

**AMENDMENT NO. 4 TO AGREEMENT  
BETWEEN THE COUNTY OF SAN MATEO AND  
CADUCEUS SYSTEMS, LLC**

THIS AMENDMENT TO THE AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and CADUCEUS SYSTEMS, LLC, hereinafter called "Contractor";

**W I T N E S S E T H:**

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, the parties entered into an Agreement with Caduceus Systems, LLC for provision of a Materials Management System on February 8, 2011, pursuant to Resolution No. 071253; and

WHEREAS, the Chief of the Health System approved Amendment No. 1 to the Agreement on October 4, 2011, increasing the maximum amount by \$24,830.98 and expanding the services in Exhibits C and F; and

WHEREAS, on March 13, 2012, Amendment No. 2 was approved by Resolution 071865, increasing the maximum amount by \$254,000.00, to a new maximum fiscal obligation of \$683,830.98; and

WHEREAS, on September 6, 2012, the Chief Executive Officer approved Amendment No. 3 to the Agreement to clarify Section 1.4 of Exhibit C of the Agreement and to replace Exhibit B of the Agreement; and

WHEREAS, the parties now wish to further amend the Agreement to replace Exhibit C in its entirety, delete Exhibit F, extend the agreement through November 30, 2018, and increase the amount by \$185,000 to an amount not to exceed \$868,830.98.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO  
AS FOLLOWS:**

1. Exhibit F of the Agreement is deleted in its entirety, and the fourth paragraph of the Agreement's preamble is accordingly amended to read as follows:

NOW, THEREFORE, in consideration of the mutual promises contained herein, Caduceus and Customer agree to the terms and conditions set forth in this Agreement, including the following Exhibits, which are

incorporated into the Agreement by this reference:

Exhibit A - Caduceus MMIS System License Schedule  
Exhibit B - License Fees (Revised 8/31/2012)  
Exhibit C - Consulting Services (Revised 12/4/2015)  
Exhibit D - Product Support Exhibit  
Exhibit E - Customer Interfaces  
Exhibit G - Corporate Compliance SMMC Code of Conduct (Third Parties)

2. Exhibit C of the Agreement is hereby replaced in its entirety by the revised Exhibit C – Consulting Services (Revised 12/4/2015), and a copy is attached hereto and incorporated into the Agreement by this reference.
3. Section 2.1, Term, of the Agreement is hereby amended to read as follows:

2.1 Term. The License granted in this Article 2 shall be for a perpetual term commencing as of the Effective Date of this License, and continuing on a perpetual basis or until this License is terminated as provided herein. It is anticipated that the License shall be terminated by the parties as of November 30, 2018, based on the amount listed in Section 5.23 of this Agreement. Any extension of the term of the Agreement beyond that date shall be done by written amendment of the Agreement.

4. Section 5.23, Payments, of the Agreement is hereby amended to read as follows:

5.23 Payments. In consideration of the goods and services provided by Caduceus in accordance with all terms, conditions, and specifications set forth herein and in the attached Exhibits, County shall make payment to Caduceus based on the rates and in the manner specified in those Exhibits. In no event shall the County's total fiscal obligation under this Agreement, including all Exhibits hereto, exceed EIGHT HUNDRED SIXTY-EIGHT THOUSAND EIGHT HUNDRED THIRTY DOLLARS AND NINETY-EIGHT CENTS (\$868,830.98).

5. **All other terms and conditions of the Agreement dated February 8, 2011, including subsequent Amendment No. 1, dated October 4, 2011, Amendment No. 2, dated March 13, 2012, and Amendment No. 3, dated September 6, 2012, between the County and Contractor shall remain in full force and effect.**

(signature block on next page)

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives,  
have affixed their hands.

COUNTY OF SAN MATEO

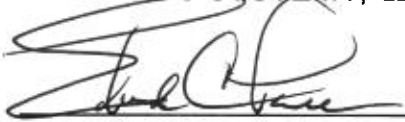
By: \_\_\_\_\_  
President, Board of Supervisors, San Mateo  
County

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

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

CADUCEUS SYSTEMS, LLC

  
\_\_\_\_\_  
Contractor's Signature

Date: Feb. 5, 2016

## **Exhibit C - Consulting Services (Revised 12/4/2015)**

1.1 Consulting Services Provided by Caduceus. Caduceus will provide the following types of consulting services, ("Consulting Services"), in connection with the Caduceus MMIS System at Customer's facility:

- (a) Project initiation and planning review
- (b) Caduceus MMIS base system installation and orientation
- (c) Caduceus MMIS training
- (d) Integration Services - Interfaces to Customer's existing systems.
- (e) Conversion Assistance
- (f) Project Management
- (g) Design and development of modifications, interfaces, and enhancements to the Caduceus MMIS Base System
- (h) Testing and certification assistance

1.2 Customer Responsibilities. Caduceus' obligation to perform the Consulting Services described in this Agreement is expressly conditioned upon timely performance by Customer of the following Customer obligations:

1.2.1 Cooperation. Customer will cooperate with Caduceus as may be reasonably necessary to enable Caduceus to properly perform its obligations under this Agreement.

1.2.2 Designation of Project Director. Customer will assign a Project Director who will be responsible for supervision of Customer's activities and coordination of Customer's efforts with the activities of Caduceus personnel.

1.2.3 Customer Training. Customer personnel will cooperate with Caduceus personnel in all training and educational activities prescribed by Caduceus. Customer will designate in-house training resources to be trained by Caduceus and that will be responsible for end-user training throughout Customer's facility.

1.2.4 Project Deadlines. Each party will assume full responsibility for meeting due dates set forth in any plan that requires the other party's response.

1.2.5 Access to Personnel and Materials. Customer will provide reasonable access to personnel, materials, workspace, forms, terminals and telephone service and will take all other action reasonably required for the installation of the Caduceus MMIS System. Such requirements will be provided by Customer at such reasonable times as will permit Caduceus to provide the installation assistance required of Caduceus under this Agreement. Customer will timely acquire all materials and equipment necessary to enable Caduceus to satisfy project deadlines.

1.2.6 Specification of Functional Requirements. Customer will develop, with Caduceus, written detailed functional requirements in accordance with the Caduceus MMIS System Documentation for any modifications of programs utilized.

1.3 Acceptance Testing/Enhancements/Interfaces/Modifications. Acceptance by Customer of the enhancements, interfaces, and modifications, including any that are as yet undefined, shall be in accordance with the following process: During the acceptance period, which shall be defined as thirty (30) days from completion of the last enhancement, interface, or modification, Customer may accept the enhancements, interfaces, or modifications, or shall have the ability to provide Caduceus with a comprehensive list of any alleged failures identified by Customer (notice of alleged failure). If Customer does not provide Caduceus with written notice of alleged failures prior to end of the acceptance period, the enhancements shall be deemed to have been accepted

by Customer. Failures shall include a failure of the enhancements, interfaces, or modifications to perform in accordance with the specifications and Caduceus MMIS System Documentation or failure to perform in accordance with the warranties as set forth herein. Caduceus and Customer shall cooperate to resolve the alleged failure under the following conditions: Caduceus shall have sixty (60) days from receipt of a written notice from Customer of an alleged failure to respond and provide a correction or other mutually acceptable plan and timing for correcting the alleged failure ("Cure Period"). Upon delivery of the revisions for correcting the failure to Customer, Customer shall have an additional thirty (30) days to provide Caduceus with any notification of alleged discrepancies not corrected by Caduceus, and Caduceus shall provide such remedies as are needed to correct the failure.

1.3.1 Failed Acceptance. If Customer determines that there is an Error in the Software Programs, Customer shall immediately notify Caduceus in writing of the error, which shall include e-mail. Such written notification shall include a description of the error and the circumstance under which the error occurred. Minor discrepancies which may be corrected during the Acceptance period shall not be cause for reporting an error. Caduceus shall recreate and isolate the error, write, test, deliver and install the new code to resolve the error within a reasonable period of time ("Resolution Cycle"). The Acceptance period shall be extended for the same number of days from Caduceus' receipt of the written notification to the installation of the new code. However the Software Programs must function for one week after resolution of an error in order for Acceptance to be obtained.

#### 1.4 Fees for Consulting Services

1.4.1 Fees. Customer shall pay Caduceus a fee of \$125.00 per hour for professional services provided to Customer by Caduceus' personnel. The hourly rate of \$125.00 represents a discount from the schedule of time and materials rates generally available from Caduceus and Caduceus agrees to extend this discounted rate to Customer for a period of one year from the Effective Date of execution of Amendment No. 4 to the Agreement. After one year from that date and continuing for the term of the Agreement, as amended, Caduceus may increase the hourly rate as specified herein by providing Customer with a sixty (60) day written notification of Caduceus' intent to increase the hourly rate. If the new hourly rate is unacceptable to Customer, Customer shall, notwithstanding any other provision of the Agreement, have the right to forego use of future professional services, to terminate the Agreement, or to work with Caduceus on a mutually-agreeable solution. Fees will be invoiced to Customer at the beginning of each month for services provided during the previous month. Caduceus will provide Customer with a report to accompany each invoice that identifies the number of hours of service provided, the specific Caduceus resource and the project task.

1.4.1.1 Remote Webex based training for 1-4 students for technical support of the System including user set up, interface management, reports and server structure. The fee for this training is \$1,800.00 and included three (3) sessions with durations of two (2) hours per session.

1.4.1.2 On-Site Training for 1-4 students for technical support of the System including user set up, interface management, reports and server structure. The duration of this training is one (1) full day. The fee for this training is \$800 per student. The training session requires a minimum of two (2) students and this training is limited to a maximum of four (4) students.

1.4.2 Travel and Living Expenses. Customer agrees to reimburse Caduceus for all reasonable travel and living expenses incurred by Caduceus when Caduceus personnel provide services on-site at Customer's location as follows:

- 1.4.3 (1) Meals, ground transportation, and incidental living expenses for Caduceus' employees and agents working at Customer's facilities.
- (2) Hotel expenses for lodging at hotels to be approved by both Customer and Caduceus.
- (3) Travel to and from Customer's facilities by Caduceus personnel originating in Austin, Texas, at the lowest coach-class airfare available at the time of booking.
- (4) Caduceus shall submit invoices for payment to Customer with appropriate documentation, including receipts, for travel and living expenses.
- (5) Travel and living reimbursement expenses will be Customer at the time of invoicing. Caduceus will invoice Customer monthly in arrears at the beginning of each month for travel and living expenses, to the satisfaction of the Customer, incurred during the prior month. Such invoices will contain documentation for travel and living expenses. Invoiced amounts shall be due and payable by Customer within fifteen (15) days after receipt.