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9 LAURA CRAFTS; WILLIAM ECKARD;
10 LEE HEATHORN; PAT McDONALD;
11 MARTY MILLER; SHARON NARAGHI;
12 KEN PYLE; ELIZABETH STIEFELMAIER;
13 MARK TRUEGE; GEORGE TUREGANO;
14 KEN WILLSON; and ROBERT WUNCE

15 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CRUZ
16 Santa Cruz Courthouse 701 Ocean Street, Santa Cruz, California 95060-4003 (831) 420-2200
17 (Unlimited Jurisdiction — Civil Case)

18 WILLIAM J. PARDUE; MYRON
19 COLEMAN; LAURA CRAFTS;
20 WILLIAM ECKARD; LEE HEATHORN;
21 PAT McDONALD; MARTY MILLER;
22 SHARON NARAGHI; KEN PYLE;
23 ELIZABETH STIEFELMAIER; MARK
24 TRUEGE; GEORGE TUREGANO; KEN
25 WILLSON; and ROBERT WUNCE;

26 Plaintiffs,
27 vs.

28 KURT LIKINS;
29 VERDIE POLIZZI;
30 JOE MAYO; and DOES 1 to 20;

31 Defendants,

32 DICK LOVELACE; HAROLD BROWN;
33 SEVILLA GRANGER; and THE
34 PARADISE PARK MASONIC CLUB;

35 Involuntary Plaintiffs.

ELECTRONICALLY FILED
Superior Court of California
County of Santa Cruz
4/19/2021 3:00 PM
Alex Calvo, Clerk
By: Dajah de los Santos, Deputy

Case No. 21CV01005

COMPLAINT AND REQUEST FOR HEARING

Causes of Action:

- 1st To Determine the Validity of an Election of Directors of a Corporation [Corp. Code, § 7616]
2nd Declaratory Relief

1 Plaintiffs named in the caption above allege:

2 **Identity and Capacity of Parties**

3 1. Each plaintiff named above is a competent adult.

4 2. Each defendant named above is a natural person.

5 3. Each involuntary plaintiff named above, joined herein under the authority of Code
6 of Civil Procedure section 382, is a natural person, except involuntary plaintiff THE PARADISE
7 PARK MASONIC CLUB, a California nonprofit mutual benefit corporation.

8 4. The true names and capacities of defendants sued as DOES are unknown to plaintiff
9 who will amend this complaint when the same is ascertained. At all times herein alleged each of the
10 defendants sued herein as a DOE is responsible in some manner for the harm plaintiff sustained, as
11 herein alleged.

12 5. At all times herein mentioned, some of the defendants were the agent, spouse, servant,
13 and/or employee of some of the remaining defendants and, in doing the things herein alleged, were
14 acting within the course and scope of such agency and employment and with the consent or
15 ratification of their codefendants.

16 **Convenience in Pleading**

17 6. As used in this pleading, the masculine, feminine, or neuter gender, and the singular
18 or plural number, shall include the others whenever the context so indicates.

19 7. Dates (style format of Mmm DD YYYY) alleged herein may be approximate.

20 8. Exhibits attached hereto are incorporated herein by reference.

21 **Jurisdiction**

22 9. This court is the proper court because the corporation which is the subject of this
23 action has its principal place of business here, the election of the board of directors of that
24 corporation took place here, and real property that is the subject of this action is located here.

25 **Claims Statute**

26 10. Involuntary plaintiff THE PARADISE PARK MASONIC CLUB is not a common
interest development (CID). [*See* Civ. Code, §§ 4100, 4190.] Accordingly, this action is not subject

1 to the Davis-Stirling Common Interest Development Act. [Civ. Code, § 4000 *et seq.*] In particular,
2 because this corporation is not a CID alternative dispute resolution [*see* Civ. Code, § 5925
3 (definition)] is not required as a precondition to filing this action under that Act. [*See* Civ. Code, §
4 5930.]

5 **Allegations Made on Information and Belief**

6 11. The following paragraphs of this pleading are alleged on information and belief: 4,
7 5, 10, 12, 13, 14, 15, 17, 22, 23, 24, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, and 45.

8 **General Allegations Applicable to All Causes of Action**

9 12. THE PARADISE PARK MASONIC CLUB (Paradise Park) is a California nonprofit
10 mutual benefit corporation.

11 a. The organization and operation of Paradise Park comes under the jurisdiction
12 of the Nonprofit Mutual Benefit Corporation Law (NMBCL) in the Corporations Code.
13 [Corp. Code, §§ 7110 – 8910.]

14 b. Paradise Park was incorporated on Aug 16 1924 as a domestic nonprofit
15 corporation, California Secretary of State entity identification number C0110493.

16 c. Paradise Park made, qualified for, and maintains an election under section
17 501(c)(7) of the Internal Revenue Code as a club organized for pleasure, recreation, and other
18 non-profitable purposes, to obtain tax exempt status. [26 U.S.C. § 501, subd. (c)(7).]

19 d. Paradise Park’s principal business offices are located in Santa Cruz County
20 at the mailing address of 211 Paradise Park, Santa Cruz, California 95060-7003 with physical
21 address at 211 Keystone Way in the Park.

22 e. Paradise Park owns about 135 acres of land along the San Lorenzo River
23 dedicated to the recreation and enjoyment of its members. A member of Paradise Park in
24 good standing has the exclusive right to use his or her designated allotment, contingent on
25 that member’s compliance with the Paradise Park bylaws governing the corporation.

26 f. A current copy of the bylaws of Paradise Park is attached as Exhibit 1.

g. Paradise Park is governed by a board of directors consisting of five (5)

1 members elected by Paradise Park’s members under the rules set forth in the bylaws. [Ex.
2 1, Bylaws, art. 6, § 1, at pp. 14–15.] In general, the board is charged with making decisions
3 as a fiduciary on behalf of the members.

4 13. Each plaintiff named above is a voting member of Paradise Park in good standing.

5 14. Each defendant named above is a member of Paradise Park.

6 15. Each involuntary plaintiff named above who is a natural person is a member of
7 Paradise Park.

8 16. Section 7616 of the NMBCL, relevant to this action, provides in full as follows
9 [Corp. Code, § 7616]:

10 (a) Upon the filing of an action therefor by any director or member or by any
11 person who had the right to vote in the election at issue, the superior court of the
12 proper county shall determine the validity of any election or appointment of any
13 director of any corporation.

14 (b) In the case of a corporation holding assets in charitable trust, any person
15 bringing an action under this section shall give notice of the action to the Attorney
16 General, who may intervene.

17 (c) Upon the filing of the complaint, and before any further proceedings are
18 had, the court shall enter an order fixing a date for the hearing, which shall be within
19 five days unless for good cause shown a later date is fixed, and requiring notice of
20 the date for the hearing and a copy of the complaint to be served upon the corporation
21 and upon the person whose purported election or appointment is questioned and upon
22 any person (other than the plaintiff) whom the plaintiff alleges to have been elected
23 or appointed, in the manner in which a summons is required to be served, or, if the
24 court so directs, by registered mail; and the court may make such further
25 requirements as to notice as appear to be proper under the circumstances.

26 (d) The court, consistent with the provisions of this part and in conformity
27 with the articles and bylaws to the extent feasible, may determine the person entitled
28 to the office of director or may order a new election to be held or appointment to be
29 made, may determine the validity, effectiveness and construction of voting
30 agreements and voting trusts, the validity of the issuance of memberships and the
31 right of persons to vote and may direct such other relief as may be just and proper.

32 17. Subdivision (b) of section 7616 of the Corporations Code, quoted above, does not
33 apply here, because Paradise Park does not hold assets in a charitable trust. Hence, notice of this
34 action to the Attorney General need not be given.

1 18. The term of the members of the board of directors of Paradise Park lasts for a period
2 of two (2) years. [Ex. 1, Bylaws, art. 6, § 1, at pp. 14–15.] Service on the board is staggered— at
3 present, three (3) elected in even years; two (2) elected in odd years. Elections are held at the annual
4 meeting of the members on the Saturday preceding the fourth of July of each year. [Ex. 1, Bylaws,
5 art. 5, § 1, at p. 13.] In practice, elections are held by submission by members of written ballots.

6 19. The bylaws provide as follows in relevant part [Ex. 1, Bylaws, art. 7, § 3, at p. 16]:

7 **3. PROCEDURE FOR ELECTION OF DIRECTOR** - Prior to the
8 twenty-first (21st) day of February of each year the Board shall appoint a Nominating
9 Committee composed of at least five (5) members. Each Director shall select one (1)
10 member of the Nominating Committee. The Nominating Committee shall elect its
11 own chairperson. The Nominating Committee shall submit to the Board at the March
12 Board meeting a list of nominees, from the Members of PPMC, of not less than one
13 (1) candidate for director for each vacancy on the Board to be filled at the next
14 regularly scheduled Membership meeting. Any Member may submit his or her name
15 in nomination to be elected a director, if presented to the Board at the April Board
16 meeting along with signatures of at least ten (10) percent of the Members. At least
17 thirty (30) days prior to the date on which the annual Membership meeting is to be
18 held, a ballot bearing the names of Members nominated as Directors shall be sent to
19 all Members. At the regular monthly meeting prior to the election, the Board shall
20 appoint three (3) Collective Members known as the Election Committee, who shall
21 supervise the balloting. The Board shall designate the Election Committee member
22 who shall act as Chairperson. The Election Committee shall conduct and supervise
23 the election of Directors, which shall be held at the regularly scheduled annual
24 Membership meeting or by mail prior to this meeting. Depending on the number of
25 vacancies on the Board, the candidate(s) receiving the most votes shall be elected as
26 a member of the Board of Directors for the term prescribed. The newly elected
27 Directors shall take office at the close of the annual meeting.

28 20. Each member is permitted to cast the number of votes equal to the number of
29 nominees needed to replace directors whose term is coming to an end. For example, if the term of
30 three (3) directors is ending, then each member may cast up to three (3) votes for new directors.

31 21. In mid-2020 the 2-year term of board of directors Kurt Likins, Clora Johnston, and
32 Mark Gienger was coming to an end. In February 2020, a Nominating Committee was formed in
33 compliance with the above procedures. This Nominating Committee timely submitted the following
34 list of nominees to the board: Sevilla Granger, Dick Lovelace, Harold Brown, Kurt Likins, William
35 Pardue, and Mark Gienger.

1 22. Without the approval or ratification of the Nominating Committee, the board, as then
2 constituted in about May 2020, added the name of Sam Cannon to the list of nominees sent out to
3 members for vote, despite that Sam Cannon— a so-called “self-nominated” candidate— had not
4 complied with the requirements to become a candidate. Sam Cannon had not presented to the board
5 at the April 2020 meeting a consent to his candidacy signed by at least ten percent (10%) of the
6 members to allow his participation in the elections in compliance with the procedure quoted above.

7 23. As shown in the Paradise Park bulletin later published dated August/September 2020,
8 on Jun 27 2020 at the annual meeting of the members of Paradise Park the following members
9 received the number of votes indicated: Sevilla Granger, 137; Dick Lovelace, 126; Harold Brown,
10 120; Kurt Likins, 110; William (Bill) Pardue, 108; Sam Cannon, 86; and Mark Gienger, 62. A copy
11 of this bulletin is attached as Exhibit 2. These votes were tallied by the election committee
12 appointed for that purpose (not necessarily the same persons as the Nominating Committee).

13 24. Accordingly, the following members who received the most votes were duly elected
14 as directors for the 2020 to 2022 term to replace Kurt Likins, Clora Johnston, and Mark Gienger:
15 namely, Sevilla Granger, Dick Lovelace, and Harold Brown. “The newly elected Directors *shall* take
16 office at the close of the annual meeting.” [Ex. 1, Bylaws, art. 7, § 3, (last sentence; italics added).]

17 25. The names of board members who were not subject to this 2020 election and whose
18 2-year terms were scheduled to end in June 2021 were Verdie Polizzi and Joe Mayo.

19 26. Despite the properly counted election results, under the purported advice of legal
20 counsel attorney Robert E. Bosso, the board existing just prior to the election decided *after the*
21 *election* without good cause and in contravention of the bylaws that the mid-2020 election was
22 “invalid” because of the addition of the name of Sam Cannon to the candidate pool. However, as
23 noted above, Sam Cannon’s candidacy was included *by that very board*, without the consent or
24 participation of the Nominating Committee. The “old” board knew or should have known that Sam
25 Cannon had neither timely nor substantively met the requirements to be “self-nominated”. Any
26 alleged defect in the voting process was thus caused by the “old” board’s own action, which they
later used to claim that the election was defective.

1 27. Under section 7520, subdivision (a) of the NMBCL, the mid-2020 election was
2 presumptively valid because reasonable procedures were used in conducting that election given the
3 nature, size, and operations of the corporation, *despite* the inclusion by the “old” board of a “self-
4 nominated” individual on the ballot who allegedly should not have been included. [*See* Corp. Code,
5 § 7520, subd. (a) (“As to directors elected by members, there shall be available to the members
6 reasonable nomination and election procedures given the nature, size and operations of the
7 corporation.”).] This was not a vote for the president of the United States of America. It was a vote
8 by a *club* to choose those members who were willing to devote their time *gratis* to overseeing the
9 business of Paradise Park. This inclusion was not prejudicial to the process because Sam Cannon
10 did not win the election. There appears to be no guidance re “defective elections” in the NMBCL.
11 There is also no specific clause in the Bylaws of Paradise Park which invalidates an election because
12 of the inadvertent, negligent, or intentional inclusion of a “self-nominated” member on the ballot
13 who did not win the election and who received the second lowest number of votes.

14 28. The “old” board refused to step down at the end of the Jun 27 2020 annual meeting,
15 as required by the Bylaws. They continued to hold meetings, refused to allow the newly elected
16 board members to act, and failed and refused to recognize the authority of the newly elected board
17 members. Sevilla Granger attended board meetings for a time attempting to fulfill her
18 responsibilities, but she was bullied, ignored, and dismissed. She eventually stopped attending.
19 Effectively, the duly-elected new board members were summarily and wrongfully “unseated” by the
20 “old” board.

21 29. The “old” board then called for a new election. Ballots were distributed and gathered
22 and on Aug 21 2020 the votes allegedly tallied with the following purported results: Dick Lovelace,
23 246; Harold Brown, 164; Kurt Likins, 150; William (Bill) Pardue, 107; Sevilla Granger, 104; and
24 Mark Gienger, 26.

25 30. Assuming *arguendo*, without admitting, that a “new” election was even permitted
26 here, this tally of votes from the “new” election creates inherent suspicion concerning its validity
because of, among other factors:

1 a. The total number of votes of the “new” election was 797 compared to 749 in
2 the “old” election, which does not make sense for a non-standard voting cycle election since
3 the number of votes would not increase by a significant margin of six percent (6%).

4 b. It is very unlikely that Dick Lovelace actually received 246 votes since
5 historically few, if any, have ever received such a super-sized number of votes.

6 c. Sevilla Granger purportedly received only 104 votes in the “new” election,
7 yet in the previous mid-2020 election she received by comparison 137 votes, which does not
8 make sense since support for her candidacy did not wane during the 55-day time period of
9 Jun 27 2020 to Aug 21 2020.

10 d. The uncontrolled spread of the CZU Complex lightning fires which
11 commenced on Aug 16 2020 threatened Paradise Park (although did not reach it) which
12 resulted in the Park residents being evacuated just before the votes were counted and which
13 extraordinary incident cut short the period available to submit ballots by voting members.

14 e. Despite challenge and request therefor by some of the plaintiffs named above,
15 the “newly elected” board members failed and refused to permit an audit of the ballots
16 belonging to this purported “new” election.

17 31. The above listed factors lead to a conclusion that mistakes were made in counting the
18 ballots or that ballot tampering may have taken place.

19 32. Even more seriously, however, this “new” election was unauthorized, unnecessary,
20 created confusion and controversy, and was done by a board who, in the end, intentionally fouled
21 the voting process to their own advantage.

22 33. Effectively then, Kurt Likins unreasonably refused to give up his position on the
23 board to Sevilla Granger and thereafter continued to serve *de facto* on the board to the exclusion of
24 Sevilla Granger. Kurt Likins purports to be a current member of the board of directors to this day,
25 but this is in direct contravention of the duly held election on Jun 27 2020.

26 34. The bylaws of Paradise Park provide as follows regarding the removal of a director
[Ex. 1, Bylaws, art. 7, § 6, at p. 16]:

1 **6. REMOVAL OF DIRECTOR** - The members shall have the power to
2 recall a member of the Board, for any reason, including lack of confidence, which
3 must be stated on the petition. If twenty-five (25) percent or more of the members
4 submit a petition in writing to the Secretary of the Board requesting a Director be
5 recalled, the Board shall conduct a recall election by mail within sixty (60) days of
6 receiving the request, provided the original petition was submitted to the Park office
7 and stamped with the beginning date. All copies will then be made from the original
8 and have the same date on them. The elapsed time for submission with signatures
9 must not exceed sixty (60) days following the official stamped date. If the time limit
10 is not met, the petition will not be valid, and the process may be repeated at the
11 option of the initiator of the petition. If a majority of those voting are in favor of the
12 recall of the Director(s), he or she shall be removed from office immediately.

13 35. On Jul 15 2020 two (2) separate petitions were submitted to and received by the
14 secretary of the board (Verdie Polizzi) respectively seeking removal of Verdie Polizzi and Joe Mayo
15 as board of director members. The total number of members at that time was 391. The number of
16 signatures in favor of recall for Verdie Polizzi was 101 (= 25.83% of total) and of recall for Joe
17 Mayo was 114 (= 29.16% of total). A copy of the received-stamped Verdie Polizzi petition (missing
18 a last page with one signature) is attached as Exhibit 3 and of the received-stamped Joe Mayo
19 petition as Exhibit 4.

20 36. Sixty (60) days after Jul 15 2020, on Sep 13 2020, in compliance with the foregoing
21 director recall provisions, a recall election was conducted; however, Verdie Polizzi unilaterally
22 *removed* her name from the recall ballot and sent out ballots for the removal of Joe Mayo only. The
23 time for submission by members of their ballots ended in about October 2020 under this process.

24 37. Despite demand therefor by some of the plaintiffs named above, the illegitimate board
25 which has at all relevant times since Jun 27 2020 acted *ultra vires* of its authority, failed and refused
26 and continues to fail and refuse to deliver to the members or petitioners the results of that recall
27 election. Plaintiffs suspect that the recall was successful as to Joe Mayo, who should have then been
28 “removed from office immediately”. Yet he continues to serve on the board.

29 **Causes of Action**

30 38. Each of the allegations of the causes of action set out below shall be deemed to be
31 incorporated into each other cause of action by reference.

1 39. The following causes of action are set out below and the statements above apply to
2 each:
3 1st To Determine the Validity of an Election of Directors of a
4 Corporation [Corp. Code, § 7616]
5 2nd Declaratory Relief

6 **FIRST CAUSE OF ACTION**
7 **To Determine the Validity of an Election of Directors of a Corporation [Corp. Code, § 7616]**
8 **Against Defendants KURT LIKINS and DOES 1 to 20**

9 40. Corporations Code section 7220 in the NMBCL provides in relevant part as follows:
10 “Except as otherwise provided in the articles or bylaws, each director, including a director elected
11 to fill a vacancy, shall hold office until the expiration of the term for which elected and until a
12 successor has been elected and qualified, unless the director has been removed from office.” [Corp.
13 Code, § 7220, subd. (b).]

14 41. The term for which Kurt Likins was elected *expired* on Jun 27 2020.

15 42. Under Corporations Code section 7616 (reproduced in full above), plaintiffs seek a
16 retroactive determination by this court that the election where the votes were supposedly tallied on
17 Aug 21 2020 was invalid, not authorized, and thus null and void *nunc pro tunc*. Plaintiffs claim that
18 this was an illegitimate election which effectively allowed Kurt Likins to remain a director of
19 Paradise Park beyond the term for which he was duly elected and which ousted the properly and duly
20 elected board member Sevilla Granger.

21 43. Such a determination as soon as possible is appropriate for good and valid reasons,
22 including among others that under Kurt Likins’ assumed leadership many actions have been taken
23 by the board which are oppressive against its members and have damaged the corporation’s
24 reputation in the community and among its members. Litigation against the corporation has
25 proliferated under Kurt Likins’ role as a director. There is thus good cause to invalidate the Aug 21
26 2020 purported “election” forthwith.

 44. Plaintiffs request a hearing date within the next 15 days (more generous than the code

1 allows because of the need to serve all interested parties) or as soon thereafter as possible, as allowed
2 under the NMBCL. [*See* Corp. Code, § 7616, subd. (c) (“five days unless for good cause shown a
3 later date is fixed”).]

4 **SECOND CAUSE OF ACTION**

5 **Declaratory Relief**

6 **Against Defendants KURT LIKINS; VERDIE POLIZZI; JOE MAYO; and DOES 1 to 20**

7 45. An actual controversy has arisen and now exists between plaintiffs and defendants
8 regarding their respective rights and duties. Plaintiffs contend that Kurt Likins, Verdie Polizzi, and
9 Joe Mayo should not be current board members of Paradise Park. These named defendants claim
10 that they are entitled to serve.

11 46. Under Code of Civil Procedure section 1060, plaintiffs seek a judicial determination
12 of their rights and duties and a declaration as to whether plaintiffs’ claim for relief herein should be
13 granted by the court.

14 47. A judicial declaration is necessary and appropriate at this time under all the
15 circumstances so that plaintiffs may determine their rights and duties with respect to the forgoing-
16 described elections.

1 **PRAYER FOR RELIEF**

2 BASED ON THE FOREGOING, plaintiff prays for costs of suit and judgment against
3 defendant for such relief as is fair, just and equitable and, according to proof, for an order:

4 1. Determining that the Aug 21 2020 election was invalid, not authorized, and thus null
5 and void *nunc pro tunc*.

6 2. Forthwith replacing Kurt Likins on the board by Sevilla Granger, and prohibiting Kurt
7 Likins from participating in any decision making by the board.


8 3. Compelling the board to fully disclose to plaintiffs and the members of Paradise Park
9 the results of the recall election and permitting an audit by plaintiffs of those election ballots.

10 4. Determining that both Verdie Polizzi and Joe Mayo were effectively recalled or else
11 ordering them to show cause why their membership on the board should not be immediately revoked
12 and they be removed from office.

13 5. Requiring an election to be held for the removal of Verdie Polizzi.

14 6. Under the authority of Corporations Code section 7616, subdivision (c) set forth
15 above, plaintiffs request that the court or the court clerk fix a date for hearing to be held within about
16 fifteen (15) days, adding 10 days to the 5-day time period set forth in this code section to allow
17 adequate time to properly serve all defendants and involuntary plaintiffs.

18 Dated: April 16, 2021



Craig J. Bassett, Attorney for Plaintiffs

1 **VERIFICATION**

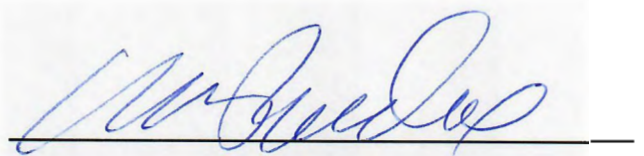
2 STATE OF CALIFORNIA } ss.
3 COUNTY OF SANTA CLARA)

4 I, the undersigned, certify and declare that I have read the foregoing complaint and know its
5 contents.

6 I am one of the plaintiffs named above and thus a party to this action. The matters stated in
7 the document described above are true of my own knowledge and belief except as to those matters
8 stated on information and belief, and as to those matters I believe them to be true.

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

11 Dated: April 16, 2021



William J. Pardue, Plaintiff

EXHIBIT 1

EXHIBIT 2

EXHIBIT 3

EXHIBIT 4

