LAW OFFICES OF MARK D. HUDAK

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March 7, 2018

Via Email

Jack Hickey 243 Ferndale Way Redwood City, CA 94062

Re:

Public Records Act Request

Dear Mr. Hickey:

This letter responds to the request you made under the Public Records Act to the Sequoia Healthcare District (the "District") on February 27, 2018.

You have requested (a) all communications between District personnel and Kim Manolius of the Hanson Bridgett law firm; (b) all communications between District personnel and Paul Mitchell of Political Data, Inc., and (c) copies of contracts between the District and Mr. Manolius and Mr. Mitchell.

As you are aware, Hanson Bridgett was retained after the District was threatened with a legal action under the California Voting Rights Act. That matter has not been settled and remains a threatened litigation matter. Communications between a public agency and outside litigation counsel are within the attorney-client privilege and are therefore exempted from the Public Records Act. See, Government Code Section 6254(k). This exemption extends to the fee agreement between the public agency and the law firm. See, Business & Professions Code Section 6149 (a written fee agreement is deemed to be an attorney-client communication).

Invoices from a law firm are also within the attorney-client privilege, to the extent that they disclose the attorney's strategy, research, conclusions, and other privileged material. During the litigation, or until threatened litigation is resolved, the invoices are exempt from disclosure. Once a litigation matter is concluded, portions of the invoices may be subject to disclosure. See, *Board of Supervisors of Los Angeles County v. Superior Court.*

With respect to the exercise of the attorney-client privilege, California subscribes to the "entity" concept, that is, the entity is the holder of the privilege, not an individual director or officer. See Rule 3-600 of the California Rules of Professional Conduct. In this situation, the District is the holder of the attorney-client privilege. Only the Board of Directors can waive the privilege. Your status as a Director does not provide you with access to privileged materials under the Public Records Act.

In addition to the attorney-client privilege exemption, the Public Records Act exempts preliminary drafts, notes, and memoranda that are not retained in the ordinary course of business, if the agency's interest in withholding these documents clearly outweighs the public's interest in disclosure. Government Code Section 6254(a). The purpose of this exemption is to provide a measure of privacy for writings concerning pending agency action. The exemption protects the decision-making process by allowing frank discussion of legal or policy matters that might be inhibited if subjected to public scrutiny. *Times Mirror v. Superior Court* (1991) 53 Cal. 3rd 1325; League of California Cities, *The People's Business – A Guide To The California Public Records Act*, Chapter 4, "Drafts."

Taking these principles into account, the District will produce or not produce the requested records as follows:

<u>Communications Between District Personnel and Kim Manolius</u>. These communications fall within the attorney-client privilege and are therefore exempt from disclosure. These communications also may fall within the exemption provided by Section 6254(a). These records will not be produced.

<u>Fee Agreement with Kim Manolius/Hanson Bridgett</u>. This document is within the attorney-client privilege and is exempt from disclosure. It will not be produced.

Agreement with Paul Mitchell/Political Data, Inc. Political Data was not retained by the District. The firm was retained by Hanson Bridgett as a consultant. Consequently, there are no District records responsive to this request.

<u>Communications with Paul Mitchell</u>. Most of these communications were made in connection with threatened litigation and, in many cases, included legal counsel. Consequently, they are within the attorney-client privilege and/or constitute attorney work product. To the extent there were direct communications between staff and Mr. Mitchell, these records may fall within the exemption provided by Section 6254(a).

The communications between staff and Mr. Mitchell will be assembled by staff for my review. Any communications that are not subject to the exemptions noted will be provided. The review process is likely to take more than the 10 days normally provided for the processing of a request under the Public Records Act. You will be notified when the review is completed.

Please contact me if you have any questions regarding the foregoing response.

Very truly yours,

MMD Life

Mark D. Hudak

Jack Hickey March 7, 2018

cc: All Directors (via email)

Pamela Kurtzman (via email) Kim Manolius, Esq. (via email)