



Agenda Date: 6/26/2007
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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Kevin Olson for Wilson, Bennett - Chief Information Officer
Information Technology Services
REPORT BY: Serena Pearson, STAFF SERVICES ANALYST I , 707-259-8666
SUBJECT: Amend Ongoing maintenance agreement with Megabyte Systems, Inc. and Approve Upgrade Agreement

RECOMMENDATION

Chief Information Officer requests approval of and authorization for Chair to sign the following with Megabyte Systems, Inc., effective July 1, 2007:

1. Amendment No. 9 to Agreement No. 4334, increasing the annual amount by \$5,940 for a new annual maximum of \$191,168 for maintenance of the current MPTS 2000+ property tax system and online business property filing software maintenance and support; and
2. A Software Upgrade License Addendum to Agreement No. 4334, for \$8,250 monthly from July 1, 2007 through June 1, 2011 for a maximum of \$396,000 to convert the entire property tax system to a .NET environment to become MPTS 2010+.

EXECUTIVE SUMMARY

Megabyte Systems, Inc. provides basic software support services required to support the maintenance of the Megabyte MPTS 2000+ Property Tax System. The proposed Amendment No. 9 to the maintenance agreement is an annual amendment to recognize cost of living adjustments as warranted. This system was originally established in 1987 and upgraded to a client server platform in 2000 for Napa County's Assessor, Tax Collector, and Auditor's offices.

Because the current MPTS 2000+ client based platform does not reflect current technological trends, Megabyte needs to upgrade to MPTS 2010+, a .NET (web-based) platform. The proposed Software License Agreement represents Napa County's share of the cost of this upgrade which will be delivered by August 31, 2009 but paid for over a four year period commencing July 1, 2007.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Ongoing maintenance for the current client-server MPTS 2000+ platform is budgeted in ITS and then allocated to the three property tax departments, Assessor, Treasurer/Tax Collector and Auditor/Controller. The total Software Upgrade Agreement cost of \$396,000 in forty-eight monthly payments of \$8,250 will be budgeted for the next four fiscal years and also allocated to the three departments.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The Napa County's Assessor, Treasurer/Tax Collector, and Auditor/Controller's offices, use this system to perform their daily property tax functions electronically. The software upgrade to a .NET (web-based) MPTS 2010+ platform is required to meet new technology standards because several elements of the current client-server platform are functionally obsolete.
Is the general fund affected?	Yes
Future fiscal impact:	The Software Upgrade costs of \$99,000 per year for four years will be budgeted in Information Technology Services (ITS) and built into the Technology Cost Allocation Plan. Ongoing maintenance for the MPTS 2000+ system will also be budgeted in ITS. Once the Software Upgrade is installed in August 2009, the basic maintenance costs will include support for the new .NET system and the additional upgrade payments will cease in June 2011.
Consequences if not approved:	The property system would not be properly maintained. Napa County's Assessor, Treasurer/Tax Collector, and Auditor/Controller's offices, depend on the system to perform their daily property tax functions electronically. Not participating in the upgrade with the other 18 counties sharing the system means that Napa County would have to find a new property tax system for Fiscal Year 2009-2010 and subsequent fiscal years at a substantially higher cost.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

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offices.

Because the current MPTS 2000+ client based platform does not reflect current technological trends, Megabyte needs to upgrade to MPTS 2010+, a .NET (web-based) platform. The proposed Software Upgrade Agreement represents Napa County's share of the cost of this upgrade which will be delivered by August 31, 2009, but paid for over a four year period in forty-eight monthly payments of \$8,250, commencing July 1, 2007.

Megabyte currently provides integrated property system support to 18 counties throughout California. Megabyte maintenance and upgrade fees are substantially lower than would be required for a stand alone system since fees are collected from all user counties.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Karen Gratton