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6 Camarillo Health Care District

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

10  
11  
12 JANE ROZANSKI, an individual

13  
14 Petitioner,

15 v.

16 CAMARILLO HEALTH CARE  
DISTRICT, a California Special Health  
17 Care District,

18 Respondent,

19  
20 CAMARILLO ACORN,

21 Real Party In Interest

Case No. 56-2016-00489673-CU-WM-VTA\_

**OPPOSITION OF RESPONDENT  
CAMARILLO HEALTH CARE DISTRICT  
TO *EX PARTE* APPLICATION FOR  
TEMPORARY RESTRAINING ORDER  
AND ORDER TO SHOW CAUSE**

Hearing Date: December 19, 2016  
Hearing Time: 8:30 a.m.  
Dept. No.: 20

1 I. INTRODUCTION

2 When petitioner Jane Rozanski (“Rozanski”) decided to hire Ralph Ferguson (“Ferguson”) – with  
3 whom she was secretly having an affair – as the general counsel for respondent Camarillo Health Care  
4 District (“the District”), Rozanski made her relationship with Ferguson the public’s business. As Chief  
5 Executive Officer for the District, Rozanski was directly responsible for reviewing and authorizing payment  
6 of Ferguson’s invoices. The legal fees paid by the District increased **approximately fivefold** while  
7 Ferguson was its attorney, even though the District was not involved in any litigation or other unusual legal  
8 activity.

9 When petitioner Rozanski turned in her District-owned and issued cell phone upon her retirement,  
10 the cell phone contained voicemails left by Ferguson. The District was in the midst of a dispute with  
11 Ferguson over the amount of fees he collected from the District. The voicemails from Ferguson – there are  
12 approximately 180 of them – revealed (1) that Rozanski and Ferguson were engaged in a secret romantic  
13 relationship and (2) that Ferguson and Rozanski had collaborated on their response to the District’s  
14 investigation into Ferguson’s fees.

15 The District thereafter filed suit against Rozanski in Ventura County Superior Court alleging that  
16 she had breached her fiduciary duties to the District by failing to disclose the relationship to the District and  
17 by paying Ferguson’s false and inflated fee invoices.<sup>1</sup> The District’s complaint has drawn the attention of  
18 the local media. One local newspaper, the Camarillo Acorn, has made a request for copies of the voicemail  
19 recordings under the California Public Records Act (the “CPRA”).

20 Rozanski asks the Court to keep the voicemails from the public. She claims the following: (1) that  
21 the voicemails are not public records; (2) that her individual privacy interest trumps the public’s right to  
22 know; and (3) the voicemails are protected under the attorney-client privilege. As explained below,  
23 Rozanski is wrong.

24 The voicemails are plainly “public records” under the CPRA. A “public record” is any writing  
25 (which includes sound recordings) which “contain[] information relating to the conduct of the public’s  
26 business prepared, owned, used, or retained by any state or local agency...” (Government Code §6253(e)).

27 \_\_\_\_\_  
28 <sup>1</sup> The District has already secured a judgment against Ferguson obtained through mandatory attorney-fee arbitration.

1 The voicemails clearly contain information that “relates to the conduct of the District’s business.” Indeed,  
2 Rozanski *made* the voicemails the public’s business by paying her secret boyfriend with public funds. The  
3 voicemails are similarly “retained” by the District. Therefore, the voicemails are public records.

4 Rozanski’s citation to a Colorado case interpreting an entirely different statute does not change this analysis.

5 The voicemails are not exempted from disclosure by Rozanski’s privacy rights. The root of  
6 Rozanski’s argument is that disclosure of the voicemails would embarrass her. That is not the correct  
7 standard. Rozanski must demonstrate a cognizable privacy interest. Rozanski has no reasonable  
8 expectation of privacy in the voicemails on a cell phone which she no longer possesses, and which was, at  
9 all times, District property. Moreover, Rozanski is the one who injected her relationship with Ferguson into  
10 the public’s business. The public is not seeking to intrude into Rozanski’s private affairs that have no  
11 bearing on her service as a public servant. Even if she had some privacy interest, it pales in comparison to  
12 the public’s interest in access. The CPRA was enacted to ensure that the public had access to important  
13 information concerning the conduct of government agencies and its officials. The underpinnings for  
14 Rozanski’s severe breach of the public trust are understood through the voicemails. The public is entitled to  
15 access.

16 Lastly, Rozanski’s attorney-client privilege argument goes nowhere. Ferguson was counsel to the  
17 District, not Rozanski. Therefore, even if the voicemails contains privileged communications (and they do  
18 not), the District holds the privilege and the right to waive it.

19 Rozanski was the Chief Executive Officer of a taxpayer-funded local agency. As Chief Executive  
20 Officer, she hired an attorney with whom she was carrying on an undisclosed romantic relationship. The  
21 District thereafter paid the attorney over \$400,000 in fees over the next three years. When the District  
22 began to investigate those fees – and before the District learned of the relationship – Rozanski (still the  
23 Chief Executive Officer) and Ferguson communicated frequently about how to respond to the investigation.  
24 Rozanski believes that her behavior should be shielded from public scrutiny; the District believes the public  
25 has the right to know about it. The Court should rule that the voicemail recordings must be produced  
26 pursuant to the Acorn’s CPRA request.

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## II. RELEVANT FACTS

Pursuant to her employment agreement, the District issued electronic devices to Rozanski to facilitate her role as CEO. *See* Rozanski Verified Complaint at ¶ 19. These devices included a cell phone and laptop computer. *Id.* The District maintains a policy set forth in its Employee Handbook stating that the District reserves the right to inspect District-issued devices:

Desks, offices, computers, cellular phones, District-owned vehicles and safety gear are the property of the District. These items must be kept clean and in working condition. The District reserves the right to inspect the contents of all District property, including, but not limited to, desks, vehicles and computers, without notice to the employee and/or in the employee's absence and/or upon separation. Voicemail, email and the internet are intended for business purposes only. The District reserves the right to listen to voicemail messages and to access email and internet contacts to ensure compliance with this rule, without notice to the employee and/or in the employee's absence.

Declaration of Kara Ralston, Exh. A.

Rozanski used the District cell phone for both personal and work correspondence. *Id.*, ¶ 20. Among other communications, Rozanski routinely communicated with Ferguson, who served as outside legal counsel to the District from 2011 to 2015. *Id.*, ¶ 21. After Rozanski retired as CEO, she returned the cell phone to the District. *Id.*, ¶ 23. The District thereafter discovered voicemails from Ferguson remaining on the cell phone. *Id.*

There are approximately 180 messages from Ferguson on the District cell phone. Declaration of Michael Velthoen ("Velthoen Decl."), ¶ 2. The messages were left on the cell phone between December 9, 2014 and May 26, 2015. *Id.* Many of the messages discuss routine personal matters (e.g., events of the day). *Id.* A significant number of the messages reflect communications between Ferguson and Rozanski about how to respond to the District's inquiry into Ferguson's fees. *Id.* Some messages are minutes in length; others are only a few seconds. *Id.* Reviewing all of the messages takes at least three hours. *Id.*

On October 7, 2016, Respondent filed a Complaint in Ventura County Superior Court against Petitioner (the "Complaint"). *Id.* at ¶ 27. The Complaint contained allegations that the voicemail recordings discovered on the District-issued cell phone evidenced a secret romantic relationship between Rozanski and Ferguson, that this romantic relationship compromised Rozanski's loyalty to the District, and

1 that as a result, Rozanski caused and directed to pay Ferguson's patently false and exorbitant legal bills. *See*  
2 *generally* Plaintiff's Complaint, a true and accurate copy of which is attached hereto as Exhibit A.

3 On November 11, 2016, the Camarillo Acorn, through its editor, Daniel Wolowicz, sent a request to  
4 the District for a copy of the voicemails pursuant to the CPRA. *Id.* at ¶ 29. Rozanski now seeks an order  
5 prohibiting the District from producing the voicemails to the Acorn.

### 6 III. DISCUSSION

7 The CPRA was modeled on the federal Freedom of Information Act ("FOIA"), 5 U.S.C. § 552.  
8 Their common purpose "is to require that public business be conducted under the hard light of full public  
9 scrutiny, and thereby to permit the public to decide *for itself* whether government action is proper. For both  
10 the FOIA and the Act, disclosure, not secrecy, is the dominant objective." *Times Mirror Co. v. Superior*  
11 *Court* (1991) 53 Cal.3d 1325, 1350 (internal citations and quotations omitted). In enacting the CPRA, the  
12 Legislature expressly declared that "access to information concerning the conduct of the people's business  
13 is a fundamental and necessary right of every person in this state." Govt. Code § 6250. "Thus, the Act was  
14 passed to ensure public access to vital information about the government's conduct of its business." *City of*  
15 *San Jose v. Superior Court* (1999) 74 Cal.App.4th 1008, 1016 (internal quotations and citations omitted).

16 Under the CPRA, "[p]ublic records are open to inspection at all times during the office hours of the  
17 state or local agency and every person has a right to inspect any public record, except as hereinafter  
18 provided." Govt. Code § 6253(a). The general policy favors disclosure, and all public records are subject to  
19 disclosure unless the CPRA provides otherwise. *County of Santa Clara* (2009) 170 Cal.App.4th 1301,  
20 1320.

#### 21 A. The Voicemails Are "Public Records" Under the CPRA.

22 A "public record" is "any writing containing information relating to the conduct of the public's  
23 business prepared, owned, used, or retained by any state or local agency regardless of physical form or  
24 characteristics." Govt. Code § 6252(e). In other words, a public record is (1) a writing; (2) containing  
25 information relating to the conduct of the public's business; (3) retained by a public agency is a public  
26 record subject to disclosure.

27 The voicemails are "writings." Under the CPRA, a "writing" is, among other things, "any form of  
28 communication or representation, including letters, words, pictures, sounds, or symbols, or combinations

1 thereof, and any record thereby created, regardless of the manner in which the record has been stored.”

2 *Id.* (emphasis added).

3 The voicemails contain information “relating to the conduct of the public’s business.” The  
4 voicemails left by Ferguson either (1) reflect the romantic relationship between Ferguson and Rozanski  
5 and/or (2) the collaboration between the two regarding the District’s investigation into the fees paid to  
6 Ferguson. The first category relates to the public’s business because such voicemails illuminate the  
7 relationship between Rozanski and Ferguson. This relationship was the impetus behind Rozanski’s decision  
8 to pay Ferguson’s false and inflated legal bills. The second category plainly relates to the public business as  
9 they reflect communications regarding the fees paid by the District to Ferguson.

10 The voicemails are “retained” by the District. The voicemails were left on a cell phone owned by  
11 the District. The cell phone remains in the possession of the District. The voicemails, therefore, are  
12 retained by the District.<sup>2</sup>

13 Rozanski cites *Denver Publishing Company v. Board of County Commissioners of County of*  
14 *Arapahoe* (Col. 2005) 121 P.3d. 190, to support her argument that the voicemails are not public records.  
15 *Denver Publishing*, however, deals with Colorado’s public records act – not the CPRA. Moreover, the  
16 definition of “public records” under the Colorado Act is much narrower than the CPRA. The Colorado  
17 statute covers only records “held by [any government agency] for use in the exercise of functions required  
18 or authorized by law or administrative rule or involving the receipt of public funds.” *Id.* at 195 (emphasis  
19 added). The CPRA, on the other hand, covers any record “relating to the conduct of the public’s business.”  
20 Govt. Code § 6253(e). As such, the *Denver Publishing* opinion is of no use to the Court’s analysis.

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23 \_\_\_\_\_  
24 <sup>2</sup> In *City of San Jose v. Superior Court* (2014) 225 Cal. App. 4<sup>th</sup> 75, review granted, 326 P.3d 976,  
25 the Court of Appeal held that voicemails saved on a public employee’s *private* cell phone are not  
26 “public records” because they were not maintained by the public agency. *Id.* at 89 (“The City  
27 cannot, for example, “use” or “retain” a text message sent from a council member’s smartphone  
28 that is not linked to a City server or City account.”). It stands to reason, therefore, that recordings  
maintained on a District-owned cell phone are public records. The California Supreme Court  
granted review to determine whether text messages and voicemails contained on a *privately-owned*  
cell phone may be considered public records under the Act. The Supreme Court heard oral  
argument on this matter on December 7, 2016.

1           **B. The Voicemails Are Not Exempt From Disclosure Under the CPRA.**

2           The CPRA enumerates a “number of exemptions that permit government agencies to refuse to  
3 disclose certain public records.” *County of Santa Clara*, 170 Cal.App.4th at 1320. In general, however, all  
4 public records are subject to disclosure unless the Legislature has expressly provided to the contrary.  
5 *Williams v. Superior Court (1993)* 5 Cal.4th 337, 346. As disclosure is favored, the exemptions are  
6 narrowly construed. *Board of Trustees of California State University v. Superior Court (2005)* 132  
7 Cal.App.4th 889, 896. Indeed, the California Constitution itself states, “A statute, court rule, or other  
8 authority ... shall be broadly construed if it furthers the people's right of access, and narrowly construed if it  
9 limits the right of access.” Cal. Const., art. I, § 3, subd. (b)(2).

10           Rozanski argues that voicemails are exempt under Government Code Section 6254(c), which  
11 applies to “[p]ersonnel, medical, or similar files, the disclosure of which would constitute an unwarranted  
12 invasion of personal privacy.” This section does not apply as the voicemails cannot be characterized as  
13 “personnel, medical, or similar files...”

14           Even if the voicemails were considered “personnel, medical, or similar files,” disclosure is  
15 mandated. In assessing whether records constitute “an unwarranted invasion of privacy,” a court must  
16 balance two competing interests: (1) prevention of secrecy in government; and (2) protection of individual  
17 privacy. *City of San Jose v. Superior Court (1999)* 74 Cal.App.4th 1008, 1017. Where the public interest in  
18 disclosure of the records is not outweighed by the privacy interest, courts will direct the government to  
19 disclose the requested information. *BRV, Inc. v. Superior Court (2006)* 143 Cal. App. 4<sup>th</sup> 742, 756-58. The  
20 proponent of nondisclosure – Rozanski, in this instance – must demonstrate a “clear overbalance” on the  
21 side of confidentiality to prevent disclosure. *Id.* at 756.

22           Rozanski had no reasonable expectation of privacy in the voicemails. The recordings were  
23 maintained on a cell phone that belongs to the District. The District has an express policy allowing it to  
24 examine the voicemails on District-issued cell phones at any time. Rozanski had already turned the cell  
25 phone back into the District. As such, she has no privacy interest in the phone itself because she no longer  
26 had access to the cell phone.

27           As the CEO of a public agency, Rozanski had no reasonable expectation of privacy in her personal  
28 affairs where those affairs impact her duties as CEO. *Id.* at 757 (accepting public employment strips the

1 individual of some privacy rights). Rozanski made the decision to hire Ferguson, with whom she was  
2 having an undisclosed affair. Nobody forced that decision on her. She cannot now hide behind the mantle  
3 of privacy to shield herself from public scrutiny for that decision.

4 Rozanski also caused the voicemails to be present on the cell phone. She decided to carry on her  
5 communications with Ferguson on her District-owned cell phone, to allow his voicemails to be stored on it,  
6 and to neglect to delete the voicemails when she retired and turned in the phone. She cannot claim an  
7 *objectively* reasonable expectation of privacy in the face of her conduct. There is no privacy interest to  
8 balance against the public interest in disclosure.

9 *Sunbelt Rentals, Inc. v. Victor*, 43 F.Supp.3d 1026 (N.D. Cal, 2014) is instructive on this point. In  
10 *Sunbelt*, the plaintiff employer filed suit against terminated sales representative alleging various claim. *Id.*  
11 at 1029. The defendant employee counterclaimed alleging violation of his right to privacy based on  
12 employer's review of text messages contained on his employer-issued cellular telephone and content  
13 contained on his employer-issued electronic device after the employee's termination. *Id.* The *Sunbelt* court  
14 dismissed the privacy claim, reasoning that the employee could not "legitimately claim an expectation of  
15 privacy in a 'place,' i.e., the Sunbelt iPhone, which belongs to his former employer and to which he ha[d]  
16 no right to access," and further that the facts demonstrated "that he failed to comport himself in a manner  
17 consistent with an objectively reasonable expectation of privacy" because it was his conduct led to the text  
18 messages being stored on the company phone. *Id.* at 1035. The court concluded that "even if he  
19 *subjectively* harbored an expectation of privacy in his text messages, such expectation cannot be  
20 characterized as *objectively* reasonable, since it was [*the employee's*] conduct that directly caused the  
21 transmission of his text messages to [the employer] in the first instance." *Id.* (emphasis in original).

22 Even if Rozanski had an objectively reasonable expectation of privacy in the voicemails, the  
23 District must still disclose the voicemails if the public interest outweighs Rozanski's privacy interest.  
24 California courts have recognized the inherent tension between the public's right to know and society's  
25 interest in protecting private citizens (including public servants) from unwarranted invasions of privacy.  
26 *See, e.g., Versaci v. Superior Court* (2005) 127 Cal.App.4th 805, 822. One way to resolve this tension is to  
27 try to determine "the extent to which disclosure of the requested item of information will shed light on the  
28 public agency's performance of its duty." *Teamsters Local 856 v. Priceless, LLC* (2003) 112 Cal.App.4th

1 1500, 1519. When it comes to disclosing personal information, the public interest which must be weighed  
2 is the interest in whether such disclosure “would contribute significantly to public understanding of  
3 government activities” and serve the legislative purpose of “shed[ding] light on an agency’s performance of  
4 its statutory duties.” *City of San Jose*, 74 Cal.App.4th at 1018–1019.

5 The District has an obligation of transparency to the taxpayers. Rozanski was not a mid-level  
6 employee of the District; she was its Chief Executive Officer. As a public official responsible for the  
7 expenditure of taxpayer funds, Rozanski must expect scrutiny into her private affairs to the extent those  
8 private affairs create a conflict of interest. Rozanski’s undisclosed relationship with Ferguson created such  
9 a conflict of interest. As a result, her relationship with Ferguson becomes the District’s business.

10 Rozanski again cites an out-of-state case to support her argument that the Court should order non-  
11 disclosure of the voicemails. Setting aside that *Kentucky Board of Examiners of Psychologists & Div. of*  
12 *Occupations & Professions v. Courier-Journal & Louisville Times Co.* (Ky. 1992) 826 S.W.2d 324, 328-29,  
13 interprets an entirely different statute, its facts could not be more different than those presented here. In that  
14 case, the request sought the investigative file relating to allegations that a psychologist had sexually abused  
15 several patients. The file contained substantial information concerning intimate details of the lives of *the*  
16 *alleged victims*, including excerpts from the patient files and deposition transcripts. The Court concluded:  
17 “We must conclude that the information contained in the complaint file is of a personal nature—indeed, of a  
18 *very* personal nature—and that disclosure of the remainder of the public record in this case would constitute  
19 a serious invasion of the personal privacy of those who complained against Tadjewski, as well as other  
20 former clients involved in the investigation.” *Id.* at 328.

21 Rozanski’s breach of the public trust was a product of her secret relationship with Ferguson.  
22 Accordingly, the public has a right to know about that relationship. The voicemail recordings “shed light”  
23 on Rozanski’s relationship with Ferguson, and provide significant context for Rozanski’s unlawful actions  
24 in her public capacity which resulted in substantial taxpayer dollars being used for unwarranted legal fees.  
25 There is a strong public interest in disclosure of these voicemail recordings, and it outweighs any privacy  
26 interest Rozanski might claim.

27 **C. The Attorney-Client Privilege Does Not Bar Disclosure.**

28 Rozanski’s argument that her communications with Ferguson are protected from disclosure by the

1 attorney-client privilege can be disregarded without much discussion. As Rozanski admits, Ferguson “acted  
2 as outside legal counsel to the [District] from 2011 to 2015.” Rozanski’s Verified Complaint, ¶ 21  
3 (emphasis added). Thus, the District was the client – not Rozanski. An attorney for an entity represents it,  
4 its stockholders, and its officers in their representative capacity; the attorney in no way represents the  
5 officers personally. *Borissoff v. Taylor & Faust* (2004) 15 Cal.Rptr.3d 735, on remand 2006 WL 952578,  
6 unpublished, review denied. Because the District was the client, the District can waive the any attorney-  
7 client privileged communication between its agents and Ferguson.<sup>3</sup> See *People v. Wilson* (2005) 36 Cal.4th  
8 309, 114 P.3d 758 (holder of privilege may waive attorney-client privilege).

9 **IV. CONCLUSION**

10 For the reasons above, the Court should deny Rozanski’s request for a preliminary injunction on the  
11 grounds that she does not have a likelihood of success on her Petition for Writ of Mandate.

12  
13 Date: December 8, 2016

FERGUSON CASE ORR PATERSON LLP

14  
15 By: 

16 MICHAEL A. VELTHOEN  
17 Attorneys for Respondent Camarillo Health  
18 Care District

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28 <sup>3</sup> In any event, the voicemails do not reflect privileged communications as they do not reflect  
communications given for the purpose of giving legal advice to the District. Velthoen Decl., ¶ 3.

# **EXHIBIT “A”**

COPY

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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 COUNTY OF VENTURA

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

16 Plaintiff,

17 v.

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

20 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

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

23 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:

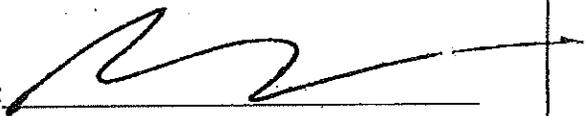
- 23 1. As to all Causes of Action herein, for damages in an amount to be proven at or  
24 before trial in an amount in excess of \$425,000, with interest thereon at the legal rate;
- 25 2. For prejudgment interest;
- 26 3. For punitive damages in an amount to be proven at trial;
- 27 4. For attorney's 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  
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Van Nuys, California 91411  
2001 Tennessee Road, Suite 215  
Woodlands 97066, California 97151

**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

Jane Rozanski  
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

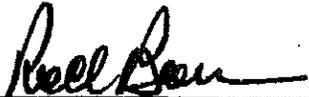
Original, October, 1984  
Reviewed/Amended, August, 1987, Resolution 87-10  
Reviewed/Amended, March, 1990  
Reviewed/Amended, October, 1990, Resolution 90-9  
Reviewed/Amended, June, 1991  
Reviewed/Amended, December, 1991, Resolution 91-6  
Reviewed/Amended, December, 1992  
Reviewed/Amended, February 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:

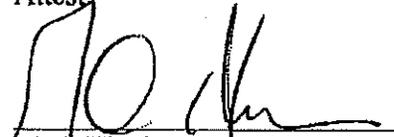
1. That I am duly elected and acting as President of the Camarillo Health Care District, a California Healthcare District.
2. That the by-laws to which this Certificate is attached comprising pages 1 to 14, inclusive, constitute the By-laws of the Camarillo Health Care District as duly adopted and as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

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**DECLARATION OF KARA RALSTON**

I, Kara Ralston, declare as follows:

1. I am the Chief Executive Officer of Camarillo Health Care District ("the District").

Prior to serving as its Chief Executive Officer, I served as the Chief Operating Officer of the District. I have personal knowledge of the fact set forth below and, if called as a witness, I could and would testify competently thereto.

2. Attached as Exhibit A is a page from the Employee Handbook for the District. The page reflects the District's policy regarding the use of District-issued cell phones, computers, and other items. This Handbook was issued in October 2011 and has been in effect since that time.

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

Executed on December 8, 2016 in Camarillo, California.

"SEE ATTACHED ELECTRONIC SIGNATURE"

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Kara Ralston

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**DECLARATION OF KARA RALSTON**

I, Kara Ralston, declare as follows:

1. I am the Chief Executive Officer of Camarillo Health Care District ("the District"). Prior to serving as its Chief Executive Officer, I served as the Chief Operating Officer of the District. I have personal knowledge of the fact set forth below and, if called as a witness, I could and would testify competently thereto.

2. Attached as Exhibit A is a page from the Employee Handbook for the District. The page reflects the District's policy regarding the use of District-issued cell phones, computers, and other items. This Handbook was issued in October 2011 and has been in effect since that time.

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

Executed on December 8, 2016 in Camarillo, California.



Kara Ralston

# **EXHIBIT "A"**

## Housekeeping

*New*

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, conference rooms, and the restroom are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

## Employers Right to Inspection

Desks, offices, computers, cellular phones, District-owned vehicles and safety gear are the property of the District. These items must be kept clean and in working condition.

The District reserves the right to inspect the contents of all District property including, but not limited to, desks, offices, vehicles and computers, without notice to the employee and/or in the employee's absence, and/or upon separation.

Voicemail, email and the internet are intended for business purposes only. The District reserves the right to listen to voice mail messages and to access e-mail and internet contacts to ensure compliance with this rule, without notice to the employee and/or in the employee's absence.

The District will keep a record of all passwords and codes used and reserves the right to change, reassign or override any such password system. Passwords and codes are the property of the District.

For security reasons, employees are discouraged from bringing items of a personal nature or of value to work. The District accepts no responsibility for personal items that are lost, stolen or damaged at work. Any items, including purses, backpacks, lunch bags, etc., which are brought on the District premises may be searched by an authorized designee.

## Personal Use of District Cell Phone

All employees are expected to follow applicable state and federal laws or regulations regarding the use of cell phones at all times. Employees who are charged with traffic violations, resulting from the unlawful use of District-issued cell phones, will be solely responsible for all liabilities that result from such actions.

Employees in possession of District equipment such as cellular phones are expected to protect the equipment from loss, damage or theft. Loss of District cell phones should be reported to your supervisor or IT immediately.

## Use of District Equipment

The District provides you with the equipment necessary to do your job. You should contact your supervisor if you believe you do not have access to adequate District equipment.

All District property, including, but not limited to, desks, storage areas, work areas, lockers, file cabinets, credenzas, computer systems, office telephone, cellular telephones, pagers, modems, facsimile machines,

duplicating machines, other specialized equipment, and vehicles—must be used properly and maintained in good working order.

Upon separation of employment for any reason, you must return all District equipment immediately.

**DECLARATION OF MICHAEL VELTHOEN**

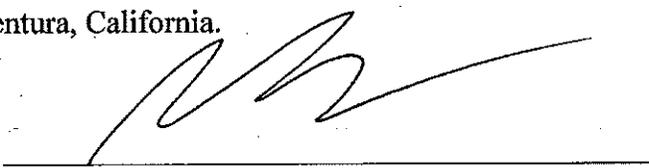
I, Michael Velthoen, declare as follows:

1. I am a partner with the law firm of Ferguson Case Orr Paterson LLP, counsel of record for Camarillo Health Care District. I have personal knowledge of the fact set forth below and, if called as a witness, I could and would testify competently thereto.

2. I have possession of a cell phone issued by the Camarillo Health Care District to Jane Rozanski. I have listened to certain voicemails maintained on the phone from a phone number known to be Ralph Ferguson's. I also recognize Mr. Ferguson's voice on the voicemails. There are approximately 180 voicemails from Mr. Ferguson on the cell phone. The dates of the voicemails range from December 9, 2014 and May 26, 2015. Some of the voicemails last several minutes in length. Others are brief. Many of the voicemails discuss routine personal matters (e.g., events of the day). A significant number of voicemails reflect communications between Mr. Ferguson and Ms. Rozanski regarding the District's investigation into the fees collected by Ferguson from the District. I estimate that it would take at least three hours to listen to all of the voicemails on the cell phone from Mr. Ferguson.

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

Executed on December 8, 2016 in Ventura, California.



Michael A. Velthoen

FERGUSON CASE ORR PATERSON LLP  
1050 South Kimball Road  
Ventura, California 93004

2801 Townsgate Road, Suite 215  
Westlake Village, California 91361

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**PROOF OF SERVICE**

STATE OF CALIFORNIA, COUNTY OF VENTURA:

I am employed in the County of Ventura, State of California. I am over the age of 18 and not a party to the within action. My business address is 1050 South Kimball Road, Ventura, California 93004.

On December 8, 2016, I served  the original  a true copy of the foregoing document described as **OPPOSITION OF RESPONDENT CHCD TO EX PARTE APPLICATION FOR TEMPORARY RESTRAINING ORDER AND ORDER TO SHOW CAUSE**, which is related to the action styled *CHCD v. Jane Rozanski*, Ventura Superior Court Case No. 56-2016-00487601-CU-MC-VTA, on the person or persons listed on the attached Service List as follows:

**BY MAIL:** I enclosed the above-described document in (an) envelope(s) with postage thereon fully pre-paid and addressed as set forth on the attached Service List. I am readily familiar with FERGUSON CASE ORR PATERSON LLP's practice of collection and processing correspondence for mail with the U.S. Postal Service. Pursuant to that practice, I placed the above-described envelope into the Firm's designated receptacle, of which the contents are to be deposited with the U.S. Postal Service on that same day at Ventura, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after the date stated herein.

**BY EXPRESS MAIL:** I enclosed the above-described document in (an) envelope(s) with Express Mail postage fully pre-paid and addressed as set forth on the attached Service List. I placed the above-described envelope into a post office, mailbox, subpost office, substation, or mail chute, or other like facility regularly maintained by the United States Postal Service for receipt of Express Mail.

**BY OVERNIGHT DELIVERY:** I enclosed the above-described document in (an) envelope(s) of a type designated by the express service carrier for overnight delivery with delivery fees fully pre-paid or provided for and addressed as set forth on the attached Service List. I  placed the above-described envelope into a box or other facility regularly maintained by the express service carrier/ delivered the above-described envelope to an authorized courier or driver authorized by the express service carrier to receive documents.

**BY PERSONAL SERVICE:** I personally delivered the above-described document to \_\_\_\_\_,  a party to this action;  an attorney for \_\_\_\_\_, who is a party to this action, by leaving the document at the attorney's office in an envelope clearly labeled to identify the attorney being served with \_\_\_\_\_, a receptionist or a person having charge of the office; at \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_, at \_\_\_\_\_.

**BY FACSIMILE TRANSMISSION:** I caused the above-described document to be transmitted via facsimile from (805) 659-6818 to each facsimile number listed on the attached Service List at \_\_\_\_\_  a.m.  p.m. on the date set forth above. Each fax transmission was reported as complete and without error, and each transmission report attached hereto was properly issued by the sending fax machine.

**BY ELECTRONIC TRANSMISSION:** I served a true copy of the document electronically in Portable Document Format (PDF) by transmitting it from jhammer@fcoplaw.com to the electronic service address(es) (emails), as indicated on the attached Service List at see below  a.m.  p.m. on the date set forth above.

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

(Federal) I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on December 8, 2016, at Ventura, California.

\_\_\_\_\_  
Jessica Hammer

In accordance with the California Code of Civil Procedure and Rules of Court regarding service, an executed copy of this Proof of Service is on file at Ferguson Case Orr Paterson LLP and will be made available for photocopying and inspection upon a request made pursuant to applicable statutory provisions.

FERGUSON CASE ORR PATERSON LLP  
1050 South Kimball Road  
Ventura, California 93004  
2801 Townsgate Road, Suite 215  
Westlake Village, California 91361

**SERVICE LIST**

Andrew Gilford  
Baute Crochetiere & Gilford LLP  
777 South Figueroa Street  
Suite 4900  
Los Angeles, California 90017  
Telephone: (213) 630-5000  
Facsimile: (213) 683-1225  
Email: [agilford@bautelaw.com](mailto:agilford@bautelaw.com)  
Attorneys for Defendant Jane Rozanski  
By: Email (per Court's Order)

Daniel Wolowicz  
Editor – Moorpark/Camarillo Acorn Newspapers  
1203 Flynn Road  
Suite 140  
Camarillo, California 93012  
Telephone: (805) 484-1949 ext. 302  
Facsimile: (805) 484-2313  
Email: [camarillo@theacorn.com](mailto:camarillo@theacorn.com)  
Real Party in Interest

FERGUSON CASE ORR PATERSON LLP  
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Ventura, California 95004  
2801 Townsgate Road, Suite 215  
Westlake Village, California 91361