

**AGREEMENT
MPTS PROPERTY TAX SYSTEM
MAINTENANCE**

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

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

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

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

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

Lake County Treasurer/Tax Collector

255 N. Forbes St. Room 215

Lakeport, CA 95453

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

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

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

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

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

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

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

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

13. Proof of Insurance. Contractor shall not commence work under this agreement until an Additional Insured Endorsement naming the County, its officers, employees and agents as additional insured under the policies described in subparagraphs B and C in section 12 (Insurance) is delivered to the County. Such certificates shall specify that County must

be given written notice 30 days prior to the cancellation or modification of any such insurance.

14. Insurance in Force and Effect During Contract Period. The insurance specified above shall be in a form and placed with an insurance company or companies satisfactory to County, and shall be kept in force and effect until completion to the satisfaction and acceptance by County of all work to be performed by the Contractor under this Agreement.

15. Confidentiality. Confidential information is defined as all information disclosed to Contractor which relates to the County's past, present, and future activities, as well as activities under this Contract. Contractor will hold all such information in trust and confidence. Upon cancellation or expiration of this Agreement, Contractor will return to County all written and descriptive matter which contains any such confidential information.

16. Independent Contractor. Contractor shall perform this contract as an independent contractor for all purposes. Contractor is not, and shall not be deemed, a County employee for any purpose, including worker's compensation. Contractor shall, at Contractor's own risk and expense, determine the method and manner by which the duties imposed on Contractor by this contract shall be performed; provided that County may monitor the work performed by Contractor; and provided further that Contractor shall observe and comply with all laws and rules applicable to County in performing the work. Contractor, not County, shall be responsible for Contractor's negligence and that of Contractor's agents and employees in performing the work. Contractor shall be entitled to none of the benefits accorded to a County employee. County shall not deduct or withhold any amounts whatsoever from the compensation paid to Contractor, including but not limited to amounts required to be withheld for state and federal taxes. Contractor alone shall be responsible for all such payments.

17. Termination. The County or Contractor may terminate this agreement with 60 days written notices.

18. Notices. All notices provided for by this Agreement shall be in writing and may be delivered by deposit in the First Class United States mail, by certified, or by registered mail, postage prepaid. All notices appertaining to the provisions of this Agreement, shall be addressed to Contractor's office, located at 2630 Sunset Blvd, Suite 100, Rocklin, California 95677. Notices to the County shall be addressed to Lake County Treasurer/Tax Collector. 255 N.

Forbes St, Room 215. Lakeport, CA 95453. Effective date of all notices shall permit a minimum of five (5) days for transit in the mails.

IN WITNESS WHEREOF, each party to this Agreement has signed this Agreement upon the date indicated, and agrees, for itself, its employees, officers, partners and successors, to be fully bound by all terms and conditions of this Agreement.

Dated: _____

Attest: Carol J. Huchingson
Clerk of the Board of Supervisors

By: _____

COUNTY OF LAKE:

By: _____
Jim Steele
Chair, Board of Supervisors

Dated: 06.05.18

CONSULTANT:

By: Sharon A. Zachte
Sharon A. Zachte, President
Megabyte Systems, Inc

Dated: _____

APPROVED AS TO FORM:
Office of the County Counsel

By: Anita L. Grant
Anita L. Grant, County Counsel

Dated: _____

APPROVED AS TO CONTENT:
Lake County Treasurer-Tax Collector

By: Barbara C. Ringen
Barbara C. Ringen
Treasurer-Tax Collector

EXHIBIT A

SCOPE OF SERVICE

MPTS maintenance support services

Contractor will provide the following maintenance support services:

- Hot line phone support for County's 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 Contractor personnel.
- New State mandated change to the application of property and tax assessment statutes.
- Enhancements/Upgrades to the application software at the discretion of Contractor.
- 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 Contractor 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:
 - Contractor 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)
 - Contractor will review for consistency and set up – completion of jobs i.e. ascertain correctness of control records, job setup, scheduling, conflicts.
 - Backup: 2nd copy of 601 rolls and tax rolls for 12-year history retention to be held by Contractor 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 Contractor 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.

County will provide, at it's own expense, access to Contractor via Contractor 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 Contractor 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. Contractor will install it and do any necessary property system upgrades). Contractor 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 Contractor, 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 Contractor.
- Install MPTS service packs when notified to do so by Contractor.

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

Online Business Property Filing Maintenance/Support

Contractor shall provide the following MPTS Online Business Property Filing Maintenance & Support to this application as follows:

- Ability for business taxpayers to file their 571L, 571A and 571F personal property forms via the Internet.

Features Include:

- Previous year costs and net change.
- View/Print of completed form(s).
- Extraction of data for web access.
- Audit reports.
- Import/merge of filed data to the personal property system.
- Images/PDF retained of the filed statements with access via the personal property subsystem.

EXHIBIT B

PAYMENT FOR SERVICES RENDERED

The monthly 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	\$15,411.82 per month
7/1/2018 – 6/30/2019	Online Business Property Filing Licensing/Support	\$1,447.51 annual charge

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.