



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #: 20-220, Version: 1**

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a. Approve and Authorize the Assessor-County Clerk/Recorder to enter into the Annual Maintenance Support Agreement Amendment No. 4 with Megabyte Systems Inc. as of July 1, 2020 through June 30, 2021, not to exceed \$364,834.66 for this period; the amount paid to this vendor for annual maintenance services from 2016 through 2019 is \$1,374,902.34; and

b. Authorize the Assessor-County Clerk/Recorder authority to sign four future annual renewals to the Agreement under same or similar terms that do not significantly alter the scope of work or increase the annual payments in excess of 3% per year over the 2020-21 amount.

**RECOMMENDATION:**

A. Approve and Authorize the Assessor-County Clerk/Recorder to enter into the Annual Maintenance Support Agreement Amendment No. 4 with Megabyte Systems Inc. as of July 1, 2020 through June 30, 2021, not to exceed \$364,834.66 for this period; the amount paid to this vendor for annual maintenance services from 2016 through 2019 is \$1,374,902.34; and

B. Authorize the Assessor-County Clerk/Recorder authority to sign four future annual renewals to the Agreement under same or similar terms that do not significantly alter the scope of work or increase the annual payments in excess of 3% per year over the 2020-21 amount.

**SUMMARY/DISCUSSION:**

In 1990, your Board authorized the county to enter into an agreement with Megabyte Systems, Inc. to provide a complete property tax assessment, collection and apportionment package for use by the County Tax Collector, Assessor, and Auditor Offices. Since that time the Software and licensing agreement has been modified and additional services/modules have been added to the services provided to include software updates and specific modules: the MPTS Property Tax System, Online Business Property Filing programs, Public and Agency Web programs, Online Property Tax Bill statements, and a Tax Sale Module. These programs have benefited the Offices of the Assessor, Auditor, and Tax Collector.

In 2016, your Board authorized the County to enter into a separate service/maintenance agreement with Megabyte for the programs and modules obtained by the County and allowed annual extensions of that agreement through July 2020. The proposed amendment and requested future annual extension authorizations would allow the existing programs and modules to continue to be maintained and utilized by the county without disruption.

The term of the Amendment No 4 to the Maintenance and Support Services Agreement, as identified in the attached Exhibit A to the proposed Amendment, shall be for July 1, 2020 through June 30, 2021. The total financial liability to the County for the period July 1, 2020 to June 30, 2021, pursuant to the terms of this Amendment shall not exceed \$364,834.66. The amount paid to this vendor from 2016 through 2019 for maintenance services has been \$1,374,902.34.

**OTHER AGENCY INVOLVEMENT:**

County Counsel reviewed the Amendment and has approved it as to form. The underlying Agreement contains non-standard provisions/conditions including but not limited to, the following: vendor terms overriding County standard terms, as-is/limited/no liability/warranty performance, insubstantial/lack of intellectual property liability protection. The Auditor-Controller has approved fiscal provisions. The Auditor-Controller and Treasurer-Tax Collector, as users of the services, are in support of the recommendation.

**FINANCING:**

The County Tax Collector, Assessor, and Auditor have all anticipated the \$11,203 increase in shared maintenance costs in

their projected 2020-2021 budget requests for the payment of the services to be performed pursuant to the Agreement.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The services rendered in this agreement provide the Assessor, Auditor-Controller & Treasurer-Tax Collector with the additional support it needs to provide reliable and high-quality services to the residents of Monterey County.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Emma Rayas, Administrative Services Officer, x5930

Approved by: Stephen L. Vagnini, Assessor-County Clerk/Recorder, x5803

Attachments:

- Megabyte Property Tax System (MPTS) Maintenance Agreement (2016)
- Amendment no 1
- Amendment no 2
- Amendment no 3
- Amendment no 4 (proposed)