. Rozanski to perform a substantial portion of her duties for a period longer than six (6) months as reasonably determined by the Board of Directors, or the dissolution of CHCD.

### **Payment on Early Termination or Non-Renewal**

7.3 (a) If CHCD terminates this Agreement under this Article 7, for reasons other than material dishonesty, abandonment of duties unrelated to serious illness, or arrest for a crime related to her role as Chief Executive Officer, CHCD shall continue to pay Ms. Rozanski for nine (9) additional months of her then current base salary pursuant to Section 5 (a) as calculated on the last day of her employment.

(b) If CHCD decides not to renew or extend the Agreement at the conclusion of the stated term or any extended term, CHCD shall continue to pay Ms. Rozanski for four (4) additional months of her then current base salary pursuant to Section 5 (a) (iii).

## **ARTICLE 8. General Provisions**

### **Notices**

8.1 Any notices to be given hereunder by either Party shall be in writing and may be transmitted by personal delivery, or by overnight mail or Federal Express. Mailed notices shall be addressed to the Parties at the addresses appearing in the introductory paragraph of this Agreement, but such Party may change that address by written notice in accordance with this Article 8. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated three (3) days after the date of mailing regardless of any earlier actual delivery.

### **Arbitration**

8.2 Any controversy between CHCD and Ms. Rozanski involving the construction, application or any alleged breach of any of the terms, provisions, or conditions of this Agreement shall be resolved by binding arbitration before a single arbitrator. CHCD AND MS. ROZANSKI INDIVIDUALLY AND JOINTLY AGREE THE RIGHT OF TRIAL BY JURY SHALL NOT BE AVAILABLE TO EITHER PARTY UNDER THIS AGREEMENT. The serving of a demand for arbitration on the other Party shall not be deemed a notice of termination of the Agreement. Arbitration shall comply with and be governed by the provisions of Title 9 of the California Code of Civil Procedure sections 1280, et seq. Both sides shall be responsible for her/its own attorneys' fees and costs. The Parties shall share equally in the fees of the arbitrator and the costs of the arbitration hearing. The arbitration shall be held in Camarillo, California with any judicial proceedings brought in Ventura County Superior Court.

### **Entire Agreement**

8.3 This Agreement supersedes any and all other agreements and addendums, either oral or in writing, between the Parties hereto with respect to the retention of Ms. Rozanski by CHCD and contains all of the covenants and agreements between the Parties with respect to that retention. Each Party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either Party.

### **Modifications**

8.4 Any modification of this Agreement will be effective only if it is in writing and signed by the Party to be charged. If at the conclusion of the stated term or any extended term(s) of the Agreement, neither Party gives notice of its intent to terminate, renew or extend the Agreement; then the Agreement shall be automatically extended month-to-month on the then existing terms and conditions.

**Law Governing Agreement**

8.5 This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Agreement shall not be construed against either party to this Agreement.

Dated: May 22 2012

**CAMARILLO HEALTH CARE DISTRICT**

By: \_\_\_\_\_

*Peggy O'Neill*  
Ms. Peggy O'Neill  
Chair of the Board of Directors

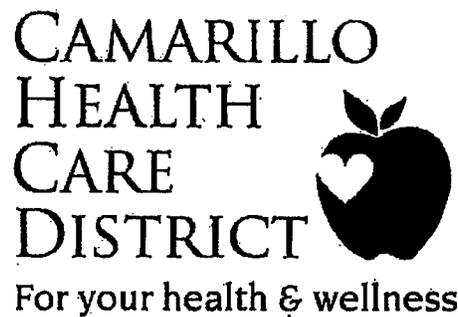
Dated: May 22 2012

\_\_\_\_\_  
Ms. Jane Rozanski, an individual

# **EXHIBIT "B"**

# CAMARILLO HEALTH CARE DISTRICT

## DISTRICT BY-LAWS



Adopted and Approved, October 1984  
Amended, March, 1990  
Amended, October, 1990  
Amended, June, 1991  
Amended, December, 1991  
Amended, December, 1992  
Amended, February 27, 1996  
Amended, March 24, 1998  
Amended, April 27, 1999  
Amended, August 22, 2000  
Reviewed, July 24, 2001  
Reviewed, June 24, 2003  
Reviewed, January 27, 2004  
Revised, June 22, 2004  
Amended, June 28, 2005  
Reviewed, August 22, 2006  
Reviewed, August 22, 2007  
Amended, July 22, 2008  
Reviewed, September 15, 2009  
Amended, January 26, 2010  
Reviewed, June 12, 2012  
Reviewed, May 28, 2013  
Reviewed Amended, August 13, 2013  
Reviewed, May 27, 2014  
Reviewed/Amended, January 27, 2015  
Reviewed/Amended October 27, 2015

Camarillo Health Care District  
3639 E. Las Posas Road, Camarillo  
CA 93010

**CAMARILLO HEALTH CARE DISTRICT BY-LAWS  
TABLE OF CONTENTS**

<b>CAMARILLO HEALTH CARE DISTRICT MISSION</b>		<b>1</b>
<b>PREAMBLE</b>		<b>2</b>
<b>ARTICLE I</b>	<b><u>OFFICES</u></b>	<b>2</b>
Section 1.	Offices	2
Section 2.	Title of Property	
<b>ARTICLE II</b>	<b><u>PURPOSES AND SCOPE</u></b>	<b>3</b>
Section 1.	Scope of By-laws	3
Section 2.	Purposes	3
Section 3.	Disposition of Surplus	4
<b>ARTICLE III</b>	<b><u>DIRECTORS</u></b>	<b>4</b>
Section 1.	Number, Qualifications, and Terms of Office	4
Section 2.	Powers and Duties	4
Section 3.	Compensation	5
<b>ARTICLE IV</b>	<b><u>MEETINGS OF DIRECTORS</u></b>	<b>6</b>
Section 1.	Regular Board Meetings	6
Section 2.	Special Board Meetings	6
Section 3.	Board Standing Committee Meetings	6
Section 4.	Quorum	6
Section 5.	Adjournment of Meetings	6
Section 6.	Public Meetings	7
Section 7.	Attendance at Meetings	7
Section 8.	Governing Law	7
<b>ARTICLE V</b>	<b><u>OFFICERS</u></b>	<b>7</b>
Section 1.	Officers	7
Section 2.	Election of Officers	7
Section 3.	President	7
Section 4.	Vice President	8

Section 5.	Clerk of the Board	8
ARTICLE VI	<u>COMMITTEES</u>	8
Section 1.	General Provisions	8
Section 2.	Standing Committees of the Board	9
Section 3.	Ad Hoc Committees of the Board	10
ARTICLE VII	<u>CHIEF EXECUTIVE OFFICER</u>	10
Section 1.	Responsibilities of Chief Executive Officer	10
Section 2.	Powers and Duties	10
ARTICLE VIII	EX-OFFICIO	11
ARTICLE IX	INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES	11
ARTICLE X	AMENDMENT	12
ARTICLE XI	SEAL	12
CERTIFICATE OF PRESIDENT OF THE CAMARILLO HEALTH CARE DISTRICT		14

**MISSION**

**THE CAMARILLO HEALTH CARE DISTRICT  
ENSURES THAT QUALITY HEALTH AND  
WELLNESS SERVICES ARE AVAILABLE TO ALL DISTRICT RESIDENTS.**

# CAMARILLO HEALTH CARE DISTRICT BY-LAWS

## PREAMBLE

### SECTION 1. NAME

The name of this organization shall be the Camarillo Health Care District (hereinafter "the District"), organized as the Pleasant Valley Hospital District in November 1969, pursuant to the terms of the Local Health Care District Law of the State of California (Statutes 1945, Chapter 932; Health and Safety Code, Division 23, Sections 32000-32492, of the State of California), to promote the public health and general welfare. This organization shall be fully empowered to receive and administer funds for the attainment of these objectives, in accordance with the purposes and powers set forth in the Local Health Care District Law of the State of California.

## ARTICLE I

### OFFICES

#### SECTION 1. OFFICES

The principal office for the transaction of business of the District is hereby fixed at 3639 East Las Posas Road, Suite 117, Camarillo, Ventura County, California 93010. Branch offices may at any time be established by the Board of Directors at any place or places within the geographical boundaries of the District, when necessary to conduct the business of the District.

#### SECTION 2. TITLE TO PROPERTY

The title to all property of the District shall be vested in the District, and the signatures of the President and Clerk of the Board, or other person specifically authorized at any meeting of the Directors, shall constitute the proper authority for the purchase or sale of property, or for the investment or other disposal of trust funds which are subject to the control of the District.

## ARTICLE II

### PURPOSES AND SCOPE

#### SECTION 1. SCOPE OF BY-LAWS

These By-laws shall be known as the "District By-laws" and shall govern the District, its Board of Directors, and any affiliated and subordinate organizations, groups, or legislative bodies.

The Board of Directors may in accordance with law delegate certain powers to affiliated and subordinate organizations, groups or legislative bodies, such powers to be exercised in accordance with the respective by-laws of such entities. The by-laws of such subordinate organizations, groups or legislative bodies shall not conflict with these District By-laws or any statute of the State of California. All powers and functions not expressly delegated to such entities are to be considered residual powers vested in the Board of Directors of this District.

In the event the District By-laws are in conflict with any statute of the State of California governing this District, such statute shall prevail.

#### SECTION 2. PURPOSES

The purposes of this District shall include, but not necessarily be limited to the following:

- (a) To ensure for the provision of quality health and wellness related services to meet the needs of District residents, in accordance with the Mission Statement contained at the beginning of these District By-laws and regardless of race, religion, national origin, disability and gender.
- (b) To exercise those powers and duties granted to local health care districts by the State of California Health & Safety Code Sections 32000-32492, and other applicable provisions of law, which include:
  - (1) To establish, maintain and operate, or provide assistance in the operation of, free clinics, diagnostic and testing centers, health education programs, wellness and preventive programs, and rehabilitation, necessary for the maintenance of good physical and mental health in the communities served by the District;
  - (2) To carry out activities through one or more corporations, joint ventures, or partnerships for the benefit of the health care district;

- (3) To establish, maintain and operate, or provide assistance in the operation of, one or more health facilities or health services including, but not limited to, outpatient programs, services and facilities, retirement programs, services and facilities, chemical dependency programs, services and facilities, or health care programs, services and facilities, and activities at any location within or outside of the District for the benefit of the District and the people served by the District; and
- (4) To exercise those powers and duties of a local health care district pursuant to the Local Health Care District Law.

**SECTION 3.           DISPOSITION OF SURPLUS**

Should the operation of the District result in a surplus of revenue over expenses during any particular period, the use of such surplus shall be determined by the Board of Directors for a public purpose consistent with Local Health Care District Law, other State laws, and these District By-laws.

**ARTICLE III**

**DIRECTORS**

**SECTION 1.           NUMBER, QUALIFICATIONS, AND TERMS OF OFFICE**

The Board shall consist of five (5) Directors, each of whom shall be a registered voter residing in the District, and who shall comply with Section 32110 of the Health and Safety Code. Each Director shall serve a term of four (4) years pursuant to the appropriate section of the Local Health Care District Law and the Elections Code of the State of California and otherwise comply with all requirements set forth by the Local Health Care District Law.

**SECTION 2.           POWERS AND DUTIES**

The Board of Directors shall have and exercise all the powers of the District, as set forth in Chapter 2, Article 2, of the Local Health Care District Law, and other provisions of State law, including, but not limited to the following:

- (a) To attend all regular Board meetings, as well as special meetings as required.
- (b) To participate on committee(s), as assigned.

- (c) To employ a Chief Executive Officer (CEO), and to define the powers and duties of said CEO.
- (d) To adopt resolutions establishing policies or rules for the operation of the District and any of its facilities. Such resolutions shall be kept in a separate book or file and shall be available for inspection at all times.
- (e) Ensure that Board policy is carried out by the CEO.
- (f) To carry out the provisions of the District By-laws and the Local Health Care District Law.

### SECTION 3. COMPENSATION

The members of the Board of Directors may receive one hundred dollars (\$100) per District meeting attended, not to exceed five (5) meetings per month, defined as regular Board meetings, special Board meetings, and Board standing committee meetings. Each member of the Board of Directors shall be allowed his or her travel and incidental expenses incurred in the performance of official business of the District, as approved by the Board.

Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings, or in making any trips on official business of the Board, when so authorized. This shall include, but not be limited to, seminars, meetings, meals and traveling expenses associated with official District business. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of the vehicle usage.

Members of the Board of Directors shall receive the current meeting stipend for attendance/representation at the regular meetings of the Ventura County Special District Association and the Dos Caminos Plaza Association, in keeping with the District's fiduciary responsibility regarding legislative advocacy and plant/facilities management. This meeting stipend counts toward the maximum of five meetings per month.

## ARTICLE IV

### MEETINGS OF DIRECTORS

#### SECTION 1. REGULAR BOARD MEETINGS

A minimum of ten (10) regular Board meetings per year shall be held at a time and place to be fixed by resolution. The Board may, from time to time, by resolution, change the time and place of such meetings.

**SECTION 2.           SPECIAL BOARD MEETINGS**

Special Board meetings may be called by the President or three (3) Directors, and notice of the holding of such meetings shall be received by each member of the Board of Directors at least twenty-four (24) hours before the meeting in the manner required by law.

**SECTION 3.           BOARD STANDING COMMITTEE MEETINGS**

Standing Committees of the Board are established by the Board, and committee members shall be appointed by the President of the Board of Directors. Meetings are called on an as needed basis, by the Committee Chairperson, Chief Executive Officer, or a majority of the Committee. Each committee shall consist of at least two (2) Board members and other members, as deemed necessary. For more information on Committees, refer to Article VI, Committees, of these District By-laws.

**SECTION 4.           QUORUM**

A majority of a legislative body (Board or Standing Committee) shall constitute a quorum for the transaction of any business of the District.

**SECTION 5.           ADJOURNMENT OF MEETINGS**

The legislative body of the District may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the Clerk to the Board may declare the meeting adjourned to a stated time and place and he/she shall cause written notice of the adjournment to be given in the same manner as provided in Government Code Section 54956 for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of the adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special was held within 24 hours after the time of adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meeting by ordinance, resolution, by-law or other rule.

**SECTION 6.           PUBLIC MEETINGS**

All meetings of the Board of Directors, whether regular, special, Standing Committee or

adjourned, shall be open to the public. However, the foregoing shall not be construed to prevent the Board from holding closed sessions to consider the appointment, employment, performance evaluation, discipline or dismissal of a public employee, or to hear complaints or charges brought against such officer or employee, to consult with legal counsel concerning litigation to which the District is, or may be, a party, or as otherwise authorized by law.

**SECTION 7.           ATTENDANCE AT MEETINGS**

Notwithstanding any other provisions herein, the office of any Director shall become vacant if he or she ceases to discharge the duties of Director for a period of three (3) consecutive months, except when prevented by sickness or when absent from the state with the permission required by law. A Director's unexcused absence from three (3) consecutive regular meetings shall be prima facie evidence that the Director has abandoned his or her office.

**SECTION 8.           GOVERNING LAW**

All meetings of the Board and any legislative bodies of the District shall be governed by the provisions of the Ralph M. Brown Act, Government Code Section 54950 et seq., and applicable provisions of the Local Health Care District Law.

**ARTICLE V**

**OFFICERS**

**SECTION 1.           OFFICERS**

The officers of the Board of Directors shall be a President, Vice President, Clerk of the Board, and any other officer the Board may appoint.

**SECTION 2.           ELECTION OF OFFICERS**

The officers of the Board of Directors may serve terms of one (1) year and may be elected for additional terms. Reorganization of the Board should take place at the last meeting of the calendar year.

**SECTION 3.           PRESIDENT**

The President, or member of the Board acting as such:

- (a) Shall preside over all meetings of the Board of Directors.

- (b) Shall sign all contracts and conveyances and all other instruments which have been authorized by the Board of Directors, except where the Board has specifically authorized another person to sign such contracts, conveyances or other instruments.
- (c) Shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.

**SECTION 4.            VICE PRESIDENT**

If, at any time, the President shall be unable to act, the Vice President shall take the President's place and perform the President's duties. If the Vice President shall also be unable to act, the Board may appoint some other member of the Board to do so, and such person shall be vested with all the functions and duties of President until such time as the President or Vice President shall be able to assume such functions and duties.

**SECTION 5.            CLERK OF THE BOARD**

Clerk of the Board shall keep, or cause to be kept, accurate and complete minutes of all meetings, and perform such other duties as ordinarily pertain to this office.

**ARTICLE VI**

**COMMITTEES**

**SECTION 1.            GENERAL PROVISIONS**

Committees of the Board shall be as specified in Article VI, Section 2. Appointment of committee members shall be the responsibility of the President with the concurrence of the Board. Appointment of non-board members to committees shall be permitted at the discretion of the Board.

All non-board members appointed to committees shall serve thereon without voting rights unless otherwise provided herein. Committee activity shall only be advisory to the Board. No committee of the Board shall have the power or authority to commit the Board or the District in any manner. Committee members shall serve until replaced.

Notwithstanding any other provisions herein, if a committee member is absent from three (3) consecutive meetings of the committee, the President may declare that a vacancy exists on the committee. Each committee meeting shall have an agenda and shall submit minutes of its meetings to the Board. The President may appoint a chairperson to each committee. All committees shall meet at the call of their chairperson or the Chief Executive Officer, and shall comply with all applicable provisions of the Ralph M. Brown Act.

## SECTION 2. STANDING COMMITTEES OF THE BOARD

Standing Committees of the Board shall be appointed, as set forth below, and such committees shall continue in existence until discharged by specific action by the Board of Directors. Standing Committees shall meet on an as needed basis and may be called by the Committee Chairperson, Chief Executive Officer, or a majority of the Committee. The Board President shall appoint and publicly announce the members of the Standing Committees for the ensuing year; this shall be done no later than at the Board's regular meeting in January.

- (a) Executive Committee, shall consist of the following two (2) members of the Board of Directors: the President, Vice President, or their designee.

The function of this committee is to review policies and procedures, serve as the personnel committee, and make recommendations to the Board of Directors.

- (b) Finance/Investment Committee, shall consist of two (2) members of the Board of Directors.

The function of this committee is to review the financial operations and policies of the District in an effort to maintain financial stability for the Camarillo Health Care District. The committee shall review any policy changes suggested by the Chief Executive Officer, who will develop with staff any deletions, amendments and/or changes in financial practices. The committee reviews and determines a course of action regarding investment decisions (per the District's Investment Policy).

**SECTION 3.           AD HOC COMMITTEES OF THE BOARD**

The President, with the concurrence of the Board, may appoint Ad Hoc committees for the investigation, study and review of specific matters for reports and recommendations to the Board. Ad Hoc committees stand discharged upon completion of the assigned task.

**ARTICLE VII**

**CHIEF EXECUTIVE OFFICER**

**SECTION 1.           RESPONSIBILITIES OF CHIEF EXECUTIVE OFFICER**

The Board shall select and appoint a Chief Executive Officer who shall be its representative in the management of the District. The Chief Executive Officer shall be given the authority and responsibility to operate the District in all its activities and departments, subject to policies as may be issued by the Board and applicable law. The Chief Executive Officer shall act as the duly authorized representative of the Board in all matters in which the Board has not formally designated some other person to so act.

**SECTION 2.           POWERS AND DUTIES**

The authority and responsibility of the Chief Executive Officer shall include:

- (a) Carrying out all policies established by the Board and advising the Board with respect to formation of these policies;
- (b) Preparing an annual budget showing the expected revenue and expenditures;
- (c) Selecting, employing, managing and discharging employees and developing and maintaining personnel policies and practices for the District;
- (d) Maintaining physical properties in good and safe state of repair and operating condition.
- (e) Supervising business affairs to ensure that funds are collected and expended to the best possible advantage. The CEO shall have purchasing powers, for any unbudgeted items, not to exceed, in aggregate, 1% of the annual budget;
- (f) Attending all meetings of the Board and serving on committees thereof. In the absence of the Chief Executive Officer, a designated staff member will attend. The Chief Executive Officer (or his/her designee) shall be an ex-officio member of all committees of the Board;

- (g) Serving as the liaison and channel of communications with the Board;
- (h) Representing the District in its relationships with other health and community organizations;
- (i) Positioning the District to effectively and appropriately manage crisis situations, including closure of the District following any federal, state, county, municipal, local or District incident involving or including a natural disaster, facilities disaster, an information crisis, a human tragedy, a human resource issue, or days of mourning, celebration, and/or recognition; and
- (j) Performing other duties that may be necessary.

## ARTICLE VIII

### EX-OFFICIO

Persons serving under these District By-laws as ex-officio members of a committee shall not be counted in determining the existence of a quorum and shall have no voting privileges.

## ARTICLE IX

### INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES

To the fullest extent permitted by law, the District shall indemnify and hold harmless its Directors, officers, and employees with respect to acts or omissions made by them in the course of their official duties or employment by the District against all expenses, judgments, fines, settlements and other amounts, including, but not limited to attorney's fees, actually and reasonably incurred in any proceeding to which such persons shall be parties or shall be threatened to be made parties. Notwithstanding the foregoing, and except as may otherwise be required by law, the District shall have no obligation to indemnify or hold harmless any officer, Director or employee of the District unless at the time of such claim there shall be in force a policy of insurance providing the District with reimbursement with respect to such claim.

ARTICLE X

AMENDMENT

The District By-laws may be amended, by resolution, at any regular meeting of the Board upon the affirmative vote of a majority of the full membership of the Board as defined by California law.

ARTICLE XI

SEAL

The Board shall have the power to adopt a formal seal and to alter it.

ADOPTED, SIGNED AND APPROVED this 27th day of October, 2015 at Camarillo, California.



Rod Brown  
President, Board of Directors  
Camarillo Health Care District

Attest



Mark Hiepler  
Clerk of the Board, Board of Directors  
Camarillo Health Care District

Dated: 10-27-2015

Original, October, 1984  
Reviewed/Amended, August, 1987, Resolution 87-10  
Reviewed/Amended, March, 1990  
Reviewed/Amended, October, 1990, Resolution 90-9  
Reviewed/Amended, June, 1991  
Reviewed/Amended, December, 1991, Resolution 91-6  
Reviewed/Amended, December, 1992  
Reviewed/Amended, February 27, 1996, Resolution 96-2  
Reviewed/Amended, March 24, 1998, Resolution 98-5  
Reviewed/Amended, April 27, 1999, Resolution 99-3  
Reviewed/Amended, August 22, 2000, Resolution 00-7  
Reviewed, July 24, 2001  
Reviewed, June 24, 2003  
Reviewed/Amended, January 27, 2004  
Revised, June 22, 2004  
Reviewed/Amended, June 28, 2005, Resolution 05-02  
Reviewed, August 22, 2006  
Reviewed, August 28, 2007  
Reviewed/Amended, July 22, 2008  
Reviewed, September 15, 2009  
Amended, January 26, 2010  
Reviewed, June 12, 2012  
Reviewed, May 28, 2013  
Reviewed/Amended, August 13, 2013  
Reviewed, May 27, 2014  
Reviewed/Amended January 27, 2015  
Reviewed/Amended, October 27, 2015

CERTIFICATE OF PRESIDENT OF  
CAMARILLO HEALTH CARE DISTRICT

I, Rod Brown, do certify as follows:

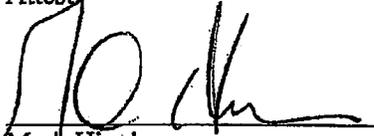
1. That I am duly elected and acting as President of the Camarillo Health Care District, a California Healthcare District.
2. That the by-laws to which this Certificate is attached comprising pages 1 to 14, inclusive, constitute the By-laws of the Camarillo Health Care District as duly adopted and as amended from time to time.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 27th day of October 2015.



\_\_\_\_\_  
Rod Brown  
President, Board of Directors  
Camarillo Health Care District

Attest:



\_\_\_\_\_  
Mark Hiepler  
Clerk of the Board of Directors  
Camarillo Health Care District

Dated: 10-27-2015

70429.1

## **EXHIBIT C**

216817.1

# Camarillo Acorn

2016-10-28 / Front Page

## Former healthcare district chief accused of bilking agency to pay attorney \$450K in fees

### Suit alleges CEO and attorney were having an affair

Hector Gonzalez

A lawsuit filed by the Camarillo Health Care District alleges its former chief executive inappropriately hired an attorney she was secretly in a romantic relationship with then conspired with the attorney to defraud the district of hundreds of thousands of taxpayer dollars.

The district is suing former CEO Jane Rozanski claiming she and the district's former attorney Ralph Ferguson conspired to expand Ferguson's role in the district's administrative affairs and inflate his legal fees.

The alleged scheme ultimately cost the district more than \$425,000 between 2011 and 2015, when the district fired Ferguson, according to the suit. The healthcare agency wants Rozanski to payback the money.



Jane Rozanski

Andy Gilford, Rozanski's attorney, did not return a call Friday seeking comment.

The lawsuit filed Oct. 7 in Ventura County Superior Court said Rozanski hired Ferguson in 2011 to provide legal services for the district without informing the district's board of directors and without a formal contract outlining his scope of duties.

At the time of the hiring, Rozanski and Ferguson were engaged in secret romantic relationship since at least 2007, according to the suit filed on behalf of the healthcare district by attorney Michael A. Velthoen.

Rozanski, 72, lives in Camarillo with her husband, Tom. They have two grown children.

A call made to Rozanski's home was not returned. Velthoen also did not return a phone call Friday.

The case is scheduled to appear before a judge March 6, according to the suit.

Rozanski hired Ferguson even though the district's legal services were already being provided by the Association of California Healthcare Districts, the suit said.

Over time, Ferguson's role at the district increased with Rozanski's "encouragement and assistance" until he eventually became the district's general counsel, a position that was never formally approved by the district's

board, the suit said.

"The district's legal fees dramatically spiked after Ferguson's retention," the suit said. "There was no apparent justification for such an abrupt and dramatic increase in legal fees." As the district's general counsel, Ferguson increasingly involved himself in the district's daily operations, consulting "on matters for which there was no need for legal advice," according to the suit.

The attorney often presided over meetings with district staff that were "meandering and pointless," the suit said. The attorney also billed the district for duplicative work, as well as for work not actually performed, according to suit.

As the district's chief executive officer, Rozanski had control over its budget and routinely approved all of Ferguson's invoices.

The suit also alleges she hid the attorney's payments within the healthcare district's budget.

"Instead of including all of Ferguson's fees in a single budget item, Rozanski organized the budget so that Ferguson's fees were allocated to specific projects or departments," the suit states. "In addition, payments to Ferguson were identified as 'professional services,' rather than legal fees."

In 2014, after some district board members questioned fees Ferguson charged in connection with a renovation project at the district's adult day care center, the board voted to look further into Ferguson's fees.

The lawsuit states Ferguson refused to cooperate with the board's investigation, citing health reasons.

The Acorn was unable to get into contact with Ferguson.

The district learned about Rozanski's secret relationship with Ferguson only after she resigned in 2015. Kara Ralston is now the CEO of the healthcare district.

"Had Rozanski informed the district of said romantic relationship, the district would have terminated Ferguson's representation, or at the very least taken steps to have his legal bills independently reviewed," the lawsuit states.

Formed in 1969 and funded by taxpayers, the district provides programs that serve more than 25,000 residents annually. In 2014, the district reported \$3.6 million in total assets.

This article was edited Oct. 28, 2016 at 7:58 p.m. to reflect that the Acorn had not been able to get into contact with Ralph Ferguson.

**[Return to top](#)**

70429.1

**EXHIBIT D**

216817.1

## Michael Velthoen

---

**From:** Daniel Wolowicz <camarillo@theacorn.com>  
**Sent:** Tuesday, November 15, 2016 2:09 PM  
**To:** 'Amanda Gordon'; 'Kara Ralston'; Michael Velthoen  
**Subject:** RE: Request for public information

Hi Kara:

Good afternoon.

I'm following up on my Nov. 11 request for public information.

Thank you,  
Dan

Daniel Wolowicz  
Editor  
Moorpark and Camarillo Acorn newspapers  
1203 Flynn Road, Ste. 140  
Camarillo, CA 93012  
805.484.1949 x.302  
805.484.2313 fax

---

**From:** Daniel Wolowicz [<mailto:camarillo@theacorn.com>]  
**Sent:** Friday, November 11, 2016 11:01 AM  
**To:** 'Amanda Gordon' <[amandag@camhealth.com](mailto:amandag@camhealth.com)>; 'Kara Ralston' <[kralston@camhealth.com](mailto:kralston@camhealth.com)>;  
'mvelthoen@fcoplaw.com' <[mvelthoen@fcoplaw.com](mailto:mvelthoen@fcoplaw.com)>  
**Subject:** Request for public information

Hi Kara:

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I'd like to make a public information request for the voicemail recordings from Jane Rozanski's district-owned cellphone between her and Ralph Ferguson which show their romantic relationship and their collaboration in response to the board's inquiry into Ferguson's fees.

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Camarillo, CA 93012  
805.484.1949 x.302  
805.484.2313 fax

70429.1

## **EXHIBIT E**

216817.1

RECEIVED  
NOV 18 2016  
BY:

FERGUSON CASE ORR PATERSON LLP

ATTORNEYS AT LAW

1050 SOUTH KIMBALL ROAD, VENTURA, CALIFORNIA 93004

PHONE: (805) 659-6800 FACSIMILE: (805) 659-6818

www.fcoplaw.com

MICHAEL W. CASE  
JOHN C. ORR  
THEODORE J. ENGLAND  
JOSEPH L. STROHMAN, JR.  
DAVID W. TREDWAY  
WENDY C. LASCHER

DAVID L. SHAIN  
SCOTT B. SAMSKY  
WILLIAM B. SMITH  
CHRISTOPHER K. KITASAKI  
DAVID B. SHEA

JAMES O. McDERMOTT  
MARK T. BARNEY  
MICHAEL A. VELTHOEN  
DOUGLAS K. GOLDWATER  
JESSE E. CAHILL

LESLIE A. McADAM  
BRET O. ANDERSON  
JOHN M. ANDERSEN  
NEAL P. MAQUIRE  
JOHN A. HRIBAR

JOSHUA S. HOPSTONE  
KYMBERLEY E. PECK  
LAUREN E. SIMS  
LAUREN C. RAD  
LANE J. LOPEZ

THOMAS R. FERGUSON  
1928-2011  
WILLIAM E. PATERSON  
RETIRED  
Of Counsel  
ROBERT B. ENGLAND

Writer's Email:  
mvelthoen@fcoplaw.com

November 16, 2016

Via Email & U.S. Mail

Andrew Gilford, Esq.  
Baute Crochetiere & Gilford LLP  
777 South Figueroa Street  
Suite 4900  
Los Angeles, California 90017

Re: *Camarillo Health Care District v. Jane Rozanski*

Dear Mr. Gilford:

As we discussed, the Camarillo Health Care District ("the District") received a public records request from the Camarillo Acorn for "the voicemail recordings from Jane Rozanski's district-owned cellphone between her and Ralph Ferguson which show their romantic relationship and their collaboration in response to the board's inquiry into Ferguson's fees." I have enclosed a copy of the email, which was sent to the District's Chief Executive Officer by email on November 11, 2016.

Pending further review of the requested materials, the District intends to comply with this request. This office has previously provided you with copies of the voicemails from Ralph Ferguson recovered from the District cell phone used by Ms. Rozanski in connection with the litigation. If your client believes that the voicemails are not public records open to inspection, your client should take the appropriate legal action **no later than November 30, 2016**.

WESTLAKE VILLAGE OFFICE

2801 TOWNSGATE ROAD, SUITE 216, WESTLAKE VILLAGE, CALIFORNIA 91361

PHONE: (805) 659-6800 FACSIMILE: (805) 379-1744

Andrew Gilford, Esq.  
November 16, 2016  
Page 2

If you would like to discuss this matter, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to be 'M. Velthoen', with a long horizontal flourish extending to the right.

Michael A. Velthoen

MAV/mav  
Enclosure

## **Michael Velthoen**

---

**From:** Daniel Wolowicz <camarillo@theacorn.com>  
**Sent:** Tuesday, November 15, 2016 2:09 PM  
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**Sent:** Friday, November 11, 2016 11:01 AM  
**To:** 'Amanda Gordon' <[amandag@camhealth.com](mailto:amandag@camhealth.com)>; 'Kara Ralston' <[kralston@camhealth.com](mailto:kralston@camhealth.com)>;  
'mvelthoen@fcoplaw.com' <[mvelthoen@fcoplaw.com](mailto:mvelthoen@fcoplaw.com)>  
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1203 Flynn Road, Ste. 140  
Camarillo, CA 93012  
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70429.1

**EXHIBIT F**

216817.1

**From:** Ralph Ferguson [mailto:[ralphlaw@pacbell.net](mailto:ralphlaw@pacbell.net)]  
**Sent:** Wednesday, November 30, 2016 2:45 PM  
**To:** Karen Valentine  
**Cc:** Kara Ralston; Michael Velthoen; Ralph Ferguson  
**Subject:** Objection to Public Records Act request

**Objection To Public Records Act request:**

I have reviewed the November 16, 2016 correspondence from the Camarillo Health Care District, Inc. (CHCD) to the Moorpark and Camarillo Acorn newspapers regarding a California Public Records Act request for voicemail recordings allegedly obtained from a cellphone used for business and personal communications by Ms. Jane Rozanski. It was not explained how such personal and privileged information – which is not collected in the ordinary course of business -- would constitute an available public record from a health care district.

**I object on the grounds of attorney-client privilege to the disclosure of any of the voicemail recordings reflecting communications with Ralph Ferguson, Esq. from the public/personal cellphone used by Jane Rozanski, as part of her position as chief executive officer.** By description, the voicemails allegedly reveal substantive discussions and personal conversations that occurred within a confidential and privileged attorney-client relationship. I have not yet been able to retrieve and review this information -- reportedly contained on a USB drive recently sent to me by CHCD legal counsel.

A preliminary question: why would CHCD be willing to disclose these obviously privileged attorney-client communications without discussing the content with Jane Rozanski? As a professional expectation, why wasn't I notified that such information was in the possession of CHCD -- so that these important matters could have been timely addressed. How was this information obtained? How was this information protected since it was obtained?

Under California law, it is the confidential nature of the attorney-client relationship that is the principal value being protected. This determination follows the California Supreme Court's instruction that: **“the proper focus in the privilege inquiry is not whether the communication contains an attorney's opinion or advice, but whether the relationship is one of attorney-client and whether the communication was confidentially transmitted in the course of that relationship.”**

Relevant to this matter, I served as legal counsel and as public agency executive consultant for Jane Rozanski from 2004 until 2015. From 2006 to 2012, Jane Rozanski served on the Boards of Directors of the Association of California Healthcare Districts, Inc. (ACHD) and the ALPHA Fund Joint Powers Agency (ALPHA Fund). I served as chief executive officer and chief corporate counsel for ACHD and the ALPHA Fund from 2001 to 2011. My conversations and business discussions with Jane Rozanski have been considered confidential and attorney-client privileged since 2004.

**I further object to the release of any voicemail messages that I exchanged with Jane Rozanski regarding personal matters as an irrelevant and unwarranted invasion on my personal privacy.** Unless relevance to matters of material public concern can be demonstrated, there are no grounds that override my reasonable expectation of personal privacy within a confidential

relationship. As a public health care district, CHCD has an obligation under California law to avoid unnecessary disclosure of the personal information of its staff and others retained by the district.

Please provide me with copies of any additional correspondence or documents regarding this matter. Thank you for your prompt and courteous attention to these important issues.

Ralph T. Ferguson, Esq.

CA Bar No. 99279