## **DECLARATION OF ATTORNEY MATTHEW SILVER**

## IN SUPPORT OF THE COUNTY'S RESPONSE TO SUPPLEMENTAL DECLARATION OF MARC ANGELUCCI

- I, Matthew Silver, declare as follows:
- 1. I am an attorney licensed to practice law in the State of California. I am an attorney and partner with the law firm of Silver & Wright LLP ("S&W"), which represents Plaintiff County of Mariposa ("County") in the above-captioned action regarding the parcel of real property known as 5873, 6071 and 6133 CYA Road, Mariposa, California 95338, Assessor's Parcel Numbers 008-140-0210, 008-140-0220, and 008-140-0230 (collectively, "Subject Property") filed in the Superior Court of California, County of Mariposa, case number 10887 ("Receivership Action").
- 2. I submit this declaration in support of the County's Response to Defendant JDC Land Company, LLC's ("JDC") Marc Angelucci's Supplemental Declaration ("Counsel's Supplemental Declaration") filed in connection with the upcoming Informal Discovery Conference in this Receivership Action, set to take place on January 30, 2020 before this Court. I have personal knowledge of all of the facts stated herein. In reference to emails below, I either was on the subject email chain and have first-hand knowledge of the contents of the emails, the emails are S&W's records, including those from my colleague John Fujii, which I have access to and have a basis to know and understand their content given S&W's representation of the County in this Receivership Action. And obviously, I have personal knowledge of the intended meanings and context of my own words in my own emails.
- 3. As part of our duty as co-counsel for the County in this Receivership Action, it is our responsibility to ensure the County's Receivership Action is efficiently and properly handled from inception to completion to ensure the remediation of the Subject Property with the law—the basis of the County's Receivership Action and causes of action therein—and with the Court's orders. We have an obligation to ensure the County's rights are represented and all actions we took were done for the County and to meet our responsibilities. Attendant with this responsibility, myself and other attorneys at S&W have occasion to correspond with the Court's appointed Receiver over the Subject Property. We have occasion to correspond with the Receiver for limited purposes, including to obtain updates on the status of remediation, to put the Receiver in contact with key personnel at the City for such things as

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coordinating code and building inspections or permit reviews and approvals, to coordinate with the Receiver on joint court filings such as stipulations or on hearing dates to account for schedules, and to object to the Receiver's, filings, accountings, or other actions taken. Defendant and his counsel had the same opportunities. We did our best on behalf of our client, the County, to facilitate the Receivership Action to achieve its sole goal: to bring the Subject Property into compliance with the law. It is unfortunate that JDC's counsel, Mr. Angelucci, manipulated statements, removed them from their context, applied his own ill-meanings to them, and then presented them to the Court (in a declaration signed under penalty of perjury) improperly. As is clear if the Court compares the actual emails to Mr. Angelucci's quotes, Mr. Angelucci's declaration attributes several statements to me that I did not say, and clearly distorts the context of those statements. For the statements I did actually make, I am best suited to explain my own intent for those statements. It would be categorically unfair to let an adversary attribute words to me and to John Fujii that we did not make, or false meanings that we did not intend.

- Neither I nor my colleagues have ever had any intention nor taken any steps to conspire, collude, or otherwise knowingly or intentionally take any improper action against JDC or its agents at any point in connection with this Receivership Action. All actions taken in connection with this Receivership Action have been lawfully based in the statutes and other law authorizing the subject receivership, related enforcement efforts, and rights to scrutinize the receivership to ensure timely and effective remediation of the numerous code violations on the Subject Property.
- 5. I have reviewed Counsel's Supplemental Declaration filed in this Receivership Action, which appears to argue, from selectively, incompletely, and inaccurately quoting several phrases out of emails between the Receiver and S&W (or between the Receiver and his agents), that the Receiver collude[ed]" with S&W " against JDC or otherwise, improperly "strategized" with S&W in this Receivership Action. (Counsel's Supplemental Declaration, ¶ 2.) While S&W and the County take extreme issue with the unfounded claims in Counsel's Supplemental Declaration, as well as numerous other legal deficiencies in Counsel's Supplemental Declaration, those arguments will not be raised in this declaration, but rather reserved for the concurrently filed Response to Counsel's Supplemental Declaration—as legal argument and opinion argument are not the proper basis for a fact declaration. However, because numerous emails were taken out of context in Counsel's Supplemental Declaration

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and quoted without the benefit of their complete context, I provide context for the Court here as allowed under California Evidence Code section 356, as only the author of an email can do.

- As a preliminary matter, throughout this Receivership Action, JDC and former and current counsel for JDC have resorted to personally attacking S&W and myself. As all parties and this Court is aware, JDC and its counsel have raised numerous claims with this Court about an unrelated (and unfounded) lawsuit against my firm and have filed documents in this Receivership Action in an attempt to cast bad light on the receivership efforts in this case. JDC's agent and owner, Jerry Cox, takes to social media to further attack and defame S&W for the lawful and proper efforts S&W has made as cocounsel for the County in this Receivership Action. Jerry Cox has even gone so far as to file a frivolous State Bar complaint against me personally, which was completely dismissed by the State Bar as baseless (in addition to the Bar complaint he filed against the Receiver and this Court). While such heavy-handed scare tactics can unfortunately be par for the course in litigation (but of course should not be the case), to state that I have frustration with these personal attacks would be fair. Such frustration has never impacted my or my firm's ability to properly and legally handle this Receivership Action, but of course, sheds light on the correspondences in this Receivership Action, including some of the selectively quoted language of mine in Counsel's Supplemental Declaration. I place tremendous value on my own character and integrity, which is why I have spent my career trying to protect and improve communities, and, as such, am insulted by the tactics employed against me and my colleagues within the firm and at the County, who are good honest people. It is unfortunate that people who clearly have an agenda, which I would suggest are negative and improper, and a defendant who has been found by this Court to have violated so many laws, feel it is proper to libel and slander people who are well intended, including myself and Mr. Fujii. It is perhaps a sad byproduct of bigger problems facing our country.
- 7. As a further preliminary matter, often in communications with counsel for JDC I faced significant hurdles in reaching any amicable solution to the matter at hand. Email communications often resulted in JDC's counsel's personal attacks against me or the firm I work for and constant roadblocks to the County's efforts at ensuring the remediation of the Subject Property. For this reason and the general hostile nature of the litigation tactics of JDC and its counsel, I believed it was not helpful and was counterproductive to include JDC's counsel on some communications with the Receiver. Other e-

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1 mails were simply about innocuous items as scheduling and permits and did not involve other parties. My concern was that JDC's counsel would attempt to twist my words or make issues out of nothing, and thereby increase the time and costs of the receivership due to fighting over email correspondence ultimately resulting in some frivolous filing against the County based on JDC's concocted claim of wrongdoing. The irony of this is that my efforts to protect the receivership on behalf of the County is now being challenged by JDC in Counsel's Supplemental Declaration, and they are proving my prediction correct that JDC and its counsel would misuse them in their effort to contact a conspiracy theory.

- Furthermore, it should be noted that none of the emails or language used by the Receiver, which are selectively quoted in Counsel's Supplemental Declaration (or any of his language, opinions, or other positions), did S&W or does S&W support, nor are we responsible for the language or statements of someone else, here the Receiver. We do not ascribe to or otherwise share in the personal views or statements of the Receiver.
- As discussed below, a thorough and in-context review of the key emails Counsel's Supplemental Declaration relies upon in his attempt to make a claim of collusion or other wrongdoing shows that S&W was doing nothing more than advocating for the County, advocating for justice finally to be achieved through bringing the Subject Property into compliance with the law and this Court's orders, and ensuring the efficient and proper progress of the Receivership Action. Although it is timeconsuming to prepare this detailed response, I feel it is very important to set the record straight on every misrepresentation made in Mr. Angelucci's declaration.

## Emails between S&W/County's Attorneys and Court's Receiver

10. On Monday, July 2, 2018, a colleague of mine at S&W who is co-counsel on this matter, John Fujii, emailed the Receiver to obtain an update on the progress of the case. (See Counsel's Supplemental Declaration, Ex. A, p. 2.) The purpose of such emails are to ensure that the Receivership is moving along timely and that no unnecessary delays occur especially given the often dangerous conditions of the properties in receivership. S&W does not and has not directed the Receiver to take any actions unless authorized by the Court.

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- 11. On Monday, January 14, 2019, John Fujii emailed the Receiver to circulate a proposed order concerning the January 7, 2019 hearing. Under the California Rules of Court, circulating such proposed order is required and there is no directive that any email correspondence to circulate the order must include all parties in the same email. As stated in the email itself by my colleague, he sought the Receiver's input first so he could send counsel for JDC a copy after the draft order was already approved and in final on the County and Receiver's end. His efforts were to coordinate and streamline the review process for the proposed order so no unnecessary emails and work would be done in finalizing the proposed order. (See Counsel's Supplemental Declaration, Ex. A, p. 3.)
- 12. Between March 19, 2019 and May 21, 2019, the Receiver and I corresponded about the State Bar complaints that Jerry Cox had filed against the Receiver as well as against me given that the complaints arose out of the actions taken in this Receivership Action. The intention of my email correspondence was to confirm the status of the Bar complaints, as is clear from the email itself. On May 1, 2019, I sought the status of the Bar complaint against the Receiver. On May 21. 2019, I advised the Receiver that Jerry Cox had filed a Bar complaint against me arising out of the Receiver's repair costs for the code violations at issue in the Receivership Action, which of course are the duty of the Receiver, not me or the County. (See Counsel's Supplemental Declaration, Ex. A, pp. 4–6, 64.) When I was advised that the Bar Complaint against the Receiver has been dismissed, I responded, "Good! Congrats" given that a Bar Complaint is a serious matter and I knew it would be a relief for the Receiver to have been exonerated of the complaint. (See Counsel's Supplemental Declaration, Ex. A, pp. 72–73.) I don't even understand how this statement of good will could be construed as negative. Good will and professionalism, even with adversaries, used to be more common, and perhaps Mr. Cox owes apologies to all of us parties he falsely accused in the State Bar complaints.
- 13. In May of 2019, Mr. Fujii of S&W corresponded with the Receiver to find a mutually agreeable date for a hearing on the County's and the Receiver's motions for sanctions. (See Counsel's Supplemental Declaration, Ex. A, pp. 7–9.) The purpose of the coordination was to ensure less costs to the parties and the receivership, so coordinating joint dates reduces costs. And while I can neither opine on, nor do I agree with, whatever the Receiver intended in his email correspondence on May 23, 2019 about what party should be held liable for sanctions and who should be responsible for paying sanctions

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(Counsel for JDC or Jerry Cox), I will add that we did not comment in response or give an opinion on that topic and only sought mutually agreeable dates for a hearing in response, which would also be provided to counsel for JDC for his input. Moreover, the Court ordered the Receiver and our office meet and confer on the sanctions motion hearing date. (See Counsel's Supplemental Declaration, Ex. A, pp. 10–11.) In connection with this correspondence, the Receiver also provided us clarification on the costs of the receivership on his own accord. (See Counsel's Supplemental Declaration, Ex. A, p. 12.)

- 14. On August 20, 2019, my colleague John Fujii reached out to the Receiver to request a short continuance of the hearing on the Receiver's proposed sale of the Subject Property given that the County was going into closed session with the County's Board of Supervisors (the next available meeting) to get guidance on the Receiver's proposed sale a day after the hearing. The Receiver responded: "I'd like to agree to this but I am definitely worried about Cox and shenanigans. Seems like the Court should approve this sale no matter how the funds are allocated." The Receiver then offered to continue the hearing and advise the Court of the possible need for another hearing depending on the direction provided by the County's Board of Supervisors. (See Counsel's Supplemental Declaration, Ex. A, p. 27.) While I cannot speak for what the Receiver intended to mean, S&W interpreted the Receiver's response, including the comment about "Cox and shenanigans," to mean the Receiver did not want to delay the Court's decision on his proposal given that Jerry Cox might try to block or stall the sale and had made inaccurate representations to the Court about funds and other supposed buyers, which was in the interest of the receivership to resolve.
- 15. On or about September 12 and 13, 2017, my office corresponded with the Receiver about a case involving the Mosher Road property. (See Counsel's Supplemental Declaration, Ex. A, p. 22.) This is a property that is also owned by JDC, and also contained nuisances/code violations, but is otherwise unconnected to the Subject Property. However, the County requested our assistance since JDC had violated a Stipulated Judgment in a nuisance abatement case handled by the County with respect to that property. Our office had been vetting the Receiver's ability to remediate this Mosher Road property in order to possibly seek a receivership since there would be cost savings, as the Receiver was already familiar with JDC's properties, the geographic region, and receivership work involving JDC's properties. However, despite the fact that JDC violated its own stipulation and the Court's Judgment in that case,

we did not pursue enforcement in order to focus on this one case. This correspondence did not concern the Subject Property, and provides no basis in support of any claim of collusion.

16. In October of 2017, I confirmed with the Receiver his plans on the other structures on the Subject Property as required in the County's Notice and Order to Repair or Abate in addition to those required to be demolished. (See Counsel's Supplemental Declaration, Ex. A, p. 36–45.) I put him in touch with the appropriate County inspector should he need input from the County on which structures to be addressed, and the County inspector provided input to him. (*Id.*) I further confirmed the County's position that a licensed engineer review all structures to provide a recommendation, and that the Court's prior order restricted access to the Subject Property to the Receiver and his agents. (*Id.*) In the course of these correspondences, the Receiver gave his opinion and his recommendation that would be made to the Court, and his position that he, the Receiver, "lost confidence in Mr. Cox's trustworthiness." (*Id.*) Again, I cannot fully know the Receiver's intentions in this statement, but interpreted it to relate to the Receiver's statements to the Court alleging that Mr. Cox had not met certain obligations and had been doing things on the Subject Property contrary to the Court's orders.

17. In April of 2018, the Receiver and I corresponded about a joint stipulation to be filed in the Receivership Action and the County's edits to his draft. (See Counsel's Supplemental Declaration, Ex. A, pp. 46–48.) Obviously, there is nothing improper about seeking to stipulate where possible, and it was understood the Receiver was attempting to coordinate between the parties in this effort. I made it clear the edits were to ensure the Receiver was monitoring compliance and exercising his duties under his appointment order. (*Id.*) I also understood from that same correspondence that the Receiver was also separately obtaining comments from counsel for JDC when he stated: "see attached draft. It edits the last version [JDC's former attorney] Imran [Khaliq] signed off on . . . ." (*Id.*) In that correspondence, I specifically requested "please don't forward my email" to JDC's counsel with the edits I proposed because "I still need[ed] to confirm with the County, which [I'd] do once we have their edits, if any." (*Id.*) Counsel's Supplemental Declaration attempts to distort my comment of "please don't forward my email" into something improper, when I was am in fact, only waiting to obtain confirmation from the County on the edits to a proposed stipulation being circulated to the parties. (See Counsel's Supplemental Declaration, ¶ 2, Ins. 5–6, 20-22.)

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18. In May of 2018, I reached out to the Receiver two times to seek his confirmation on presenting actual bids to the Court on remediation (as requested by the Court) and how he can prove he required \$18,000.00 for initial remediation. (See Counsel's Supplemental Declaration, Ex. A, pp. 49– 50.) My intention to ensure the Receiver was performing his due diligence requirements complied with the Court's specific directives to keep the Receivership matter moving along without additional delays. The County had felt there were some months where the Receiver did not make much progress.

19. In June of 2018, the County reached out to the Receiver because County staff were contacted by Jerry Cox for permit information on the Subject Property and he was requesting a meeting, and therefore, the County wanted to confirm if Jerry Cox had been authorized to act on behalf of the Receiver, e.g., call on the Receiver's behalf, and for transfer of information to go through the Receiver. (See Counsel's Supplemental Declaration, Ex. A, p. 52.) The Court had previously ordered the Receiver to obtain permits, bids, and perform the work, so it seemed the Receiver should be notified of Jerry Cox's contact with the County, and that the Receiver should be carrying out his duties under the Court's Appointment Order. The Receiver responded that Jerry Cox was "unbelievable" and confirmed he would "write and clarify" with Jerry Cox the rules, which I interpreted to mean the rules that the Receiver is in charge of the Subject Property and that the County should be contacted by the Receiver or his agents, per the Court's Order. The day prior, the Receiver had questions about a plan that waste management and the County required for wood scraps on the Subject Property (presumably to avoid fire hazards, a massive fire having just occurred in the County), and apparently he needed some information from the County on the plan submittal, and stated that he "deleted Mike and Steve in case you want to react to all this without bringing them in on it." (Id. at p. 51.) Again, I cannot speak to the Receiver's intent with this statement or why he did that, but I understood it to mean that he desired more information on something or other.

20. In July of 2018, I followed up with the Receiver to obtain an update on his notice of default that would be recorded on the Subject Property that the Receiver had brought to the County's attention, and I believe the Court's attention before. My understanding is that the notice of default pertained to the Receiver's lender's foreclosure on the Subject Property due to the maturity of their lien/receiver's certificate (that we understood the Court had authorized pursuant to a prior motion of the Receiver).

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This was the Receiver's lien/certificate and his lender. We were not involved with obtaining it, or its terms, nor had any control over it. This was the Receiver's responsibility per the Court's Orders. Whether any action was taken on the Receiver's lender's notice of default was important to know since it would affect the Receivership Action and the County's rights and remedies. (See Counsel's Supplemental Declaration, Ex. A, pp. 53, 68.) The Receiver responded on his staff's efforts on the notice of default and brought up the fact that Jerry Cox had been playing games with the Receiver and this property, and noted "his 'game' will end with a foreclosure sale." (Id.) As with all the Receiver's statements, I cannot know his intentions with this statement, but I interpreted it to mean that the Receiver's lender was pursuing their foreclosure since the obligation on the lender's note apparently was not being paid per the Receiver and his reports to the Court.

## Emails from Receiver to S&W/County's Attorneys

- 21. On August 17, 2017, the Receiver forwarded me an email entitled: "Fwd: Bronz Huntington would like your support" and noted. "fyi, first time we've had a fund me defense. He really is a piece of work." (See Counsel's Supplemental Declaration, Ex. A, p. 54.) While I cannot opine on, and do not know, why the Receiver sent this email to me or what the Receiver specifically meant in his statement, I understood his statement as referring to the fact that Bronz Huntington, which I understand is an alias for Jerry Cox, had set up a "Go Fund Me" or similar account. This was the Receiver's email, and his statements. I am unsure how or why JDC's counsel interprets the Receiver's quoted language that "He really is a piece of work" as referring to an insult against Jerry Cox as claimed in Counsel's Supplemental Declaration, paragraph 2, lines 8, 15. Regardless, I did not make this statement or support it.
- 22. In August of 2017, the Receiver and I corresponded about the Broker Price Opinion for the Subject Property that he had obtained from brokers in the area. (See Counsel's Supplemental Declaration, Ex. A, p. 55.) He thanked the County for the contact, and I wanted to confirm on behalf of the County whether rehabilitation was feasible in terms of the Receiver's ability to perform the work as the Court had ordered, while also ensuring the County's statutory and Court-ordered cost recovery could be reimbursed to the County from the Subject Property. I also wanted to obtain an update on the timing of the Receiver moving forward with filing his motion for funding for the receivership, as again, the

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23. In September of 2017, the County received a threat from JDC's agent, Jerry Cox. I thus sent an email to counsel for JDC and the Receiver notifying them of the threat received, asking that it stop, and that the County would be notifying the Court. (See Counsel's Supplemental Declaration, Ex. A, p. 61.) I further explained the actions violate the Court's order and is a criminal offense. In response, the Receiver responded solely to me—in what I interpreted as an act of empathy—thanking me for weighing in on the issue. The Receiver then further made a comment about Mr. Cox, which Mr. Angelucci's Supplemental Declaration wrongly attributes to me as having said. The Receiver, not me, said: "What a fool for admitting he was on the property with his cronies after they were barred from being there." (See Counsel's Supplemental Declaration, ¶ 2, ln. 16–17, and Declaration, Exhibit A bates pp. 61-62.) I did not say this or engage with it, but merely responded, "unbelievable" and confirmed I might have to seek contempt or other action if the threats did not stop on behalf of the County. (See Counsel's Supplemental Declaration, Ex. A, p. 62.) The Receiver responded (again, which Mr. Angelucci's Supplemental Declaration wrongly ascribes to me as having said), "Understood. Let's not make a martyr out of him, though." (Id.) I did not make this statement, and cannot opine on the Receiver's intentions in this statement. As the Court can see, despite even threats being lobbed at the County and me, I notified all parties in a professional manner, and even when I received a separate email from the Receiver, I again responded in a factual and professional manner. There were other such instances of abusive and unprofessional comments made by Mr. Cox and JDC's Counsel towards the County and me, but I tried to keep it professional and not further bog down the Court with these issues.

24. On October 11, 2017, the Receiver reached out to me to give an update on his correspondence and conference with counsel for JDC and to confirm what occurred at a hearing in the Receivership Action based on counsel for JDC's summary of what occurred. (See Counsel's Supplemental Declaration, Ex. A, pp. 23–25.) While I cannot opine on the intent of the Receiver's email and the language used, I understood it as him making sure the parties were in agreement with what was discussed at the referenced hearing and also checking in with the County's position if JDC made an offer to remediate the Subject Property or return to the property. I told him I appreciated the update, confirmed

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1 that the County would oppose Jerry Cox returning to the Subject Property and that it was prohibited by Court Order. (See Order Appointing Receiver, Entered July 17, 2017, p. 5 ¶1 and 2, p. 3 ¶1.) I also advised that he should be in touch with the County's official before submitting any plans because he knew what buildings needed to be demolished and which could be saved, which would "save considerable funds." (See Counsel's Supplemental Declaration, Ex. A, pp. 23-25.) The goal of the County and one of our obligations to the County was and is to minimize costs where possible (ultimately being taxpayer funds), which also benefits JDC.

- 25. In October of 2017, the Receiver was in touch with counsel for JDC about whether and where Jerry Cox could live during the receivership, and the Receiver forwarded me that communication to confirm the County's position. (See Counsel's Supplemental Declaration, Ex. A, pp. 33–35.) I sought clarification and also put him in contact with the appropriate County official (the Building Official) concerning the structures required to be demolished and which could be rehabilitated. (Id.) That input and determination had to be provided by County building officials, not me. Again, I specifically deferred to the Receiver on sorting out issues with the County on permitting and the like, as the law vests those County officials with the duty and authority to make those decisions. I was merely trying to help with bringing the Subject Property into compliance, and to put the Receiver in touch with the right official.
- 26. On November 13, 2017, the Receiver reached out to me again to obtain any input on finding a structural engineer for the Subject Property. (See Counsel's Supplemental Declaration, Ex. A, p. 26.) Such correspondence is routine in receivership actions since often public agencies may be aware of some local competent professionals. I interpreted the Receiver's comment on "open to any thoughts on how to proceed" as seeking input on structural engineers known to the County who perform good work in the area, knowing the Receiver was not from the area, and with Mariposa being relatively rural, it appeared the Receiver was seeking assistance in finding local professionals, and I was hoping local professionals would also help reduce costs. Of course, we did not vouch for anyone or direct he use anyone specific, but merely passed along a name.
- 27. In advance of a October 2018 meet and confer session among the parties and Receiver, the Receiver mistakenly responded to the wrong email chain, which is a common human error. I had asked him for a preliminary call with the County to go over the County's concerns in advance of a litigation

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1 meet and confer, and instead of responding to my email, he accidentally responded to the entire group. So I let him know of the mistake, and let him know that there was "no point in respond to them on the issue [of the wrong issue, since] it'll only flag [his mistake]". (See Counsel's Supplemental Declaration, Ex. A, p. 58.) I did not want to embarrass the Receiver by highlighting his mistake, as that would be unprofessional. Contrary again to Mr. Angelucci's concocted conspiracy theory, my email was only meant to help the Receiver avoid embarrassment from his mistaken email. (See Counsel's Supplemental Declaration, ¶ 2, ln. 25.) This used to be called professional courtesy, but apparently no good deed goes unpunished. I was and am very aware and sensitive to the fact the JDC and his counsel will try to find any way to make the County or Receiver look bad for nothing, and was hoping to protect the County and the receivership and its funds, by avoiding an unnecessary and unwarranted fight on the mistaken email. Indeed, as a joke (and in retrospect, misplaced humor, and for which I take full responsibility), I responded to the Receiver's apology that he did not realize the whole chain was included on his email, "get ready now for the conspiracies." (See Counsel's Supplemental Declaration, Ex. A, p. 59.) Sadly, that has proven true. The Receiver acknowledged my concern, "true enough" but made it clear he would have "been happy to have the same prep call with him before the meet and confer. Mainly I wanted to frame the issues for discussion." (Id.) It is common practice among attorneys, and often encouraged or ordered by Courts, to attempt to resolve issues and perhaps reach stipulations on issues in advance of a Court hearing. This was the intention of these "meet and confers."

28. In November of 2018, the Receiver and I corresponded about the broker's commission rate for the sale of the Subject Property. (See Counsel's Supplemental Declaration, Ex. A, p. 60.) I raised a concern of the County's to the Receiver—that the compensation seemed a bit high and that "the County recognizes this is the receiver's process, and doesn't involve the County, but [we do] want to ensure the rate to the broker is competitive to keep the costs down." My intention in advocating for the County on this was to ensure the receivership is cost effective, the Receiver is seeking competitive pricing and preserves funds as much as possible to benefit all parties, especially JDC. Even though the Receiver answers to the Court, and JDC (who repeatedly has demeaned me and my firm) would ultimately be responsible for the Receiver's costs, I felt an obligation to notify the Receiver when we felt his costs or his agent's costs were too high. We've similarly notified this Court on disagreements with the

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**Receiver's costs in the past**. This email is but one example where the County and I disagreed with the Receiver. Disagreements with the Receiver are not unusual, and clearly contradicts Mr. Angelucci's claim that there was some "collusion" or a "conspiracy".

29. In January of 2019, the Receiver and my office exchanged correspondence relating to possible contractors for the work to be done on the Subject Property. (See Counsel's Supplemental Declaration, Ex. A, pp. 28–32.) On behalf of the County I stated:

The County has no position on who you use to bring the property into compliance (per your motion, assuming defendant funds your work). The County would **just oppose** it being the defendant since that would completely undermine the purpose of a receiver being appointed and charged with doing the work. It's your motion and call, but it's questionable whether proffering any opinion on who you'd use to do the work, assuming funding, is necessary or relevant at this point.

[Emphasis added; at p. 32.] As consistently maintained, neither the County nor I or my colleagues have (or even could) direct the Receiver on what to do, but instead have and will advocate on behalf of the County for the proper and speedy remediation of the Subject Property and for the Receiver to comply with the Court's Orders and law. And like other emails referenced herein, this email shows our disagreement with the Receiver (the exact opposition of "collusion" or "conspiracy"), and ultimately, recognition that the Court had ordered Mark Adams, the Receiver, to bring the Subject Property into compliance, and nobody else.

- 30. In May, 2018, I sent emails to the Receiver contesting his costs to remediate the Subject Property and his evidence for this, since I had read the report the Receiver filed with the Court (and served on all parties) and did not see substantiation for his costs, including cash the Receiver stated in the report that he had to advance. (See Counsel's Supplemental Declaration, Ex. A, pp. 49-51.) Since I was not clear on this, I asked him for clarification—again, an innocuous meet and confer.
- 31. Between June 17 and 18, 2019, the Receiver contacted us on a potential issue that would require the County's input concerning the new buyer of the Subject Property—whether the County would be holding the buyer responsible for any part of the cost of this litigation, as state law provides that the costs of the case could, among other options, become a lien on the Subject Property. Because the Receiver was vetting the buyer and trying to respond to the buyer's concerns to close escrow, I

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understood the Receiver's email as asking us what the County's position would be when he asked, "Please advise." (See Counsel's Supplemental Declaration, Ex. A, pp. 13-16; 22-25.) My office and the County Counsel both responded that the County would not be seeking cost recovery or penalties from the buyer, but insisted on deadlines for remediation on the lower storage building. (Id.) The Receiver was solely responsible for and involved in determining whether the Subject Property needed to be sold, to whom, how, etc. Neither the County nor I or my office were involved with that or had control over the aspects of the sale; the Court made determinations on a sale based on the Receiver's motions and in open court after hearing from all parties. The County repeatedly took no position on a sale, as the case was about abating nuisances on the Subject Property, not sale of the property.

- 32. In May 2019, the Receiver and my colleague John Fujii exchanged emails in an effort to meet and confer, as the Court apparently ordered, on the issue of Court-imposed sanctions against Mr. Angelucci. (See Counsel's Supplemental Declaration, Ex. A, bates pp. 7-11<sup>2</sup>.) They discussed hearing dates and whether the Court's sanctions applied to Mr. Angelucci and Mr. Cox or just Mr. Angelucci. (Id.) While I cannot speak to the Receiver's intentions when the Receiver said, he did not want to "chase[] Angelucci" and, "I [the Receiver] vote for just going after Angelucci", our interpretation was that the Receiver was referring to the sanctions being applied to Mr. Angelucci. (See Counsel's Supplemental Declaration, Ex. A, p. 17.) Mr. Fujii also recommended finding a mutually agreeable date and then asking Mr. Angelucci if this date worked for him.
- 33. In October, 2017 and on other dates identified in the various emails in Mr. Angelucci's declaration, the Receiver had questions about the County's permit requirements, contractor requirements, and requirements for remediating the Subject Property or demolishing illegal or substandard structures. Likewise, the County had concerns over some of the Receiver's plans. (See, e.g., Counsel's Supplemental Declaration, Ex. A, pp. 33-45.) These are innocuous and rather dry emails about permitting, contractor requirements, and reiterating the Court's Orders to the Receiver to perform the work. (Id.) In one email that Mr. Angelucci oddly highlights, Mike Kinslow, the County Building Official, reminded the Receiver that he must have a "design professional of record" (a certain type of

<sup>&</sup>lt;sup>2</sup> The exhibits in Mr. Angelucci's declaration are bates stamped at the right-hand bottom of the page, but many page numbers are garbled and unreadable. The citations here are a best effort to refer to those bate stamp numbers.

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qualification) prepare the plans for remediation, to which the Receiver replies essentially that he's not yet ready to discuss doing or funding the work, and Mr. Kinslow responds, "Understood. Thanks Mark!" (See Counsel's Supplemental Declaration, Ex. A, pp. 42-43.) Again, Mr. Angelucci tries to twist this into some type of conspiracy or wrongdoing, but it's simply a discussion on compliance and permitting requirements, and that the Receiver was ordered by the Court to do that.

- 34. There are other emails included as exhibits in Mr. Angelucci's declaration; however, these are not the focus of his declaration or claims, and are totally innocuous like the emails discussed above. Unfortunately, I do not have enough time to respond to each one individually, although I am more than willing to do so should the Court so desire.
- 35. JDC and its counsel have repeatedly claimed that the County's case was a "conspiracy" against Mr. Cox. This is untrue and directly contradicted by the evidence. If anything, my emails, those from my colleagues, and the County's emails to the Receiver prove that the County just sough nuisance abatement, compliance with the law, compliance with the Court's Orders and encouraging the Receiver to do so, along with other lawful remedies. That the County has held off on enforcing the Stipulated Judgment that JDC/Mr. Cox violated in the Mosher property case is further proof there is no conspiracy against Mr. Cox. Further, there were several disagreements between the County and Receiver along the way, and efforts were made to meet and confer and try to resolve those in the most efficient and professional manner, sometimes unsuccessfully. In many such cases the County stated that position in responses to filings by the Receiver.
- 36. Such were the kinds of routine and innocuous correspondences that occurred between the Receiver and myself, John Fujii, etc. in this Receivership Action. They were made for specific occurrences in this Receivership Action and to support the Receivership Action, to avoid burdening the Court with more disputes when possible, and to reduce costs for all involved.
- 37. Unfortunately, Mr. Angelucci never contacted me, or to my knowledge, Mr. Fujii to discuss or even attempted to meet and confer with us prior to filing this declaration. Had he done so, we gladly would have gone through each of his concerns and explained what is explained here. It is a shame and unfortunate that Mr. Angelucci instead decided to rush to Court, play "gotcha" and attempted to impugn our character, all the while increasing costs for everyone. Obviously, Mr. Angelucci's claims and

allegations against the County, myself, John Fujii and our firm are baseless and shameful. <u>It is our hope</u> that Mr. Angelucci, his colleagues, and client will stop their personal attacks.

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

7 Dated: January 29, 2020

Matthew R. Silver
Co-Counsel for Plaintiff
County of Mariposa