

# **AGREEMENT MPTS PROPERTY TAX SYSTEM MAINTENANCE**

THIS SUPPORT AGREEMENT, is for the term beginning July 1, 2025 and terminating June 30, 2026 by and between the COUNTY OF SHASTA, hereinafter referred to as the "County" and MEGABYTE SYSTEMS INC, a California Corporation, whose mailing address is 2630 Sunset Blvd, 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 (the "Support Services"), attached and by this reference incorporated herein.
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, Rocklin, California 95677, within 15 working days of receipt of the correct and approved invoice. Invoices shall be submitted to

Leslie Morgan  
Shasta County Assessor  
1450 Court Street, Rm 208-A  
Redding, CA 96001  
asrrec@shastacounty.gov

5. Audit by the California State Auditor Contractor acknowledges that if the total compensation under this agreement is greater than \$10,000 00, this Agreement is subject to the examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code 8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books,

records and documentation necessary to demonstrate performance under this agreement.

6. 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
7. County's Responsibility. County shall comply with all requirements that apply to it under applicable laws and regulations, including laws and regulations governing intellectual property and data privacy. County will provide, at its own expense, access to Megabyte via Megabyte's network or via the Internet as long as it is at acceptable speeds (County minimum of T1 or business DSL speed).
8. No Waiver by County. Inspection of the work by the County, or the statement by any officer, agent, or employee of the County, prior to written acceptance of the work or any part thereof, indicating that the work or any part thereof complies with the requirements of this Agreement, or the County's payment for the whole or any part of the work, or any combination of these acts, shall not relieve the Contractor of obligation to fulfill this Contract as prescribed. Waiver of any provision of this Agreement by the County in any single instance shall not prejudice County's right to enforcement of all provisions of this Agreement in any other instance.
9. Hold Harmless. Contractor agrees to defend, indemnify, save and hold harmless the County, its officers, agents, and employees, from and against any and all claims and losses whatsoever accruing or resulting to any and all persons, firms or corporations for damage, injury or death as a result of negligence by Contractor in Contractor's performance of this Agreement.
10. Data Protection.
  - A. County hereby acknowledges and agrees that in order to provide the Support Services, County may directly or indirectly provide, or Contractor will otherwise have access to and retain, confidential, non-public information (including personally identifiable information), statistics, metrics, and other data concerning County or County's clients or constituents (collectively, "County Data"). As between County and Contractor, County owns County Data and all County Data shall remain the property of County. County hereby grants to Contractor and its affiliates and subcontractors a right and license to



use and process County Data to the extent reasonably necessary to (i) monitor, provide, administer, ensure the proper operation of, develop, improve, and modify the Support Services, (ii) develop and provide new and existing functionality and services to County and other Contractor customers, and (iii) perform Contractor's rights and obligations under this Agreement

- B. Contractor shall not collect, retain, use, sell, or disclose County Data for any purpose (including for any commercial purpose) other than for the specific purposes set forth in this Agreement, unless otherwise required by law, and shall not use County Data for the purposes of conducting online/targeted behavioral advertising for County or any other third party. Contractor shall, at County's reasonable request, cease any unauthorized processing of County Data and grant County authorization to assess and remediate any such unauthorized processing. Except to the extent otherwise agreed to by Contractor in writing (and a statement of work, order form, or similar documentation are acceptable forms of writing), County shall not provide Contractor with any unencrypted personally identifiable information that is considered sensitive (e.g., a social security number, driver's license number, financial account data, health data) as part of the Support Services or otherwise. Any violation of this clause by County shall be considered a material breach of this Agreement and County hereby releases Contractor from, and shall not hold Contractor liable for, any loss, damages, or harm Contractor incurs as a result of County's violation of this Section 10.
- C. Cooperation, Assistance. Contractor shall provide reasonable assistance to County to enable County to comply with its obligations and responsibilities under any applicable privacy law, including with respect to providing access to, correcting, and deleting County Data. Contractor shall promptly notify County within 48 hours if Contractor receives a correspondence, inquiry, complaint, request, or demand concerning Contractor's use or processing of County Data.

11. Patent or Copyright Infringement

- A. Contractor represents that the materials and products produced hereunder do not violate others intellectual property rights (which include patent, copyright, trademark, trade secret or other proprietary right.) In the event a claim, cause of action, proceeding or other legal action should arise in which there are claims that the materials and/or products infringe or violate another's intellectual property rights, Contractor shall undertake to protect, defend, settle or resolve the proceeding at no cost, whatsoever, to County, including, but not by way of limitation, legal fees, disbursements, judgments, or the like. Contractor shall protect, defend and

indemnify and hold County harmless, subject only to County giving Contractor prompt written notice of any such third party-claim, cause of action or proceedings and rendering to Contractor any reasonable information, assistance or access to documents and materials required in the defense of any such cause of action.

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

12. 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.
13. 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.
14. 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. General Liability Insurance of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence.
- 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 One Million Dollars (\$1,000,000)  
combined single limit per occurrence

15. Proof of Insurance. Simultaneous with the execution of this Agreement, proof of the aforementioned insurance shall be furnished by the Contractor to the County by certificates of insurance. County must be given written notice 30 days prior to the cancellation or modification of any such insurance
16. 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.
17. Confidentiality.
  - A. Contractor will hold all County Data in trust and confidence, and limit access to such County Data to only Contractor employees and sub-contractors working directly under the control of Contractor and undertake reasonable steps to ensure the reliability of all individuals who have access to such County Data. Contractor shall implement and maintain commercially reasonable technical and organizational security controls to protect and safeguard County Data from unauthorized use or disclosure, which shall include written policies describing its security controls and the relevant procedures and responsibilities of Contractor personnel who have access to County Data. Contractor shall designate a senior employee to be responsible for the overall management of Contractor's information security program. Upon cancellation or expiration of this Agreement, Contractor will return to County all written and descriptive matter which contains any such County Data.
  - B. Contractor shall, where legally required, notify County within 48 hours of any unauthorized access to or use of County Data when Contractor discovers the same. In such circumstances, Contractor shall provide information to County within 48 hours of discovery relating to such unauthorized access or use and promptly take reasonable steps to contain, investigate, and mitigate the same. Any action or notification taken by Contractor in accordance with this clause shall not be interpreted or construed, in any manner, as an admission of liability, wrongdoing, or fault. Contractor shall not be liable to County or any third party for damages, losses, or harm arising from any unauthorized access to or use of County Data, provided such damages, losses or harm are caused by an act or omission of County or a third party acting at the direction or supervision of County, or by County's breach of this agreement.

18. 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.
19. Termination. The County or Contractor may terminate this agreement with 60 days written notice.
20. Funding Out. Shasta County is a public entity. Should the funding for the Megabyte Maintenance Agreement be terminated or reduced by an amount of more than twenty five percent (25%) of the current funding, the County may immediately cancel this agreement by furnishing written notice of its intention to cancel. This notice shall set forth the funding change which has occurred together with the date the agreement will be cancelled.
21. 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, Rocklin, California 95677. Notices to the County shall be addressed to Leslie Morgan, Shasta County Assessor. 1450 Court Street, Rm 208-A Redding CA 96001. Effective date of all notices shall permit a minimum of five (5) days for transit in the mail.
22. Dispute Resolution. In the event of any dispute, claim, question, or disagreement arising from or relating to this agreement or breach thereof, the parties shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such solution within a period of 60 days, then, upon notice by either party to the other, all



disputes, claims, questions, or differences shall 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.

23. Subcontractors. County hereby acknowledges and agrees that Contractor may use affiliates and subcontractors to assist with its provision of Support Services to County, provided Contractor executes with any such affiliates and subcontractors a written agreement that contains terms and conditions that are substantially similar to the terms and conditions set forth in this Agreement. Contractor shall undertake all reasonable efforts to ensure that any such affiliates and subcontractors can comply, and are in compliance, with the terms and conditions set forth in this agreement.
24. Feedback. County may voluntarily, but is not required to, provide Contractor and/or Contractor affiliates and subcontractors with ideas, suggestions, requests, recommendations or feedback about the Contractor's business operations, products, and services ("Feedback"). In circumstances where County provides Contractor and/or Contractor affiliates and subcontractors with such Feedback, Contractor shall own all rights, title and interest, including all intellectual property rights, in and to the Feedback, including any configurations and customizations thereof. County hereby represents and warrants to Contractor that it has all rights to provide any and all such Feedback to Contractor.

COUNTY OF SHASTA, a political subdivision  
Of the State of California

By: \_\_\_\_\_  
KEVIN W. CRYE, CHAIRMAN  
Board of Supervisors, County of Shasta

State of California

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

ATTEST:

DAVID J. RICKERT  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

INFORMATION TECHNOLOGY APPROVAL

By:  4-21-2025  
Thomas Schreiber, County Information Officer

APPROVED AS TO FORM:

JOSEPH F. LARMOUR  
County Counsel

By:  4/16/25  
GRETCHEN STUHR,  
Senior Deputy County Counsel

RISK MANAGEMENT APPROVAL

By:  4/15/2025  
Dolyene Lane  
Risk Manager

CONSULTANT:

Megabyte Systems, Inc

By: 

Nicholas M. Betts, President  
Tax ID #77-0547969



## **EXHIBIT A**

### **SCOPE OF SERVICE**

#### **Shasta County**

#### **MPTS maintenance support**

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. (916) 435-8872 and mbhelpdesk@megabytesystems.com.
- 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.

County will provide, at its own expense, the Contractor with the means to access the Megabyte servers using the current County Vendor Access Management solution and an active directory account specific to the Contractor

County must grant Contractor full administrator rights (SA).

County is responsible for providing maintenance and support to the SQL Server instance. This includes backups for the Megabyte databases, monitoring database performance, tuning and routine maintenance of the SQL server instance. Contractor is responsible for maintaining, supporting and updating the Megabyte databases to include support for all SQL scripts and jobs

related to the Megabyte databases Contractor shall not be responsible for database errors or failures caused by the actions of County personnel or County hardware failure, support to correct such problems will be billable to the County Minimum charge for database support will be \$5,000 per incident plus \$500 per hour with a minimum of 1 hour.

### **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

### **MPTS Public Version Web Access for Assessor and Tax Collector**

Contractor shall provide the following MPTS Web Services & support as follows

Public Version for Assessor and Tax Collector Departments.

- Search capabilities limited to Parcel or Assessment numbers.
- Assessor Inquiry – Current Assessment Roll information only.
- Tax Collector – Current Tax Roll information only.
- Cosmetic Customizations only i.e. color schemes, County logos, etc.
- Note this version does not have any Security features Address only appears, not name.
- Up to seven Years View/Print Tax bill Online.

**Grant of License.** Contractor hereby grants to County a personal, non-transferable and non-exclusive license to use the Tax Collector Public Version and the Assessor Public of the MPTS Web Services.

The License granted to the County is expressly limited to the executable form of the Software only. The program code and programming language in which Contractor writes the Software (the "Source Code"), as well as any relevant documentation, including the Source Code, and instructions to maintain, duplicate, and compile to Source Code (the "Source Materials"), remain the exclusive property of Contractor.

**Price.** The price for Megabyte Systems services to be provided to the County under the terms of this Agreement are fully described in Exhibit "B".

**Term.** The license granted shall commence upon the date of installation of the software and shall remain in force for as long as County pays the annual licensing fee to Contractor.



## **Transient Occupancy Tax (TOT)**

Contractor shall provide the following features and support services for Transient Occupancy Tax (TOT)

- Intuitive, easy to navigate interface
- Flexibility in county setup (defining fiscal year start month, return due dates and penalties/fees)
- Ability to define multiple TOT rates and local (tourism) charges, calculated as a dollar amount per room sold or percent of receipts
- Ability to link properties to MPTS Assessment data
- Create and manage new TOT certificates, as well as certificates for existing TOT registration numbers
- Generation of quarterly TOT Return forms, registration certificates and letters
- Linking multiple certificates to a single filing agent
- TOT Return processing (including web portal for on-line filing of returns).
- Multiple returns can be filed for the same certificate and reporting period
- Process payments and deposits (including on-line credit card payments)
- Allowing partial payment of returns
- Various reports non-payment, delinquency letter, financial reports

## **Tax Sale Module**

Contractor shall provide the ability to track defaulted properties through the sale process, producing the statutory notices and recording documents Provide after the sale tracking of excess proceeds claims.

- Process Chapter 7, Chapter 8, and Sealed Bids type sales
- Ability to switch between sale types
- Produces over 30 notices and reports from Pre-Power to Sell to Excess Proceeds Claims
- Produces Power to Sell, Rescission of Power to Sell and Deed to Purchaser recording documents
- Entering or Importing of Parties of Interest and Purchaser information
- Ability to enter proposed fees to assist in calculation of minimum bid amount
- Produce personal contact letters in both English and Spanish
- Allows the ability to remove a property from the sale at any point in the process
- Unsold properties automatically roll to the next sale cycle
- Automatically archives notices and reports to PDF

## EXHIBIT B

### PAYMENT FOR SERVICES RENDERED

#### Shasta County

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

Term	Description	Amount
7/1/2025 – 6/30/2026	MPTS Property Tax System Maintenance/Support (SQL Server Database Support Excluded)	\$19,413 17 per/month
7/1/2025 – 6/30/2026	Online Business Property Filing Maintenance/Support	\$3,896 66 annual charge
7/1/2025 – 6/30/2026 7/1/2025 – 6/30/2026	MPTS Public Version Web Access for Assessor and Tax Collector Up to Seven Years View/Print Taxbill Online	\$6,546 34 annual charge \$2,792 96 annual charge
7/1/2025 – 6/30/2026	Tax Collector – Transient Occupancy Tax (TOT)	\$3,668 64 annual charge
7/1/2025 – 6/30/2026	Tax Collector – Tax Sale Module	\$3,668 64 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**

Travel expenses will be charged in addition to the hourly rate for work on-site. However, expense for meals shall not exceed that paid to County employees, which is \$17.03 for breakfast, \$17.03 for lunch and \$35.49 for dinner.