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5 6 7 8 9	Bradley W. Hertz, Esq. (SBN 138564) James R. Sutton, Esq. (SBN 135930) Matthew C. Alvarez, Esq. (SBN 301483) THE SUTTON LAW FIRM, PC 150 Post Street, Suite 405 San Francisco, California 94108 Tel: 415/732-7700 Fax: 415/732-7701 Email: bhertz@campaignlawyers.com	(NO FILING FEE DUE PER CALIFORNIA GOVERNMENT CODE SECTION 6103)
10	Attorneys for Petitioners and Plaintiffs AN	TELOPE VALLEY HOSPITAL,
11	A FACILITY OF ANTELOPE VALLEY HEALTHCARE DISTRICT; and ANTELOPE VALLEY HEALTHCARE DISTRICT	
12	SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES	
13		JURISDICTION BC 5 9 4 6 2 0
14	ANTELOPE VALLEY HOSPITAL, A	Case No.
15 16	FACILITY OF ANTELOPE VALLÉY HEALTHCARE DISTRICT; and ANTELOPE VALLEY HEALTHCARE DISTRICT,	VERIFIED PETITION FOR WRIT OF MANDATE AND COMPLAINT:
17	Petitioners and Plaintiffs,	1. TO COMPEL COMPLIANCE WITH LOS ANGELES COUNTY MEASURE
18	v.	B (PRESERVATION OF TRAUMA CENTERS AND EMERGENCY
19	COUNTY OF LOS ANGELES; BOARD) MEDICAL SERVICES;) BIOTERRORISM RESPONSE);
20	OF SUPERVISORS OF THE COUNTY (OF LOS ANGELES; and	2. FOR INJUNCTIVE RELIEF;
21	DOES 1 to 100, inclusive,	3. FOR DECLARATORY RELIEF;
22	Respondents and Defendants.	4. FOR DAMAGES;
23		5. FOR VIOLATIONS OF
24		CALIFORNIA CONSTITUTION ARTICLE II, SECTION 10(c) AND
25		ARTICLE IV, SECTION 9; AND
26		6. FOR AN ACCOUNTING
27		(DEMAND FOR JURY TRIAL)
28	VERIFIED PETITION FOR WRIT OF MANDATE AND COMPLAINT 1	
1	1	

Petitioners and Plaintiffs ANTELOPE VALLEY HOSPITAL, A FACILITY OF ANTELOPE VALLEY HEALTHCARE DISTRICT; and ANTELOPE VALLEY HEALTHCARE DISTRICT (collectively, "Petitioners") hereby allege as follows:

INTRODUCTION

- 1. This Petition for Writ of Mandate and Complaint (the "Petition") arises out of the failure of Respondents and Defendants Los Angeles County and its Board of Supervisors (collectively, "Respondents") to properly administer and allocate billions of dollars of property tax revenue approved by the voters in a 2002 ballot measure Measure B for the "maintenance and expansion of trauma centers and emergency medical services."
- 2. Specifically, Respondents have failed to properly allocate Measure B funds to reimburse the fourteen trauma centers within the County's trauma system and most particularly Petitioners for the treatment of patients who are unable to pay for their care and who have no third-party insurance coverage.
- 3. Further, Respondents have consistently failed to conduct comprehensive assessments of the County's trauma system, failed to use Measure B funds to address the County's most pressing trauma needs, and failed to fulfill the intent of Measure B to expand trauma services countywide.
- 4. Respondents long ago disbanded the Measure B Oversight Committee, further depriving Petitioners, trauma centers, doctors, patients, and taxpayers of their rights to know where Measure B funds have been allocated and to determine whether such allocations are consistent with Measure B.
- 5. Accordingly, and as alleged herein, Petitioners seek judicial relief by way of writ of mandate and judgment compelling compliance with Measure B on a past, present, and future basis; injunctive and declaratory relief; damages; and an accounting, so that the County's voters and particularly those of the Antelope Valley Healthcare District will

receive the benefits for which they voted and paid, and such other relief as the Court deems just and proper.

PARTIES

- 6. Petitioner and Plaintiff Antelope Valley Hospital ("AV Hospital") is a non County-operated hospital located within the County of Los Angeles in the City of Lancaster, California. AV Hospital, which is a public hospital and a facility of the Antelope Valley Healthcare District, is tasked with providing all trauma and emergency related care within the Antelope Valley portion of Los Angeles County.
- 7. Petitioner and Plaintiff Antelope Valley Healthcare District (the "District") is a public healthcare district pursuant to California law and oversees the operations of AV Hospital.
- 8. Respondent and Defendant County of Los Angeles (the "County") is a subdivision of the State of California and is charged, through its elected Board of Supervisors and its staff, with properly administering Measure B via comprehensive assessments of the County's trauma system, maintaining Measure B oversight, and taking other actions to properly collect and allocate funds pursuant to Measure B.
- 9. Among the agents of the County who failed to properly discharge their duties on behalf of the County with regard to Measure B are Mitchell H. Katz, M.D., who has served as Director of the County's Department of Health Services from 2010 to the present, and Allan Wecker, who has served as Chief Financial Officer of the County's Department of Health Services from 2010 to the present.
- 10. Respondent and Defendant Los Angeles County Board of Supervisors (the "Board of Supervisors") is the governing body for the County of Los Angeles and is charged by law with the discharge of duties related to the implementation of Measure B, including properly administering Measure B via comprehensive assessments of the County's trauma system, maintaining Measure B oversight, and taking other actions to properly collect and allocate funds pursuant to Measure B.

11. Among the agents of the Board of Supervisors from 2010 to the present, who failed to properly discharge their duties on behalf of the Board of Supervisors with regard to Measure B are Supervisor Michael D. Antonovich, Supervisor Don Knabe, Supervisor Sheila Kuehl, former Supervisor Gloria Molina, Supervisor Mark Ridley-Thomas, Supervisor Hilda L. Solis, and former Supervisor Zev Yaroslavsky.

- 12. The true and correct capacities of Respondents and Defendants DOES 1 through 100, and each of them, are unknown to Petitioners at this time, and therefore Petitioners sue said Respondents and Defendants by such fictitious names. Petitioners will file DOE amendments and/or ask leave of court to amend this Petition to assert the true names and capacities of these Respondents and Defendants when they have been ascertained.
- 13. Petitioners are informed and believe, and based upon such information and belief allege, that each Respondent and Defendant herein designated as a DOE was and is in some manner, negligently, wrongfully, or otherwise responsible and liable to Petitioners for the injuries and damages hereinafter alleged, and that Petitioners' damages as herein alleged were proximately caused by these DOES' conduct.

JURISDICTION AND VENUE

- 14. At all times relevant hereto, Petitioners, and each of them, were residing in the City of Lancaster, the Antelope Valley Healthcare District, the County of Los Angeles, and the State of California.
- 15. At all times relevant hereto, Respondents and Defendants, and each of them, were residing in the County of Los Angeles, State of California.
- 16. The wrongful conduct alleged against Respondents and Defendants, and each of them where tens of millions of dollars of Measure B funds should have been received, but were not received, by Petitioners occurred in the City of Lancaster, the Antelope Valley Healthcare District, the County of Los Angeles, and the State of California.

17. This Court - the Michael Antonovich Antelope Valley Courthouse - is the proper court for this action because the wrongful acts that are the subject of this action, and the injuries and damages alleged herein, occurred in the Antelope Valley.

EXHAUSTION OF ADMINISTRATIVE REMEDIES

- 18. Petitioners are exempted from having to comply with and/or exhaust any government claims statutes, administrative or internal remedies, and/or grievance procedures pursuant to Government Code section 905(i) and other provisions of law.
- 19. In the alternative, to the extent Petitioners are required to comply with government claims statutes, administrative or internal remedies, and/or grievance procedures, in an abundance of caution Petitioners have so complied.
- 20. On April 13, 2015, Petitioners filed with the Clerk of the Board of Supervisors their "Claim Against County of Los Angeles and Board of Supervisors of the County of Los Angeles."
- 21. On May 28, 2015, County Counsel wrote a letter to Petitioners' counsel acknowledging that Petitioners' claim was presented on April 13, 2015 and assigning file numbers 15-1121512*001 and *002 to the claim.
- 22. In County Counsel's May 28, 2015 letter, Petitioners' counsel were informed that the portion of the claim that pertained to activities occurring before April 13, 2014 was returned because according to County Counsel, it was not timely presented, and no action was taken on that portion of the claim.
- 23. As to the portion of Petitioner's claim that pertained to activities occurring since April 13, 2014, County Counsel informed Petitioners' counsel that the claim failed to comply substantially with the claim requirements and that therefore County Counsel would not be able to investigate the claim.
- 24. In County Counsel's May 28, 2015 letter, Petitioners' counsel were invited to present an amended claim.

- 25. On June 12, 2015, Petitioners' counsel presented to the Clerk of the Board of Supervisors their "First Amended Claim Against County of Los Angeles and Board of Supervisors of the County of Los Angeles," which was file-stamped on June 17, 2015. The First Amended Claim provided more particularity than the earlier-filed claim, based on the request of County Counsel.
- 26. On July 17, 2015, County Counsel wrote a letter to Petitioners' counsel acknowledging that Petitioners' First Amended Claim was presented on June 12, 2015 and stating that on July 16, 2015, Petitioners' claims as they pertained to activities occurring since April 13, 2014 were rejected.
- 27. In the July 17, 2015 letter, County Counsel reiterated its position that the portion of the claim that pertained to activities occurring before April 13, 2014 was not timely presented.
- 28. Petitioners take issue with County Counsel's conclusions in this regard and intend to demonstrate to the Court that Petitioners are entitled to pursue claims against Respondents that pre-date April 13, 2014. In the meantime, as to activities occurring since April 13, 2014, there is no dispute that Petitioners' claim is timely as to such activities.

FACTUAL BACKGROUND AND GENERAL ALLEGATIONS Measure B: Preservation of Trauma Centers and Emergency Medical Services; Bioterrorism Response

29. Los Angeles County Measure B, entitled "Preservation of Trauma Centers and Emergency Medical Services; Bioterrorism Response," was a ballot measure placed on the ballot by Respondent Los Angeles County Board of Supervisors (the "Board of Supervisors") and voted into law by the voters of the County at the November 2002 election.

- By way of background, and according to the California State Auditor, in 30. 1983 Los Angeles County's trauma system became operational and within two years grew to include 22 county-operated and non-county-operated trauma centers. However, shortly after the trauma system reached this peak, trauma centers began to withdraw from the system, citing the costs of uncompensated care - for patients who are unable to pay for their care and have no third-party insurance coverage - as the reason for their withdrawal. This left some areas of the County without a trauma center.
- By 2002, Los Angeles County's Department of Health Services was facing 31. a significant budget deficit, which was threatening the already weakened trauma system. To, among other things, address the deficit and preserve and expand the trauma system, the Board of Supervisors for the County of Los Angeles submitted a parcel tax measure to the voters in the November 2002 general election, referred to as Measure B, which voters ultimately approved.
- With the passage of the measure, the Board of Supervisors implemented a 32. parcel tax of 3 cents per square foot on generally all structural improvements, which it has increased over time. In fiscal year 2011–12, the measure generated more than \$256 million in revenue.
- Measure B created a special property tax to be used exclusively to fund the 33. countywide system of trauma centers, emergency medical services, and bioterrorism response (in the wake of the September 11, 2001 terrorist attacks).
- The stated purpose of Measure B's special tax was to avoid the life-34. threatening shutdown of Los Angeles County's trauma network, maintain and expand the trauma network countywide, ensure more timely response to critical and urgent medical emergencies, and respond effectively to biological or chemical terrorism.

35. The measure empowers the Board of Supervisors to set the special tax rate depending on the fiscal needs of the systems and programs that Measure B was designed to protect and strengthen. Unfortunately, the Board of Supervisors has failed in its duty to effectuate the requirements and intent of the voters in passing Measure B.

The County's and Board of Supervisors' Failure to Comprehensively Assess the County's Trauma System

36. The County and the Board of Supervisors have consistently failed to conduct comprehensive assessments of the County's trauma system, so they are "flying blind" when it comes to allocating Measure B funds in a rational and appropriate way to satisfy the County's trauma and emergency medical needs. By their inaction with regard to assessing the County's trauma system, Respondents have violated the legally required accountability measures and reporting requirements established by California Government Code sections 50075.1 and 50075.3.

The County's and Board of Supervisors' Lack of Oversight Regarding Measure B

37. Following its passage in 2002, the Board of Supervisors created the Measure B Oversight Committee to help provide oversight and ensure proper use of the billions of dollars that would be generated by the Measure B tax. Yet, the Board of Supervisors quickly disbanded the Oversight Committee within a year of its inception, leaving the Board of Supervisors with no independent oversight whatsoever.

The County's and Board of Supervisors' Failure to Properly Allocate Measure B Funds

38. The County and the Board of Supervisors have consistently failed to use Measure B funds to address the County's most pressing trauma needs and have failed to fulfill the mandates and intent of Measure B.

 39. Petitioner AV Hospital is a 420-bed acute care accredited hospital and is the only full-service hospital in the Antelope Valley. AV Hospital is the only hospital with emergency and trauma services in the entire Antelope Valley, which spans over 2,200 square miles and is home to over 475,000 people. In fact, the State Auditor acknowledges the challenges faced by AV Hospital by stating that "only one trauma center is located in the expansive Antelope Valley."

- 40. Despite serving five percent of the County's population, AV Hospital receives less than one-half of one percent of all Measure B funds annually, which is far less than other trauma centers and even non-trauma centers throughout the County.
- 41. As an example of the inequitable and unjustified allocations of funds that the County and the Board of Supervisors have visited upon AV Hospital, it should be noted that with a more favorable payer mix and lower trauma volume, St. Francis Medical Center and California Hospital receive nearly \$8 million and \$9 million per year, respectively, while AV Hospital receives less than \$1 million per year.
- 42. AV Hospital's emergency department sees the second highest volume of patients in the County and, when compared to St. Francis Medical Center or California Hospital, treats far more unfunded emergency room patients and twice as many traumatic injury patients.
- 43. The County's and the Board of Supervisors' failure to provide meaningful and appropriate financial support to AV Hospital has left it on the brink of shutting its doors, the consequences of which would be dire not only for AV Hospital and its dedicated employees and vendors, but for the entire Antelope Valley and indeed the entire County. This is not what the voters' intended in enacting Measure B in 2002.
- 44. Despite full knowledge of AV Hospital's significant caseload, broad geographic reach, financial difficulties and the immense challenge of providing trauma and urgent care services to such a large and dispersed community in the Antelope Valley,

the County and the Board of Supervisors has not changed its allocation approach in more than ten years. In fact, the Board of Supervisors has avoided any meaningful type of accountability with regard to Measure B funds.

- 45. Moreover, the Board of Supervisors has obfuscated the allocation process as to Measure B funds by allocating those funds within the context of the broader County budget and without regard to where the funds are truly needed in order to fulfill the mandates of Measure B.
- 46. In fact, the Board of Supervisors routinely fails to allocate millions of Measure B dollars each year, despite lacking any authority to do so and despite the fact that AV Hospital is in desperate need of additional funds so that it may continue to provide quality trauma and emergency health care services to the Antelope Valley community.
- 47. The lack of accountability and proper allocation of funds essentially places the County and the Board of Supervisors in the position of judge, jury, and executioner literally making decisions with life and death consequences as a result of an ad hoc and unjustified system of Measure B funds distribution.
- 48. The County and the Board of Supervisors, has, for more than a decade, distributed Measure B funds as it wished, with no reasonable or rational basis and with no consequences whatsoever for the resulting unfairness to Petitioners and indeed all County residents.

The County and the Board of Supervisors Have Failed to Properly Allocate Funds to AV Hospital

49. The County's and the Board of Supervisors' failure to reimburse AV Hospital for the very costs Measure B's special tax were meant to cover has caused clear and substantial damage to AV Hospital, the entire Antelope Valley, and other stakeholders.

50. The lack of Measure B funds to which AV Hospital was and is entitled has led to substantial underfunding of AV Hospital, its infrastructure, and the significant and much-needed life-saving and trauma and emergency care services it provides.

- 51. AV Hospital's current emergency room was built in 1988 and was designed to accommodate no more than 36,000 patients per year. Presently, however, AV Hospital's now-antiquated facility sees over 113,000 patients per year.
- 52. Additionally, AV Hospital is struggling to simply maintain current operations and is barely solvent from month to month. Nursing and ancillary staffing are skeletal and many licensed beds are left unstaffed.
- 53. Further, the County's and Board of Supervisors's failures have caused such a financial strain for AV Hospital over the last four years that AV Hospital's bond rating was downgraded to "junk," thus increasing borrowing costs and cutting off access to many potential lenders.
- 54. The harm inflicted by the County and the Board of Supervisors on AV Hospital and, by extension, to the larger Antelope Valley community it serves is precisely the type of harm Measure B was meant to prevent.
- 55. Given AV Hospital's dire financial situation and the County's and Board of Supervisors' refusal to act even though the situation was brought to their attention, AV Hospital and its fellow Petitioners have no choice but to bring this action and seek judicial relief to correct these terrible financial wrongs.

<u>The California State Auditor Is Extremely Critical of the County and Its</u> Board of Supervisors Regarding Its Poor Administration of Measure B Funds

56. In a February 20, 2014 letter to California Governor Jerry Brown and the leaders of the California Legislature, State Auditor Elaine M. Howle (the "State Auditor") set forth the following conclusions about the County and the Board of Supervisors regarding its terribly flawed administration of Measure B:

- (a) "Los Angeles [County] cannot demonstrate that it has used Measure B funds to address the most pressing trauma needs."
- (b) "Los Angeles [County] cannot demonstrate that it has . . . fulfilled the intent of [Measure B] by expanding trauma services countywide."
- (c) "... existing trauma centers remain far removed from some geographical areas of the county...."
- (d) "Los Angeles [County's] Emergency Medical Services Agency (EMS)... has not conducted a comprehensive assessment that would allow it to demonstrate whether its trauma system is meeting the needs of all areas and populations in the county." (emphasis added.)
- 57. On the State Auditor's website (https://www.bsa.ca.gov/reports/summary /2013-116), the audit of Los Angeles County's Measure B funds highlights the following:
- (a) "More than a decade after voters approved the measure, existing trauma centers remain far removed from certain areas within Los Angeles [County] despite Measure B's stated intent."
- (b) "Although the director of Los Angeles [County's] Emergency

 Medical Services Agency maintains that the trauma system is adequate and meeting
 the needs of all areas of the county, it has not conducted a comprehensive assessment
 that would allow it to support such a claim."
- (c) "The Board of Supervisors for the County of Los Angeles [Board of Supervisors] has not revisited its approach to allocating Measure B funds in roughly a decade, hindering its ability to demonstrate to the public that it distributes Measure B funds to address the most pressing trauma needs."
- (d) The [Board of Supervisors] initially funded helicopter services as an interim solution to locating trauma centers in underserved areas, however, it has not regularly monitored, assessed, and reported on the helicopter transport services used to transport trauma patients." (emphasis added.)

The County and the Board of Supervisors Have Failed to Follow the State Auditor's Recommendations, and This Court Should Order the Recommendations to be Followed

- 58. Remarkably, even though the State Auditor was intensely critical of the County's and the Board of Supervisors' actions and inactions with regard to Measure B, the County and the Board have failed to follow the State Auditor's simple recommendations.
- appropriately designed and serving the needs of residents in underserved areas and the needs of the most at-risk populations, the Board should use Measure B funds to engage the [American] College of Surgeons ("ACS") by July 2014 to perform a comprehensive assessment of the trauma system and then make the results available to the public. To the extent the assessment identifies weaknesses in the trauma system, the Board should develop strategies to address those weaknesses where feasible. Specifically, the Board should ask the College of Surgeons to do the following: assist the Board in better defining and identifying underserved areas in Los Angeles [County]." The County and the Board have responded that they will not implement this recommendation. Petitioners ask this Court to order the County and the Board to implement this recommendation.
- 60. Recommendation 2 concluded that "the Board [of Supervisors] should ask the College of Surgeons to do the following: review Measure B allocations to ensure that they are addressing the most pressing needs of at-risk populations in Los Angeles [County]." The County and the Board have responded that "the benefits of having ACS review the Measure B allocations are unclear" and thus they have not implemented this recommendation. Petitioners ask this Court to order the County and the Board to implement this recommendation.

- 61. Recommendation 3 concluded that "the Board [of Supervisors] should ask the College of Surgeons to do the following: assess the adequacy of helicopter services it provides in underserved areas." The County and the Board have responded that "the benefits of having ACS review the helicopter services are unclear" and thus they have not implemented this recommendation. Petitioners ask this Court to order the County and the Board to implement this recommendation.
- 62. **Recommendation 4** concluded that the Board [of Supervisors] should ask the College of Surgeons to do the following: analyze how EMS might better use the data it collects to evaluate, improve, and report continuously on its trauma system." The County and the Board have responded that "the benefits of having ACS analyze how EMS collects its data are unclear" and thus they have not implemented this recommendation. Petitioners ask this Court to order the County and the Board to implement this recommendation.
- address the most significant needs of residents within its trauma system, the Board should reinstate a Measure B oversight committee, with participation from departments with trauma, EMS, and bioterrorism preparedness expertise, as well as representatives of the public. The oversight committee should review trauma system and other county needs annually and advise the board on Measure B expenditures. As part of its responsibilities, the oversight committee should reevaluate the Measure B allocation approach, taking into consideration the results of Los Angeles [County's] comprehensive assessment and the effects of the Act, and issue a report on its findings no later than December 2015." The County and the Board have responded that "DHS will discuss with the Board the preferred process for evaluating, establishing, and reporting on the Measure B allocation approach, including consideration of the impact of the Affordable Care Act on such allocation." The County and Board further responded that "The County's Health Services Department will work with the Board to consider establishment of an Advisory

Committee to evaluate and advise Measure B allocation, assess the impact of the Patient Protection and Affordable Care Act on the trauma care system, and prepare reports as requested by the Board." The State Auditor and Petitioners view the County's and the Board's responses as having not implemented this recommendation. Petitioners ask this Court to order the County and the Board to implement this recommendation.

First Cause of Action

(Petition for Writ of Mandate to Compel Compliance with Los Angeles County Measure B - CCP section 1085, et seq.) (Against All Respondents and Defendants)

- 64. Petitioners hereby reallege and incorporate herein by this reference paragraphs 1 through 63 of this Petition/Complaint as if fully set forth herein.
- 65. Respondents have failed in their duties to provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, failed to properly allocate Measure B funds consistent with Measure B, and failed to provide adequate oversight over its allocation of Measure B funds.
- 66. Accordingly, Petitioners ask this court to issue a writ of mandate compelling Respondents to provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, to properly allocate Measure B funds consistent with Measure B, and to provide adequate oversight over their allocation of Measure B funds.
- 67. Petitioners also ask this court to issue a writ of mandate compelling Respondents to fulfill State Auditor recommendations 1 through 5 as set forth above.
- 68. The issuance of the writ is indispensable to the enforcement of Petitioners' rights in that Petitioners are beneficially interested in the writ and yet have no plain, speedy, or adequate remedy in the ordinary course of law whereby their rights can be upheld or whereby Respondents can be compelled to comply with Measure B.

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Second Cause of Action

(Injunctive Relief With Regard to Los Angeles County

Measure B - CCP section 526, et seq.)

(Against All Respondents and Defendants)

- 69. Petitioners reallege and incorporate herein by this reference paragraphs 1 through 63 of this Petition/Complaint as if fully set forth herein.
- 70. Petitioners allege that Measure B requires Respondents to, and they should be ordered to, provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, properly allocate Measure B funds consistent with Measure B, or provide adequate oversight over their allocation of Measure B funds. Petitioners also allege that Respondents should be ordered to fulfill State Auditor recommendations 1 through 5 as set forth above.
- 71. Petitioners allege that they are entitled to a preliminary and permanent injunction as set forth in the preceding paragraph and request that the court issue such equitable relief.

Third Cause of Action

(Declaratory Relief With Regard to the Parties' Rights and Duties Under Los Angeles County Measure B - CCP section 1060, et seq.) (Against All Respondents and Defendants)

- 72. Petitioners reallege and incorporate herein by this reference paragraphs 1 through 63 of this Petition/Complaint as if fully set forth herein.
- 73. Respondents are of the view that Measure B does not require them to, and they need not, provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, properly allocate Measure B funds consistent with Measure B, or provide adequate oversight over their allocation of Measure B funds.

- 74. Respondents also are of the view that they need not fulfill State Auditor recommendations 1 through 5 as set forth above.
- 75. Petitioners are of the view that Measure B requires Respondents to, and Respondents should be ordered to, provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, properly allocate Measure B funds consistent with Measure B, or provide adequate oversight over their allocation of Measure B funds.
- 76. Petitioners are also of the view that Respondents also should be ordered to fulfill State Auditor recommendations 1 through 5 as set forth above.
- 77. An actual controversy exists relating to the legal rights and duties of the respective parties with regard to Measure B, and Petitioners desire a judicial determination and declaration that Measure B requires Respondents to, and Respondents should be ordered to, provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, properly allocate Measure B funds consistent with Measure B, or provide adequate oversight over their allocation of Measure B funds.
- 78. Petitioners are also of the view that, and seek a judicial determination and declaration that, Respondents also need to fulfill State Auditor recommendations 1 through 5 as set forth above.

Fourth Cause of Action

(Damages)

(Against All Respondents and Defendants)

- 79. Petitioner realleges and incorporates herein by this reference paragraphs 1 through 63 of this Petition/Complaint as if fully set forth herein.
- 80. Respondents' actions and inactions with regard to Measure B funds have violated Measure B and have directly and proximately harmed Petitioners in this action and caused them to suffer damages.

81. Petitioner AV Hospital is entitled to a sum of money from Respondents, in an amount to be determined at trial, based on an updated allocation method that correctly addresses the County's most pressing trauma care needs, fulfills the purpose and intent of Measure B, and should have been in effect since 2003.

Fifth Cause of Action

(Violation of California Constitution, Article II, Section 10(c) and Article IV, Section 9) (Against All Respondents and Defendants)

- 82. Petitioners reallege and incorporate herein by this reference paragraphs 1 through 63 of the Petition/Complaint as if fully set forth herein.
- 83. Measure B does not provide Respondents with the authority to withhold any funds collected by Measure B's special tax.
- 84. Yet, each year, Respondents fail to allocate millions of dollars generated by the Measure B tax and instead divert the money into the County's general fund via the County's general budgetary process.
- 85. Because Respondents do not have the authority to divert Measure B funds, Respondents have impermissibly amended and reenacted Measure B without a vote of the people and therefore are in violation of Article II, Section 10(c) and Article IV, Section 9 of the California Constitution.
- 86. Petitioners desire a judicial determination and declaration that Respondents have amended Measure B by diverting millions of dollars in Measure B funds for purposes other than those demanded by Measure B. Such a declaration is necessary to protect taxpayer funds which were meant to further the purpose and intent of Measure B, but have since been used by Respondents for other purposes.
- 87. Additionally, Respondents have caused direct harm to Petitioner AV
 Hospital by diverting hundreds of millions of dollars in Measure B funds, tens of millions

of which rightly belong to Petitioner AV Hospital, thereby impermissibly amending Measure B.

88. Petitioner Antelope Valley Hospital is therefore entitled to a portion of the sum of money, to be determined at trial, that Respondents have impermissibly diverted.

Sixth Cause of Action

(For an Accounting)

(Against All Respondents and Defendants)

- 89. Petitioners reallege and incorporate herein by this reference paragraphs 1 through 63 of the Petition/Complaint as if fully set forth herein.
- 90. The relationship between Respondents and Petitioners is such that Respondents owe Petitioners a duty to properly account for, manage, and distribute Measure B funds, including accounting for and distributing the appropriate amoun of funds to Petitioners.
- 91. Respondents have received billions of dollars of Measure B funds and yet have failed to properly account for those funds, especially with regard to the amounts due to Petitioners.
- 92. The precise amount of Measure B funds due to Petitioners is unknown to Petitioners and cannot be properly ascertained without Respondents engaging in an accounting of such funds.
- 93. Petitioners are informed and believe, and based thereupon allege, that they are entitled to approximately \$57,500,000 from Respondents for the period from 2010 through 2014.
- 94. Petitioners have demanded an accounting from Respondents and payment of the amounts due, but Respondents have failed and refused to render such an accounting and to pay Petitioners the amounts due to them pursuant to Measure B.

PRAYER

WHEREFORE, Petitioners pray:

On their First Cause of Action:

1. That this court issue a <u>Peremptory Writ of Mandate</u> compelling Respondents and Defendants Los Angeles County and its Board of Supervisors to provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, to properly allocate Measure B funds consistent with Measure B, to provide adequate oversight over their allocation of Measure B funds, and to fulfill State Auditor recommendations 1 through 5 as set forth above.

On their Second Cause of Action:

2. That this court issue a <u>Preliminary and Permanent Injunction</u> ordering Respondents and Defendants Los Angeles County and its Board of Supervisors to provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, to properly allocate Measure B funds consistent with Measure B, to provide adequate oversight over their allocation of Measure B funds, and to fulfill State Auditor recommendations 1 through 5 as set forth above.

On their Third Cause of Action:

3. That this court issue a <u>Declaration</u> that Respondents and Defendants Los Angeles County and its Board of Supervisors are required to provide a comprehensive assessment of the efficacy of their efforts to effectuate the purpose and intent of Measure B, to properly allocate Measure B funds consistent with Measure B, to provide adequate oversight over their allocation of Measure B funds, and to fulfill State Auditor recommendations 1 through 5 as set forth above.

On their Fourth Cause of Action:

4. That Petitioner AV Hospital be awarded damages as against Respondents and Defendants Los Angeles County and its Board of Supervisors in an amount to determined at trial.

On their Fifth Cause of Action:

5. That this court determine that Respondents and Defendants Los Angeles County and its Board of Supervisors' impermissibly amended Measure B without a vote of the people by diverting Measure B funds for purposes other than those authorized by Measure B and rectify the harm caused to Petitioners thereby.

On their Sixth Cause of Action:

6. That the court order Respondents and Defendants Los Angeles County and its Board of Supervisors to prepare an accounting of all Measure B funds, and award to Petitioners the amount determined to be due to Petitioners as a result of the accounting, along with interest thereon.

On all Causes of Action:

- 7. That the court award Petitioners' attorneys' fees and costs pursuant to California Code of Civil Procedure section 1021.5 or other applicable law, as permitted to be recovered, from Respondents and Defendants Los Angeles County and its Board of Supervisors.
- 8. That this court grant such other and further relief as may be just and proper.

Respectfully Submitted:

McNICHOLAS & McNICHOLAS, LLP Patrick McNicholas, Esq.

THE SUTTON LAW FIRM, PC Bradley W. Hertz, Esq. James R. Sutton, Esq. Matthew C. Alvarez, Esq.

Dated: September 15, 2015

Bradley W. Hertz, Esq.

Attorneys for Petitioners and Plaintiffs ANTELOPE VALLEY HOSPITAL,

A FACILITY OF ANTELOPE VALLEY

HEALTHCARE DISTRICT; and ANTELOPE VALLEY HEALTHCARE

DISTRICT

VERIFICATION

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I have read the foregoing Verified Petition for Writ of Mandate and Complaint and know its contents.

I am one of the attorneys for Petitioners and Plaintiffs ANTELOPE VALLEY HOSPITAL, A FACILITY OF ANTELOPE VALLEY HEALTHCARE DISTRICT; and ANTELOPE VALLEY HEALTHCARE DISTRICT, parties to this action.

Such parties are absent from the county of aforesaid where such attorneys have their offices, and I make this verification for and on behalf of those parties for that reason.

I am informed and believe and on that ground allege that the matters stated in the foregoing document are true.

Executed this 15th day of September, 2015 at Lancaster, California.

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

Bradley W. Hertz