

AGREEMENT WITH SOUTHTECH SYSTEMS, INC.
FOR PROFESSIONAL SOFTWARE PRODUCT SUPPORT SERVICES

Attachments:

Schedule A:	Scope of Work
Attachment 1:	Non-Discrimination Declaration
Attachment 2:	Certificate of Insurance

THIS AGREEMENT, entered into this 8th day of June, 2004, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and SOUTHTECH SYSTEMS, INC., hereinafter called "Contractor;"

WITNESSETH:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Assessor-County Clerk-Recorder Department; and

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

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

1. Services To Be Performed By Contractor

In consideration of the payments hereafter set forth, Contractor, under the general direction of the Assessor-County Clerk-Recorder or his designee, with respect to the product or result of Contractor's services, shall provide the services as described in Schedule A, attached hereto and incorporated herein by reference. Such services shall be provided in a professional and diligent manner.

2. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of Agreement shall be from January 01, 2004 through June 30, 2006. This agreement may be terminated by Contractor or by the Assessor-County Clerk-Recorder or his designee at any time, upon thirty (30) day's written notice to the other party.

3. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed \$185,000.00 for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein by reference. Any rate increase is subject to the approval of the Assessor-County Clerk-Recorder or his designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Assessor-County Clerk-Recorder or his designee.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Schedule A. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

4. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture, or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her/its tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she/it has no rights, benefits, privileges, and/or claims in any form whatsoever under, from, through, and/or pursuant to the San Mateo County Civil Service Rules.

5. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, or (C) any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this Agreement, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, or employees and servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of the contractor to indemnify and save harmless as set forth herein shall include the duty to defend as set forth in section 2778 of the California Civil Code.

6. Insurance

Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the Assessor-County Clerk-Recorder. Contractor shall furnish the Assessor-County Clerk-Recorder with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Assessor-County Clerk-Recorder of any pending change in the limits of liability or of any cancellation or modification of the policy.

In the event of the breach of any provision of section, or in the event any notice is received that indicates any required insurance coverage will be diminished or canceled. County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor makes the following certification, required by section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance. Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect Contractor while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single-limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

Such insurance shall include:

- | | |
|---|--------------|
| (1) Comprehensive General Liability | \$ 1,000,000 |
| (2) Motor Vehicle Liability | \$ 1,000,000 |
| (3) Professional Liability | \$ 1,000,000 |

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability

insurance to the level then customary in similar County agreements, by giving sixty (60) days notice to Contractor.

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).

7. Non-discrimination.

No person shall be excluded from participation in, denied the benefits of, or be subject to discrimination under this Agreement on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability, or veteran's status. Contractor shall ensure full compliance with federal, state, and local laws, directives, and executive orders regarding non-discrimination for all employees and subcontractors under this Agreement.

With respect to the provision of employee benefits, Contractor shall comply with the provisions of Title 2, Chapter 2.93 of the San Mateo County Ordinance Code, set forth in Attachment 1 attached hereto and incorporated herein by reference, which prohibit contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including but not limited to: (i) termination of this Agreement; (ii) disqualification of Contractor from bidding on or being awarded a County contract for a period of up to 3 years; (iii) liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation; and (iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to: (i) examine Contractor's employment records with respect to compliance with this paragraph; (ii) set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Agreement or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations, within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the

complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

8. Assignments and Subcontracts

A. Without the written consent of the Assessor-County Clerk-Recorder, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Assessor-County Clerk-Recorder is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this Agreement without the written consent of the Assessor-County Clerk-Recorder or his designee.

C. All assignees, subcontractors, or consultant approved by the Assessor-County Clerk-Recorder or his designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the acts and/or omissions of the assignee, subcontractor, or consultant.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

9. Amendment of Agreement

A. This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

B. If particular people are identified in Schedule A as performing services under this Agreement, Contractor shall not substitute other people without prior written permission from the Assessor-County Clerk-Recorder. Any substitution shall be with a person of commensurate experience and knowledge.

10. Records

A. Contractor agrees to provide to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant federal, state, and local statutes, rules, regulations, and this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

B. Contractor shall maintain and preserve all financial records relating to this Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

11. Confidentiality and Property Rights

Any system or documents developed, produced, or provided under this Agreement shall become the sole property of County.

12. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including but not limited to, the Americans with Disabilities Act of 1990, as amended, and all applicable ordinances and regulations, including but not limited to, appropriate licensure, certification and provisions relating to confidentiality of records and applicable quality assurance regulations.

13. Interpretation and Enforcement

A. Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed as follows:

(1) In the case of County, to:

(a) San Mateo County Assessor-County Clerk-Recorder
Attn: Warren Slocum, Assessor-County Clerk-Recorder
555 County Center, First Floor
Redwood City, CA 94063-1665

(b) or to such person or address as County may, from time to time, furnish to Contractor; and

(2) In the case of Contractor, to:

SouthTech Systems, Inc.
600 West Santa Ana Blvd., Ste 114
Santa Ana, CA 92701

B. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, and the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

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

COUNTY OF SAN MATEO

SOUTHTECH SYSTEMS, INC.

By: _____
Mark Church, President
Board of Supervisors

By: Ronald Rubino
Ron Rubino
Vice President

Date: _____

Date: May 25, 2004

**ATTACHMENT 1:
NON-DISCRIMINATION REQUIREMENTS
IN THE PROVISION OF EMPLOYEE BENEFITS**

San Mateo County Ordinance Code

Title 2-Administration, Chapter 2.93. County Contracts-Non-Discrimination in Benefits

Section 2.93.010. Definitions.

For the purposes of this chapter:

- (a) "Contract" means a legal agreement between the County and a contractor for public works, consulting, or other services, or for purchase of supplies, material or equipment for which the consideration is in excess of \$5,000.
- (b) "Contractor" means a party who enters into a contract with the County.
- (c) "Contract Awarding Authority" means the Board of Supervisors or the individual authorized by the Board of Supervisors to enter into contracts on behalf of the County.
- (d) "Domestic partner" means any person who is registered as a domestic partner with the Secretary of State, State of California registry or the registry of the state in which the employee is a resident.
- (e) "Employee benefits" means the provision of any benefit other than pension and retirement benefits provided to spouses of employees or provided to an employee on account of the employee's having a spouse, including but not limited to bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; vacation; travel benefits; and any other benefits given to employees, provided that it does not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state law. (Ord. 4026, 02/13/01)

Section 2.93.020 Discrimination in the provision of benefits prohibited.

- (a) No contractor on a County contract shall discriminate in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse, subject to the following conditions:
 - (1) In the event that the contractor's actual cost of providing a particular benefit for the domestic partner of an employee exceeds that of providing it for the spouse of an employee, or the contractor's actual cost of providing a particular benefit to the spouse of an employee exceeds that of providing it for the domestic partner of an employee, the contractor shall not be deemed to discriminate in the provision of employee benefits if the contractor conditions providing such benefit upon the employee's agreement to pay the excess costs.
 - (2) The contractor shall not be deemed to discriminate in the provision of employee benefits if, despite taking reasonable measures to do so, the contractor is unable to extend a particular employee benefit to domestic partners, so long as the contractor provides the employee with a cash payment equal to the contractor's cost of providing the benefit to an employee's spouse.
- (b) The Board of Supervisors may waive the requirements of this chapter when it determines that it is in the best interests of the County. The County Manager may waive the requirements of this chapter for contracts not needing the approval of the Board of Supervisors where waiver would be in the best interests of the County for such reasons as follows:
 - (1) Award of a contract or amendment is necessary to respond to an emergency;
 - (2) The contractor is a sole source;
 - (3) No complaint contractors are capable of providing goods or services that respond to the County's requirements;
 - (4) The requirements are inconsistent with a grant, subvention or agreement with a public agency;
 - (5) The County is purchasing through a cooperative or joint purchasing agreement.

(c) Contractors should submit requests for waivers of the terms of this chapter to the Contract Awarding Authority for that contract, or in the case of contracts approved by the Board, the County Manager.

(d) The Contract Awarding Authority, or in the case of contracts approved by the Board, the County Manager, may reject an entity's bid or proposals, or terminate a contract, if the Contract Awarding Authority determines that the entity was set up, or is being used, for the purpose of evading the intent of this chapter.

(e) No Contract Awarding Authority shall execute a contract with a contractor unless such contractor has agreed that the contractor will not discriminate in the provision of employee benefits as provided for in this chapter. (Ord. 4026, 02/13/01)

Section 2.93.030 Application of chapter.

The requirements of this chapter shall only apply to those portions of a contractor's operations that occur

(a) within the County; (B) on real property outside of the County if the property is owned by the County or if the County has a right to occupy the property, and if the contractor's presence at that location is connected to a contract with the County; and (c) elsewhere in the United States where work related to a County contract is being performed. The requirements of this chapter shall not apply to subcontracts or subcontractors of any contract or contractor. (Ord. 4026, 02/13/01)

Section 2.93.040 Powers and duties of the County Manager.

The County Manager's office shall have the authority to:

(a) Adopt rules and regulations, in accordance with this chapter and the Ordinance Code of the County of San Mateo, establishing standards and procedures for effectively carrying out this chapter;

(b) Receive notification from employees of contractors regarding violations of this chapter;

(c) Determine and recommend to the Board of Supervisors for final decision the imposition of appropriate sanctions for violation of this chapter by contractors including, but not limited to:

(1) Disqualification of the contractor from bidding on or being awarded a County contract for a period of up to 5 years, and

(2) Contractual remedies, including, but not limited to termination of contract,

(3) Liquidated damages in the amount of \$2,500;

(d) Examine contractors' benefit programs covered by this chapter;

(e) Impose other appropriate contractual and civil remedies and sanctions for violations of this chapter;

(f) Allow for remedial action after a finding of noncompliance, as specified by rule;

(g) Perform such other duties as may be required or which are necessary to implement the purposes of this chapter. (Ord. 4026, 02/13/01)

Section 2.93.050 Date of application.

The provisions of this chapter shall apply to any contract awarded or amended on or after July 01, 2001, provided that if the contractor is then signatory to a collective bargaining agreement, this chapter shall only apply to any contract with that contractor which is awarded or amended after the effective date of the next collective bargaining agreement. (Ord. 4026, 02/13/01)

**SCHEDULE A
SCOPE OF WORK**

THE FOLLOWING AGREEMENT AND EXHIBIT SETS FORTH TERMS FOR SOFTWARE MAINTENANCE AND TECHNICAL SUPPORT FOR THE SOFTWARE PROVIDED BY SOUTHTECH SYSTEMS, INC. FOR THE USE BY THE COUNTY OF SAN MATEO ASSESSOR, CLERK, RECORDER AND ELECTIONS DEPARTMENT.

1. SouthTech Systems, Inc. (STS) has granted to the San Mateo County Assessor, Clerk, Recorder, Elections Department (CARE), a non-exclusive, non-transferable right to use one copy of the County Software Products listed below in paragraph "1c." of this agreement.
 - a. **Use.** The software is licensed for the exclusive use by the San Mateo County Assessor, Clerk, Recorder and Elections Department (CARE). This license authority included unlimited right to CARE to extend look up and printing privileges to other County departments.
 - b. **Server and Workstation Use.** CARE is entitled to install the software on an unlimited server/workstation license basis in the CARE Department. CARE is authorized to use the software on any Client or Server device within the department. The software license also authorizes CARE to make one copy of the server and workstation software solely for backup or archival purposes.
 - c. **CARE Software Group of Products.** The following software systems and all related modules are within the scope of this software maintenance and technical support agreement and are known as the CARE Software Group of Products:
 - MarriageSQL Licensing System
 - Online Marriage License Application
 - ClerkDocs System
 - Online FBN Application
 - VitalDocs System
 - VitalDocs AVSS Import
 - VitalDocs Public Access
 - Cashiering/Fee Accounting System
 - LandDocs
 - LandDocs Public Access
 - Electronic Recording (ER) Web Service
 - 20-Day Notice Reconciliation System
 - CampaignDocs System
 - DisclosureDocs System
 - Building Permit Data Transfer

2. Software Maintenance and Technical Support Services Period

This agreement covers software maintenance and technical support for the period of January 1, 2004 through June 30, 2006. This agreement is renewable for two additional twelve month

service periods at rates not to exceed a 4% increase from the prior year's rates. Future agreements may be adjusted by mutual agreement to include the cost of new systems or expanded services provided by SouthTech Systems for use by CARE.

3. Cost and Payments for Software Maintenance and Technical Support Services

The annual cost of software maintenance and technical support for each service period is as follows:

Service Period	Software Maintenance	Technical Support	Total
January 1, 2004 to June 30, 2004	\$5,850.45		
Sales Tax @ 8.25%	\$ 482.66		
Total FY 2003-04	\$6,333.12	\$8,774.51	\$15,107.63
July 1, 2004 to June 30, 2005	\$29,469.35		
Sales Tax @ 8.25%	2,431.22		
Total FY 2004-05	\$31,900.57	\$44,425.22	\$76,325.79
July 1, 2005 to June 30, 2006	\$32,282.50		
Sales Tax @ 8.25%	\$2,663.31		
Total FY 2005-06	\$34,945.81	\$48,417.29	\$83,363.10
Grand Total			\$174,796.52

The amount due for software maintenance and technical support will be billed at the beginning of the service period and is due 30 days after receipt of the invoice.

4. Software Maintenance Services

Under this agreement San Mateo County CARE will receive regular and problem resolution software updates and related professional services for the CARE Software Group of Products. These software updates and services shall include:

- a. Regular system updates which include new or modified programs to fix application bugs, modify the system to improve performance, modify functionality, improve user interfaces and provide new features. During the life of this agreement, SouthTech Systems will maintain all programming systems, compilers, tools and any other types of programming aids produced by third-party software suppliers and used in the creation of the CARE Software Group of Products at a release level which is supported by the desktop and server operating systems being used at CARE at the time of system acceptance. System updates will be provided at least annually and more often as required to maintain the systems in good working order.

b. SouthTech Systems will test all system updates prior to release to CARE. SouthTech Systems will assist CARE staff to install and conduct further test of all SouthTech Systems software updates prior to the updates being implemented in the production environment. SouthTech Systems will provide post implementation support for all software updates to maintain the systems in good working order.

c. SouthTech Systems will provide a list to CARE staff of all features and changes included in a software update.

d. SouthTech Systems will assist CARE staff to insure a successful installation of SouthTech Systems software updates. Software upgrades are generally performed during normal business hours. Special arrangements for testing during non-business hours and weekends can be scheduled to avoid a disruption in normal business operations.

5. Technical Support Services

a. Remote Technical Support

SouthTech Systems Customer Service will provide CARE IT and operational management with remote technical support. Remote technical support is available by telephone, fax, e-mail and WebEx services. SouthTech Systems will provide remote technical support during normal business hours of Monday - Friday, 9:00 a.m. to 6:00 p.m. Services are also available on a scheduled basis for hours and days outside normal business hours. The most common situations resolved with remote technical support are:

- Telephone calls, e-mails and online "Trouble Reports" from CARE Management or Information Technology (IT) staff personnel to report a system malfunction, bug, or operational problem.
- Application troubleshooting to verify problem and determine what corrective action is required
- Remote troubleshooting and diagnostic services by SouthTech Systems technical Support staff using WebEx Services for remote access to servers and workstations.
- Assist CARE IT staff with software installation problems.
- Assist CARE IT staff in analysis of problems related to third party hardware and software interfaces and integration with SouthTech Systems CARE Software Group of Products

b. Service Requests and Response Time

SouthTech Systems will respond to emergency support request telephone calls or e-mail by CARE personnel within 1 hour. An emergency situation occurs if a system problem results disabling the system and disrupting normal operations and services.

A non-emergency technical support service requests will be responded to within 8 business hours. SouthTech Systems will determine the necessary action to resolve a system performance

problem and provide this information to the designated CARE System Administrator. CARE personnel will provide adequate information to SouthTech Systems technical support staff to assist in determining the reason for the problem and the appropriate action needed to resolve the problem.

The information CARE shall provide includes: description of the problem, screen shots, copy of error message, system logs, transaction history and sequence of events that lead to the occurrence.

If the situation requires on-site services, SouthTech Systems will dispatch a qualified staff person to address the problem. Typical response time will be within 2 business days for emergency onsite services. This agreement includes up to 24 hours of emergency onsite technical support during each six month service period. Additional hours can be authorized by a CARE work request that augments this agreement. The hourly rates used for any emergency onsite technical support services required in excess of the hours provided by this agreement shall be reimbursed at the discounted labor rates included in this agreement.

c. Third Party Hardware and Software Technical Support

SouthTech Systems will provide technical support requested by CARE for system maintenance of the CARE Software Group of Products for issues related to third party software or hardware that was in use at the time of system acceptance. These professional services shall include services such as researching the problem, programming, testing, software installation, acceptance testing and implementation support.

If a system problem occurs that requires SouthTech Systems technical support and participation, and the cause of the problem is determined to not be related to the SouthTech Systems CARE Software Group of Products, SouthTech Systems shall be reimbursed for services authorized by a CARE work request that augments this agreement. The hourly rates used for any third party hardware and software integration technical support and problem resolution services shall be the discounted labor rates included in this agreement.

If CARE initiates a change in third party hardware or software products that are used in conjunction with the SouthTech Systems CARE Software Group of Products, SouthTech Systems will be notified and participate as directed by CARE in the process of evaluation, selection, installation and testing. Any programming and technical support services provided by SouthTech Systems for a CARE initiated change in third party hardware and software shall be authorized by a CARE work request that augments this agreement. The hourly rates used for any third party hardware and software technical support services shall be the discounted labor rates included in this agreement.

d. Work Request Service Hours

CARE has the option to issue work requests to SouthTech Systems to purchase additional services that are beyond the scope of the software maintenance and technical support agreement. SouthTech Systems will provide 40 hours of professional service during each six month service

period at no additional charge. These technical support hours may be used for services such as training, research, system analysis, design and programming, testing and preparing documentation. All work must be approved by CARE Management designated by the department to have work request approval authority prior to work being initiated by SouthTech Systems. If CARE does not use these work request hours during the service period the hours will expire unless both CARE and SouthTech Systems have agreed to a time extension.

Service Period	Technical Service
January 1, 2004 to June 30, 2004	40 hours
July 1, 2004 to December 31, 2004	40 hours
January 1, 2005 to June 30, 2005	40 hours
July 1, 2005 to December 31, 2005	40 hours
January 1, 2006 to June 30, 2005	40 hours

e. Status Reports and Conference Calls

SouthTech Systems staff will participate by telephone in status meetings and conference calls as requested by CARE management. Onsite status meetings shall be scheduled at least once each six months service period. Additional onsite status meetings can be scheduled by CARE. SouthTech Systems will be reimbursed for their time and travel expenses for additional onsite status meetings. The hourly rates used for services related to onsite status meetings shall be the discounted labor rates included in this agreement.

f. Onsite Software Technical Support

At least once each six month service period, SouthTech Systems will provide non-emergency onsite software technical support for CARE SouthTech Systems Software Group of Products. SouthTech Systems will provide up to 16 hours of service for each onsite software technical support work session. The dates of the service and the work to be accomplished will be mutually agreed upon by CARE and SouthTech Systems. Tasks may include system status reports, software performance review, training services, planning discussions, system demonstrations and other services requested by CARE.

Work associated with a software performance review will consist of interviews, observations, review of reports and potentially running some diagnostic tests. Examples of subjects to be considered include:

- Review status of any outstanding problem reports and work requests.
- Review need to process data base reorganization routines.
- Review compliance with procedures for system security and back up.
- Review workstation and server performance and plans for future upgrades and replacement.
- Review with operations and IT management suggestions for system enhancements and improvements to the user interface.

- Review with operations and IT management whether any legal requirements or department policies have changed that require modifications to system functions to ensure they meet all new or pending changes in requirements.
- Complete any technical support services that will assist in maintaining the proper operation of the CARE SouthTech Systems Software Group of Products.

6. Travel Expenses

CARE will reimburse SouthTech Systems, Inc. for travel expenses related to onsite technical support services at a cost of \$500 per person for the first day and \$200 per day each day thereafter. This per diem reimbursement includes airfare, airport transportation, car rental, tolls, parking, hotel and meals.

7. Purchase of Additional Technical Support Services

If technical support and software development services are needed beyond the scope of this Software Maintenance and Technical Support Agreement, CARE may purchase additional professional services at a rate discounted 10% below SouthTech Systems standard published rates (See Exhibit A).

All work under this section must be approved by CARE designated IT and management staff prior to SouthTech Systems beginning any work. The scope of work will be included in a written work request approved by the CARE Department. For each work request SouthTech Systems will confirm the priority and provide estimate of hours required and completion date. SouthTech Systems will track and report the actual time utilized to accomplish the work request in monthly billing statements.

8. Customer Service Contact.

SouthTech Systems' customer service can be reached by calling (714) 972-8589 or by sending a fax to (714) 972-8157. You can also send an e-mail to support@southtechsystems.com. Written correspondence should be mailed to SouthTech Systems, Inc. 600 West Santa Ana. Blvd. Suite #114 Santa Ana, CA 92701.

9. Federal Tax Identification Number

SouthTech Systems' Federal tax identification number is #33-0853060

EXHIBIT A

SouthTech Systems
Professional Services Standard Rates
As of January 1, 2004

Position Title	Standard Rates	Prepaid Block of Hours		
		100-249 10% Discount	250-499 15% Discount	500 or more 20% Discount
	Hourly Rates			
Principal Developer	\$ 225.00	\$ 202.00	\$ 191.00	\$ 180.00
Project Manager	\$ 180.00	\$ 162.00	\$ 153.00	\$ 144.00
Senior Programmer/Analyst	\$ 160.00	\$ 144.00	\$ 136.00	\$ 128.00
Programmer/Analyst	\$ 140.00	\$ 126.00	\$ 119.00	\$ 112.00
Trainer/Technical Support	\$ 120.00	\$ 108.00	\$ 102.00	\$ 96.00

Notes:

1. Customers under an "Annual Software Maintenance and Technical Support Agreement" are eligible for the Level 1 discounted rates(10%) for new development, enhancements and work requests.
2. Existing customers who subscribe to an Annual Software Technical Support and Upgrade Subscription are eligible for fixed price agreements for large projects. A discount of 10 to 20% from standard professional service rates will be used to develop agreements. The discount rate generally reflects the total "blocks of hours" the service requires. These rates apply to enhancements and new development projects.
 - Level 1 - 10% discount (100 to 249 hours required)
 - Level 2 - 15% discount (250 to 499 hours required)
 - Level 3 - 20% discount (500 or more hours required)
3. Additional discounts may apply under "Partnership Development Agreements". These projects are jointly under taken by SouthTech Systems and a customer to develop new software products. Professional services rates may receive an additional discount for these projects in exchange for SouthTech Systems being granted the rights to the software for resale.

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: SouthTech Systems, Inc.
Contact Person: Ron Rubino
Address: 600 W. Santa Ana Blvd., Suite 114
Santa Ana, CA 92701
Phone Number: (714) 972-8589 Fax Number: (714) 972-8157

II Employees

Does the Contractor have any employees? X Yes ___ No
Does the Contractor provide benefits to spouses of employees? X Yes ___ No

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 25 day of May, 2004 at Santa Ana, CA
(City) (State)

Ronald Rubino
Signature

Ronald Rubino
Name (Please Print)

Vice President
Title

33-0853060
Contractor Tax Identification Number

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
5/24/2004

PRODUCER
Wright Insurance Services
93971 Selva Rd #120 / PO Box 4126
Dana Point, CA 92629
949-489-1833

INSURED
SouthTech Systems, Inc.

500 W. Santa Ana Blvd #114
Santa Ana, CA 92701
714-972-8588

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

- INSURER A: Hartford Casualty Insurance Co.
- INSURER B: State Compensation Insurance Fund
- INSURER C:
- INSURER D:
- INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE	TYPE OF INSURANCE	POLICY NUMBER	POLICY PERIOD (START DATE)	POLICY PERIOD (END DATE)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	57 SBA K99695	02-18-04	02-18-05	EACH OCCURRENCE	\$1,000,000
					PERI. DAMAGE (Any one fire)	\$ 300,000
					MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADM INJURY	\$1,000,000
					GENERAL AGGREGATE	\$2,000,000
					PRODUCTS - COMP/OP AGG	\$2,000,000
					GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC	
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	57 SBA K99695	02-18-04	02-18-05	COMBINED SINGLE LIMIT (See schedule)	\$1,000,000
					BODILY INJURY (Per person)	\$-----
					BODILY INJURY (Per accident)	\$-----
					PROPERTY DAMAGE (Per accident)	\$00
					AUTO ONLY - EA ACCIDENT	\$
	ANY AUTO			OTHER THAN AUTO ONLY: EA ACC \$ <input type="checkbox"/> AGG \$		
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	1581076-02	02-19-04	02-19-05	<input checked="" type="checkbox"/> W. STATE <input type="checkbox"/> OIL-FR. <input type="checkbox"/> TONY LIMIT	
					E.L. EACH ACCIDENT	\$1,000,000
					E.L. DISEASE - EA EMPLOYEE	\$
A	OTHER Business Pers Property	57 SBA K99695	02-18-04	02-18-05		\$75,000 Computers \$13,500 Bus/Pers/Equip

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER	<input checked="" type="checkbox"/> ADDITIONAL INSURED INSURER LETTER:	CANCELLATION
County of San Mateo Clerk Assessor Recorder & Elections Attn: Warren Slocum 555 County Center / 3rd Floor Redwood City, CA 94063-1665 (Fax) (650) 363-1903		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER/INSURED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: 