



## AGREEMENT MPTS PROPERTY TAX SYSTEM MAINTENANCE

1 THIS SUPPORT AGREEMENT, is for the term beginning July 1st, 2018 and terminating June 30,  
2 2019 by and between the COUNTY OF SAN BENITO, hereinafter referred to as the "County" and  
3 MEGABYTE SYSTEMS INC, whose mailing address is 2630 Sunset Blvd, Suite 100, Rocklin,  
4 California 95677, hereinafter referred to as the "Contractor". Federal Id: 77-0547969.

5 1. The County hereby engages the services of the Contractor, and the Contractor agrees to  
6 serve County in accordance with the terms and conditions set forth herein.

7 2. Work. Subject to the terms and conditions set forth in this agreement, Contractor shall  
8 provide the services described in Exhibit A.

9 3. Price. In consideration of Contractor's fulfillment of the promised work, County shall pay  
10 Contractor the amount set forth in Exhibit B. Support to County in excess of the terms of  
11 this agreement, as deemed necessary by County, will be billable to County at Contractor's  
12 standard hourly rate subject to advance written approval of County. If on-site support is  
13 required, travel time and expenses will be charged in addition to the hourly rate for work  
14 on-site.

15 4. Payments. County shall make payments of compensation hereunder monthly on submittal  
16 of an invoice. Contract payments are due and payable to Megabyte Systems, Inc. 2630  
17 Sunset Blvd, Suite 100, Rocklin, California 95677, within 15 working days of receipt of the  
18 invoice. Invoices shall be submitted to:

19 Tom Slavich, San Benito County Assessor

20 440 Fifth Street

21 Hollister, CA 95023

22 5. Changes. Changes and modifications to this Agreement may only be made by prior  
23 written change order of County, accepted in writing by the Contractor, specifying such  
24 change(s) including adjustment(s) to price and delivery schedule (if any), as are agreed to  
25 by the parties hereto. In no case shall County pay for any extra work or material furnished  
26 except as previously agreed upon in such a written change order. The Contractor and the  
27 County shall determine whether any change or modification will cause a delay in  
28 Contractor completing all work and if so, the duration of such delay.

29 6. County's Responsibility to Provide. County will provide, at its own expense, access to  
30 Megabyte via Megabyte's network or via the Internet as long as it is at acceptable speeds  
31 (County minimum of T1 or business DSL speed).

32 7. No Waiver by County. Inspection of the work by the County, or the statement by any  
33 officer, agent, or employee of the County, prior to written acceptance of the work or any  
34 part thereof, indicating that the work or any part thereof complies with the requirements  
35 of this Agreement, or the County's payment for the whole or any part of the work, or any  
36 combination of these acts, shall not relieve the Contractor of obligation to fulfill this  
37 Contract as prescribed. Waiver of any provision of this Agreement by the County in any  
38 single instance shall not prejudice County's right to enforcement of all provisions of this  
39 Agreement in any other instance.

40 8. Hold Harmless. Contractor agrees to defend, indemnify, save and hold harmless the  
41 County, its officers, agents, and employees, from and against any and all claims and  
42 losses whatsoever accruing or resulting to any and all persons, firms or corporations for  
43 damage, injury or death as a result of negligence by Contractor in Contractor's  
44 performance of this Agreement.

45 9. Patent or Copyright Infringement.

46 A. Contractor represents that the materials and products produced hereunder do not  
47 violate others intellectual property rights (which include patent, copyright, trademark,  
48 trade secret or other proprietary right.) In the event a claim, cause of action,  
49 proceeding or other legal action should arise in which there are claims that the  
50 materials and/or products infringe or violate another's intellectual property rights,  
51 Contractor shall undertake to protect, defend, settle or resolve the proceeding at no  
52 cost, whatsoever, to County, including, but not by way of limitation, legal fees,  
53 disbursements, judgments, or the like. Contractor shall protect, defend and  
54 indemnify and hold County harmless, subject only to County giving Contractor  
55 prompt written notice of any such third party claim, cause of action or proceedings  
56 and rendering to Contractor any reasonable information, assistance or access to  
57 documents and materials required in the defense of any such cause of action.

58 B. Should the materials and/or products in Contractor's opinion, be likely or become the  
59 subject of a claim of infringement of a patent, copyright or trademark, Contractor  
60 may do any of the following: (1) obtain a legally binding right for County to use, at  
61 no cost to County, the material and/or product; (2) replace or modify the material  
62 and/or product so that it is non-infringing yet still complies with the RFP and the

63 Contract specifications; (3) repurchase the material and/or product by refunding all  
64 moneys paid by County to Contractor for the material and/or product less  
65 depreciation and reasonable costs for use and such other amounts as are mutually  
66 agreeable to County and Contractor.

67 10. Title to Work. Upon termination of this agreement for any reason title to, ownership of,  
68 and all applicable patents, copyrights and trade secrets in the MPTS software, shall  
69 remain with the contractor as owner/holder of such patents, copyrights, and trade  
70 secrets, who shall retain complete rights to market such product, and no such rights shall  
71 pass to County. However, County shall receive, at no additional cost, a perpetual license  
72 to use such products for its own use.

73 11. Source Code. Contractor shall place source code for the licensed software and any  
74 changes thereto, into a software escrow account. County shall have access to the source  
75 code in the event Contractor fails to fulfill its maintenance and support obligations, or in  
76 the event of bankruptcy, dissolution, or appointment of a receiver for Contractor. County  
77 shall be able to use the source code according to the terms of this agreement, and must  
78 also be permitted to modify the code for its own use consistent with this agreement.

79 12. Insurance. Contractor shall maintain, at Contractor's own expense during the term  
80 hereof, insurance with respect to Contractor's performance of this Agreement of the  
81 types and in the minimum amounts described generally as follows:

82 A. Full Workmen's Compensation and Employer's Liability Insurance covering all  
83 employees of Contractor as required by law in the State of California.

84 B. Comprehensive Public Liability Insurance or Comprehensive Liability Insurance  
85 (Bodily Injury and Property Damage) of not less than One Million Dollars  
86 (\$1,000,000) combined single limit per occurrence (claim made).

87 C. Comprehensive Automobile Liability Insurance (Bodily Injury and Property Damage)  
88 on owned, hired, leased and non owned vehicles used in conjunction with  
89 Contractor's business of not less than Three Hundred Thousand (\$300,000)  
90 combined single limit per occurrence (claim made).

91 13. Proof of Insurance. Simultaneous with the execution of this Agreement, proof of the  
92 aforementioned insurance shall be furnished by the Contractor to the County by  
93 certificates of insurance. Such certificates shall specify that County must be given written  
94 notice 30 days prior to the cancellation or modification of any such insurance.

- 95 14. Insurance in Force and Effect During Contract Period. The insurance specified above  
96 shall be in a form and placed with an insurance company or companies satisfactory to  
97 County, and shall be kept in force and effect until completion to the satisfaction and  
98 acceptance by County of all work to be performed by the Contractor under this  
99 Agreement.
- 100 15. Confidentiality. Confidential information is defined as all information disclosed to  
101 Contractor which relates to the County's past, present, and future activities, as well as  
102 activities under this Contract. Contractor will hold all such information in trust and  
103 confidence. Upon cancellation or expiration of this Agreement, Contractor will return to  
104 County all written and descriptive matter which contains any such confidential  
105 information.
- 106 16. Independent Contractor. Contractor shall perform this contract as an independent  
107 contractor for all purposes. Contractor is not, and shall not be deemed, a County  
108 employee for any purpose, including worker's compensation. Contractor shall, at  
109 Contractor's own risk and expense, determine the method and manner by which the  
110 duties imposed on Contractor by this contract shall be performed; provided that County  
111 may monitor the work performed by Contractor; and provided further that Contractor shall  
112 observe and comply with all laws and rules applicable to County in performing the work.  
113 Contractor, not County, shall be responsible for Contractor's negligence and that of  
114 Contractor's agents and employees in performing the work. Contractor shall be entitled  
115 to none of the benefits accorded to a County employee. County shall not deduct or  
116 withhold any amounts whatsoever from the compensation paid to Contractor, including  
117 but not limited to amounts required to be withheld for state and federal taxes. Contractor  
118 alone shall be responsible for all such payments.
- 119 17. Termination. The County or Contractor may terminate this agreement with 60 days  
120 written notices.
- 121 18. Notices. All notices provided for by this Agreement shall be in writing and may be  
122 delivered by deposit in the First Class United States mail, by certified, or by registered  
123 mail, postage prepaid. All notices appertaining to the provisions of this Agreement, shall  
124 be addressed to Contractor's office, located at 2630 Sunset Blvd, Suite 100, Rocklin,  
125 California 95677. Notices to the County shall be addressed to San Benito County  
126 Assessor, 440 Fifth Street, Hollister, CA 95023. Effective date of all notices shall permit  
127 a minimum of five (5) days for transit in the mails.  
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COUNTY OF SAN BENITO, a political subdivision  
of the State of California

APPROVED AS TO LEGAL FORM  
SAN BENITO COUNTY COUNSEL

Shirley L. Murphy 5/21/18  
DEPUTY COUNTY COUNSEL    DATE

By \_\_\_\_\_

Dated: \_\_\_\_\_

CONTRACTOR: Megabyte Systems, Inc

By Sharon A. Zacht  
President  
"CONTRACTOR"

Dated: 05-03-18

## **EXHIBIT A**

### **SCOPE OF SERVICE**

#### **MPTS maintenance support services**

Contractor will provide the following maintenance support services:

- Hot line phone support for the Assessor, Tax Collector and Auditor user staff, as required, concerning the operation of the property tax system – MPTS.
- Diagnosis of application problems and suggested solutions.
- Application software corrections as needed by system failure to meet system requirements. This does NOT include any fixes for problems arising through alteration of the database by means other than Megabyte personnel.
- New State mandated change to the application of property and tax assessment statutes.
- Enhancements/Upgrades to the application software at the discretion of Megabyte Systems.
- Installation/Setup of application stored procedures/triggers/database-scheduled tasks when necessary.
- MPTS application training classes:
  - Web training classes
  - Training materials will be posted on the Megabyte website
  - Some sessions may be offered in house for detailed hands-on training at no cost for the session (County will be responsible for travel expenses)
- Roll turnover & roll over support to accommodate County off-hour support if desired:
  - Megabyte will optionally offer (based on County needs) roll turnover/rollover of scheduled jobs leaving reports out at the County (balancing/review is the responsibility of County)
  - Megabyte will review for consistency and set up – completion of jobs i.e. ascertain correctness of control records, job setup, scheduling, conflicts.
  - Backup: 2<sup>nd</sup> copy of 601 rolls and tax rolls for 12-year history retention to be held by Megabyte if requested by the County. Primary backup of the 601 roll and related system backups are County responsibilities.
  - Assistance with balancing property and tax assessment programs.
  - Assistance with producing fixes (i.e. mass roll changes) to correct erroneous assessment or tax roll results, whether due to County or Megabyte actions. However, County is responsible for meeting statutory requirements and proper updating of the Megabyte systems with all current data, such as tax rates. Assistance to fix problems caused by County failure to update base assessment data will be a billable item to the County.
- Several significant enhancements have been made to the system at no additional charge as follows:
  - Workflow for Assessor (completed and installed).
  - Appraisal Suite for Assessor (completed and installed).
  - Direct sale enrollment for certain property transfers (completed and installed).
  - Trees & vines data capture and assessment (completed and installed).
  - Cashiering for Tax Collector with upgrade to Heartland (completed and installed).
  - Document Imaging for Auditor / Tax Collector (completed and installed).

County will provide, at its own expense, access to Megabyte via Megabyte network or via the Internet as long as it is at acceptable speeds (County minimum of T1 or business DSL speed).

County must grant Contractor full administrator rights (SA).

### **SQL server database support services**

Contractor will provide the following SQL sever database services:

- Necessary tuning/routine maintenance/notification of service pack upgrades needed. (These must be ran by County personnel on the physical machine).
- General SQL maintenance.
- Monitoring of SQL logs for errors and corrective action.
- Daily batch job monitoring and fixes/notification of failures.
- Scheduling of overnight jobs.
- Installation upgrades to SQL versions when Megabyte upgrades the application software to a new version (Note: this does not include any cost associated with the purchase of SQL Server System Software – this cost is the responsibility of the County. Megabyte will install it and do any necessary property system upgrades). Megabyte determines the need to upgrade to a newer version of SQL.
- Rebuild database(s) if necessary due solely to SQL Server generated problems. (Exclusion: If the cause is failure by the user to detect operating system errors & take corrective action or notify Megabyte, then this activity will be billable to the County).
- SQL Support services are for the primary and inquiry (aka backup server) servers only.

County shall perform the following tasks:

- Ensuring the SQL Executive and SQL Server are running and restart if necessary.
- NT Server printer setup and documentation.
- Monitor disk space on NT Server.
- MPTS system backups.
- Network problems.
- Software/Hardware conflict issues.
- Install SQL Server service packs when notified to do so by Megabyte.
- Install MPTS service packs when notified to do so by Megabyte.

If on-site support is required travel time and expenses will be billable to County at the standard rate for Contractor.

### **Web Services**

Online Business Property Filing (OBPF)

Public Web Access for the Assessor and Tax Collector Departments.

Prior Year (previous year only) Tax Bills Online accessed through the Public Tax Collector site.

Historical Expansion (additional Year) accessed through the Public Tax Collector site.

Agency Web Access for the Assessor and Tax Collector Departments.

**EXHIBIT B**

**PAYMENT FOR SERVICES RENDERED**

The support cost for services described in Exhibit A – Scope of Service shall be as follows:

Term	Description	Amount
7/1/2018 – 6/30/2019	MPTS Property Tax System Maintenance/Support Including SQL Server Database Support	\$9,670.98 Per month
7/1/2018 – 6/30/2019 7/1/2018 – 6/30/2019	Online Business Property Filing Maintenance/Support* Online Business Property Filing - V 2.0 System Upgrade Payment 1 of 3**	\$1,447.51 \$6,000.00 Annual charge
7/1/2018 – 6/30/2019 7/1/2018 – 6/30/2019 7/1/2018 – 6/30/2019 7/1/2018 – 6/30/2019	Public Web Access for the Assessor and Tax Collector Prior Year (previous Year Only) Tax Bill Online Historical Expansion (Additional Year) Tax Bill Online Agency Web Access for the Assessor and Tax Collector	\$ 5,253.41 \$ 282.60 \$ 816.80 \$13,133.58 Annual charges

\*Effective July 1, 2019 to June 30, 2020 the annual maintenance and support of Online business Property Filing shall increase to \$3,127.32 plus any applicable increases in accordance with the Pacific Cities and U.S. City Average Consumer Price Index for month ending December 2018. Effective July 1, 2020 to June 30, 2021 the annual maintenance and support of online business Property Filing shall be increased in accordance with the Pacific Cities and U.S. City Average Consumer Price Index for month ending December 2019.

\*\*A second payment of \$6,000 shall be incorporated into the Contract between to County of San Benito and Megabyte Systems, Inc. effective July 1 2019 to June 30, 2020. A third and final payment of \$6,000 shall be incorporated into the Contract between to County of San Benito and Megabyte Systems, Inc. effective July 1 2020 to June 30, 2021.



## **COMPENSATION FOR EXTRA SERVICES**

COUNTY shall compensate CONTRACTOR for requested Extra Services and reimburse CONTRACTOR for expenses incurred in connection with the provision of such Extra Services as follows:

1. Emergency off-site support outside of the hours 8 AM to 5 PM or on weekends or holidays, with a four-hour minimum:  
  
**\$150.00 per hour**
2. On-site support, with a four-hour minimum, including time in transit.  
  
**\$150.00 per hour**
3. Travel expenses: At actual cost in accordance with County's current travel expense policy.