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CLERK U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
BY Deputy Clerk

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Attorneys for Tri-City Mental Health Center,
a Municipal Joint Powers Authority

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U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

In re
TRI-CITY MENTAL HEALTH CENTER, a
Municipal Joint Powers Authority,
Debtor.
Tax Id # 95-3775190.

CASE NO. LA 04-13167 BR

Chapter 9

**[PROPOSED] ORDER APPROVING
CONFIRMATION OF THE AMENDED
PLAN FOR THE ADJUSTMENT OF DEBTS
FOR TRI-CITY MENTAL HEALTH CENTER
DATED DECEMBER 12, 2006**

Plan Confirmation Hearing

Date: August 6, 2007
Time: 2:00 p.m.
Place: Hon. Barry Russell
Bankruptcy Courtroom 1668
Los Angeles, CA 90012

ON THE DATE ASCRIBED BELOW, IN THE ABOVE JUDICIAL DISTRICT:

The "Motion For Confirmation Of The Amended Plan For The Adjustment Of Debts For Tri-City Mental Health Center Dated December 12, 2006; Declaration Of G. Michael Milhiser" ("Confirmation Motion") of Tri-City Mental Health Center, a Municipal Joint Powers Authority (the "Debtor," "Tri-City" or "Agency"), chapter 9 Debtor, for confirmation of the Amended Plan for the Adjustment of Debts for Tri-City Mental Health Center Dated December 12, 2006 ("Plan"), and its "Motion for Approval of (1) Change in the Ballot of State of California Department of Mental Health, and (2) Consideration of Late-Submitted

1 Ballot of Zions First National Bank" ("Ballot Motion") came on for hearing on August 6,
2 2007, at 2:00 p.m.

3 The following appearances were made: Dean G. Rallis Jr. and Diane C. Stanfield
4 of Weston Benshoof Rochefort Rubalcava & MacCuish, LLP, on behalf of Tri-City; Irene
5 Tamura, of the Office of the Attorney General for the State of California, on behalf of the
6 California Department of Mental Health; Barry Glaser, of Stephan, Oringer, Richman,
7 Theodora & Miller, P.C, on behalf of the Los Angeles County Department of Mental
8 Health; and Jeffrey A. Krieger, of Greenberg Glusker Fields Claman & Machtinger, LLP,
9 on behalf of Prototypes, Centers for Innovation in Health, Mental Health and Social
10 Services. No other appearances were made.

11 Tri-City, chapter 9 debtor in the above-captioned case, filed and proposed the
12 Plan. This Court, after notice and a hearing, entered the "Order: (1) Approving Amended
13 Disclosure Statement With Respect To Amended Plan For The Adjustment Of Debts For
14 Tri-City Mental Health Center Dated December 12, 2006; (2) Fixing Time For Filing
15 Acceptances Or Rejections Of Plan And Objections To Confirmation; And (3) Scheduling
16 Confirmation Hearing" ("Disclosure Statement Order") approving the Amended Disclosure
17 Statement with respect to the Plan (the "Disclosure Statement"). The Disclosure
18 Statement Order also established and approved, among other things, procedures for the
19 solicitation of votes on the Plan and deadlines for the casting of ballots and the filing of
20 objections to confirmation of the Plan.

21 The State of California, Department of Mental Health ("CAL DMH") filed an
22 "Objection to the Confirmation of the Plan" (the "CAL DMH Objection"). In response to
23 the CAL DMH Objection and based on further discussions between Tri-City and CAL
24 DMH, Tri-City filed its "Modification Of The Amended Plan For The Adjustment Of Debts
25 Of Tri-City Mental Health Center, A Municipal Joint Powers Authority, Dated December
26 12, 2006 Pursuant To 11 U.S.C. § 942 " ("CAL DMH Modification"), which modified the
27 Plan as follows:

28 1. Adding to the end of Section 4.2.4 the following:

1 CAL DMH is informed that, as a result of certain audits conducted by the U.S.
2 Department of Health & Human Services, Centers for Medicare and Medicaid
3 Services, CAL DMH may assert an administrative claim in an amount that may
4 approximate \$3.0 million. If CAL DMH files an administrative claim, the Debtor,
5 without waiving any right to object to such claim, reserves the right to set aside an
6 amount up to the amount set forth in the CAL DMH Administrative Claim from the
7 Net Funds until such time as the CAL DMH Administrative Claim is Allowed.
8 Payment of the Allowed CAL DMH Administrative Claim will be in accordance with
9 the provisions set forth in Section 4.2.2 above.

10
11 2. Adding Section 4.2.5 as follows:

12 Any dispute in regard to the Debtor's rights and interests in and to (i) the CAL
13 DMH Receivable, or (ii) the Debtor's rights to setoff the CAL DMH Receivable
14 against the Allowed CAL DMH Administrative Claim (if any) or the CAL DMH's
15 Allowed General Unsecured Claim shall be resolved by the Bankruptcy Court in
16 the Chapter 9 Case in accordance with the appropriate procedures set forth in the
17 Bankruptcy Code and Bankruptcy Rules.

18
19 In addition to the CAL DMH Modification, based on discussions between Tri-City
20 and LAC DMH, Tri-City requested authority to modify Section 1.54 of the Plan ("LAC
21 DMH Modification, and together with the CAL DMH Modification, the "Plan Modifications")
22 by replacing the phrase "the Effective Date" with the date "February 1, 2008," so that
23 Section 1.54 now reads:

24
25 1.54 **LAC DMH Contract** means a contract (or, collectively, contracts) by,
26 between and among Tri-City, LAC DMH, and CAL DMH pursuant to which Tri-City
27 is to provide outpatient mental health services to Medi-Cal recipients including, but
28 not limited to, Short-Doyle/Medi-Cal recipients, provided that such contract(s)
is(are) entered into no later than February 1, 2008, and effective as of July 1,
2006.

29 In regard to the Ballot Motion, the Court has read and considered the moving
30 papers. Having received no opposition, and good cause appearing, the Court granted
31 the relief requested in the Ballot Motion. A separate order granting the Ballot Motion is
32 concurrently lodged with this order.

33 In addition to the Confirmation Motion, Tri-City filed "Supplemental Declaration Of
34 G. Michael Milhiser In Support Of Debtor's Motion For Confirmation Of The Amended
35 Plan For The Adjustment Of Debts For Tri-City Mental Health Center Dated December
36 12, 2006" ("Milhiser Supplemental Declaration").

1 A hearing regarding confirmation of the Plan was held on August 6, 2007 (the
2 "Confirmation Hearing"). This Court considered the evidence adduced and proffered and
3 the arguments made at the Confirmation Hearing, along with the declarations, notices,
4 briefs and other documents filed in connection with confirmation of the Plan and the
5 record in the above-captioned case. After due deliberation and consideration of all of the
6 foregoing, this Court hereby makes the following findings of fact and conclusions of law
7 pursuant to Rule 7052 and 9014 of the Federal Rules of Bankruptcy Procedure (the
8 "Bankruptcy Rules"). All of the following findings of fact shall constitute findings of fact
9 even if stated as conclusions of law, and all of the following conclusions of law shall
10 constitute conclusions of law even if stated as a finding of fact.

11 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

12 A. Jurisdiction: This Court has jurisdiction pursuant 28 U.S.C. §§ 157(b) and
13 1334(a) over the Chapter 9 Case and over entry of this Order. Matters regarding
14 confirmation of the Plan are core proceedings within the meaning of 28 U.S.C. § 157(b).
15 Venue of these proceedings and the Chapter 9 Case in this District is appropriate
16 pursuant to 28 U.S.C. §§ 1408 and 1409.

17 B. Notice: As established by the declarations of service filed with respect to
18 confirmation of the Plan, due, timely, sufficient and adequate notice of the Plan, together
19 with the deadlines for voting on and filing objections to the Plan, has been given to all
20 known holders of Claims and other parties in interest in accordance with the rules and
21 procedures established by the Disclosure Statement Order, title 11 of the United States
22 Code (the "Bankruptcy Code"), the Bankruptcy Rules, the Local Rules of the United
23 States Bankruptcy Court for the Central District of California (the "Local Rules"), and all
24 other applicable laws, rules and regulations.

25 C. Solicitation: The solicitation by the Debtor and its professionals of votes
26 accepting or rejecting the Plan was conducted in good faith and in compliance with the
27 Disclosure Statement Order, sections 941, 1125, and 1126 of the Bankruptcy Code,
28

1 Bankruptcy Rules 3017 and 3018, and all other applicable provisions of the Bankruptcy
2 Code, the Bankruptcy Rules, and other applicable laws, rules and regulations.

3 D. Ballot Tabulation: As evidenced by the "Analysis Of Ballots For Accepting
4 Or Rejecting Amended Plan For The Adjustment Of Debts Of Tri-City Mental Health
5 Center, A Municipal Joint Powers Authority, Dated December 12, 2006; Declaration Of
6 Dean G. Rallis Jr." (the "Ballot Tabulation Declaration"), the procedures by which Ballots
7 on the Plan were distributed to holders of Claims and were tabulated were fair and
8 properly conducted in accordance with the Disclosure Statement Order, the Bankruptcy
9 Code, the Bankruptcy Rules, the Local Rules, and all other applicable laws, rules and
10 regulations.

11 E. Objections: The CAL DMH Objection has been withdrawn. Issues
12 regarding CAL DMH's purported administrative claim, as described in the CAL DMH
13 Objection, will be adjudicated separately; to the extent that CAL DMH is able to establish
14 a valid and enforceable administrative claim. Such claim, as may be allowed, will be paid
15 as set forth in the Plan, as modified by the Plan Modifications.

16 F. Section 943(b)(1): As required by section 943(b)(1) of the Bankruptcy
17 Code, the Plan complies with all provisions of the Bankruptcy Code made applicable to
18 the Chapter 9 Case by sections 103 and 901 of the Bankruptcy Code. Among other
19 things:

20 1. Section 1122. The classification of Claims under the Plan is
21 reasonable, not discriminatory, and consistent with section 1122(a) of the Bankruptcy
22 Code. This is further evidenced by the entry of this Court's order approving the Plan's
23 classification scheme, which order was entered August 31, 2005.

24 2. Section 1123. As required by and in compliance with sections
25 1123(a)(1), (a)(2) and (a)(3) of the Bankruptcy Code, the Plan (a) identifies the Classes
26 of Claims; (b) specifies the Classes of Claims that are not impaired under the Plan as
27 well as those that are impaired under the Plan; and (c) specifies the treatment of each
28 Class of Claims under the Plan. As required by and in compliance with section 1123(a)(4)

1 of the Bankruptcy Code, the Plan provides the same treatment for each Claim in a
2 particular Class. As required by and in compliance with section 1123(a)(5) of the
3 Bankruptcy Code, the Plan provides adequate means for its execution and
4 implementation.

5 3. Section 1129(a)(2): As required by section 1129(a)(2) of the
6 Bankruptcy Code, the Debtor, as the proponent of the Plan, has complied with all of the
7 applicable provisions of the Bankruptcy Code, including all applicable provisions
8 regarding disclosure and solicitation with respect to the Plan.

9 4. Section 1129(a)(3): As required by section 1129(a)(3) of the
10 Bankruptcy Code, the Debtor has proposed the Plan in good faith and not by any means
11 forbidden by law. The Debtor has proposed the Plan with the legitimate and honest
12 purpose of adjusting the Debtor's debts and maximizing the returns to parties in interest
13 in the Chapter 9 Case, while preserving Tri-City as a viable entity and maintaining Tri-
14 City's ability to provide critical mental health care services to the residents of the Cities of
15 Pomona, Claremont and La Verne and surrounding community. The good faith of the
16 Debtor was established through the evidence adduced and proffered, including the
17 Milhiser Declaration attached to the Confirmation Motion and the Milhiser Supplemental
18 Declaration. Among other things:

19 (a) The Plan is the product of good-faith, arms'-length
20 negotiations among the Debtor, CAL DMH, LAC DMH, and other parties in
21 interest; and

22 (b) The support of the Plan by CAL DMH and LAC DMH, as well
23 as the acceptance of the Plan by creditors with Claims classified into all Impaired
24 Classes, evidences the informed decision of creditors that the Plan is in their best
25 interest and maximizes the distributions available to them.

26 5. Section 1129(a)(6): The requirements of section 1129(a)(6) are not
27 applicable because Tri-City is not subject to any governmental regulatory commission
28 regarding rates.

1 6. Section 1129(a)(8) and Section 1129(b): As indicated by the Ballot
2 Tabulation Declaration, all impaired Classes (Classes 2, 3, 4, and 6) have voted to
3 accept the Plan and accordingly, the requirements of section 1129(a)(8) of the
4 Bankruptcy Code have been met with respect to each such Class. Because each
5 impaired class has accepted the Plan, the requirements of section 1129(b) of the
6 Bankruptcy Code are not applicable.

7 7. Section 1129(a)(10): As required by Section 1129(a)(10) of the
8 Bankruptcy Code, at least one impaired Class of Claims has accepted the Plan,
9 determined without including any acceptance of the Plan by any insider.

10 G. Section 943(b)(2): As required by section 943(b)(2) of the Bankruptcy
11 Code, the Plan complies with all provisions of chapter 9 of the Bankruptcy Code.

12 H. Section 943(b)(3): As required by section 943(b)(3) of the Bankruptcy
13 Code, all amounts to be paid by the Debtor or by any person for services or expenses in
14 the Chapter 9 Case or incident to the Plan either (a) have been fully disclosed and are
15 reasonable; or (b) are required under the Plan to be disclosed and approved by this Court
16 as reasonable.

17 I. Section 943(b)(4): As required by section 943(b)(4) of the Bankruptcy
18 Code, the Debtor is not prohibited by law from taking any action necessary to carry out
19 the Plan.

20 J. Section 943(b)(5): As required by section 943(b)(5) of the Bankruptcy
21 Code, the Plan provides for the payment in full of Allowed Administrative Claims on or as
22 soon as practicable after the later of the Effective Date of the Plan and the date on which
23 any such Administrative Claim becomes an Allowed Claim, unless otherwise agreed to by
24 the holder of such Allowed Administrative Claim.

25 K. Section 943(b)(6): Section 943(b)(6) of the Bankruptcy Code is not
26 applicable because no regulatory or electoral approval is necessary under applicable
27 nonbankruptcy law to carry out any provision of the Plan.

28

1 L. Section 943(b)(7): As required by section 943(b)(7) of the Bankruptcy
2 Code, the Plan is in the best interests of creditors and is feasible. Among other things,
3 the Plan provides for the possible maximum recovery to holders of all Allowed Claims
4 other than those for which the holders voluntarily have agreed to a different treatment
5 and for a complete compromise with Zions Bank and the City of Pomona, thereby
6 eliminating future litigation expense and delay. The Plan also provides for the possibility
7 that, subject to the conditions set forth in Sections 7.1.2 and 7.2.2 of the Plan, holders of
8 Allowed Claims in Class 2 may receive distributions in advance of any distributions to
9 CAL DMH and LAC DMH on their respective Allowed Claims in Class 3 and 4. In
10 contrast, in the absence of the Plan, the Debtor's creditors would be left, in the words of
11 the Collier treatise, to "fend for themselves." The result could be a chaotic free-for-all that
12 would jeopardize the Debtor's ability to operate and provide even critical mental health
13 care services, to the detriment of the tri-city residents, community, and ongoing creditors.
14 Regarding feasibility, the Debtor's obligations under the Plan will be funded from cash on
15 hand and additional Net Funds that may be generated should Tri-City enter into the LA
16 DMH Contract. The Milhiser Declaration and Milhiser Supplemental Declaration
17 (collectively, "Milhiser Declarations") establish that, as a result, the Debtor will be able to
18 make all payments required pursuant to the Plan while maintaining its operations at the
19 level that it believes to be necessary to its continued viability as a municipality. As a
20 result, the Plan is feasible within the meaning of section 943(b)(7).

21 M. Section 1125(e): The Debtor and its employees, officials, and professionals
22 solicited acceptances and rejections of the Plan in good faith and in compliance with the
23 applicable provisions of the Bankruptcy Code, and such persons therefore are entitled to
24 the protections of section 1125(e) of the Bankruptcy Code and are not liable on account
25 of such solicitation for violation of any applicable law, rule, or regulation governing
26 solicitation of acceptance or rejection of a plan or the offer, issuance, sale or purchase of
27 securities.

28

1 N. Section 365: By the Milhiser Declarations, the Debtor has provided
2 "adequate assurance of future performance" within the meaning of section 365(b)(1)(C)
3 of the Bankruptcy Code under each of the executory contracts or unexpired leases to be
4 assumed pursuant to the Plan.

5 0. Settlements: All settlements and compromises provided for in or in
6 connection with the Plan, including the Settlement Agreement and the treatment of the
7 Claims held by Zions Bank and the City of Pomona under the Plan and the compromises
8 with the other parties to the Settlement Agreement, were negotiated at arms' length and
9 in good faith, represent an exchange of fair value among the respective parties thereto,
10 and are fair, equitable, reasonable, and in the best interests of the Debtor and all
11 creditors in satisfaction of the standards of Bankruptcy Rule 9019 and applicable law,
12 including *In re A & C Properties*, 784 F.2d 1377 (9th Cir. 1986).

13

14 **NOW, THEREFORE, IT HEREBY IS ORDERED, ADJUDGED, AND DECREED THAT:**

15

Confirmation of the Plan

16 1. The Plan, as modified by the Plan Modifications, hereby is confirmed
17 pursuant to section 943 of the Bankruptcy Code. To the extent possible, the Plan and this
18 Order shall be interpreted to be consistent; to the extent that there is any inconsistency
19 between the Plan and this Order, the terms of this Order shall control.

20 2. For the reasons set forth on the record at the Confirmation Hearing and in
21 this Order, each objection to confirmation of the Plan, to the extent not withdrawn or
22 resolved pursuant to the terms of this Order, hereby is overruled.

23 3. Except as expressly otherwise provided in the Plan or this Order, pursuant
24 to section 944(d) of the Bankruptcy Code, on the Effective Date, the Debtor hereby is
25 discharged from all debts (as defined in the Bankruptcy Code) of the Debtor and Claims
26 against the Debtor other than (a) any debt specifically and expressly excepted from
27 discharge by this Plan or the Confirmation Order, or (b) any debt owed to an entity that,
28

1 before the confirmation of this Plan, had neither notice nor actual knowledge of the
2 Chapter 9 Case.

3 4. Except as otherwise expressly provided in the Plan or this Order, all entities
4 who have held, hold or may hold pre-Effective Date Claims shall be permanently
5 enjoined, from and after the Effective Date, from (a) commencing or continuing in any
6 manner any action or other proceeding of any kind with respect to any such pre-Effective
7 Date Claim against the Debtor or its property; (b) enforcing, attaching, collecting, or
8 recovering by any manner or means any judgment, award, decree or order against the
9 Debtor or its property with respect to such pre-Effective Date Claims; (c) creating,
10 perfecting, or enforcing any lien or encumbrance of any kind against the Debtor or its
11 property with respect to such pre-Effective Date Claims; and (d) asserting any right of
12 setoff, subrogation or recoupment of any kind against any obligation due to the Debtor
13 with respect to such pre-Effective Date Claims, except as otherwise permitted by section
14 553 of the Bankruptcy Code.

15 5. Except as otherwise specifically provided in the Plan or this Order, on the
16 Effective Date any lien or security interest securing any Secured Claim shall be deemed
17 released, and the entity holding such Secured Claim shall be authorized and directed to
18 release any collateral or other property of the Debtor (including without limitation any
19 cash collateral) held by such entity and to take such actions as may be requested by the
20 Debtor to evidence the release of such lien, including without limitation the execution,
21 delivery and filing or recording of such releases.

22 6. Except as expressly provided otherwise in the Plan or this Order, the
23 Debtor has retained and reserved all rights to commence or pursue, as appropriate, any
24 and all Rights of Action, whether arising prior to or after the Petition Date, in any court or
25 other tribunal, including, without limitation, in an adversary proceeding filed in the Chapter
26 9 Case. The failure to identify in the Disclosure Statement any potential or existing Right
27 of Action generally or specifically does not limit the rights of the Debtor to pursue any
28 such action. Unless a Right of Action is expressly waived, relinquished, released,

1 11. Pursuant to section 1123(b)(2) of the Bankruptcy Code and Section X of the
2 Plan, any executory contracts or unexpired leases that (a) are not identified on Exhibit 2
3 attached to the Plan (if any); (b) have not expired by their own terms on or prior to the
4 Effective Date; (c) have not been assumed, assumed and assigned, or rejected with the
5 approval of this Court as of the Effective Date; and (d) are not the subject of a motion for
6 assumption pending as of the Effective Date, shall be and are hereby deemed to have
7 been rejected by the Debtor effective as of the Effective Date. The Plan is hereby
8 deemed to constitute a motion to reject such executory contracts and unexpired leases,
9 and the Debtor shall have no liability under such executory contracts and unexpired
10 leases except as otherwise specifically provided in the Plan. Subject to the occurrence of
11 the Effective Date, entry of this Order hereby approves and authorizes the rejection of
12 such executory contracts and unexpired leases pursuant to section 365(a) of the
13 Bankruptcy Code and constitutes a finding by the this Court that each such rejection is in
14 the best interest of the Debtor and all parties in interest in the Chapter 9 Case.

15 12. Any executory contracts or unexpired leases of the Debtor identified on
16 Exhibit 2 attached to the Plan (if any) or in any motion for assumption pending as of the
17 Effective Date shall be deemed to have been assumed by the Debtor as of the Effective
18 Date. Subject to the occurrence of the Effective Date, entry of this Order hereby
19 approves and authorizes the assumption of such executory contracts and unexpired
20 leases pursuant to section 365(a) of the Bankruptcy Code and constitutes a finding by
21 this Court that each such assumption is in the best interest of the Debtor and all parties in
22 interest in the Chapter 9 Case.

23 13. Section 10.2 of the Plan shall govern the timing of the payment of any claim
24 for any amounts that need to be paid under section 365(b) of the Bankruptcy Code in
25 order to assume the executory contracts and unexpired leases pursuant to Section 10.1
26 of the Plan.

27 14. All of the Debtor's right, title and interest in any contracts, leases or
28 agreements entered into by the Debtor after the Petition Date, and/or not subject to

1 assumption or rejection under Bankruptcy Code section 365, shall remain vested in the
2 Debtor, without further action.

3 15. All persons holding Claims against the Debtor that are dealt with under the
4 Plan are hereby directed to execute, deliver, file and record any document, and to take
5 any action necessary or appropriate to implement, consummate and otherwise effect the
6 Plan in accordance with its terms in all material respects, and all such persons shall be
7 bound by the terms and provisions of all documents executed and delivered by them in
8 connection with the Plan.

9 **Deadlines And Claims**

10 16. Administrative Claims: All requests for payment or any other means of
11 preserving and obtaining payment of Administrative Claims that have not been paid,
12 released, or otherwise settled, excluding requests for Ordinary Course Administrative
13 Claims, must be filed with this Court and served upon the Debtor and the United States
14 Trustee no later than thirty (30) days after the date on which the Notice of Effective Date
15 is mailed. Requests for payment of an Administrative Claim other than an Ordinary
16 Course Administrative Claim that is not timely filed by such date will be forever barred,
17 and holders of such Claims will be barred from asserting such Claims in any manner
18 against the Debtor.

19 17. Deadline For Rejection Damage Claims: Proofs of Claims arising from the
20 rejection of executory contracts or unexpired leases pursuant to Section 10.5 of the Plan
21 must be filed with this Court and served on the Debtor no later than thirty (30) days after
22 the date on which the Notice of Effective Date is mailed. Any Claim for which a proof of
23 Claim is not filed and served within such time will be forever barred and shall not be
24 enforceable against the Debtor or its assets, properties, or interests in property. Unless
25 otherwise ordered by this Court, all such Claims that are timely filed as provided herein
26 shall be treated as General Unsecured Claims and be classified into Class 2.

27 18. Deadlines For Objection To Claims: The Debtor shall have the right to
28 object to the allowance of Claims filed with this Court with respect to which liability or

1 allowance is disputed in whole or in part. Unless otherwise ordered by this Court or
2 provided in the Plan, the Debtor shall file and serve any such objections to Claims by not
3 later than one hundred and eighty (180) days after the Effective Date (or, in the case of
4 Claims lawfully filed after the Effective Date, by not later than one hundred and eighty
5 (180) days after the date of filing of such Claims).

6 **Miscellaneous**

7 19. On or before ten (10) Business Days after the Effective Date, the Debtor or
8 its agent shall mail or cause to be mailed to all holders of record of Claims that informs
9 such holders of (a) entry of this Confirmation Order; (b) the occurrence of the Effective
10 Date; (c) the assumption and rejection of the Debtor's executory contracts and unexpired
11 leases pursuant to the Plan, as well as the deadline for the filing of Claims arising from
12 such rejection; (d) the deadline established under the Plan for the filing of Administrative
13 Claims; (e) the procedures for changing an address of record pursuant to the Plan; and
14 (f) such other matters as the Debtor deems to be appropriate. Such Notice shall
15 constitute due and sufficient notice of all of such matters in compliance with Bankruptcy
16 Rule 2002(f).

17 20. Notwithstanding the entry of this Order or the occurrence of the Effective
18 Date, this Court will retain jurisdiction of the Chapter 9 Case and all matters arising in, or
19 related to, the Chapter 9 Case as provided for in the Plan and in this Order, and to the
20 fullest extent permitted by law, including sections 945 and 1142 of the Bankruptcy Code,
21 including without limitation jurisdiction over all of the matters set forth in Article XIV of the
22 Plan.

23 21. The failure to reference or discuss any particular provision of the Plan in
24 this Order shall not have any effect on the validity, binding effect and enforceability of
25 such provision, and such provision shall have the same validity, binding effect and
26 enforceability as every other provision of the Plan.

27 22. The provisions of the Plan and this Order shall be, and hereby now are and
28 forever afterwards will be, binding on the Debtor, all holders of Claims (whether or not

1 impaired under the Plan and whether or not, if impaired, such entities accepted the Plan),
2 any other party in interest, any other party making an appearance in the Chapter 9 Case,
3 and any other person or entity affected thereby, as well as their respective heirs,
4 predecessors, successors, assigns, trustees, subsidiaries, affiliates, officers, directors,
5 agents, employees, representatives, attorneys, beneficiaries, guardians, and similar
6 officers, or any Person claiming through or in the right of any such persons or entities.
7

8 DATED: 12/11/07

9 
10 Barry Russell
11 United States Bankruptcy Judge

12 Respectfully submitted,

13 Weston Benshoof
14 Rochefort Rubalcava & MacCuish, LLP

15 By: 
16 Dean G. Rallis Jr.

17 Attorneys for Tri-City Mental Health Center,
18 a Municipal Joint Powers Authority

19 **APPROVED AS TO FORM:**

20 DATED: _____, 2007

Ezra Brutzkus Gubner LLP

21
22 By: _____
23 **Barry S. Glaser**
24 **Counsel for the County of Los Angeles**
25 **Department of Mental Health**
26
27
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1 impaired under the Plan and whether or not, if impaired, such entities accepted the Plan),
2 any other party in interest, any other party making an appearance in the Chapter 9 Case,
3 and any other person or entity affected thereby, as well as their respective heirs,
4 predecessors, successors, assigns, trustees, subsidiaries, affiliates, officers, directors,
5 agents, employees, representatives, attorneys, beneficiaries, guardians, and similar
6 officers, or any Person claiming through or in the right of any such persons or entities.
7

8 DATED: _____
9

10 _____
11 Barry Russell
United States Bankruptcy Judge

12 Respectfully submitted,
13 Weston Benshoof
14 Rochefort Rubalcava & MacCuish, LLP


15 By: _____
16 Dean G. Rallis Jr.

17 Attorneys for Tri-City Mental Health Center,
18 a Municipal Joint Powers Authority

19 APPROVED AS TO FORM:

20 DATED: 11-20-07, 2007

Ezra Brutzkus Gubner LLP

21
22 By: 
23 Barry S. Glaser
24 Counsel for the County of Los Angeles
25 Department of Mental Health
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DATED: Nov. 20, 2007

Office of the Attorney General

By: Irene K. Tamura
Irene K. Tamura
Counsel for State of California
Department of Mental Health

DATED: _____, 2007

**Greenberg Glusker Fields
Claman & Machtinger LLP**

By: _____
Jeffrey A. Krieger
Counsel for Prototypes, Centers for
Innovation in Health, Mental Health
and Social Services