

**AGREEMENT
MPTS PROPERTY TAX SYSTEM
MAINTENANCE**

1 THIS SUPPORT AGREEMENT, is effective July 1, 2018 by and between the COUNTY OF NEVADA,
2 hereinafter referred to as the "County" and MEGABYTE SYSTEMS INC, whose mailing address is
3 2630 Sunset Blvd, Rocklin, CA 95677, hereinafter referred to as the "Contractor".

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

6 2. Work. Subject to the terms and conditions set forth in this agreement, Contractor shall
7 provide the services described in Exhibit 1 Scope of Services, attached and by this
8 reference incorporated herein.

9 3. Term of Agreement. The initial term of this Agreement shall begin on the later of
10 effective date of the Agreement or the date on which the County goes live with
11 Contractor's MPTS Property Tax System, and shall continue for a term of three (3)
12 years, with the County having the right to exercise its option to renew the agreement
13 following the initial term for three consecutive three year terms, unless sooner
14 terminated or extended in accordance with the terms hereof, upon expiration of the initial
15 term, subject to the payment by County of maintenance service fees in accordance with
16 Exhibit 2 of this Agreement.

17 4. Price. In consideration of Contractor's fulfillment of the promised work, County shall pay
18 Contractor the amount set forth in Exhibit 2 Payment for Maintenance Services, attached
19 and by this reference incorporated herein. Support to County in excess of the terms of
20 this agreement, as deemed necessary by County, will be billable to County at
21 Contractor's standard hourly rate subject to advance written approval of County. If on-
22 site support is required, actual and reasonable travel time and expenses will be charged
23 in addition to the hourly rate for work on-site, according to County's travel policies.

24 The maximum price for all services and expenses pursuant to this Agreement shall not
25 exceed those amounts set forth in Exhibit 2.

26 5. Payments. County shall make payments of compensation hereunder monthly on
27 submittal of an invoice. Contract payments are due and payable to Megabyte Systems,
28 Inc. 2630 Sunset Blvd, Suite 100, Rocklin, California 95677, within 30 working days of
29 receipt of the invoice. Invoices shall be submitted to:

30 County of Nevada
31 Information and General Services Director
32 950 Maidu Avenue
33 Nevada City, CA 95959
34

- 35 6. Audit by the California State Auditor. Contractor acknowledges that if the total
36 compensation under this agreement is greater than \$10,000.00, this Agreement is subject
37 to the examination and audit by the California State Auditor for a period of three (3) years,
38 or for any longer period required by law, after final payment under this Agreement,
39 pursuant to California Government Code 8546.7. In order to facilitate these potential
40 examinations and audits, Contractor shall maintain, for a period of at least three (3) years,
41 or for any longer period required by law, after final payment under the contract, all books,
42 records and documentation necessary to demonstrate performance under this agreement.
- 43 7. Changes. Changes and modifications to this Agreement may only be made by mutual
44 written agreement of the parties, specifying such change(s) including adjustment(s) to
45 price and delivery schedule (if any), as are agreed to by the parties hereto. In no case
46 shall County pay for any extra work or material furnished except as previously agreed
47 upon in such a written amendment to this Agreement. The Contractor and the County
48 shall determine whether any change or modification will cause a delay in Contractor
49 completing all work and if so, the duration of such delay.
- 50 8. Termination If Contractor fails to perform his/her duties to the satisfaction of Customer, or
51 if contractor fails to fulfill in a timely and professional manner his/her obligations under this
52 Agreement, or if Contractor violates any of the terms or provisions of this Agreement, then
53 the Customer shall have the right to terminate this Agreement effective immediately upon
54 the Customer giving written notice thereof to the Contractor. If Customer violates any of
55 the terms or provisions of this Agreement, then the Contractor shall have the right to
56 terminate this Agreement effective immediately upon the Contractor giving written notice
57 thereof to the Customer. Customer or Contractor may terminate this Agreement upon
58 sixty (60) days written notice. Customer shall pay Contractor a prorated portion of the flat
59 fee as of the date of notice. Customer may terminate this Agreement immediately upon
60 oral notice should funding cease or be materially decreased, or should the Nevada County
61 Board of Supervisors not appropriate sufficient funds for this Agreement in any fiscal year.
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63 Parties agree that upon termination of this Agreement, each Party's own data and records
64 in the possession of the other shall be returned to the other Party within thirty (30) days of
65 termination and in a commercially-recognized format.
- 66 9. County's Responsibility to Provide. At County's expense, County will provide Contractor
67 with access to County's network over a secure internet connection at speeds no less than
68 a T1 or business DSL connection.
- 69 10. No Waiver by County. Inspection of the work by the County, or the statement by any
70 officer, agent, or employee of the County, prior to written acceptance of the work or any

71 part thereof, indicating that the work or any part thereof complies with the requirements
72 of this Agreement, or the County's payment for the whole or any part of the work, or any
73 combination of these acts, shall not relieve the Contractor of obligation to fulfill this
74 Contract as prescribed. Waiver of any provision of this Agreement by the County in any
75 single instance shall not prejudice County's right to enforcement of all provisions of this
76 Agreement in any other instance.

77 11. Hold Harmless. Contractor agrees to defend, indemnify, save and hold harmless the
78 County, its officers, agents, and employees, from and against any and all claims and
79 losses whatsoever accruing or resulting to any and all persons, firms or corporations for
80 damage, injury or death as a result of negligence or willful misconduct by Contractor, its
81 employees, officers, agents, or subcontractors, in Contractor's performance of this
82 Agreement.

83 12. Patent or Copyright Infringement.

84 A. Contractor represents that the materials and products produced hereunder do not
85 violate others' intellectual property rights (which include patent, copyright,
86 trademark, trade secret or other proprietary right.) In the event a claim, cause of
87 action, proceeding or other legal action should arise in which there are claims that
88 the materials and/or products infringe or violate another's intellectual property rights,
89 Contractor shall undertake to protect, defend, settle or resolve the proceeding at no
90 cost, whatsoever, to County, including, but not by way of limitation, legal fees,
91 disbursements, judgments, or the like. Contractor shall protect, defend and
92 indemnify and hold County harmless, subject only to County giving Contractor
93 prompt written notice of any such third party claim, cause of action or proceedings
94 and rendering to Contractor any reasonable information, assistance or access to
95 documents and materials required in the defense of any such cause of action.

96 B. Should the materials and/or products, in Contractor's opinion, be likely or become
97 the subject of a claim of infringement of a patent, copyright or trademark, Contractor
98 shall within ninety (90) days of notification, and at its own expense, do any of the
99 following: (1) obtain a legally binding right for County to use, at no cost to County,
100 the material and/or product; (2) replace or modify the material and/or product so that
101 it is non-infringing yet still complies with the RFP and the Contract specifications; (3)
102 repurchase the material and/or product by refunding all moneys paid by County to
103 Contractor for the material and/or product less depreciation and reasonable costs

104 for use and such other amounts as are mutually agreeable to County and
105 Contractor.

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

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

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

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

123 B. Comprehensive Public Liability Insurance or Comprehensive Liability Insurance
124 (Bodily Injury and Property Damage) of not less than One Million Dollars
125 (\$1,000,000) combined single limit per occurrence (claim made).

126 C. Comprehensive Automobile Liability Insurance (Bodily Injury and Property Damage)
127 on owned, hired, leased and non owned vehicles used in conjunction with
128 Contractor's business of not less than One Million Dollars (\$1,000,000) combined
129 single limit per occurrence (claim made).

130 16. Proof of Insurance. Simultaneous with the execution of this Agreement, proof of the
131 aforementioned insurance shall be furnished by the Contractor to the County by
132 certificates of insurance. Such certificates shall specify that County must be given written
133 notice 30 days prior to the cancellation or modification of any such insurance.

134 17. Insurance in Force and Effect During Contract Period. The insurance specified above
135 shall be in a form and placed with an insurance company or companies satisfactory to
136 County, and shall be kept in force and effect until completion to the satisfaction and

137 acceptance by County of all work to be performed by the Contractor under this
138 Agreement.

139 18. Confidentiality. Confidential information is defined as all information disclosed to
140 Contractor which relates to the County's past, present, and future activities, as well as
141 activities under this Contract. Contractor will hold all such information in trust and
142 confidence. Upon cancellation or expiration of this Agreement, Contractor will, at its own
143 expense, return to County all written and descriptive matter which contains any such
144 confidential information.

145 19. Independent Contractor. Contractor shall perform this contract as an independent
146 contractor for all purposes, and not as agents or employees of County. Contractor is not,
147 and shall not be deemed, a County employee for any purpose, including worker's
148 compensation, or any County employee benefits. Contractor shall, at Contractor's own
149 risk and expense, determine the method and manner by which the duties imposed on
150 Contractor by this contract shall be performed; provided that County may monitor the
151 work performed by Contractor; and provided further that Contractor shall observe and
152 comply with all laws and rules applicable to County in performing the work. Contractor,
153 not County, shall be responsible for Contractor's negligence and that of Contractor's
154 agents and employees in performing the work. Contractor shall be entitled to none of the
155 benefits accorded to a County employee. County shall not be liable for deductions from,
156 or withholding of, the compensation paid to Contractor, as required by law and/or as
157 authorized in this Agreement, including but not limited to amounts required to be withheld
158 for state and federal taxes. Contractor alone shall be responsible for payment of
159 Contractor's state and federal taxes.

160 20. Notices. All notices provided for by this Agreement shall be in writing and may be
161 delivered by deposit in the First Class United States mail, by certified, or by registered
162 mail, postage prepaid. All notices appertaining to the provisions of this Agreement, shall
163 be addressed to Contractor's office, located at 2630 Sunset Blvd, Rocklin, CA 95677.
164 Notices to the County shall be addressed to the County of Nevada, Information and
165 General Services Director, 950 Maidu Avenue, Nevada City, CA 95959. Effective date of
166 all notices shall permit a minimum of five (5) days for transit in the mails.

167 21. Dispute Resolution. In the event of any dispute, claim, question, or disagreement arising
168 from or relating to this agreement or breach thereof, the parties shall use their best efforts
169 to settle the dispute, claim, question, or disagreement. To this effect, they shall consult
170 and negotiate with each other in good faith and, recognizing their mutual interests,

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attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such solution with a period of 60 days, then, upon mutual agreement of the Parties, the disputes, claims, questions, or differences may be finally settled by arbitration. The arbitration shall be conducted by a neutral arbitrator and in accordance with California law, with the parties sharing equally the costs of arbitration. Judgement on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

COUNTY OF NEVADA, a political subdivision of the State of California

By _____
Hon. Hank Weston
Chair, Board of Supervisors

Dated: _____

Attest: _____
Julie Patterson Hunter
Clerk of the Board

Approved as to Form:

County Counsel

CONTRACTOR: Megabyte Systems, Inc

By _____
President

"CONTRACTOR"

Dated: _____

EXHIBIT 1

SCOPE OF SERVICE

MPTS maintenance support services

Contractor will provide the following maintenance support services:

- Hot line phone support for County staff, including Assessor, Tax Collector and Auditor user staff, as required, concerning the operation of the property tax system – MPTS. Phone support will be available Monday through Friday, 8:00 a.m. to 5:00 p.m. except federal holidays.
- 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 County employee 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 its 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) on the MPTS servers.

SQL server database support services

Contractor will provide the following SQL sever database services:

- Install SQL Server service packs as needed.
- Install MPTS service packs when as needed.
- 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. Routine Microsoft Windows OS maintenance and security.

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

Additional MPTS Modules to be supported

(Additional Fees as specified in Exhibit B will apply)

Assessor/Tax Collector Public Web Access
Assessor/Tax Collector Agency Web Access
Tax Collector – Web bill print for Current Year/two prior years
Assessor – Online Business Property Filing (OBPF)
Tax Collector - Transient Occupancy Tax Module (TOT)

EXHIBIT 2

PAYMENT FOR MAINTENANCE SERVICES

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	\$20,000.00 per month
7/1/2018 – 6/30/2019	MPTS Web Services Assessor/Tax Collector Public Web Access Assessor/Tax Collector Agency Web Access Tax Collector – Web bill print for Current Year/Two Prior Years	\$ 5,145.00 annual charge* \$12,863.00 annual charge* \$ 2,500.00 annual charge*
7/1/2018 – 6/30/2019	Assessor – Online Business Property Filing (OBPF)	\$ 3,700.00 annual charge
7/1/2018 – 6/30/2019	Transient Occupancy Tax Module (TOT)	\$3,000.00 annual charge

Annual Adjustment of Fees.

Fees shall be adjusted annually each Fiscal year beginning on July 1, 2019 to reflect the percentage increase in the Consumer Price Index for the Pacific Cities and U.S. Cities Average.

**Fees waived for the first 12 months after County go-live date (applies to MPTS Web Services only) – Quoted fees may be adjusted for CPI based on the standard rates for the applicable year.*

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: **\$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.