

SOFTWARE LICENSE AGREEMENT

This SOFTWARE LICENSE AGREEMENT ("Agreement") is made and entered into as of _____, 2015, by and between TEHAMA COUNTY ("County") and MEGABYTE SYSTEMS, INC., a California corporation ("Contractor").

RECITALS

WHEREAS, Contractor has developed and owns all rights in and to the computer software and documentation referred to herein as the "Software."

WHEREAS, County wishes to acquire from Contractor, and Contractor is willing to grant to County, certain rights with respect to the Software, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual agreements contained herein, the parties agree as follows:

AGREEMENT

1. DEFINITIONS

1.1 Software. As used herein, the term "Software" shall mean the computer application software known to Contractor as "MPTS," described in **Exhibit A** "Specifications" attached hereto and, by this reference, made a part hereof, including all coding (object code and source code), tapes, discs, modules, and similar materials comprising such software. The Software is described more specifically in the documentation (defined below).

1.2 Documentation. As used herein, the term "Documentation" shall mean the documentation relating to the Software, which documentation is described in **Exhibit A**, "Specifications" attached hereto, and all manuals, reports, brochures, sample runs, specifications and other materials comprising such documentation.

1.3 System. As used herein, the term "System" shall mean the Software and the Documentation, collectively. Reference to the System shall include any component thereof. All modifications and enhancements to the System shall be deemed to be part of the System as defined herein and shall be subject to all of the terms and conditions set forth herein.

1.4 License. As used herein, the term "License" shall have the meaning assigned to such term in Section 2.1.

2. GRANT OF LICENSE

2.1 Grant of License. Contractor hereby grants to County a license with respect to the Software, subject to the terms and conditions set forth herein (the "License").

2.2 Scope of License.

(a) The License granted herein shall consist solely of the non-exclusive, non-transferable right of County to (1) operate the Software for the purpose of providing services solely in connection with County's existing business or functions; (2) copy the Software solely for backup purposes; and (3) to receive and use the Documentation.

(b) The License granted herein shall not entitle County to (1) operate the Software on any equipment other than County owned hardware; (2) operate the Software other than in connection with County's existing business or function; (3) to permit any person or entity other than County, its employees and its patrons to operate the Software; (4) to copy the Software in any manner or in any form other than solely for backup purposes; (5) to modify or enhance the Software in any respect; or (g) to transfer any right in the Software to any other person or entity.

2.3 Ownership. County acknowledges and agrees that, as between Contractor and County, title and full ownership of all rights in and to the System and all other materials provided to County hereunder shall remain with Contractor. County further acknowledges and agrees that the System, and all ideas and expressions contained therein, are proprietary information and trade secrets of Contractor. However, the County shall receive, at no additional cost, a perpetual license to use the Software for its own use.

2.4 Source Code Access. 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.

3. TERM

3.1 Duration. The License granted herein shall be effective as of the Installation Date (defined in Section 4.1) and shall remain in effect perpetually unless terminated as provided in Section 3.2. The duration of the "MPTS Property Tax System Maintenance Agreement", as set forth and described in **Exhibit "C"**, attached hereto and, by this reference, made a part hereof, shall also be perpetual.

3.2 Termination. If Contractor fails to perform his/her duties to the satisfaction of the County, or if Contractor fails to fulfill in a timely and professional manner his/her obligations under this agreement, or if Contractor violates any of the terms or provisions

of this agreement, then the County shall have the right to terminate this agreement effective immediately upon the County giving written notice thereof to the Contractor. County may terminate this agreement on 30 days' written notice. County shall pay contractor for a prorated portion of the flat fee as of the date of notice. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased, or should the Tehama County Board of Supervisors fail to appropriate sufficient funds for this agreement in any fiscal year. The County's right to terminate this agreement will be exercised by the Board of Supervisors after recommendation for such action made by either the County Assessor, Auditor, or Treasurer Tax Collector.

3.3 Fiscal Appropriations. Contractor acknowledges that County is a governmental agency, and as such has fiscal legal limitations, including, but not limited to, the availability of funding from fiscal year to fiscal year for ongoing contracts. Contractor agrees that in the event County is required to terminate his contract as a result of necessary fiscal appropriation for the contract, such shall not be considered a default by County of any terms thereof and no liability will be placed on County.

3.4 Events Upon Termination. Upon any termination of the License granted herein, the parties shall comply with the provisions of Section 9.

4. INSTALLATION, TRAINING AND SUPPORT

4.1 Installation. Contractor shall deliver and install the System for County in the manner and on the schedule set forth in **Exhibit B, "Project Plan"** attached hereto and, by this reference, made a part hereof. The date on which Contractor has delivered and installed the System in accordance with Exhibit B shall be referred to herein as the "Installation Date."

4.2 Training. Contractor shall provide to County the training services relating to the System described in Exhibit B attached hereto.

4.3 Support Services. Contractor shall provide to County the other support services relating to the System as set forth and described in **Exhibit C "MPTS Property Tax System Maintenance Agreement"** attached hereto and, by this reference, made a part hereof .

5. COMPENSATION

5.1 License Fee. As compensation for the License granted herein, County shall pay to Contractor a fee in accordance with the schedule set forth in **Exhibit D "Schedule of Payments"** attached hereto and, by this reference, made a part hereof. Contractor shall not be entitled to payment or reimbursement for any tasks or services performed except as specified herein. Contractor shall not be paid any compensation or reimbursement beyond the flat fee amount set forth above, and Contractor agrees that County has no obligation, whatsoever, to compensate or reimburse Contractor for any expenses, direct or indirect costs, expenditures, or charges of any nature by Contractor

that exceed the flat fee amount set forth above. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. This provision shall survive the expiration or other termination of this agreement.

5.2 General

5.2.1 Invoices. Contractor shall invoice County for all sums which County owes Contractor hereunder, and County shall pay all undisputed amounts within thirty (30) days after receipt thereof.

5.2.2 Taxes. Customer shall be responsible for payment of any and all taxes or governmental charges or fees attributable to the License granted herein.

6. WARRANTY

6.1 General Warranty. Contractor warrants to County that Contractor has full right and authority to grant to County the License herein and that County's possession and use of the System in accordance with the License herein shall not infringe any United States copyright or patent.

6.2 Performance. Contractor warrants to County that application software contracted for by County will perform in substantial compliance with the Documentation and the representations and features listed in Exhibit A "Specifications". There are no express or implied warranties, including the implied warranty of merchantability and fitness for a particular purpose not specifically set forth in this Agreement, with respect to this Agreement, or the software or other products, documentation or other products.

7. CONFIDENTIALITY

7.1 County Obligations. County acknowledges that, by virtue of the License granted herein, it will have access to certain proprietary information and trade secrets of Contractor, including without limitation proprietary information and trade secrets relating to the System (collectively, the "Confidential Matters"). County agrees that the Confidential Matters, and all information comprising or relating to the Confidential Matters, shall be deemed confidential and proprietary to Contractor, shall be held in trust by County, and shall be safeguarded by County to the same extent that County safeguards confidential matters relating to its own operation which in no event shall be less than the safeguards that a reasonably prudent person or business would exercise under similar circumstances.

7.2 Exceptions. County's obligations pursuant to Section 7.1 shall not apply to information which is in the public domain, other than as a result of any breach of this Agreement, or to information which County is obligated to disclose pursuant to the lawful order of any court or government instrumentality in the United States, but only to the extent required by such order.

7.3 Contractor's Obligations. Contractor acknowledges that, by virtue of the customer/developer relationship established herein, it will have access to certain confidential information relating to the County's clients and activities. Contractor agrees that all information relating to the activities and the clients of County shall be deemed confidential and proprietary to County, shall be held in trust by Contractor, and shall be safeguarded by Contractor to the same extent that Contractor safeguards confidential matters relating to its own clients and activities which in no event shall be less than the safeguards that a reasonably prudent person or business would exercise under similar circumstances.

7.4 Exceptions. Contractor's obligations pursuant to Section 7.3 shall not apply to information which is in the public domain, other than as a result of any breach of this Agreement, or to information which Contractor is obligated to disclose pursuant to the lawful order of any court or government instrumentality in the United States, but only to the extent required by such order.

8. LIABILITY

8.1 Indemnification And Liability. Contractor shall not provide County with any product or design that violates or infringes any registered United States patent, copyright, trade secret or other intellectual property right. If County promptly notifies Contractor in writing of any third party claim against County that any software or other item provided to County by Contractor infringes any patent, copyright, trade secret or other intellectual property right of any third party, Contractor shall indemnify, defend and hold harmless Customer against such claims, including attorney's fees and damages actually incurred by the County in connection therewith. Contractor shall not indemnify County however, to the extent alleged infringement is caused by (1) County's modification of the software or item, (2) use of the software or item other than in accordance with the documentation or this Agreement, (3) County's failure to use acceptable non-infringing corrections or enhancements made available by Contractor, or (4) information, specifications or materials provided by County or any third party. If any software or other item is, or in Contractor's reasonable opinion is likely to be held to be infringing, Contractor shall at its expense and option: (a) procure the right for County to continue using it; or (b) replace or modify it so that it becomes non-infringing while giving equivalent performance. If Contractor is initially unable to perform either option (a) or (b) for a period not to exceed 30 days, Contractor may require County to stop using the potentially infringing System or portion thereof, until Contractor can perform either option (a) or (b), providing however Contractor supplies County with an alternate means by which County may continue County operations pursuant to this Agreement. In the event, that Contractor, at any time, engages a third party non-employee (whether identified by Contractor as a subcontractor, independent contractor, or otherwise) to perform any work or services related to this

Agreement, Contractor agrees that it shall be fully 100% strictly liable for all conduct of any such third party whether the actions of said third party are intentional, willful, negligent, tortious, or otherwise, and Contractor agrees to indemnify and hold County harmless for any actions taken by such a third party.

8.2 Insurance. Contractor shall procure and maintain insurance pursuant to **Exhibit E**, "Insurance Requirements for Contractor," attached hereto and incorporated by reference.

9. TERMINATION

Upon any termination of the License granted herein, Customer shall immediately cease using the System, and Customer shall, within thirty (30) days after the date of termination, return to Contractor the System and all other materials provided to Customer hereunder, and all copies thereof in Customer's possession or under its control. Notwithstanding the preceding sentence, if Customer has terminated this Agreement in accordance with Section 3.2 and Customer has paid to Contractor the full amount of the fee provided in Section 5.1 and all other amounts then owing to Contractor under Section 5, then Customer may retain the System and continue to use the System, subject to the provisions of Sections 2, 7, 8, and 10.

10. GENERAL PROVISIONS

10.1 Compliance with Laws. All services to be performed by Contractor under this Agreement shall be performed in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. Any change in status, licensure, or ability to perform activities, as set forth herein, must be reported to the Customer immediately.

10.2 Amendments. This agreement may be amended or supplemented from time to time, but only by a written instrument executed by Customer and Contractor. As used herein, the term "Agreement" shall include any future amendments or supplements made hereto.

10.3 Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

10.4 Recitals and Exhibits. The Recitals to this Agreement and the exhibits attached to this Agreement shall be considered part of the Agreement and are incorporated herein by this reference. In the event of a conflict between the provisions of the main body of this Agreement and any attached Exhibit(s), the main body of the Agreement shall take precedence.

10.5 Survival. The provisions of Sections 5, 7, 8, 9, and 10 shall survive any termination or expiration of this Agreement and the License granted herein.

10.6 Employment Status. Consultant shall, during the entire term of this agreement, be construed to be an independent contractor and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Consultant performs the services which are the subject matter of this agreement; provided always, however, that the services to be provided by Consultant shall be provided in a manner consistent with the professional standards applicable to such services. The sole interest of the County is to insure that the services shall be rendered and performed in a competent, efficient and satisfactory manner. Consultant shall be fully responsible for payment of all taxes due to the State of California or the Federal government, which would be withheld from compensation of Consultant, if it were a County employee. County shall not be liable for deductions for any amount for any purpose from Consultant's compensation. Consultant shall not be eligible for coverage under County's Workers Compensation Insurance Plan nor shall Consultant be eligible for any other County benefit.

10.7 Assignment. Neither this Agreement, the License granted herein nor any other right or obligation hereunder shall be assigned, delegated or otherwise transferred by either party, without the prior written consent of the other party. Notwithstanding the preceding sentence, Contractor may assign, delegate, or otherwise transfer this Agreement, the License granted herein, and Contractor's rights and obligations hereunder to any affiliate or contractor or to any successor of Contractor's business or any part thereof, without the prior written consent of Customer.

10.8 Successors. Subject to the restrictions in Section 10.8, this Agreement shall bind and inure to benefit of the respective assigns, successors, representatives and affiliates of the parties.

10.9 Waiver. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

10.10 Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

10.11 Nondiscrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall

not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

10.12 Notice. Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or Customer shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first class mail to the respective parties as follows:

To Customer:	Dale Stroud Tehama County Assessor 444 Oak Street – Room B Red Bluff, CA 96080
To Contractor:	Sharon A Zachte, President Megabyte Systems, Inc. 2630 Sunset Blvd Suite 100 Rocklin, Ca 95765

10.13 Conflicts. Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

10.14 Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

10.15 Non-exclusive Agreement. Contractor understands that this is not an exclusive agreement, and that Customer shall have the right to negotiate with and enter into agreements with others providing the same or similar services to those provided by Contractor, or to perform such services with Customer's own forces, as Customer desires.

10.16 Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and constitutes the entire understanding between the parties. Contractor shall be entitled to no other benefits other than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this

agreement, Contractor relies solely on upon the provisions contained in this agreement and no other oral or written representation.

10.17 Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Tehama, State of California.

10.18 Green Procurement Policy. Consultant shall make reasonable efforts to conform to Tehama County Resolution No. 49-2002, the Green Procurement Policy. This Policy encourages recycling and waste reduction, and promotes the purchase of products made with recycled materials when product fitness and quality are equal and they are available at no more than the total cost of nonrecycled products.

10.19 Authority. Each party executing this Agreement and each person executing this Agreement in any representative capacity, hereby fully and completely warrants to all other parties that he or she has full and complete authority to bind the person or entity on whose behalf the signing party is purporting to act.

In Witness Whereof, the parties have executed this Agreement on the day and year first hereinabove written.

COUNTY OF TEHAMA

MEGABYTE SYSTEMS, INC

By: B. B. B.
Chairman of the Board of Supervisors

By: Sharon A. Zachte
Sharon A. Zachte
President
Taxpayer Identification No. 77-0547969

Date: MAR 24 2015

Date: 3-18-15

Approved as to Form By County Counsel:

Brian Briggs
Brian Briggs, Deputy County Counsel

Date: 3-17-15

EXHIBIT A

SPECIFICATIONS

MPTS Provides

- ❖ A fully integrated California property tax system to meet the Client's ongoing needs.
- ❖ A robust system developed and maintained in compliance with California Revenue and Taxation Code.
- ❖ User-Friendly interfaces
- ❖ Reports linked to dynamic data sources
- ❖ Administrative interfaces to ensure maximum adaptability within the system.
- ❖ Integration adapter to facilitate a seamless interaction between all components of the system.
- ❖ Training and documentation provided by Megabyte.
- ❖ Use of the knowledge and experience of Megabyte and their staff.

Assessor Functions

MPTS provides a fully integrated Assessor's system that meets requirements set forth by California Revenue and Taxation Code, including but not limited to:

- ❖ Online updating until the day before roll turnovers – eliminates many tax roll corrections
- ❖ Parameter driven – resource files define common parameters
- ❖ Online roll corrections and escapes (including refunds) for current and delinquent rolls
- ❖ History available with online access for documents, ownership, assessments, values and tax bills
- ❖ Annual secured and unsecured inflation process
- ❖ Automatic value notices daily for supplemental assessments
- ❖ Automatic proration of supplemental assessments
- ❖ Appraisal worksheets
- ❖ Tracking of "Prop 8" and construction in progress
- ❖ Automatic supplemental billing after 30 days of value notice
- ❖ Physical characteristics frozen at time of sale with sale comp data
- ❖ Comparable sales program has ability to capture comments and comparables electronically
- ❖ Management audit reports
- ❖ Secured, unsecured and supplemental tax roll inquiry functions including current and redemption rolls
- ❖ County-specified years of tax bill history online for inquiry

- ❖ Williamson Act and Timber Preserve sub-systems
- ❖ Personal property sub-system
- ❖ Automatic secured notification of assessment valuation
- ❖ Prop 111 reporting
- ❖ User documentation
- ❖ Value updating available year round (new lien date)
- ❖ Image inquiry and viewing (e.g. maps, deeds, office documents, etc.)
- ❖ Import / export capabilities
- ❖ Base year tracking
- ❖ Electronic queues which improve workflow and time
- ❖ Electronic transfer of change of ownership to appraisal queues
- ❖ Valued parcels electronically transfer to review queue (Chief Appraiser)
- ❖ Review queue transfer to automated value update
- ❖ Permits enter appraisal queue automatically (permit data captured, supplemental created and electronic review of the permit)
- ❖ Deeds, assessor maps, business property statements, miscellaneous documents, Excel spreadsheets, .PDF & tiff images can be assigned to each parcel/document for storage & review
- ❖ Aircraft valuation which allows transfer of calculated values from Blue Book into the system for enrollment
- ❖ Manufactured home valuation allows automated enrollment of values based on AH531 cost data and annual comparison of home values for decline in value review
- ❖ Roll Corrections electronically submitted to Auditor
- ❖ Roll Correction and escape notice automation
- ❖ Exemption tracking and reporting
- ❖ Multi-level security
- ❖ Ad-hoc query and reporting function directly from user interface
- ❖ Electronic Building Permit import and process

Auditor Functions

The MPTS solution provides a fully integrated Auditor's system that meets requirements set forth by California Revenue and Taxation Code, including but not limited to:

- ❖ Apportionment – including negative apportionment (all rolls plus unitary AB454), separate reporting and controls
- ❖ Tax Rate Area controls
- ❖ Tax roll controls and audits with daily reporting of audit control of all roll changes
- ❖ Refund issuance (not including checks)
- ❖ Multi-year rates
- ❖ User controlled reporting
- ❖ Resource parameter setup, i.e. tax roll control, low bill limit, etc
- ❖ Online to date collection information of all roll types (collected, uncollected, percent collected to date)
- ❖ Prior year tax bill inquiry
- ❖ Auditor's report to the state for homeowners
- ❖ AB8 process: online establishment and RDA
- ❖ Direct assessments: PC to server, direct auditor input, file import interface
- ❖ Roll change function: daily
- ❖ Value changes to the tax roll with refund information for: new, corrected bills, roll changes, refunds, supplemental bills (increase in value)
- ❖ Inactivation of assessments
- ❖ Auditor control reports
- ❖ Redemption roll adjustment
- ❖ Change taxes (auditor only)
- ❖ Authorized refunds (auditor only)
- ❖ Cancel penalties
- ❖ Delinquent maintenance
- ❖ Change due dates
- ❖ Secured prorates based on number of days owned
- ❖ All roll types (secured, unsecured, delinquent roll, SB813, priors) may be adjusted by a roll change
- ❖ Inquiry access to tax roll and Assessor's roll
- ❖ Import / Export capabilities
- ❖ Multi-level security
- ❖ Ad-hoc query and reporting function directly from user interface
- ❖ Government Acquisition tax roll corrections
- ❖ Automated fiscal year end rollover process
- ❖ No dark time for roll correction processing

Tax Collector Functions

MPTS provides a fully integrated Tax Collector's system that meets requirements set forth by California Revenue and Taxation Code, including but not limited to:

- ❖ Universal form for all tax bills: online bill production, SB813: secured and unsecured, roll changes corrected, additional bills, corrected bills, prior unsecured and prior unsecured SB813
- ❖ Tax statement forms for original secured and unsecured
- ❖ CORTAC processing of tax bill requests and mass payment processing
- ❖ CORTAC processing of annual, supplemental, escape, and corrected tax payments
- ❖ Multiple bills to same address – identification and combining of non-lender bills
- ❖ Single bills are produced in zip code sequence
- ❖ Exports of current tax roll, alphabetic index, fee assessment number index, prior unsecured abstracts
- ❖ Inquiry and tax information research capabilities online
- ❖ Redemption process and related delinquency notices
- ❖ Online collection including: register control, deposit lists, verification of stub information, automated error processing and reporting, automatic creation of refunds resulting from overpayment amounts, vendor information (name and address) and online audit records
- ❖ Remittance processing interface with real-time payment posting in conjunction with RT Lawrence
- ❖ Add and collect various fees, including non-parcel fees
- ❖ Cashiering system
- ❖ Automated 5-year pay plans on delinquency and related notices
- ❖ Fully integrated delinquency roll with automated roll change functions
- ❖ Online collection information for all roll types (collected / uncollected / percentage collected to date)
- ❖ DMV reporting and export of delinquent vessels
- ❖ Unsecured partial payment processing
- ❖ No interest and interest escape payment plans
- ❖ Lien process and related notices
- ❖ Delinquency notices – all rolls
- ❖ Produces publish delinquency list – criteria set by the county for 1 or 3 year publish listing
- ❖ Bankruptcy module, collection, and reporting
- ❖ Automatic transfer of unpaid mobile homes to unsecured delinquent roll
- ❖ Discharge of accountability, roll changes for NSF, misapplied payments, penalty cancellations, due date changes
- ❖ Redemption Roll Maintenance
- ❖ Document generation for daily over / short letters

- ❖ Retain valid ownership data despite assessment splits and segregations
- ❖ Online inquiry of payoff details
- ❖ Online inquiry of payment plan status
- ❖ Import / Export capabilities
- ❖ Electronic Tax Lien interface with Recorder – Standardized function available – dependant upon Recorder's system's ability to work with the MPTS standard process
- ❖ Multi-level security
- ❖ Ad-hoc query and reporting function directly from user interface
- ❖ Record Retention

EXHIBIT B

PROJECT PLAN

Megabyte Systems approach to the implementation of MPTS property tax system for Tehama County will consist of the 5 milestones listed below. These 5 phases will be conducted jointly between Megabyte and County designated personnel.

- General Design Analysis / Environment Setup / Special Requirements
- Data Conversion
- System Testing Phase
- Training / Implementation
- Go Live Phase

General Design Analysis/ Environment Setup / Special Requirements

This phase of the project will focus on the hardware / 3rd party software required, identify & define interfaces required, data conversion processes needed, and hardware/security configurations.

Activities

- Project Management Team, establish objects and targets
- Hardware/Software Configuration (including user naming schemes)
- Security will be planned
- Data assessment / conversion processes & mapping requirements (coding scheme translations, etc)

Hardware / software will be obtained by the County during this phase.

Internet access at T1 between County and Megabyte Systems is required for conversion and testing phases as well as for on-going support and maintenance. This is the County's responsibility to provide.

The database utilized will be MS-SQL2012. Megabyte will provide setup, tailoring and tuning for the SQL2012 database.

EXHIBIT B

PROJECT PLAN

MS-OS2012 Setup / network connections are the responsibility of the County. However, Megabyte will provide any support / assistance requested by the County remotely. On-site support is available to the County at a charge.

Megabyte Systems will work with the County to determine hardware, 3rd party software, disk space requirements. All hardware & 3 party software are County responsibility.

Assumptions

The County will ensure adequate participation in the work session of end user representatives which are (a) knowledgeable in the requirements and (b) have the authority to make determinations as necessary relating to requirements. The County will ensure that County decisions are made in a timely manner.

Data Conversion

This phase of the project will focus on the mapping and conversion requirements of the County data to Megabyte data structure.

The cost is a fixed additional cost of \$40,000 for conversion. We are leveraging the Yolo Crest conversion programs for this cost. This conversion excludes History. History would be converted at an hourly rate of \$100.00 not to exceed \$45,000.00 if desired by the County and agreed to in writing by either the County Assessor, Auditor, or Treasurer Tax Collector. Factors that impact the cost of conversion are:

- Quality of the data to be converted
- Source of the data
- History required
- Knowledge of people to assist in identifying data issues

Conversion Responsibilities

The County will provide existing data and corresponding data format(s). The County will be responsible for extracting and providing legacy data to Megabyte. Megabyte will map and convert the data into MPTS data structure and provide validation reports and information to the County.

Results

Clean converted County data will be loaded to the MPTS database for the system testing phase.

EXHIBIT B
PROJECT PLAN

A system test plan document will be developed for the 3 departments.

Assumptions

- The County will provide only clean, complete data
- Each conversion step will be executed in a manner that is auditable (i.e. all data will be accounted for).
- The County will provide representative samples of data to be converted for use during the development of the database. Clean, converted County data will be available for the system testing phase.
- County will provide personnel familiar with the end-user functionality to working with Megabyte Systems, Inc during the conversion and testing phases to ensure complete accuracy of the converted data

System Testing

System testing will be conducted jointly between County and Megabyte prior to the prescribed Go-Live date. This includes:

- Inquiry validation of the County's pre-conversion data within MPTS
- Detailed balancing reports and worksheets to validate value, counts, paid/unpaid taxes and total charge.
- Formal User Acceptance of converted data.

EXHIBIT B

PROJECT PLAN

Training / Implementation

- Class Room User training is conducted for any personnel designated by the County at Megabyte's facility in Rocklin.
- We will utilize web training for [GoToMeeting] training for the Tax Collector, Auditor, Assessor Personnel; 'GoToAssist' will be utilized also for train the trainer classes. This enables the users to actually use the screens with an instructor monitoring the effort. Megabyte also provides training at its Rocklin facility as well as simultaneous on-line training for most classes if preferred. The annual maintenance contract provides for training classes, at no charge, throughout the year. On-site visits are available from Megabyte at County request. Contact Megabyte for cost if needed.
- Production system is finalized
- Final data conversion

Go Live Phase

The final results: production implemented system.

Maintenance / Support begins 30 days after satisfactory completion of Go Live.

EXHIBIT B
PROJECT PLAN

Project Timelines

	<u>Work Days</u>
Phase 1: General Design Analysis / Environment Setup	60
Phase 2: Data Conversion	75
Phase 3: System Testing	10
(10 days system & user acceptance test)	
Phase 4: Training 3 days each Dept	9
Phase 5 Implementation / Go Live	10
(7 days for final d/b creation; 3 for verification)	

EXHIBIT C
AGREEMENT
MEGABYTE PROPERTY TAX SYSTEM (MPTS)
MAINTENANCE

1 THIS SUPPORT AGREEMENT, is for the term beginning July 1st, 2015 and terminating June
2 30, 2016 by and between the COUNTY OF TEHAMA, hereinafter referred to as the "County"
3 and MEGABYTE SYSTEMS INC, whose mailing address is 2630 Sunset Blvd, Suite 100,
4 Rocklin, California 95677, hereinafter referred to as the "Contractor".

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

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

10 3. Price. In consideration of Contractor's fulfillment of the promised work performed
11 to the satisfaction of County, Contractor shall be paid in accordance with the rates
12 set forth in Exhibit 2, "Payment For Services Rendered" attached and by this
13 reference incorporated herein. In the event that the County Assessor, Auditor, and
14 or Tresurer Tax Collector makes express written consent for any "Extra Services"
15 as specified in Exhibit 2, County shall pay in accordance with the applicable rates
16 stated therein and shall reimburse Contractor the actual and reasonable expenses
17 for travel as stated in Exhibit 2 in performance of the work hereunder. The rates set
18 forth in Exhibit 2 are inclusive of all other expenses. Reimbursement for actual
19 travel expenses will not exceed the currently authorized rates and per diem for
20 County employees. The Maximum Compensation (including expense
21 reimbursement) payable for "Extra Services" as described in Exhibit 2, under this
22 Agreement shall not exceed \$10,000.00. Contractor shall not be entitled to
23 payment or reimbursement for any tasks or services except specified here in and
24 in Exhibit 2. Contractor shall have no claim against County for payment of any
25 compensation or reimbursement, or any kind whatsoever, for any service provided
26 by Contractor after the expiration or other termination of this Agreement. Contractor
27 shall not be paid any amount in excess of the amount set forth herein and Exhibit
28 2, and Contractor agrees that County has no obligation, whatsoever, to compensate
29 or reimburse Contractor for any expenses, direct or indirect costs, expenditures, or

charges of any nature by Contractor that exceed the terms as set forth. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. This provision shall survive the expiration or other termination of this Agreement.

4. Payments. County shall make payment of all undisputed amounts within 30 days of receipt of Contractor's 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:

Dale Stroud

Tehama County Assessor

444 Oak Street – Room B

Red Bluff, CA 96080

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.
6. County's Responsibility to Provide. 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).
7. 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.
8. Indemnification And Liability. Contractor shall not provide County with any product or design that violates or infringes any registered United States patent, copyright,

trade secret or other intellectual property right. If County promptly notifies Contractor in writing of any third party claim against County that any software or other item provided to County by Contractor infringes any patent, copyright, trade secret or other intellectual property right of any third party, Contractor shall indemnify, defend and hold harmless Customer against such claims, including attorney's fees and damages actually incurred by the County in connection therewith. Contractor shall not indemnify County however, to the extent alleged infringement is caused by (1) County's modification of the software or item, (2) use of the software or item other than in accordance with the documentation or this Agreement, (3) County's failure to use acceptable non-infringing corrections or enhancements made available by Contractor, or (4) information, specifications or materials provided by County or any third party. If any software or other item is, or in Contractor's reasonable opinion is likely to be held to be infringing, Contractor shall at its expense and option: (a) procure the right for County to continue using it; or (b) replace or modify it so that it becomes non-infringing while giving equivalent performance. If Contractor is initially unable to perform either option (a) or (b) for a period not to exceed 30 days, Contractor may require County to stop using the potentially infringing System or portion thereof, until Contractor can perform either option (a) or (b), providing however Contractor supplies County with an alternate means by which County may continue County operations pursuant to this Agreement. In the event, that Contractor, at any time, engages a third party non-employee (whether identified by Contractor as a subcontractor, independent contractor, or otherwise) to perform any work or services related to this Agreement, Contractor agrees that it shall be fully 100% strictly liable for all conduct of any such third party whether the actions of said third party are intentional, willful, negligent, tortious, or otherwise, and Contractor agrees to indemnify and hold County harmless for any actions taken by such a third party.

9. 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 Megabyte Property Tax System (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.


10. 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.
11. Insurance. Contractor shall procure and maintain insurance pursuant to Exhibit 3, "Insurance Requirements for Contractor," attached hereto and incorporated by reference.
13. 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. 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. However, County's obligations pursuant to this section shall not apply to information which is in the public domain, other than as a result of any breach of this Agreement, or to information which County is obligated to disclose pursuant to the lawful order of any court or government instrumentality in the United States, but only to the extent required by such order.
16. Employment Status. Consultant shall, during the entire term of this agreement, be construed to be an independent contractor and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to

exercise discretion or control over the professional manner in which Consultant performs the services which are the subject matter of this agreement; provided always, however, that the services to be provided by Consultant shall be provided in a manner consistent with the professional standards applicable to such services. The sole interest of the County is to insure that the services shall be rendered and performed in a competent, efficient and satisfactory manner. Consultant shall be fully responsible for payment of all taxes due to the State of California or the Federal government, which would be withheld from compensation of Consultant, if it were a County employee. County shall not be liable for deductions for any amount for any purpose from Consultant's compensation. Consultant shall not be eligible for coverage under County's Workers Compensation Insurance Plan nor shall Consultant be eligible for any other County benefit.

17. Termination. The County or Contractor may terminate this agreement with 30 days written notice.
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 Dale Stroud, Tehama County Assessor. 444 Oak Street – Room B. Red Bluff, CA 96080. Effective date of all notices shall permit a minimum of five (5) days for transit in the mails.

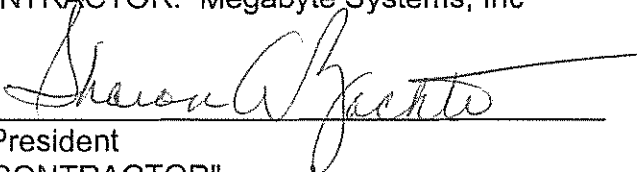
168
169 In Witness Whereof, the parties have executed this Agreement on
170 the day and year first hereinabove written.
171
172
173

174 COUNTY OF TEHAMA, a political subdivision
175 of the State of California
176

177 By 
178 Burt Bundy,
179 Chairman of the Board of Supervisors
180

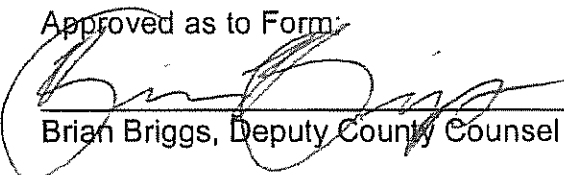
181 Dated: MAR 24 2015
182
183

184
185 CONTRACTOR: Megabyte Systems, Inc
186

187 By 
188 Sharon A. Pacheco
189 President
190 "CONTRACTOR"
191

192 Dated: 3-18-15
193
194

195
196 Approved as to Form:
197

198 
199 Brian Briggs, Deputy County Counsel

3-17-15

EXHIBIT D

SCHEDULE OF PAYMENTS

Software License
Data Conversion
Additional Items

A. Software License Schedule of Payments

Payment for the software license shall consist of a 25% down payment of \$75,000 after contract signing with a balance due of \$225,000, 30 days after satisfactory completion.

BASE CONTRACT AMOUNT	\$300,000
-----------------------------	------------------

As determined by the State of California, sales tax is not applicable at this time. However, if in the future, sales tax becomes required, it will be County responsibility.

B. Data Conversion Schedule of Payment

Conversion of COUNTY's existing Standard Crest Property Tax System data will be performed by Megabyte Systems for a fixed cost of \$ 40,000. This excludes historical data. Historical data conversion or non-standard Crest Property Tax System data conversion will be performed under a time and material hourly rate of \$100.00 per hour with a maximum amount of \$45,000, and must be requested in writing by the County Assessor, Auditor, or Treasurer Tax Collector.

C. Additional Items

All training classes offered by Megabyte for unlimited County personnel at no charge to the County (does not include travel or lodging).

1-year of Web processes at no charge (excludes OBPF –Web business filings). These web programs consist of Assessor Inquiry and TaxRoll Inquiry with web payments utilizing either Heartland and or OPAY. If the County elects to retain these web processes, then an annual license fee will be incurred at the current rate as set on 7/1/16.

Megabyte has a variety of various web and special applications available at a standard County pricing to all Counties. These are all optional 'add-ons' that may be cost beneficial to the County.

Enhancements or modifications desired by the County for those items not currently included in the base system (for example, Direct Charges from outside agencies) will be made available at a fixed price after requirements definition.

EXHIBIT E

INSURANCE REQUIREMENTS FOR CONTRACTOR

Contractor shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work described herein and the results of that work by Contractor, his/her agents, representatives, employees or subcontractors. At a minimum, Contractor shall maintain the insurance coverage, limits of coverage and other insurance requirements as described below.

Commercial General Liability (including operations, products and completed operations) \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If coverage is subject to an aggregate limit, that aggregate limit will be twice the occurrence limit, or the general aggregate limit shall apply separately to this project/location.

Automobile Liability

Automobile liability insurance is required with minimum limits of \$1,000,000 per accident for bodily injury and property damage, including owned and non-owned and hired automobile coverage, as applicable to the scope of services defined under this agreement.

Workers' Compensation

If Contractor has employees, he/she shall obtain and maintain continuously Workers' Compensation insurance to cover Contractor and Contractor's employees and volunteers, as required by the State of California, as well as Employer's Liability insurance in the minimum amount of \$1,000,000 per accident for bodily injury or disease.

Endorsements: Additional Insureds

The Commercial General Liability and Automobile Liability policies shall include, or be endorsed to include "Tehama County, its elected officials, officers, employees and volunteers" as an additional insured.

The certificate holder shall be "County of Tehama."

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions of \$25,000 or more must be declared to, and approved by, the County. The deductible and/or self-insured retentions will not limit or apply to Contractor's liability to County and will be the sole responsibility of Contractor.

Primary Insurance Coverage

For any claims related to this project, Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

Coverage Cancellation

Each insurance policy required herein shall be endorsed to state that "coverage shall not be reduced or canceled without 30 days' prior written notice certain to the County."

Acceptability of Insurers

Contractor's insurance shall be placed with an insurance carrier holding a current A.M. Best & Company's rating of not less than A:VII unless otherwise acceptable to the County. The County reserves the right to require rating verification. Contractor shall ensure that the insurance carrier shall be authorized to transact business in the State of California.

Material Breach

If for any reason, Contractor fails to maintain insurance coverage or to provide evidence of renewal, the same shall be deemed a material breach of contract. County, in its sole option, may terminate the contract and obtain damages from Contractor resulting from breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

Policy Obligations

Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Verification of Coverage

Contractor shall furnish County with original certificates and endorsements effecting coverage required herein. All certificates and endorsements shall be received and approved by the County prior to County signing the agreement and before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.

The County reserves the right to require complete, certified copies of all required insurance policies,

EXHIBIT 1

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 pursuant to the terms of the Agreement.

EXHIBIT 2

PAYMENT FOR SERVICES RENDERED

The monthly support cost for services described in Exhibit 1 "Scope of Service" shall be as follows:

\$7,493.47 per month, beginning July 1, 2015. Going forward said cost shall be adjusted annually on July 1, of each year, to the rate set by the Pacific Cities US City Average Index (hereinafter "Index") as of the rate set on December 31 of the prior year (e.g. the rate of the Index as of December 31, 2015, shall be used to adjust cost of services beginning on July 1, 2016). In the event Contractor seeks to increase cost of services in excess of the rate set by the Index for any given year, Contractor must provide written notice to County to specify the amount of rate increase for that year and said notice must be received by County no later than January 1, of the year the increase is to take effect, or else the rate set by the Index shall be used (e.g. Contractor seeks to increase above Index rate for the year 2016, County must receive written notice from Contractor no later than January 1, 2016 or the Index rate shall be used beginning July 1, 2016).

COMPENSATION FOR EXTRA SERVICES

COUNTY shall not be liable for the cost of any services provided in excess of those specified in Exhibit 1 "Scope of Service" and CONTRACTOR shall not present any claim for any such excess services excepting upon the express written consent of the County Assessor, Auditor, and or Treasurer Tax Collector and pursuant to the terms below and those stated in Exhibit C, "Agreement Megabyte Property Tax System (MPTS) Maintenance":

1. Emergency off-site support outside the hours of 8 AM to 5 PM or on weekends or holidays, at a rate of \$150.00 per hour, not to exceed \$10,000.00.
2. On-site support shall be \$150.00 per hour, not to exceed \$10,000.00, including reimbursement for travel expenses in accordance with County's current travel expense policy and as stated in Exhibit C.

EXHIBIT 3

INSURANCE REQUIREMENTS FOR CONTRACTOR

Contractor shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work described herein and the results of that work by Contractor, his/her agents, representatives, employees or subcontractors. At a minimum, Contractor shall maintain the insurance coverage, limits of coverage and other insurance requirements as described below.

Commercial General Liability (including operations, products and completed operations) \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If coverage is subject to an aggregate limit, that aggregate limit will be twice the occurrence limit, or the general aggregate limit shall apply separately to this project/location.

Automobile Liability

Automobile liability insurance is required with minimum limits of \$1,000,000 per accident for bodily injury and property damage, including owned and non-owned and hired automobile coverage, as applicable to the scope of services defined under this agreement.

Workers' Compensation

If Contractor has employees, he/she shall obtain and maintain continuously Workers' Compensation insurance to cover Contractor and Contractor's employees and volunteers, as required by the State of California, as well as Employer's Liability insurance in the minimum amount of \$1,000,000 per accident for bodily injury or disease.

Endorsements: Additional Insureds

The Commercial General Liability and Automobile Liability policies shall include, or be endorsed to include "Tehama County, its elected officials, officers, employees and volunteers" as an additional insured.

The certificate holder shall be "County of Tehama."

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions of \$25,000 or more must be declared to, and approved by, the County. The deductible and/or self-insured retentions will not limit or apply to Contractor's liability to County and will be the sole responsibility of Contractor.

Primary Insurance Coverage

For any claims related to this project, Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

Coverage Cancellation

Each insurance policy required herein shall be endorsed to state that "coverage shall not be reduced or canceled without 30 days' prior written notice certain to the County."

Acceptability of Insurers

Contractor's insurance shall be placed with an insurance carrier holding a current A.M. Best & Company's rating of not less than A:VII unless otherwise acceptable to the County. The County reserves the right to require rating verification. Contractor shall ensure that the insurance carrier shall be authorized to transact business in the State of California.

Material Breach

If for any reason, Contractor fails to maintain insurance coverage or to provide evidence of renewal, the same shall be deemed a material breach of contract. County, in its sole option, may terminate the contract and obtain damages from Contractor resulting from breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

Policy Obligations

Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Verification of Coverage

Contractor shall furnish County with original certificates and endorsements effecting coverage required herein. All certificates and endorsements shall be received and approved by the County prior to County signing the agreement and before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.

The County reserves the right to require complete, certified copies of all required insurance policies,

MINUTE ORDER
BOARD OF SUPERVISORS
COUNTY OF TEHAMA, STATE OF CALIFORNIA

R E G U L A R A G E N D A

20.ASSESSOR / TREASURER/TAX COLLECTOR / AUDITOR/CONTROLLER

- a) **AGREEMENT** - Approval and authorization for the Chairman to sign the Software License Agreement with Megabyte Systems, Inc. to provide integrated property tax administration software used by Assessor, Auditor and Tax Collector as outlined in Exhibit "A" for amounts as set forth in Exhibit "D", Schedule of Payments, and the auxiliary Maintenance Agreement with Megabyte Systems to provide software maintenance for the term beginning 7/1/2015 and terminating 6/30/16 as set out in Exhibit "2", Payment for Services Rendered.

(Miscellaneous Agreement 2015-50)

Assessor Dale Stroud gave an overview of the project that included working with several other counties and viewing multiple systems over the past several months.

Chief Administrator Williams Goodwin complimented the efforts of the department and his coordination with other counties.

In response to Supervisor Garton's inquiries, Mr. Stroud stated there were ten other Counties in consortium. Mr. Stroud further stated Megabyte Systems, Inc. would start working as soon as the contract is signed. They hope to be completely transitioned by September.

Mr. Stroud also thanked Administration, County Counsel, Tax Collector and the Auditor for the effective, efficient process.

Treasurer/Tax Collector Dana Hollmer stated the current virtual system they have will be able to accommodate the additional servers. The hardware cost is minimal as opposed to the overall cost to the product.

Supervisor Garton voiced his concerns in regards to training.

Supervisor Chamblin inquired about cost containment and how often upgrades would need to be performed.

Mrs. Hollmer answered, the upgrades would be included with the maintenance and the servers would be under support.

Supervisor Garton ensured there would be more than one programmer due to the complexity of the system.

Supervisor Chamblin requested clarification on the price cap per year.

Mr. Stroud answered, the price was tied to the Consumer Price Index and the vendor could not guarantee there would not be a price increase for maintenance.

Following additional comments;

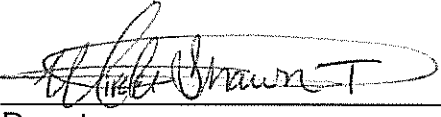
RESULT: APPROVED [UNANIMOUS]
MOVER: Dennis Garton, Supervisor - District 3
SECONDER: Steve Chamblin, Supervisor - District 1
AYES: Carlson, Garton, Chamblin, Williams, Bundy

STATE OF CALIFORNIA)
) ss
COUNTY OF TEHAMA)

I, JENNIFER VISE, County Clerk and ex-officio Clerk of the Board of Supervisors of the County of Tehama, State of California, hereby certify the above and foregoing to be a full, true and correct copy of an order adopted by said Board of Supervisors on the 24th day of March, 2015.

DATED: April 3, 2015

JENNIFER A. VISE, County Clerk and
Ex-officio Clerk of the Board of Supervisors
of the County of Tehama, State of California


Deputy