



AGENDA _____ July 24, 2012

C O U N T Y A D M I N I S T R A T O R

SUSAN S. MURANISHI
COUNTY ADMINISTRATOR

July 12, 2012

DONNA LINTON
ASSISTANT COUNTY ADMINISTRATOR

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, CA 94612-4305

Dear Board Members:

Subject: EXTEND A CONTRACT WITH CS STARS LLC, FOR RISK MANAGEMENT INFORMATION SYSTEM SOFTWARE LICENSES, TRAINING AND SUPPORT FOR THREE YEARS, INCREASING THE AMOUNT BY \$291,677

RECOMMENDATION:

Execute an amendment to Procurement Contract #4555 with CS STARS LLC, (Account Executive: Katherine Sopkovich: Seattle, WA) to provide software licenses, training and support services for three years. The term of the extension shall begin on September 10, 2012 and end on September 9, 2015. The contract amount will be increased by \$291,677 from \$684,071 to \$975,748.

DISCUSSION/SUMMARY:

On June 4, 2002, your Board approved a contract with CS STARS LLC, (formerly Marsh Risk Services Inc.) for the purchase of licenses for its proprietary Risk Management Information System, training, and technical support services. Since 2002, your Board has approved various modifications and extensions to the contract. The information system is currently used by the County Administrator's Office, County Counsel, Clerk of the Board, Human Resource Services, and the County's third party administrator for liability claims administration, incident reporting and reasonable accommodation tracking.

The contract amount includes the cost of migrating to an exclusively web-based platform and increasing hosting and storage space for claims.

SELECTION CRITERIA/PROCESS:

The CAO-RMU has determined that the County does not have sufficient resources, knowledge, or experience to provide software licenses and support services. CS STARS is a proprietary claims management system of CS STARS LLC. The software license, training, and technical support services are not available from any other vendor. CS STARS LLC was originally selected via an informal bid process. GSA approved a finding of a sole source provider in 2006 and renewed its finding in 2012. The CS STARS software is a proprietary product of CS STARS LLC. Only CS STARS LLC can issue licenses and provide training and technical services. It is not possible for CS STARS LLC to subcontract any products or services to any SLEB vendors. CS STARS LLC has received a SLEB waiver from the Office of Acquisition Policy (SLEB waiver #2086).

FUNDING:

Funding for the first year of this contract is included in the FY 2012-13 Final Budget and the annual amounts will be requested in future years. The encumbrances for the three-year contract will be:

FY 2012-13	\$90,266
FY 2013-14	\$92,959
FY 2014-15	\$92,959
FY 2015-16	\$15,493

There will be no increase in net County costs.

Respectfully submitted,



Susan S. Muranishi
County Administrator

SSM:MC:ed

V:\BOARDLTR\FY 2012-13\STARS BOARD LETTER_071212.DOC

c: Patrick O'Connell, Auditor-Controller
Donna Ziegler, County Counsel
Barbara Lubben, Risk Management Unit



OFFICE OF ACQUISITION POLICY (OAP)

REQUEST FOR AUTHORIZATION TO WAIVE SLEB PROGRAM REQUIREMENTS

GSA 2086
JUN 28 2012
RECEIVED

For ALL Requests over \$3,000: Complete #1-9 below, complete #10 if over \$100,000 (First Source applies), sign and print your name on line 11, submit hard copy with supporting documentation for approval to GSA-OAP Business Outreach Officer, QIC 26021 AND email soft copy (PDF or Word) to sandra.espejo@acgov.org. Upon approval, the procurement will be processed by GSA Purchasing.

For Requests over \$25,000, a SLEB Waiver Number will be issued. This number is required to enter a Procurement Contract in ALCOLINK OAP will email signed approvals (as appropriate, with Waiver Number) and denials to Requesting Departments, GSA Purchasing and Auditor Controller Office of Contract Compliance (OCC).

1. Please check appropriate box and complete department/contact information below.

☒ Requesting Department ☐ GSA Purchasing managing the competitive process

Department: CAO/RMU Contact: Michael Chan Email: Michael.Chan@acgov.org Telephone #: (510) 272-(2)6429

2. Recommended Non-SLEB Vendor (Name): CS STARS, LLC PO#: CAOFF #1633

Street Address: 777 South Figueroa St. City, State & Zip: Los Angeles, CA 90077

3. Procurement Type (check all appropriate boxes below):

☐ New Contract ☒ Renewal Contract ☒ Contract Amendment-Term ☒ Contract Amendment-Value ☐ Other: _____

4. Total PO/Contract Value (including increase, if any): \$975,748 Increase Value (if any): \$291,677

Contract Term Start Date 09/10/2012 End Date 09/09/2015 One-Time Purchase ☐

5. Goods/Services Procurement Description: Renew license to use proprietary claims management information system, increase data storage, and provide training, maintenance, and technical support.6. Brief explanation of why goods/services are required: Risk Management needed a risk management information system (RMIS) to manage its general liability claims, reasonable accommodation, and diversity programs.7. Date Goods/Services Needed: 09/10/2012

a. What are the consequences if the date goods/services needed is not met? The third party administrator would not be able to administer our claims, HRS would not be able to monitor its reasonable accommodation requests, and Diversity would not be able to track incidents.

8. Explanation of why the non-SLEB contractor/subcontractor (in #2 above) is being recommended and, if procurement over \$25,000, why they are unable to subcontract with a SLEB(s) for a minimum of 20%:

The contractor provides licenses to use its proprietary risk management information management software, data storage, and technical support and training. The contractor is located in Los Angeles, CA, and is unable to subcontract with a SLEB vendor. The Office of Acquisition Policy has already renewed its approval of sole source designation.

9. Explain what attempts were made to locate a SLEB prime or, if procurement over \$25,000, SLEB subcontractor(s), including: See explanation in #8.

- a. ☐ Copies of bids received and/or detailed statement of efforts made to contact and negotiate with certified businesses, including list of SLEBs contacted, names of individuals, addresses, phone numbers, dates contacted and bid prices attached
- b. List of items or selected portions of work proposed to be performed by certified business in order to increase the likelihood of achieving the stated goal: _____
- c. Description of information provided to certified contractors/subcontractors regarding the plans, specifications and anticipated time schedule for portions of the work to be performed: _____

10. If the contract is over \$100,000, is the recommended vendor able to comply with the First Source Program?

Yes: ☐ No: ☒ If No, explain: The contractor is located in Los Angeles, CA

11. Department Certification: I certify to the accuracy of the preceding statements,

B. Lubben Barbara Lubben 6/26/2012
Signature of Agency/Department Head or Designee or GSA Purchasing Manager (if GSA Purchasing managed the process) Print Name Date

OAP to complete below:

A. Request Approved: ☒ Waiver Valid Through 09/09/15

SLEB Waiver Number: 2086

Reason: Proprietary software

B. Request Denied: ☐

Reason: _____

Inde Maare

Approved by GSA-Office of Acquisition Policy (Required)

7/9/12
Date

12-05-28A10.

Approved as to Form

DONNA B. ZIEGLER, County Counsel

By

Print Name

M.E. Gormley

M.E. Gormley

CS STARS

RENEWAL AGREEMENT

This **RENEWAL AGREEMENT** ("**Renewal**") is entered into as of September 9, 2012 (the "**Effective Date**") between CS STARS LLC ("**CS STARS**") and County of Alameda ("**Client**") to amend the **SOFTWARE LICENSE AND SERVICES AGREEMENT** entered into by the parties as of September 10, 2009 (the "**Agreement**").

The parties, in consideration of the mutual covenants and agreements stated herein, and other good, valuable and legally sufficient consideration as set forth in this Renewal, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. Renewal.

1.1 Renewal. The parties hereby agree to renew the Agreement, as amended by this Renewal, through September 9, 2015 (the "**Initial Renewal Term**"). Thereafter, the Agreement shall automatically renew for additional three (3)-year periods (each, a "**Additional Renewal Term**") unless either party gives the other party notice of its election to non-renew at least one hundred twenty (120) days prior to the end of the then-current Term provided that:

(i) Client is not in breach of the Agreement and is current on all amounts due Licensor under the Agreement;

(ii) Client acknowledges and agrees that: (1) each such Additional Renewal Term will be at Licensor's then-current rates (subject to subpart (iii) below); (2) the Licensed Software available to Client and supported by Licensor during any Additional Renewal Term may be a different version or release than as available and supported during the prior term; and (3) Client will also be responsible for all Fees and expenses associated with any additional Services agreed upon between the parties at Licensor's then-current rates; and

(iii) notwithstanding subpart (ii) above with respect to the type of Licensed Software licensed during the Initial Term, Client acknowledges and agrees that during each Additional Renewal Term, Licensor shall be entitled to increase the Fees by an amount equal to the sum of three percent (3%) year over year of the Initial Renewal Term or the prior Additional Renewal Term. Notwithstanding the foregoing, Client will also be responsible for all other applicable Fees and expenses associated with any additional licenses and Services agreed upon between the parties at Licensor's then-current rates.

The Initial Renewal Term and each Additional Renewal Term shall collectively be referred to as the "**Term**." Each Statement of Work shall be in effect for the term set forth within that Statement of Work.

II. Amendment.

The parties agree to amend the Agreement as follows:

2.1 Events Upon Termination. Section 6(c) shall be amended by replacing "in Oracle® format" with "in an ASCII fixed file format."

CS STARS

2.2 Notices. CS STARS's addresses in **Section 14(b)** are deleted in their entirety and replaced by the following:

CS STARS LLC
Attn: Managing Director - Americas
3560 Lenox Road, Suite 2400
Atlanta, GA 30326
Facsimile: (404) 995-3025

With a copy to:
CS STARS LLC
Attn: Corporate Counsel
540 West Madison Street
Chicago, IL 60661
Facsimile: (312) 627-6172

2.3 Exhibits. Statement of Work #2 set forth in **Exhibit A** shall be amended by inserting the following into the second paragraph in the Preamble:

In the event that the Agreement is renewed upon expiration by CS STARS and Client in accordance with its terms, this SOW # 2 shall be automatically renewed, provided, however, that upon such renewal of this SOW # 2 the Pricing and Invoice Schedule may be amended by CS STARS.

2.4 Exhibits. Exhibit C shall be amended by deleting the CANCELLATION OF INSURANCE Condition in its entirety and replacing it with the following:

CANCELLATION OF INSURANCE: Licensor shall endeavor to provide thirty (30) days' notice to the County of any cancellation of the above insurance policies.

III. Miscellaneous.

3.1 Statement of Work; Incorporation. The Schedules and Exhibits hereto shall be incorporated into and made a part of the Agreement.

3.2 No Modification. The Agreement, as herein amended, is the complete statement of the agreement of the parties with respect to the subject matter of this Agreement and supersedes all prior oral and written agreements, including, without limitation, any prior, concurrent or subsequent purchase orders or like documentation issued by Client, with respect to the subject matter hereof. Except as expressly modified in this Renewal, the Agreement remains unchanged and in full force and effect. All other provisions of the Agreement will remain in full force and effect; provided, however, that in the event of conflict between the Agreement and this Renewal, the terms of this Renewal shall be controlling.

3.3 Authority. THE PERSON(S) SIGNING AND EXECUTING THIS RENEWAL ON BEHALF OF CLIENT HEREBY REPRESENTS AND WARRANTS THAT HE OR SHE HAS THE AUTHORITY TO EXECUTE THIS RENEWAL ON BEHALF OF CLIENT AND TO VALIDLY AND LEGALLY BIND CLIENT TO ALL THE TERMS, PERFORMANCES AND PROVISIONS HEREIN.

CS STARS

IN WITNESS WHEREOF, the undersigned have duly executed this Renewal, or have caused this Renewal to be duly executed on their behalf, as of the Effective Date.

Agreed to:
CS STARS LLC

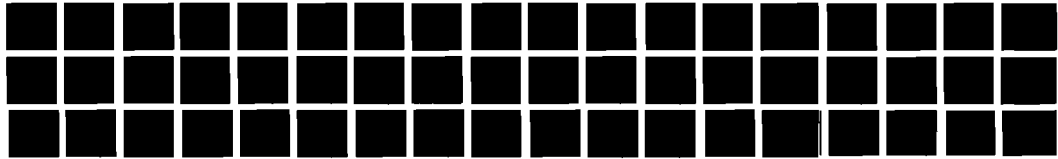
Agreed to:
COUNTY OF ALAMEDA

By _____	By _____
Authorized Signature	Authorized Signature
Name (type or print):	Name (type or print):
Title:	Title:
Date:	Date:
Address:	Address:

Please return a copy of this Renewal to the persons shown above.

Exhibit A:

CS STARS Statement of Work #3 for County of Alameda



Katherine Sopkovich
CS STARS LLC
1301 5th Ave. Suite 1900
Seattle, WA 98101
Phone: 206-214-3233
Fax: 206-214-3486
Email: ksopkovich@csstars.com

June 25, 2012

Version 1

This document and any recommendations, analysis, or advice provided by CS STARS herein (collectively, the "Information") are intended solely for the entity identified as the recipient herein ("you"). This document contains proprietary, confidential information of CS STARS and may not be shared with any third party, including any insurance producer, without CS STARS's prior written consent or as otherwise authorized by CS STARS. Any statements concerning legal matters are not to be relied upon as legal advice, for which you should consult your own professional advisors. Any modeling, analytics or projections are subject to inherent uncertainty, and the Information could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change. Except as may be expressly set forth in the Agreement, CS STARS makes no representation or warranty in or with respect to this document, shall have no obligation to update the Information and shall have no liability to you or any other party with regard to the Information.

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Statement of Work #3 for STARS™ Software

This Statement of Work # 3 ("Statement of Work") describes services to be performed by CS STARS LLC ("CS STARS") for County of Alameda ("Client"). This Statement of Work is subject to all the terms and conditions of the Software License and Services Agreement entered into by the parties on **September 10, 2009**, as amended (the "Agreement").

This Statement of Work is effective on September 10, 2012 (the "SOW # 3 Effective Date") and will remain in effect through September 9, 2015, unless terminated sooner in accordance with the Agreement.

Any capitalized terms not defined in this Statement of Work shall have the same definitions as set forth in the Agreement.

1. **Project Scope and Deliverables:** Identifiable deliverables included in this Statement of Work
2. **Maintenance Services and Support:** Ongoing software maintenance and related support
3. **Price and Payment Schedule:** Cost breakout for project products and ongoing services
4. **Statement of Work Approval**
5. **Appendices and Additional Approvals:** Additional details that apply to information contained in this Statement of Work

CS STARS

1. Maintenance Services and Support

The following describes the services included for the ongoing maintenance of this account.

CS STARS will license the following software to Client in accordance the terms and conditions of the Agreement:

A. Software Product Licenses and Maintenance

Core Software Deliverables	Description
STARS™ Professional Edition	41 named User licenses - Version 10 of STARS™ Professional Edition.

B. Technical Services

Deliverable	Description	What's Included in this Deliverable
Additional Storage	Additional storage	4 additional GB for a total of \$4,000 (Additional storage at a rate of \$1000 per one gigabyte of storage).

C. Ongoing Training

Travel for ongoing training will be billed as incurred unless included in Ongoing Services and Travel section.

Deliverable	Description	What's Included in this Deliverable
Instructor Led Training	Live instructor led training for groups of Client users.	2 days (8 hours maximum per day) of onsite instructor led training for up to 15 colleagues per year at Client's Oakland location or at a CS STARS's training facility. - Configuration of standard training materials
Web Training	Web-based instructor led training for small groups of Client users.	2 sessions (2 hours maximum per session) of instructor led web training for up to 10 colleagues per year - Configuration of standard training materials
Train-the-trainer	Live instructor led training for one or more Client trainers charged with teaching STARS™ to the broad Client user base.	1 days (8 hours maximum per day) of onsite train-the-trainer instruction led training for up to 15 Client designated trainers per year at Client's Oakland location or at a CS STARS training facility. - Configuration of standard training materials

CS STARS

Deliverable	Description	What's Included in this Deliverable
Users Conference Fees	Registration fees for CS STARS Users Conferences Included	• 1 registration fees are included in this Statement of Work.

D. Ongoing Services and Travel

Deliverable	What's Included in Deliverable
Client Support, Account Management and Consulting Services	- Package of 75 annual Client Support Hours is included in this Statement of Work. Client may pre-purchase additional Client Support Hours packages in advance of the complete erosion of any package at the same rate that Client is charged for such Client Support Hours in the initial package. - Additional Service Hours purchased by Client after all Client Support Hours have been eroded will be billed as incurred at CS STARS' then-current rate at the time of the request. - Support is offered during CS STARS normal business hours. - Customer support, account management and consulting services related to maintenance and ongoing use of the Software. Examples include, but are not limited to, service time spent on: Upgrades, migrations, user assistance with features, troubleshooting, testing, project management, issues management, stewardship meetings, account management, report configuration, data reconciliation, Third Party Administrator claim takeover analysis; changes to existing workflows or system setup; consulting related to changes to custom solutions, changes to data conversions or changes to reports; technical assistance, creation of events and validations, maintenance of custom reports, status calls, meetings and Documentation.
Work Orders	Work orders may be created by CS STARS and Client for Client-requested additional Services not included in this Statement of Work that will erode Client Support Hours. CS STARS will provide an estimate of the Client Support Hours required for the additional Services. A sample of the information required for a Work Order can be found in the Work Order Appendix to this Statement of Work.
Ongoing Travel	- Travel may be required for Services including, but not limited to, training, working meetings, stewardship meetings, project meetings, and technical services required for Upgrades or installations. 2 trips for 2 team members for up to \$1,000 per person are included. Additional travel will be billed as incurred.

2. Pricing and Invoice Schedule

See Financial Appendix for additional billing details. Fees do not include applicable taxes. All fees are subject to U.S. State Sales Tax, where applicable.

Deliverable	Fees		Payment Schedule
Year 1 Fees	Implementation Fee		Billed [REDACTED], beginning on September 10, 2012
	Annual Fee	\$77,359	
Year 2 Fees	\$77,359		Billed [REDACTED], beginning on September 10, 2013
Year 3 Fees	\$77,359		Billed [REDACTED], beginning on September 10, 2014

3. Statement of Work Approval

This offer will expire on 8-30-12.

IN WITNESS WHEREOF, the undersigned have duly executed this Statement of Work, or have caused this Statement of Work to be duly executed on their behalf as of the SOW #3 Effective Date.

County of Alameda

CS STARS LLC

Name [Client]

Name Katherine Sopkovich

Signature

Signature

Title

Title

Date

Date

Work Order Appendix

A work order may be completed for all Client-requested additional Services not included in this Statement of Work that will erode the Client Support Hours. CS STARS will provide Client an initial “ballpark” estimate of the Client Support Hours required to complete the additional Services.

Sample Work Order Form

CS STARS Work Order

Client Name:

Project Name:

Project Description:

Project Requested by:

Client Desired Timeline for Completion:

Additional Project Details:

CS STARS Estimated Project timeline:

CS STARS Estimated Project hours:

Initialed: Client _____ CS STARS _____

Financial Appendix

Main Client Business Contact Information

Business Contact Name	
Business Contact Title	
Business Contact Address	
Business Contact Phone	
Business Contact Fax	
Business Contact Email Address	

Client Billing Information

Billing Contact Name	
Billing Contact Title	
Billing Contact Address	
Billing Contact Phone	
Billing Contact Fax	
Billing Contact Email Address	
Client Tax Jurisdiction*	
Billing Currency	
Preferred Invoicing Method	Mail  Email

*If Client has a tax exempt status, please attach tax exempt form to this appendix. For European clients, please indicate VAT or No VAT in this section as well.

Payment Remission Details

CS STARS Lockbox for Payments	Overnight Courier Address	ACH Wire Instructions
CS STARS LLC P.O. Box 201739 Dallas, TX 75320-1739	Wells Fargo Bank - Regulus Attn: 201739 CS STARS 2975 Regent Blvd Irving, TX 75063	Bank: Wells Fargo Bank Dallas, TX ABA: 121000248 Account No: 4121269922

Initialed: Client _____ CS STARS _____

Statement of Work #4 for STARS™ Software

This Statement of Work #4 ("Statement of Work") describes services to be performed by CS STARS LLC ("CS STARS") for County of Alameda ("Client") commencing on September 10, 2012 (the "**SOW Effective Date**"). This Statement of Work is subject to all the terms and conditions of the Software License and Services Agreement into by the parties on September 10, 2009, as amended (the "Agreement").

This Statement of Work is effective on 9-10-12 (the "SOW # 4 Effective Date") and will remain in effect through Migration Closure (as defined herein), unless terminated sooner in accordance with the Agreement.

1. Project Scope and Deliverables

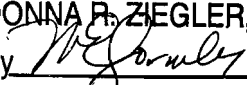
The following describes all initial Services to be performed by CS STARS under this Statement of Work. Any services or deliverables not specified in *What's Included in this Deliverable* column are expressly excluded from this Statement of Work.

Deliverable	Description	What's Included in this Deliverable
Migration from STARS™ Professional Edition to STARS™ Enterprise of Standard System Configuration (using standard configuration tools in the STARS software)	Migration services to be performed by a primary support team that will leverage resources and experience of STARS personnel to migrate Client from STARS™ Professional Edition (" STARS PE ") to STARS™ Enterprise (" STARS Enterprise ").	• Migration of Software • Migration of Existing System (claim and incident, reserve and payment, notes, diaries, attachments, conversion of rolodex to contact records, policy information) • Migration of existing Codes and Fields • Migration of existing Screen Design (includes Incidents, Claims, Occurrence, Transaction, Contacts/Vendors, Policy, and Location) • Migration of existing Location Hierarchy (including C.O.P.E. and Exposure) • Migration of existing Security Configuration • Migration of existing Events / Validations and Email Notifications (limit of ten) • Migration of existing Interview Entry templates • Migration of existing CMS functionality • Migration of Contracted Ongoing Data Sources • Migration of Medicare Section 111 Solution (as referenced in SOW #2) • Reports utilizing Standard STARS & AdHoc Templates • Access to standard web-based training course

Deliverable	Description
-------------	-------------

Approved as to Form

DONNA R. ZIEGLER, County Counsel

By 

Print Name M. E. Gormley

CS STARS

Deliverable	Description
Client Responsibilities	- Replication of My STARS settings established by each current STARS™ PE user - Replication of specific search menus established by each current STARS™ PE user - Previously configured My Reports and Alerts will need to be reconfigured by the individual user - Existing Report bursting capabilities for report distribution will need to be recreated by the client - Three (3) day Sandbox Validation Period as to be communicated by CS STARS to Client. If Client does not provide CS STARS with feedback during the three (3) day sandbox validation period, the deliverables will be deemed accepted. Migration Closure occurs upon acceptance of deliverables.

2. Pricing and Invoice Schedule

See Financial Appendix for additional billing details. Fees do not include applicable taxes. All fees are subject to U.S. State Sales Tax, where applicable.

Deliverable	Fees		Payment Schedule
Project Fee	Migration Fee	\$12,800	Payable upon SOW Effective Date

3. Statement of Work Approval

Notwithstanding anything to the contrary in the Agreement or any other Statements of Work, CS STARS shall have the right to engage its authorized subcontractors and to disclose any information and data provided by or on behalf of Client to its employees and other agents in connection with its obligations under this Statement of Work.

This offer will expire on September 30, 2012.

IN WITNESS WHEREOF, the undersigned have duly executed this Statement of Work, or have caused this Statement of Work to be duly executed on their behalf as of the SOW # 4 Effective Date.

County of Alameda

CS STARS LLC

Name

Name Katherine Sopkovich

Signature

Signature

Title

Title

Date

Date

Approved as to Form

DONNA B. ZIEGLER, County Counsel

By M.E. Gormley

Print Name M.E. Gormley

CS STARS

RENEWAL AGREEMENT

This **RENEWAL AGREEMENT** ("**Renewal**") is entered into as of September 9, 2012 (the "**Effective Date**") between CS STARS LLC ("**CS STARS**") and County of Alameda ("**Client**") to amend the **SOFTWARE LICENSE AND SERVICES AGREEMENT** entered into by the parties as of September 10, 2009 (the "**Agreement**").

The parties, in consideration of the mutual covenants and agreements stated herein, and other good, valuable and legally sufficient consideration as set forth in this Renewal, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. **Renewal.**

1.1 Renewal. The parties hereby agree to renew the Agreement, as amended by this Renewal, through September 9, 2015 (the "**Initial Renewal Term**"). Thereafter, the Agreement shall automatically renew for additional three (3)-year periods (each, a "**Additional Renewal Term**") unless either party gives the other party notice of its election to non-renew at least one hundred twenty (120) days prior to the end of the then-current Term provided that:

(i) Client is not in breach of the Agreement and is current on all amounts due Licensor under the Agreement;

(ii) Client acknowledges and agrees that: (1) each such Additional Renewal Term will be at Licensor's then-current rates (subject to subpart (iii) below); (2) the Licensed Software available to Client and supported by Licensor during any Additional Renewal Term may be a different version or release than as available and supported during the prior term; and (3) Client will also be responsible for all Fees and expenses associated with any additional Services agreed upon between the parties at Licensor's then-current rates; and

(iii) notwithstanding subpart (ii) above with respect to the type of Licensed Software licensed during the Initial Term, Client acknowledges and agrees that during each Additional Renewal Term, Licensor shall be entitled to increase the Fees by an amount equal to the sum of three percent (3%) year over year of the Initial Renewal Term or the prior Additional Renewal Term. Notwithstanding the foregoing, Client will also be responsible for all other applicable Fees and expenses associated with any additional licenses and Services agreed upon between the parties at Licensor's then-current rates.

The Initial Renewal Term and each Additional Renewal Term shall collectively be referred to as the "**Term**." Each Statement of Work shall be in effect for the term set forth within that Statement of Work.

II. **Amendment.**

The parties agree to amend the Agreement as follows:

2.1 Events Upon Termination. Section 6(c) shall be amended by replacing "in Oracle® format" with "in an ASCII fixed file format."

CS STARS

2.2 Notices. CS STARS's addresses in **Section 14(b)** are deleted in their entirety and replaced by the following:

CS STARS LLC
Attn: Managing Director - Americas
3560 Lenox Road, Suite 2400
Atlanta, GA 30326
Facsimile: (404) 995-3025

With a copy to:
CS STARS LLC
Attn: Corporate Counsel
540 West Madison Street
Chicago, IL 60661
Facsimile: (312) 627-6172

2.3 Exhibits. Statement of Work #2 set forth in **Exhibit A** shall be amended by inserting the following into the second paragraph in the Preamble:

In the event that the Agreement is renewed upon expiration by CS STARS and Client in accordance with its terms, this SOW # 2 shall be automatically renewed, provided, however, that upon such renewal of this SOW # 2 the Pricing and Invoice Schedule may be amended by CS STARS.

2.4 Exhibits. Exhibit C shall be amended by deleting the CANCELLATION OF INSURANCE Condition in its entirety and replacing it with the following:

CANCELLATION OF INSURANCE: Licensor shall endeavor to provide thirty (30) days' notice to the County of any cancellation of the above insurance policies.

III. Miscellaneous.

3.1 Statement of Work; Incorporation. The Schedules and Exhibits hereto shall be incorporated into and made a part of the Agreement.

3.2 No Modification. The Agreement, as herein amended, is the complete statement of the agreement of the parties with respect to the subject matter of this Agreement and supersedes all prior oral and written agreements, including, without limitation, any prior, concurrent or subsequent purchase orders or like documentation issued by Client, with respect to the subject matter hereof. Except as expressly modified in this Renewal, the Agreement remains unchanged and in full force and effect. All other provisions of the Agreement will remain in full force and effect; provided, however, that in the event of conflict between the Agreement and this Renewal, the terms of this Renewal shall be controlling.

3.3 Authority. THE PERSON(S) SIGNING AND EXECUTING THIS RENEWAL ON BEHALF OF CLIENT HEREBY REPRESENTS AND WARRANTS THAT HE OR SHE HAS THE AUTHORITY TO EXECUTE THIS RENEWAL ON BEHALF OF CLIENT AND TO VALIDLY AND LEGALLY BIND CLIENT TO ALL THE TERMS, PERFORMANCES AND PROVISIONS HEREIN.

CS STARS

IN WITNESS WHEREOF, the undersigned have duly executed this Renewal, or have caused this Renewal to be duly executed on their behalf, as of the Effective Date.

Agreed to:
CS STARS LLC

Agreed to:
COUNTY OF ALAMEDA

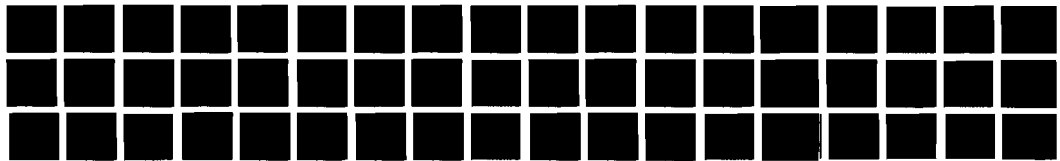
By _____
Authorized Signature
Name (type or print):
Title:
Date:
Address:

By _____
Authorized Signature
Name (type or print):
Title:
Date:
Address:

Please return a copy of this Renewal to the persons shown above.

Exhibit A:

CS STARS Statement of Work #3 for County of Alameda



Katherine Sopkovich
CS STARS LLC
1301 5th Ave. Suite 1900
Seattle, WA 98101
Phone: 206-214-3233
Fax: 206-214-3486
Email: ksopkovich@csstars.com

June 25, 2012

Version 1

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Statement of Work #3 for STARS™ Software

This Statement of Work # 3 ("Statement of Work") describes services to be performed by CS STARS LLC ("CS STARS") for County of Alameda ("Client"). This Statement of Work is subject to all the terms and conditions of the Software License and Services Agreement entered into by the parties on **September 10, 2009**, as amended (the "Agreement").

This Statement of Work is effective on September 10, 2012 (the "SOW # 3 Effective Date") and will remain in effect through September 9, 2015, unless terminated sooner in accordance with the Agreement.

Any capitalized terms not defined in this Statement of Work shall have the same definitions as set forth in the Agreement.

1. **Project Scope and Deliverables:** Identifiable deliverables included in this Statement of Work
2. **Maintenance Services and Support:** Ongoing software maintenance and related support
3. **Price and Payment Schedule:** Cost breakout for project products and ongoing services
4. **Statement of Work Approval**
5. **Appendices and Additional Approvals:** Additional details that apply to information contained in this Statement of Work

1. Maintenance Services and Support

The following describes the services included for the ongoing maintenance of this account.

CS STARS will license the following software to Client in accordance the terms and conditions of the Agreement:

A. Software Product Licenses and Maintenance

Core Software Deliverables	Description
STARS™ Professional Edition	41 named User licenses - Version 10 of STARS™ Professional Edition.

B. Technical Services

Deliverable	Description	What's Included in this Deliverable
Additional Storage	Additional storage	4 additional GB for a total of \$4,000 (Additional storage at a rate of \$1000 per one gigabyte of storage).

C. Ongoing Training

Travel for ongoing training will be billed as incurred unless included in Ongoing Services and Travel section.

Deliverable	Description	What's Included in this Deliverable
Instructor Led Training	Live instructor led training for groups of Client users.	2 days (8 hours maximum per day) of onsite instructor led training for up to 15 colleagues per year at Client's Oakland location or at a CS STARS's training facility. - Configuration of standard training materials
Web Training	Web-based instructor led training for small groups of Client users.	2 sessions (2 hours maximum per session) of instructor led web training for up to 10 colleagues per year - Configuration of standard training materials
Train-the-trainer	Live instructor led training for one or more Client trainers charged with teaching STARS™ to the broad Client user base.	1 days (8 hours maximum per day) of onsite train-the-trainer instruction led training for up to 15 Client designated trainers per year at Client's Oakland location or at a CS STARS training facility. - Configuration of standard training materials

CS STARS

Deliverable	Description	What's Included in this Deliverable
Users Conference Fees	Registration fees for CS STARS Users Conferences Included	1 registration fees are included in this Statement of Work.

D. Ongoing Services and Travel

Deliverable	What's Included in Deliverable
Client Support, Account Management and Consulting Services	- Package of 75 annual Client Support Hours is included in this Statement of Work. Client may pre-purchase additional Client Support Hours packages in advance of the complete erosion of any package at the same rate that Client is charged for such Client Support Hours in the initial package. - Additional Service Hours purchased by Client after all Client Support Hours have been eroded will be billed as incurred at CS STARS' then-current rate at the time of the request. - Support is offered during CS STARS normal business hours. - Customer support, account management and consulting services related to maintenance and ongoing use of the Software. Examples include, but are not limited to, service time spent on: Upgrades, migrations, user assistance with features, troubleshooting, testing, project management, issues management, stewardship meetings, account management, report configuration, data reconciliation, Third Party Administrator claim takeover analysis; changes to existing workflows or system setup; consulting related to changes to custom solutions, changes to data conversions or changes to reports; technical assistance, creation of events and validations, maintenance of custom reports, status calls, meetings and Documentation.
Work Orders	Work orders may be created by CS STARS and Client for Client-requested additional Services not included in this Statement of Work that will erode Client Support Hours. CS STARS will provide an estimate of the Client Support Hours required for the additional Services. A sample of the information required for a Work Order can be found in the Work Order Appendix to this Statement of Work.
Ongoing Travel	- Travel may be required for Services including, but not limited to, training, working meetings, stewardship meetings, project meetings, and technical services required for Upgrades or installations. 2 trips for 2 team members for up to \$1,000 per person are included. Additional travel will be billed as incurred.

2. Pricing and Invoice Schedule

See Financial Appendix for additional billing details. Fees do not include applicable taxes. All fees are subject to U.S. State Sales Tax, where applicable.

Deliverable	Fees		Payment Schedule
Year 1 Fees	Implementation Fee		Billed [REDACTED], beginning on September 10, 2012
	Annual Fee	\$77,359	
Year 2 Fees	\$77,359		Billed [REDACTED], beginning on September 10, 2013
Year 3 Fees	\$77,359		Billed [REDACTED], beginning on September 10, 2014

3. Statement of Work Approval

This offer will expire on 8-30-12.

IN WITNESS WHEREOF, the undersigned have duly executed this Statement of Work, or have caused this Statement of Work to be duly executed on their behalf as of the SOW #3 Effective Date.

County of Alameda

CS STARS LLC

Name [Client]

Name Katherine Sopkovich

Signature

Signature

Title

Title

Date

Date

Work Order Appendix

A work order may be completed for all Client-requested additional Services not included in this Statement of Work that will erode the Client Support Hours. CS STARS will provide Client an initial “ballpark” estimate of the Client Support Hours required to complete the additional Services.

Sample Work Order Form

CS STARS Work Order

Client Name:

Project Name:

Project Description:

Project Requested by:

Client Desired Timeline for Completion:

Additional Project Details:

CS STARS Estimated Project timeline:

CS STARS Estimated Project hours:

Initialed: Client _____ CS STARS _____

Financial Appendix

Main Client Business Contact Information

Business Contact Name	
Business Contact Title	
Business Contact Address	
Business Contact Phone	
Business Contact Fax	
Business Contact Email Address	

Client Billing Information

Billing Contact Name	
Billing Contact Title	
Billing Contact Address	
Billing Contact Phone	
Billing Contact Fax	
Billing Contact Email Address	
Client Tax Jurisdiction*	
Billing Currency	
Preferred Invoicing Method	Mail ☒ Email

*If Client has a tax exempt status, please attach tax exempt form to this appendix. For European clients, please indicate VAT or No VAT in this section as well.

Payment Remission Details

CS STARS Lockbox for Payments	Overnight Courier Address	ACH Wire Instructions
CS STARS LLC P.O. Box 201739 Dallas, TX 75320-1739	Wells Fargo Bank - Regulus Attn: 201739 CS STARS 2975 Regent Blvd Irving, TX 75063	Bank: Wells Fargo Bank Dallas, TX ABA: 121000248 Account No: 4121269922

Initialed: Client _____ CS STARS _____

Statement of Work #4 for STARS™ Software

This Statement of Work #4 ("Statement of Work") describes services to be performed by CS STARS LLC ("CS STARS") for County of Alameda ("Client") commencing on September 10, 2012 (the "**SOW Effective Date**"). This Statement of Work is subject to all the terms and conditions of the Software License and Services Agreement into by the parties on September 10, 2009, as amended (the "Agreement").

This Statement of Work is effective on 9-10-12 (the "SOW # 4 Effective Date") and will remain in effect through Migration Closure (as defined herein), unless terminated sooner in accordance with the Agreement.

1. Project Scope and Deliverables

The following describes all initial Services to be performed by CS STARS under this Statement of Work. Any services or deliverables not specified in *What's Included in this Deliverable* column are expressly excluded from this Statement of Work.

Deliverable	Description	What's Included in this Deliverable
Migration from STARS™ Professional Edition to STARS™ Enterprise of Standard System Configuration (using standard configuration tools in the STARS software)	Migration services to be performed by a primary support team that will leverage resources and experience of STARS personnel to migrate Client from STARS™ Professional Edition (" STARS PE ") to STARS™ Enterprise (" STARS Enterprise ").	▀ Migration of Software ▀ Migration of Existing System (claim and incident, reserve and payment, notes, diaries, attachments, conversion of rolodex to contact records, policy information) ▀ Migration of existing Codes and Fields ▀ Migration of existing Screen Design (includes Incidents, Claims, Occurrence, Transaction, Contacts/Vendors, Policy, and Location) ▀ Migration of existing Location Hierarchy (including C.O.P.E. and Exposure) ▀ Migration of existing Security Configuration ▀ Migration of existing Events / Validations and Email Notifications (limit of ten) ▀ Migration of existing Interview Entry templates ▀ Migration of existing CMS functionality ▀ Migration of Contracted Ongoing Data Sources ▀ Migration of Medicare Section 111 Solution (as referenced in SOW #2) ▀ Reports utilizing Standard STARS & AdHoc Templates ▀ Access to standard web-based training course

Deliverable	Description
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Approved as to Form

DONNA R. ZIEGLER, County Counsel

By M.E. Gormley

Print Name M.E. Gormley

CS STARS

Deliverable	Description
Client Responsibilities	- Replication of My STARS settings established by each current STARS™ PE user - Replication of specific search menus established by each current STARS™ PE user - Previously configured My Reports and Alerts will need to be reconfigured by the individual user - Existing Report bursting capabilities for report distribution will need to be recreated by the client - Three (3) day Sandbox Validation Period as to be communicated by CS STARS to Client. If Client does not provide CS STARS with feedback during the three (3) day sandbox validation period, the deliverables will be deemed accepted. Migration Closure occurs upon acceptance of deliverables.

2. Pricing and Invoice Schedule

See Financial Appendix for additional billing details. Fees do not include applicable taxes. All fees are subject to U.S. State Sales Tax, where applicable.

Deliverable	Fees		Payment Schedule
Project Fee	Migration Fee	\$12,800	Payable upon SOW Effective Date

3. Statement of Work Approval

Notwithstanding anything to the contrary in the Agreement or any other Statements of Work, CS STARS shall have the right to engage its authorized subcontractors and to disclose any information and data provided by or on behalf of Client to its employees and other agents in connection with its obligations under this Statement of Work.

This offer will expire on September 30, 2012.

IN WITNESS WHEREOF, the undersigned have duly executed this Statement of Work, or have caused this Statement of Work to be duly executed on their behalf as of the SOW # 4 Effective Date.

County of Alameda

CS STARS LLC

Name

Name Katherine Sopkovich

Signature

Signature

Title

Title

Date

Date