



County of Monterey

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

Board Report

File #: 13-0508, **Version:** 1

- a. Approve Amendment Number 4 to the Contractual Agreement No. A-07625 between the County of Monterey and the Megabyte Systems Inc. dated April 28, 1998, and its Addendum, the Software Upgrade MPTS2000+ dated July 1, 2007, as it has been subject to Amendments Nos. 1, 2, and 3, combined.
- b. Approve an additional year of maintenance for the Megabyte Property Tax system for the fiscal year 2013-2014 at 1.7% increase from the current annual rate.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment Number 4 to the Contractual Agreement No. A-07625 between the County of Monterey and the Megabyte Systems Inc. dated April 28, 1998, and its addendum, the Software Upgrade MPTS2000+ dated July 1, 2007, as it has been subject to Amendment Nos. 1, 2, and 3, combined.
- b. Approve an additional year of maintenance for the Megabyte Property Tax System for the fiscal year 2013-2014 at a 1.7% increase from the current annual rate.

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. In 1998, a subsequent contract was approved for Megabyte Systems, Inc. to upgrade the mainframe property tax system to a client server based system that was year 2000 compliant. In 2007, Board of Supervisors authorized an Addendum to the 1998 Agreement to upgrade the Property Tax Systems to run in a .NET environment. The .Net version of the Property Tax System replaced antiquated programs, was written in more common and updated computer language, and enhanced end user performance. In 2011, the Board approved Amendment No. 1 which expanded the Scope of Service, updated the payment provisions to reflect the increase in support calls, the increase needed for Megabyte to provide a higher level of support, include upgrades to the .NET environment, and for additional staff training. The amendment also provided for the annual maintenance fee of \$305,938.18 for fiscal year 2011-2012, subject to subsequent annual COLA adjustment in future years, and represented the net decrease from contract costs for services under the existing contract.

In 2011, Amendment No. 2 was approved which modified the scope of work to be performed by adding the module for the Clerk of the Board. The terms, conditions and provisions of the Agreement otherwise remained unchanged and unaffected by the amendment.

In 2012, the Board approved Amendment No. 3 which extended the term of maintenance and support services for an additional year, 2012-2013 and payment rate adjustments for services performed by Megabyte Systems, Inc. The terms, conditions and provisions of the Agreement otherwise remained unchanged and unaffected by the amendment.

At this time, it is requested that you, the Board, approve the proposed Amendment No. 4 to the existing Contractual Agreement between the County of Monterey and Megabyte Systems, Inc., to extend the term of maintenance and support services for an additional year through and including June 30, 2014 as set forth in

Exhibit 2013/14B. For the maintenance and support between July 1, 2013 and June 30, 2014, the payment rates for services performed by Contractor shall be amended as set forth in Exhibit 2013/14A.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the addendum and has approved it as to form. 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 \$5,480.00 increase in maintenance costs in their projected 2013-2014 budget requests.

Prepared by: Corina M. Morgan, Finance Manager I, x5821

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

Attachments:

Attachment No. 4

Exhibit 2013/14A

Exhibit 2013/14B