

**EL DORADO COUNTY BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

**Meeting of  
January 9, 2007**

**AGENDA TITLE:** Amendment II to Agreement #024-S0610 with Crestwood Behavioral Health

<b>DEPARTMENT:</b> Mental Health	<b>DEPT SIGNOFF:</b> <i>John Bachman</i>	<b>CAO USE ONLY:</b> 12/27 <i>C Laura Schwartz</i>
<b>CONTACT:</b> John Bachman, PhD		
<b>DATE:</b> 12/14/2006 <b>PHONE:</b> 621-5106		

**DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:**

The Mental Health Department requests the Board approve and authorize the Chairman to sign Amendment II to Agreement #024-S0610 with Crestwood Behavioral Health to provide services to mentally disordered adults on an "as requested" basis for the Mental Health Department. This amendment is necessary to increase the compensation amount by \$600,000 due to greater than expected use of Crestwood's facilities. The term of this Agreement is for the period of July 1, 2005 through June 30, 2007.

**CAO RECOMMENDATIONS:** *Recommend approval. Laura A. Hill*  
12/21/06

Financial impact? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Funding Source: <input type="checkbox"/> Gen Fund <input checked="" type="checkbox"/> Other
<b>BUDGET SUMMARY:</b>	Other: Managed Care Funding and Realignment
Total Est. Cost _____ \$600,000.00	<b>CAO Office Use Only:</b>
<b>Funding</b>	4/5's Vote Required <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Budgeted                                  \$600,000.00	Change in Policy <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
New Funding                              _____	New Personnel <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Savings*                                    _____	<b>CONCURRENCES:</b>
Other                                         _____	Risk Management <input checked="" type="checkbox"/>
Total Funding                              _____ \$600,000.00	County Counsel <input checked="" type="checkbox"/>
<b>Change in Net County Cost</b>	Other                                    _____

**\*Explain**

**BOARD ACTIONS:**

<b>Vote:</b> Unanimous _____ Or	<b>I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors</b>
<b>Ayes:</b>	
<b>Noes:</b>	
<b>Abstentions:</b>	
<b>Absent:</b>	
Rev. 5/04 ISKW001 Agenda	<b>Date:</b> _____
	<b>Attest:</b> Cindy Keck, Board of Supervisors Clerk
	<b>By:</b> _____

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# EL DORADO COUNTY

## DEPARTMENT OF MENTAL HEALTH ADMINISTRATIVE OFFICE



John Bachman, PhD, Director  
Barry Wasserman, LCSW, Acting Deputy Director  
344 Placerville Drive, Suite 20  
Placerville, CA 95667  
Phone: (530) 621-6200  
Fax: (530) 622-3278

December 13, 2006

Board of Supervisors  
330 Fair Lane  
Placerville, CA 95667

**Subject: Amendment II to Agreement #024-S0610 with Crestwood Behavioral Health**

**RECOMMENDATIONS:** The Mental Health Department recommends the Board approve and authorize the Chairman to sign Amendment II to Agreement #024-S0610 with Crestwood Behavioral Health. The agreement is being amended to increase the compensation amount by \$600,000.00, bringing the total for the two year agreement to \$1,400,000.00.

**REASONS FOR RECOMMENDATIONS:** Crestwood Behavioral Health provides services to mentally disordered adults on an "as requested" basis for the Mental Health Department. The amendment is needed due to greater than expected use of Crestwood's services.

This amendment has been approved by County Counsel and Risk Management, and a copy is on file in the Board Clerk's Office.

The Administrator of this Agreement shall be Thomas Michaelson, Department Analyst.

**FISCAL IMPACT:** The total funding for the amended Agreement is \$1,400,000.00 for the two year period.

**NET COUNTY COST:** None.

**ACTION TO BE TAKEN FOLLOWING APPROVAL:**

1. Board Clerk's Office will forward the executed amendment to the Agreement to the Mental Health Department for further processing.
2. CAO's Procurements and Contracts Division will increase the blanket purchase order.

Respectfully submitted,



John Bachman, PhD  
Director

# CONTRACT ROUTING SHEET

Date Prepared: 11/20/06

Need Date: \_\_\_\_\_

**PROCESSING DEPARTMENT:**

Department: CAO/Proc. & Contracts  
Dept. Contact: Pam Carlone  
Phone #: 5833  
Department  
Head Signature: Bonnie H. Rich  
Bonnie H. Rich

**CONTRACTOR:**

Name: Crestwood Behavioral Health  
Address: P.O. Box 7877  
Stockton, CA 95219  
Phone: 916-471-2244

EL DORADO COUNTY COUNSEL  
2006 NOV 21 AM 10:25

**CONTRACTING DEPARTMENT:** Mental Health

Service Requested: Long Term 24-Hour Special Treatment Program  
Contract Term: Expires 6/30/07 Amendment Value: \$600,000  
Compliance with Human Resources requirements? Yes: \_\_\_\_\_ No: \_\_\_\_\_  
Compliance verified by: \_\_\_\_\_

**COUNTY COUNSEL:** (Must approve all contracts and MOU's)

Approved:  Disapproved: \_\_\_\_\_ Date: 11-21-06 By: Cal Krumm  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

ASSIGNMENT  
DATE: 11-20-06  
ATTORNEY: ELC  
DEPT. INDEX NO.: \_\_\_\_\_  
BY: YSE

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

**RISK MANAGEMENT:** (All contracts and MOU's except boilerplate grant funding agreements)

Approved:  Disapproved: \_\_\_\_\_ Date: 11/22/06 By: J Costello  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

NOV 22 2006

**OTHER APPROVAL:** (Specify department(s) participating or directly affected by this contract).

Departments: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

# ORIGINAL

## AGREEMENT FOR SERVICES #024-S0611 AMENDMENT II

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This Amendment II to that Agreement for Services #024-S0611, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Crestwood Behavioral Health, Inc., a Delaware Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 7590 Shoreline Drive, (Mailing: P.O. Box 7877), Stockton, CA 95219; (hereinafter referred to as "Contractor");

### WITNESSETH

**WHEREAS**, Contractor has been engaged by County to provide long-term 24-hour Special Treatment Program for mentally ill adults (hereinafter referred to as "Clients") on an "as requested" basis for the Mental Health Department in accordance with Agreement for Services #024-S0611, dated July 19, 2005, and Amendment I dated July 11, 2006, incorporated herein and made by reference a part hereof; and

**WHEREAS**, the parties hereto have mutually agreed to increase the compensation by an additional \$600,000.00, hereby amending **ARTICLE III - Compensation for Services**.

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services #024-S0611 shall be amended a second time as follows:

#### **ARTICLE III**

**Compensation for Services:** For services provided herein, County agrees to pay Contractor monthly in arrears. Payment shall be made within thirty (30) days following the County's receipt and approval of itemized invoice(s) detailing services rendered, including the name of Client for which services were provided. County shall reimburse Contractor in accordance with the approved Supplemental Rate for the level of care provided and in accordance with Section 4075 of the Welfare and Institution Code. The Supplemental Rate is based on Facility size and the level(s) of care for which Contractor is authorized to provide and for which Client is certified. For the purposes hereof, the billing rates for the period of July 1, 2005 through June 30, 2006 shall be in accordance with Revised Exhibit "B", marked "Fee Schedule-2005", and the billing rates for the period of July 1, 2006 through June 30, 2007 shall be in accordance with Exhibit "C", marked "Fee Schedule-2006", incorporated herein and made by reference a part hereof.

With respect to any additional services provided under this Agreement as specified under "Scope of Services" hereto, Contractor shall not be paid unless Contractor has received written authorization from County for the additional services prior to incurring the costs associated therewith. Said additional services shall be charged at the rates set forth in Revised Exhibit "B" and Exhibit "C". The total amount of this Agreement, as amended, shall not exceed \$1,400,000.00 for the two (2) year period.

Except as herein amended, all other parts and sections of that Agreement #024-S0611 shall remain unchanged and in full force and effect.

**Requesting Contract Administrator Concurrence:**

By: Tom Michaelson Dated: 11-27-06  
Tom Michaelson, Department Analyst  
Mental Health Department

**Requesting Department Head Concurrence:**

By: John Bachman Dated: 11/28/06  
John Bachman, Ph.D., Interim Director  
Mental Health Department

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IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services #024-S0611 on the dates indicated below, the latest of which shall be deemed to be the effective date of this Amendment.

--- COUNTY OF EL DORADO ---

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chairman  
Board of Supervisors  
"County"

ATTEST:  
Cindy Keck  
Clerk of the Board of Supervisors

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Deputy Clerk

-- CONTRACTOR

Date: \_\_\_\_\_

CRESTWOOD BEHAVIORAL HEALTH, INC.  
A DELWARE CORPORATION

By:   
George C. Lytal, President &  
Chief Executive Officer  
"Contractor"

Date: 12/5/06

By:   
Corporate Secretary

# COPY



AGREEMENT FOR SERVICES #024-S0611  
AMENDMENT I

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This Amendment I to that Agreement for Services #024-S0611, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Crestwood Behavioral Health, Inc., a Delaware Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 7590 Shoreline Drive, (Mailing: P.O. Box 7877), Stockton, CA 95219; (hereinafter referred to as "Contractor");

**WITNESSETH**

**WHEREAS**, Contractor has been engaged by County to provide long-term 24-hour Special Treatment Program for mentally ill adults (hereinafter referred to as "Clients") on an "as requested" basis for the Mental Health Department in accordance with Agreement for Services #024-S0611, dated July 19, 2005, incorporated herein and made by reference a part hereof; and

**WHEREAS**, the parties hereto have mutually agreed to amend the compensation language hereby amending **ARTICLE III – Compensation for Services**; and

**WHEREAS**, the parties hereto have mutually agreed to amend **ARTICLE XVI – Notice to Parties** and **ARTICLE XXIII – Administrator**.

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services #024-S0611 shall be amended a first time as follows:

**ARTICLE III**

**Compensation for Services:** For services provided herein, County agrees to pay Contractor monthly in arrears. Payment shall be made within thirty (30) days following County receipt and approval of itemized invoice(s) detailing services rendered, including the name of Client for which services were provided. County shall reimburse Contractor in accordance with the approved Supplemental Rate for the level of care provided and in accordance with Section 4075 of the Welfare and Institution Code. The Supplemental Rate is based on Facility size and the

level(s) of care for which Contractor is authorized to provide and for which Client is certified. For the purposes hereof, the billing rates for the period of July 1, 2005 through June 30, 2006 shall be in accordance with Revised Exhibit "B", marked "Fee Schedule-2005", and the billing rates for the period of July 1, 2006 through June 30, 2007 shall be in accordance with Exhibit "C", marked "Fee Schedule-2006", incorporated herein and made by reference a part hereof.

With respect to any additional services provided under this Agreement as specified under "Scope of Services" hereto, Contractor shall not be paid unless Contractor has received written authorization from County for the additional services prior to incurring the costs associated therewith. Said additional services shall be charged at the rates set forth in Revised Exhibit "B" and Exhibit "C". The total amount of this Agreement shall not exceed \$800,000.00 for the two (2) year period.

#### **ARTICLE XVI**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO  
DEPARTMENT OF MENTAL HEALTH  
344 PLACERVILLE DRIVE, SUITE 20  
PLACERVILLE, CA 95667  
ATTN: TOM MICHAELSON, DEPARTMENT ANALYST

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

CRESTWOOD BEHAVIORAL HEALTH, INC.  
P.O. BOX 7877  
STOCKTON, CA 95219  
ATTN: GEORGE C. LYTAL

or to such other location as the Contractor directs.

#### **ARTICLE XXII**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is Tom Michaelson, Department Analyst, Mental Health Department, or successor.

Except as herein amended, all other parts and sections of that Agreement #024-S0611 shall remain unchanged and in full force and effect.



**Requesting Contract Administrator Concurrence:**

By: Tom Michaelson Dated: 5-31-06  
Tom Michaelson, Department Analyst  
Mental Health Department

**Requesting Department Head Concurrence:**

By: Barry Wasserman Dated: 5/1/06  
Barry Wasserman, Interim Director  
Mental Health Department

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement #024-S0611 the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 7/11/06

By: *James R. Hooleney*  
Chairman  
Board of Supervisors  
"County"

ATTEST:  
Cindy Keck  
Clerk of the Board of Supervisors

By: *Anthony Taylor* Dated: 7/11/06  
Deputy Clerk

-- CONTRACTOR

Date: \_\_\_\_\_

CRESTWOOD BEHAVIORAL HEALTH, INC.  
A DELWARE CORPORATION

By: *George C. Lytal*  
George C. Lytal, President &  
Chief Executive Officer  
"Contractor"

Date: 6/9/06

By: *[Signature]*  
Corporate Secretary

## REVISED EXHIBIT "B" – FEE SCHEDULE-2005

### Crestwood Behavioral Health , Inc.

Fees effective 7/1/05:

<b>IMD 18-64</b>
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	Basic	Enhanced	Total
Sacramento	133.09	14.00	147.09
	133.09	20.00	153.09
San Jose	154.42	17.00	171.42
Vallejo	133.09	17.00	150.09
	133.09	30.00	163.09
	133.09	50.00	183.09
	133.09	80.00	213.09
Redding GTC	133.09	10.00	143.09
	133.09	20.00	153.09
	133.09	40.00	173.09
	133.09	50.00	183.09

<b>Non IMD 18-64</b>
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Stockton	0.00	25.00	25.00
	0.00	27.00	27.00
	125.32	14.00	139.32
Modesto	0.00	25.00	25.00
	0.00	27.00	27.00
	125.32	14.00	139.32
Fremont GTC	145.06	118.00	263.06
- Neuro Behav		118.00	118.00
- Conversion (requires private room)			257.34
Crestwood Manor Fremont	0.00	28.00	28.00
	0.00	50.00	50.00
Idylwood Care CTR			
- Neuro Behav - Locked		118.00	118.00
		143.00	143.00
- Conversion (requires private room)			257.34
- Neuro Behav - open		75.00	75.00

<b>MENTAL HEALTH REHAB CENTERS</b>
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Sacramento	MHRC	140.00
	Sub Acute	170.00
Vallejo	Level 1	206.00
	Level 2	176.00
	Level 3	156.00
	Level 4	146.00
Angwin	Level 1	200.00
	Level 2	160.00
	Level 3	130.00
Bakersfield	Level 1	170.00
Solano	MHRC	160.00
	Level 2	180.00
	Day Treatment	75.00
Our House		20.00
American River		145.00
Staff psychiatrist rounds - per patient per day		5.00
Fruitridge		115.00
Engle House		210.00
		115.00
Eureka	MHRC 1	145.00
Bridgehouse (Eureka)		120.00
Bridge (Kern)		140.00
Pleasant Hill	Level 1	180.00
	Level 2	160.00
	Level 3	145.00
Pleasant Hill Bridge		100.00

**Geropsych 65+**

	Enhanced	Total
Stockton	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Sacramento	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
San Jose	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Eureka	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Vallejo	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Modesto	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Fremont GTC	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Redding GTC	0.00	0.00
	20.00	20.00
	50.00	50.00
	Special	
Crestwood Manor Fremont	0.00	0.00
	20.00	20.00
	28.00	28.00
	50.00	50.00

## EXHIBIT "C" – FEE SCHEDULE-2006

CRESTWOOD BEHAVIORAL HEALTH, INC.

07/01/06

04/13/06

**TOTAL WITH ENHANCED SERVICES**

IMD 18-64

	BASIC	ENHANCED	TOTAL
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SAN JOSE	183.77	17.00	180.77
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VALLEJO (37 BED)	141.37	17.00	158.37
	141.37	30.00	171.37
	141.37	50.00	191.37
	141.37	80.00	221.37

REDDING GTC	141.37	10.00	151.37
	141.37	20.00	161.37
	141.37	40.00	181.37
	141.37	50.00	191.37

NON IMD 18-64

STOCKTON	0	25.00	25.00
	0	27.00	27.00
		30.00	30.00
	141.37	14.00	155.37

MODESTO	0.00	25.00	25.00
		27.00	27.00
	141.37	14.00	155.37

FREMONT GTC	163.77	118.00	281.77
		118.00	118.00
			257.34

NEURO-BEHAV  
CONVERSION(REQUIRES PRIV ROOM)

CRESTWOOD MANOR FREMONT	0.00	28.00	28.00
	0.00	50.00	50.00
		118.00	118.00

IDYLWOOD CARE CTR		118.00	118.00
	NEURO-BEHAV- LOCKED	143.00	143.00
	CONVERSION(REQUIRES PRIV ROOM)		257.34
	NEURO-BEHAV- OPEN	75.00	75.00

MENTAL HEALTH REHAB CENTERS

SACRAMENTO	MHRC	149.00
	SUB ACUTE	181.00
VALLEJO	LEVEL 1	220.00
	LEVEL 2	188.00
	LEVEL 3	166.00
	LEVEL 4	156.00
ANGWIN	LEVEL 1	213.00
	LEVEL 2	170.00
	LEVEL 3	139.00
BAKERSFIELD	LEVEL 1	181.00
SOLANO	MHRC	170.00
	LEVEL 2	192.00
	DAY TREATMENT	110.00
AMERICAN RIVER		155.00
EUREKA		155.00
PLEASANT HILL		192.00

CRESTWOOD BEHAVIORAL HEALTH, INC.  
07/01/06

06/02/2006

COMMUNITY CARE CENTERS

BRIDGEHOUSE(EUREKA)	120.00
OUR HOUSE	20.00
BRIDGE(KERN)	140.00
FRUITRIDGE	122.00
ENGLE HOUSE	210.00 122.00
PLEASANT HILL BRIDGE	100.00
PLEASANT HILL PATHWAYS	145.00
FRESNO	130.00



GEROPSYCH 65+
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	ENHANCED	TOTAL
STOCKTON	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
SACRAMENTO	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
SAN JOSE	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
EUREKA	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
VALLEJO	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
MODESTO	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
FREMONT GTC	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
REDDING GTC	0	0.00
	20.00	20.00
	50.00	50.00
	SPECIAL	
CRESTWOOD MANOR-FREMONT	0.00	0.00
	20.00	20.00
	28.00	28.00
	50.00	50.00

COPY



AGREEMENT FOR SERVICES #024-S0611

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**THIS AGREEMENT** made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Crestwood Behavioral Health, Inc., a Delaware Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 7590 Shoreline Drive, (Mailing: P.O. Box 7877), Stockton, CA 95219); (hereinafter referred to as "Contractor");

**WITNESSETH**

**WHEREAS**, County has determined that it is necessary to obtain a Contractor to provide long-term 24-hour Special Treatment Program for mentally ill adults (hereinafter referred to as "Clients") on an "as-requested" basis for the Department of Mental Health; and

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

**WHEREAS**, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

**WHEREAS**, County has determined that the provisions of such services provided by Contractor are in the public's best interest, are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

**NOW, THEREFORE**, County and Contractor mutually agree as follows:

## **ARTICLE I**

**Scope of Services:** Contractor agrees to furnish licensed facilities, personnel and services necessary to provide a long-term 24-hour Special Treatment Program for Clients on an "as requested" basis for the Department of Mental Health. Contractor agrees to comply with all applicable provisions of Title 9 of the California Administrative Code.

Contractor's responsibilities shall include, but not be limited to, services set forth in Exhibit "A", marked "IMD Program Description", incorporated herein and made by reference a part hereof.

The County may desire services to be performed which are relevant to this Agreement for services, but have not been included in the Scope of Services listed in the aforementioned Exhibit "A", and Contractor agrees to perform said services upon written request from County. These additional services could include, but not be limited to, any of the following:

- A. Work requested by the County in connection with any other matter or any item of work not specified herein;
- B. Work resulting from substantial changes ordered by the County in the nature or extent of the project;
- C. Serving as an expert witness for the County in any litigation or other proceedings involving the project.

## **ARTICLE II**

**Term:** This Agreement shall become effective when fully executed by both parties hereto and shall cover the period of July 1, 2005 through June 30, 2007.

## **ARTICLE III**

**Compensation for Services:** For services provided herein, County agrees to pay Contractor monthly in arrears. Payment shall be made within thirty (30) days following County receipt and approval of itemized invoice(s) detailing services rendered, including the name of Client for which services were provided. County shall reimburse Contractor in accordance with the approved Supplemental Rate for the level of care provided and in accordance with Section 4075 of the Welfare and Institution Code. The Supplemental Rate is based on Facility size and the level(s) of care for which Contractor is authorized to provide and for which Client is certified. For the purposes hereof, the billing rate shall be in accordance with Exhibit "B", marked "IMD Budget", incorporated herein and made by reference a part hereof.

With respect to any additional services provided under this Agreement as specified under "Scope of Services" hereto, Contractor shall not be paid unless Contractor has received written authorization from County for the additional services prior to incurring the costs associated therewith. Said additional services shall be charged at the rates set forth in Exhibit "B". The total amount of this Agreement shall not exceed \$800,000.00 for the two (2) year period.

#### **ARTICLE IV**

**Confidentiality:** Contractor shall maintain the confidentiality of all records, including billings, together with any knowledge therein acquired, in accordance with all applicable State and Federal Statutes and regulations, as they exist or may thereafter be amended or changed. Contractor, and all Contractor's staff, employees and representatives shall not disclose or use, directly or indirectly, at any time such confidential information, other than in the performance of this Agreement.

Prior to providing any services pursuant to this agreement, all Contractor's employees and volunteer staff of Contractor shall agree, in writing, with Contractor to maintain confidentiality of any and all patient information and records which may be obtained in the course of providing services. The written agreement shall specify that it is effective irrespective of the subsequent termination of Contractor's employees and volunteers. Proof of same shall be provided to County upon request.

The identities of patients and the complete medical records of Clients shall remain the sole and exclusive property of County and shall not be disclosed by Contractor or any of its employees, and are subject to the new electronic transmission format standards required by the Health Insurance Portability and Accountability Act (HIPAA).

#### **ARTICLE V**

**Licensure and Laws:** Contractor shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates, waivers and exemptions necessary for the provision of services hereunder and as required by federal, state and local laws or any other appropriate governmental agency. Contractor shall notify the County Contract Administrator, or Case Management Program Coordinator, immediately in writing of its inability to obtain or maintain, irrespective of the pendency of an appeal, such permits, licenses, approvals, certificates, waivers and exemptions.

Contractor shall comply with all applicable laws, governmental regulations and requirements as they exist now or may hereafter be amended or changed. These regulations shall be deemed to include policies and procedures as set forth in State Department of Mental Health Letters.

#### **ARTICLE VI**

**Non-Discrimination:** Affirmative Action shall be taken to ensure that applicants are employed without regard to, and that employees are treated during employment without regard to their race, religion, color, sex, national origin, age, sexual preference, or physical or mental handicap.

Contractor will not discriminate in the provision of services, the allocation of benefits, or in the accomodation in facilities on the basis of color, race, religion, national origin, age, sexual preference, physical or mental handicap in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C., § 2000 (d) and all other pertinent rules and regulations promulgated pursuant thereof, and as otherwise provided by State law and regulations, as well may exist or hereafter be amended or changed.

## **ARTICLE VII**

**Records:** Contractor shall maintain adequate Client records on each Client placed in Contractor's Facility. Contractor shall maintain individual Client records for all Clients who participate in the long-term 24-hour Special Treatment Program. The individual Client records shall contain the following minimum information:

1. The name of Client;
2. The date of placement of Client in the Contractor's Facility;
3. The level of care as determined by the Level of Care Assessment form;
4. A description of the Client's needs which require long-term 24-hour Special Treatment services;
5. Goals/objectives which relate to the assessed needs of client; and
6. A description of the services/interventions by which the stated goals/objectives will be achieved.

The Contractor is required to see that progress notes are written in the individual Client record at least once weekly. Each entry into the Client record is to be signed and dated by the staff member making the entry.

## **ARTICLE VIII**

**Records Retention:** Client records shall be retained by Contractor for a minimum of seven (7) years. Records which relate to litigation or settlement of claims arising out of the performance of this agreement, or costs and expenses of this Agreement as to which exception has been taken by County or State, shall be retained by Contractor until disposition of such appeals, litigation, claims or exceptions are completed.

## **ARTICLE IX**

**Inspections and Audits:** The County Contract Administrator, or any authorized representative of County, any authorized representative of the State of California, the Secretary of the United States, or any of their authorized representatives shall have access to any books, documents and records, including medical and Client records, of Contractor which any of them deem pertinent to this Agreement, for the purpose of making audit, evaluation, examination and transcripts during the periods of retention set forth in ARTICLE VII hereinabove. The aforementioned persons may at all reasonable times inspect or otherwise evaluate the work and services performed pursuant to this Agreement and the premises in which the work and services are being performed.

## **ARTICLE X**

**Changes to Agreement:** This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

## **ARTICLE XI**

**Contractor to County:** It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

## **ARTICLE XII**

**Assignment and Delegation:** Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

## **ARTICLE XIII**

**Independent Contractor/Liability:** Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

## **ARTICLE XIV**

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

## **ARTICLE XV**

### **Default, Termination and Cancellation:**

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired.

- B. **Bankruptcy:** This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

Upon receipt of Notice of Termination by County, Contractor shall do the following:

1. Comply with termination instructions provided by the County Contract Administrator in a manner, which is consistent with recognized standards of quality patient care and prudent business practice.
2. Obtain immediate clarification from the County Contract Administrator, written or oral, regarding any unsettled or outstanding issues of contract performance.
3. Until the effective date of termination, continue to provide the same level of service required by this Agreement.
4. Until the effective date of termination, County shall continue to pay Contractor for services not in dispute in the manner specified in ARTICLE III, Compensation for Services.

The rights and remedies of County provided in ARTICLE XIV Default, Termination and Cancellation shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

#### **ARTICLE XVI**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

COUNTY OF EL DORADO  
DEPARTMENT OF MENTAL HEALTH  
344 PLACERVILLE DRIVE, SUITE 20  
PLACERVILLE, CA 95667  
ATTN: JENNIFER HAYWORTH

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

CRESTWOOD BEHAVIORAL HEALTH, INC.  
7590 SHORELINE DRIVE  
STOCKTON, CA 95219  
ATTN: GEORGE C. LYTAL

or to such other location as the Contractor directs.



## **ARTICLE XVII**

**Indemnity:** The Contractor shall defend, indemnify and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees and the public, or damage to property or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subcontractor(s) and employee(s) or any of these, except for the sole or active negligence of the County, its officers and employees, or as expressly proscribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

## **ARTICLE XVIII**

**Insurance:** Contractor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability is required with a limit of liability of not less than \$1,000,000.00 per occurrence. For the purposes of this Agreement, professional liability is required.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year.

New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
  - 1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
  - 2. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except worker's compensation and professional liability insurance policies.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either; the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for protection of the County.

## **ARTICLE XIX**

**Interest of Public Official:** No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

## **ARTICLE XX**

**Interest of Contractor:** Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

## **ARTICLE XXI**

**California Residency (Form 590):** All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certify that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

## **ARTICLE XXII**

**Taxpayer Identification Number (Form W-9):** All independent Contractors or Corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

## **ARTICLE XXIII**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is Jennifer Hayworth, Department Analyst, Department of Mental Health, or successor.

## **ARTICLE XXIV**

**Authorized Signatures:** The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

**ARTICLE XXV**

**Partial Invalidity:** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

**ARTICLE XXVI**

**Venue:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

**ARTICLE XXVII**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

**CONTRACT ADMINISTRATOR CONCURRENCE:**

By: Jennifer Hayworth Dated: 6/16/05  
Jennifer Hayworth, Department Analyst  
Mental Health Department

**REQUESTING DEPARTMENT HEAD CONCURRENCE:**

By: Barry Wasserman Dated: 6/18/05  
Barry Wasserman, Interim Director  
Mental Health Department

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 7/19/05

By: Charlie Paine  
Chairman  
Board of Supervisors  
"County"

ATTEST:  
Cindy Keck  
Clerk of the Board of Supervisors

By: Cindy Keck Dated: 7/19/05  
Deputy Clerk

-- CONTRACTOR

Date: 6/29/05

CRESTWOOD BEHAVIORAL HEALTH, INC.  
A DELWARE CORPORATION

By: George C. Lytal  
George C. Lytal, President &  
Chief Executive Officer  
"Contractor"

Date: 6/27/05

By: [Signature]  
Corporate Secretary

**EXHIBIT "A"**  
**INSTITUTE FOR MENTAL DISORDER (IMD) PROGRAM**  
**DESCRIPTION**  
**CRESTWOOD BEHAVIORAL HEALTH, INC.**

Contractor agrees to provide El Dorado County Mental Health with Skilled Nursing Facility (SNF)/Special Treatment Program (STP)/Institute for Mental Disorder (IMD)/Mental Health Rehabilitation Center (MHRC) services to mentally disabled adult persons ages 18-64 pursuant to Welfare and Institutions Code, Division 5, commencing with Section 5000; for IMD patients Title 22 of the California Code of Regulations, Sections 72443-72475; State Department of Mental Health Policies and Directives; and other applicable statutes and regulations.

**I. DEDICATED CAPACITY**

Contractor will provide a total of 3,650 bed-days per year of SNF/STP/IMD/MHRC services to El Dorado County patients under mutually agreed upon admission and utilization with any or all of the following facilities.

Facility:

Crestwood Manor – Modesto  
Q400 Celeste Drive  
Modesto, CA 95355

Crestwood Behavioral Health Center-Solano  
2201 Tuolumne Street  
Vallejo, CA 94589

Crestwood Manor – Stockton  
1130 Monaco Court  
Stockton, CA 95207

Crestwood Behavioral Health Center  
(Bakersfield)  
6600 Eucalyptus Drive  
Bakersfield, CA 93306

Crestwood Behavioral Health Center-Eureka  
2370 Buhne Street  
Eureka, CA 95501

American River Behavioral Health Center  
4741 Engle Road  
Carmichael, CA 95608

Crestwood Geriatric Treatment Center  
(Redding)  
3062 Churn Creek Road  
Redding, CA 96602

Fruitridge Transitional Home  
4256 Fruitridge Road  
Sacramento, CA 95820

Crestwood Manor – Sacramento  
2600 Stockton Blvd.  
Sacramento, CA 95817

Crestwood Center at Napa Valley  
295 Pine Breeze Drive  
Angwin, CA 94508

Crestwood Manor – San Jose  
1425 Fruitdale Avenue  
San Jose, CA 95128

Crestwood Manor – Fremont  
4303 Stevenson Blvd.  
Fremont, CA 94538

Crestwood Geriatric Treatment Center  
2127 Mowry  
Fremont, CA 94538

For the purpose of this Agreement, the term "bed-day" includes beds held vacant for Clients who are temporarily (not more than seven days) absent from a facility.

The bed-day projection is an estimate. Actual bed-day utilization in specific facilities will vary based on the placement of individual Clients.

## **II. PRIOR AUTHORIZATION**

Verbal prior authorization must be obtained from the Director or designated staff of El Dorado County Mental Health before admitting a patient under the terms of this Agreement.

## **III. LICENSING AND CERTIFICATION**

Each facility referenced in this Agreement shall meet the licensing and certification requirements for SNF licensure by the Department of Health Service' Licensing and Certification Division. MHRCs shall meet the licensing and certification of the Department of Mental Health Services' Licensing and Certification Division.

Each facility referenced in the Agreement shall have a State Department of Mental Health STP.

## **IV. BASIC SERVICES**

Basic Services for IMDs consist of usual and customary SNF services plus those services that are included in STPs as contained in Title 22 of the California Code of Regulations, Sections 72443-72475.

STPs are designed to serve Clients who have a chronic psychiatric impairment and whose adaptive functioning is moderately impaired. These Clients require continuous supervision and may be expected to benefit from an active rehabilitation program designed to improve their adaptive functioning or prevent any further deterioration of their adaptive functioning. Services are provided to individual having special needs or deficits in one or more of the following areas: self-help skills, behavioral adjustment, interpersonal relationships, pre-vocational preparation and alternative placement planning.

It is further agreed by the Contractor that Basic Services will also include reasonable access to required medical treatment, up-to-date psychopharmacology, transportation to needed off-site services and bilingual/bicultural programming.

## **V. ENHANCED SERVICES**

Enhanced Services consist of specialized program services, which augment the services of STPs. Enhanced Services are designated to serve Clients who have a sub-acute psychiatric impairment and/or whose adaptive functioning is severely impaired.

CRESTWOOD BEHAVIORAL HEALTH, INC.  
07/01/05

05/04/2005

TOTAL WITH ENHANCED SERVICES

	BASIC	ENHANCED	TOTAL
SACRAMENTO	125.32	14.00	139.32
	125.32	20.00	145.32
SAN JOSE	145.06	17.00	162.06
VALLEJO	125.32	17.00	142.32
	125.32	30.00	155.32
	125.32	50.00	175.32
	125.32	80.00	205.32
REDDING GTC	125.32	10.00	135.32
	125.32	20.00	145.32
	125.32	40.00	165.32
	125.32	50.00	175.32
STOCKTON	0	25.00	25.00
	0	27.00	27.00
	125.32	14.00	139.32
MODESTO	0.00	25.00	25.00
		27.00	27.00
	125.32	14.00	139.32
FREMONT GTC	145.06	118.00	263.06
		118.00	118.00
			257.34
CRESTWOOD MANOR FREMONT	0.00	28.00	28.00
	0.00	50.00	50.00
IDYLLWOOD CARE CTR		118.00	118.00
		143.00	143.00
			257.34
		75.00	75.00



**MENTAL HEALTH REHAB CENTERS**

SACRAMENTO MHRC 140.00  
SUB ACUTE 170.00

VALLEJO LEVEL 1 206.00  
LEVEL 2 176.00  
LEVEL 3 156.00  
LEVEL 4 146.00

ANGWIN LEVEL 1 200.00  
LEVEL 2 160.00  
LEVEL 3 130.00

BAKERSFIELD LEVEL 1 170.00

SOLANO MHRC 160.00  
LEVEL 2 180.00  
DAY TREATMENT 75.00

OUR HOUSE 20.00

AMERICAN RIVER ~~140.00~~ 145.00 92

FRUITRIDGE 115.00

ENGLE HOUSE 210.00  
115.00

EUREKA MHRC 1 145.00

BRIDGEHOUSE(EUREKA) 120.00

BRIDGE(KERN) 140.00

PLEASANT HILL LEVEL 1 180.00  
LEVEL 2 160.00  
LEVEL 3 145.00

PLEASANT HILL BRIDGE 100.00

**GEROPSYCH 65+**

STOCKTON

ENHANCED	TOTAL
0	0.00
20.00	20.00
50.00	50.00

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

SACRAMENTO

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

SAN JOSE

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

EUREKA .

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

VALLEJO

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

MODESTO

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

FREMONT GTC

SPECIAL	
0	0.00
20.00	20.00
50.00	50.00

REDDING GTC

SPECIAL	
0.00	0.00
20.00	20.00
28.00	28.00
50.00	50.00

CRESTWOOD MANOR-FREMONT