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9 UNITED STATES DISTRICT COURT
10 EASTERN DISTRICT OF CALIFORNIA

12 RALPH COLEMAN,

13 Plaintiffs,

14 v.

15 ARNOLD SCHWARZENEGGER, et al.,

16 Defendants.
17

Case No. Civ S 90-0520 LKK-JFM

**ORDER REGARDING NAVIGANT
CONSULTING CONTRACT**

1 On October 20, 2006, this Court ordered that “Defendants shall contract with Navigant
2 Consultants to conduct annual population reviews and updates of their projections for mental health
3 program populations from 2007 through 2009.” Order at ¶ 2 (Docket No. 1998). The Order further
4 provided that thereafter, “[D]efendants may obtain such population projections services through the
5 normal contract bidding process.” *Id.*

6 On December 7, 2006, Defendants approved a contract with Navigant Consulting for a maximum
7 cost of \$378,339.00, which expires on December 31, 2009. The contract with Navigant Consulting
8 further provides that the term of the agreement may be amended, if determined to be in the best interest
9 of the State, and upon amendment Navigant would continue to provide services for the extended period
10 at the same rates as agreed to in the original contract.

11 On June 18, 2009, this Court ordered that “[w]ithin ten days from the date of the [June 16, 2009]
12 hearing, [D]efendants shall show cause in writing, if any, why they should not be ordered to renew their
13 contract with Navigant Consulting for another three years.” Order at ¶ 7 (Docket No. 3613). On June
14 30, 2009, Defendants submitted their response to the Court’s June 18, 2009 Order. Defendants’
15 Response to Court’s June 18, 2009 Order to Show Cause RE: Navigant Contract (Docket No. 3623)
16 (“Defendants’ Response”). On July 2, 2009, Plaintiffs submitted their objection to Defendants’
17 Response.

18 As Defendants’ Response notes, John Misener of McManis Consulting has acted as the lead
19 author and forecaster of the semi-annual reports produced by Navigant Consulting “has the competence
20 and experience in developing and updating projected bed needs for their mental health population.”
21 Defendants’ Response at 2. Further, “this Court, the Special Master, and the Plaintiffs are comfortable
22 and confident that Mr. Misener’s projections are reliable.” *Id.* The only justification offered by
23 Defendants not to renew the Navigant Consulting contract relates to Defendants’ obligations under State
24 law to follow “the normal contract bidding process.” *Id.*

25 The Navigant Consulting forecast has become an invaluable tool in this case for projecting mental
26 health care needs and is the basis for Defendants’ current short-term, intermediate, and long-range bed
27 planning. Defendants have raised no objection to the continued use of Navigant Consulting or the
28 service of John Misener based on accuracy, reliability, or cost. If the Navigant Contract is permitted to

1 lapse as a result of Defendants' obligation to follow the normal State law contracting process, the parties
2 ability to anticipate and plan for future mental health bed needs will be hindered, particularly if the
3 normal State contracting process results in a lapse in mental health bed need projections after December
4 31, 2009. Accordingly, it is imperative that the contract with Navigant Consulting and/or John Misener
5 of McManis Consulting be promptly renewed for an additional three year term prior to the expiration of
6 the current contract on December 31, 2009.


7 Accordingly, and good cause appearing, and in light of all of the above, and the entire record
8 herein, it is HEREBY ORDERED AS FOLLOWS:

9 1. Defendants shall renew the Mental Health Bed Projection Services contract ("contract")
10 with Navigant Consulting and/or execute a contract with John Misener of McManis Consulting prior to
11 the expiration of the existing contract on December 31, 2009. Said contract shall be renewed or
12 executed for a period of three additional years.

13 2. Defendants shall report to the Court within thirty (30) days on any remaining actions that
14 must be taken to renew or execute the contract and any barriers to completing all necessary actions
15 remaining to renew or execute the contract by December 31, 2009.

16 3. In the event that Defendants determine, at any time, that an applicable state law or
17 regulation must be waived in order to renew or execute the contract by December 31, 2009, Defendants
18 shall immediately file a motion with this Court identifying any applicable law or regulation that must be
19 waived, and requesting the Court enter an order waiving such provision.

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21 Dated: July 8, 2009.

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23 
24 LAWRENCE K. KARLTON
25 SENIOR JUDGE
26 UNITED STATES DISTRICT COURT