

City of Fayetteville Staff Review Form

2021-0948

Legistar File ID

12/21/2021

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Keith Macedo

12/2/2021

INFORMATION TECHNOLOGY (170)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends approving the attached Tyler Technologies Inc. support amendment for annual maintenance related to Tyler's New World ERP software.

Budget Impact:

1010-170-1710-5416.00

General Fund

Account Number

Fund

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 422,750.00

Funds Obligated \$ -

Current Balance **\$ 422,750.00**

Does item have a cost? Yes

Item Cost \$ 137,659.53

Budget Adjustment Attached? No

Budget Adjustment \$ -

Remaining Budget **\$ 285,090.47**

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # 145-15

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF DECEMBER 21, 2021

TO: Mayor and City Council

THRU: Susan Norton, Chief of Staff

FROM: Keith Macedo, Information Technology Director

DATE: December 2, 2021

SUBJECT: **Staff recommends approving the attached Tyler Technologies Inc. support amendment for annual maintenance related to Tyler's New World ERP software.**

RECOMMENDATION:

Staff recommends approving the attached Tyler Technologies Inc. support amendment for annual maintenance related to Tyler's New World ERP software.

BACKGROUND:

The city initially purchased New World ERP software in 1991 to provide core financial software which included general ledger, accounts payable, accounts receivable, human resources, payroll, inventory, budgeting, fixed assets and utility billing. In 2015 the city awarded RFP 14-11, and a five (5) year standard software maintenance agreement, with New World, to upgrade New World ERP to the latest version and provide implementation services. Tyler Technologies Inc. purchased New World in November of 2015 and now provides support for all New World products.

DISCUSSION:

The 2015 award of RFP 14-11, and the associated New World ERP software agreement, included a five (5) year software maintenance agreement with the option to purchase an additional 5 years of software maintenance at the same rate. The attached amendment adds an additional 5 years of maintenance, to the existing ERP agreement, under the same terms. The current annual software maintenance escalation is 5% per year increase, but the city negotiated this to a 2.25% annual increase. The 2020 New World ERP annual maintenance was \$143,575.31 with the 2021 maintenance estimated to be \$137,659.53.

BUDGET/STAFF IMPACT:

Staff recommends approving the Tyler Technologies Inc. support amendment with 2.25% annual escalation. The decrease is due to the removal of several modules from the original agreement. Annual software maintenance for New World ERP is funded within the General Fund Information Technology division operating budget.

Attachments:

Staff Review Form, Staff Review memo, Tyler Support Amendment



One Tyler Drive
Yarmouth, ME 04096

P: 800.772.2260
F: 207.781.2459

www.tylertech.com

12/1/2021

City of Fayetteville
113 W Mountain St
Fayetteville AR 72701-6069

Cust# 49937

To Whom It May Concern:

Please allow this letter to confirm that your renewal rates are as followed. Additional billing obligations may be included in separate Proforma(s).

DESCRIPTION	CYCLE DATE	AMOUNT
New World Maintenance - Asset Management .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Bank Reconciliation .NET	01/01/2022-12/31/2022	\$ 1,285.20
New World Maintenance - Benefits Administration .NET	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - CD Standard Users	01/01/2022-12/31/2022	\$ -
New World Maintenance - COBRA Billing Administration .NET	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - Contract Accounting .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Dashboards for Financial Mgt .NET	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - Dashboards for HR .NET	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - Dashboards for Utility Management .NET	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - Decision Support Base Datamart	01/01/2022-12/31/2022	\$ 3,856.65
New World Maintenance - eBenefits Administration	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - eEmployee	01/01/2022-12/31/2022	\$ 5,509.35
New World Maintenance - eMisc Billing	01/01/2022-12/31/2022	\$ 2,802.45
New World Maintenance - Employee Event Tracking .Net	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - ePayments	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - eSuite Base	01/01/2022-12/31/2022	\$ 3,856.65
New World Maintenance - eSupplier	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - eUtilities	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - Finance Analytics .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Financial Management Base Suite .NET	01/01/2022-12/31/2022	\$ 12,855.15
New World Maintenance - GIS Integration - Utility Billing	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Grant Management .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - HR/Payroll Analytics .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Human Resources Mgt. Base Suite .NET	01/01/2022-12/31/2022	\$ 9,549.75

Remittance
Tyler Technologies, Inc. (FEIN 75-2303920)
PO Box 203556
Dallas, TX 75320-3556

Questions
Tyler Technologies – ERP Schools
Phone: 1-800-772-2260 Press 2, then 1
Email: ar@tylertech.com

DESCRIPTION	CYCLE DATE	AMOUNT
New World Maintenance - Inventory Management .NET	01/01/2022-12/31/2022	\$ 3,856.65
New World Maintenance - IVR Interface for Acct Balance and Payment.NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Leave Management.NET	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - Meter and Device Inventory .NET	01/01/2022-12/31/2022	\$ 2,020.20
New World Maintenance - Misc. Billing & Receivables .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Parcel Management .NET	01/01/2022-12/31/2022	\$ 1,836.45
New World Maintenance - PC Cash Register Interface .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Personnel Action Processing .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Position Budgeting .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Project Accounting .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Project Planning	01/01/2022-12/31/2022	\$ 3,305.40
New World Maintenance - Purchasing Base .NET	01/01/2022-12/31/2022	\$ 3,856.65
New World Maintenance - Requisition Processing .NET	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Service Order Processing .NET	01/01/2022-12/31/2022	\$ 4,040.40
New World Maintenance - Site License	01/01/2022-12/31/2022	\$ -
New World Maintenance - Third Party Applicant Interface	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Third Party Document Imaging Interface	01/01/2022-12/31/2022	\$ 1,652.70
New World Maintenance - Time & Attendance Interface .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Utility Management Analytics .NET	01/01/2022-12/31/2022	\$ 2,203.95
New World Maintenance - Water / Sewer / Refuse Base .NET	01/01/2022-12/31/2022	\$ 7,344.75
New World Maintenance - Work Orders .NET	01/01/2022-12/31/2022	\$ 3,856.65
New World Maintenance - Workers Compensation Administration .NET	01/01/2022-12/31/2022	\$ 2,754.15
New World Maintenance - GASB/CAFR Reporting	01/01/2022-12/31/2022	\$ 3,872.73
New World Maintenance - Tyler Cashiering	01/01/2022-12/31/2022	\$ 4,088.70

*Applicable taxes not included

Total: \$ 137,659.53

Remittance
Tyler Technologies, Inc. (FEIN 75-2303920)
PO Box 203556
Dallas, TX 75320-3556

Questions
Tyler Technologies – ERP Schools
Phone: 1-800-772-2260 Press 2, then 1
Email: ar@tylertech.com



Support Amendment

This Support Amendment is made, as of the date of signature of the last party to sign as set forth below (the "Effective Date") by and between Tyler Technologies, Inc. with offices at 840 West Long Lake Road, Troy, MI 48098 ("Tyler") and the client identified below ("Client").

WHEREAS, New World and Client are parties to an original agreement, dated 7/8/1991 ("Agreement") under which Client licensed the New World software itemized therein; and

WHEREAS, Tyler and New World merged effective November 16, 2015, with Tyler as the surviving entity; and

WHEREAS, Tyler and Client desire to update the applicable maintenance and support services terms;

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, Tyler and Client agree as follows:

1. The New World Software Client licensed under the Agreement, and on which Client has paid maintenance and support fees through the Effective Date, shall mean the "Tyler Software" for purposes of this Support Amendment.
2. Tyler shall provide maintenance and support services on the Tyler Software according to the terms of Exhibit 1 to this Support Amendment.
3. For the term specified in the applicable invoice, Client shall remit to Tyler maintenance fees in the amount set forth therein. Payment is due within thirty (30) days of the invoice date.
4. This Support Amendment shall be governed by and construed in accordance with the terms and conditions of the Agreement.
5. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Support Amendment as of the dates set forth below.

Tyler Technologies, Inc.

Client: City of Fayetteville, AR

By: *Jisel Lopez*

By: _____

Name: Jisel Lopez

Name: Lioneld Jordan

Title: Senior Corporate Attorney

Title: Mayor

Date: 12/1/2021

Date: _____



Exhibit 1

Maintenance and Support Agreement

Tyler (“we”) will provide Client (“you”) with the following maintenance and support services for the Tyler Software. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Support Amendment.

1. **Term.** We provide maintenance and support services on an annual basis. The initial term commences on 1/1/2022 and remains in effect for one (1) year. The term will renew automatically for additional one (1) year terms unless terminated in writing by either party at least ninety (90) days prior to the end of the then-current term.
2. **Maintenance and Support Fees.** Your maintenance and support fees for the initial term for the Tyler Software will be listed in the applicable invoice. Following the initial term, fees for renewal years 2-5 (2023, 2024, 2025, and 2026) will be subject to a 2.25% per year increase. Beginning with the January 1, 2027 annual term, your fees for each subsequent term will be at our then-current rates. We reserve the right to suspend maintenance and support services if you fail to pay undisputed maintenance and support fees within thirty (30) days of our written notice. We will reinstate maintenance and support services only if you pay all past due maintenance and support fees, including all fees for the periods during which services were suspended.
3. **Maintenance and Support Services.** As long as you are not using the Help Desk as a substitute for our training services on the Tyler Software, and you timely pay your maintenance and support fees, we will, consistent with our then-current Support Call Process:
 - 3.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects, as defined in the Agreement, in the Tyler Software (limited to the then-current version and the immediately prior version); provided, however, that if you modify the Tyler Software without our consent, our obligation to provide maintenance and support services on and warrant the Tyler Software will be void;
 - 3.2 provide telephone support during our established support hours, currently Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone)
 - 3.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and third party software, if any, in order to provide maintenance and support services;
 - 3.4 provide you with a copy of all major and minor releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
 - 3.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with

our then-current release life cycle policy.

4. Client Responsibilities. We will use all reasonable efforts to perform any maintenance and support services remotely. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require performing remote services. We will, at our option, use the secure connection to assist with

proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain a VPN for backup connectivity purposes.

5. Hardware and Other Systems. If in the process of diagnosing a software support issue it is discovered that one of your peripheral systems or other software is the cause of the issue, we will notify you so that you may contact the support agency for that peripheral system. We cannot support or maintain third party products except as expressly set forth in the Agreement.

In order for us to provide the highest level of software support, you bear the following responsibility related to hardware and software:

- (a) All infrastructure executing Tyler Software shall be managed by you;
 - (b) You will maintain support contracts for all non-Tyler software associated with Tyler Software (including operating systems and database management systems, but excluding Third Party Software, if any); and
 - (c) You will perform daily database backups and verify that those backups are successful.
6. Other Excluded Services. Maintenance and support fees do not include fees for the following services: (a) initial installation or implementation of the Tyler Software; (b) onsite maintenance and support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (c) application design; (d) other consulting services; (e) maintenance and support of an operating system or hardware; (f) support outside our established support hours; or (g) installation, training services, or third party product costs related to a new release. Requested maintenance and support services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) weeks' advance notice.
 7. Current Support Call Process. Our current Support Call Process for the Tyler Software is provided Schedule A to Exhibit 1.



Exhibit 1 Schedule A Support Call Process

Support Channels

Tyler Technologies, Inc. provides the following channels of software support:

- (1) Tyler Community – an on-line resource, Tyler Community provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (2) On-line submission (portal) – for less urgent and functionality-based questions, users may create unlimited support incidents through the customer relationship management portal available at the Tyler Technologies website.
- (3) Email – for less urgent situations, users may submit unlimited emails directly to the software support group.
- (4) Telephone – for urgent or complex questions, users receive toll-free, unlimited telephone software support.

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

- (1) Tyler Website – www.tylertech.com – for accessing client tools and other information including support contact information.
- (2) Tyler Community – available through login, Tyler Community provides a venue for clients to support one another and share best practices and resources.
- (3) Knowledgebase – A fully searchable depository of thousands of documents related to procedures, best practices, release information, and job aides.
- (4) Program Updates – where development activity is made available for client consumption

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Clients may receive coverage across these time zones. Tyler’s holiday schedule is outlined below. There will be no support coverage on these days.

New Year’s Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Issue Handling

Incident Tracking

Every support incident is logged into Tyler’s Customer Relationship Management System and given a unique incident number. This system tracks the history of each incident. The incident tracking number is used to track and reference open issues when clients contact support. Clients may track incidents, using the incident number, through the portal at Tyler’s website or by calling software support directly.

Incident Priority

Each incident is assigned a priority number, which corresponds to the client’s needs and deadlines. The client is responsible for reasonably setting the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain “characteristics” may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the client towards clearly understanding and communicating the importance of the issue and to describe generally expected responses and resolutions.

Priority Level	Characteristics of Support Incident	Resolution Targets
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client’s remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler’s responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler’s responsibility for loss or corrupted data is limited to assisting the client in restoring its last available database.

Priority Level	Characteristics of Support Incident	Resolution Targets
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days. Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

Incident Escalation

Tyler Technology's software support consists of four levels of personnel:

- (1) Level 1: front-line representatives
- (2) Level 2: more senior in their support role, they assist front-line representatives and take on escalated issues
- (3) Level 3: assist in incident escalations and specialized client issues
- (4) Level 4: responsible for the management of support teams for either a single product or a product group

If a client feels they are not receiving the service needed, they may contact the appropriate Software Support Manager. After receiving the incident tracking number, the manager will follow up on the open issue and determine the necessary action to meet the client's needs.

On occasion, the priority or immediacy of a software support incident may change after initiation. Tyler encourages clients to communicate the level of urgency or priority of software support issues so that we can respond appropriately. A software support incident can be escalated by any of the following methods:

- (1) Telephone – for immediate response, call toll-free to either escalate an incident's priority or to escalate an issue through management channels as described above.
- (2) Email – clients can send an email to software support in order to escalate the priority of an issue
- (3) On-line Support Incident Portal – clients can also escalate the priority of an issue by logging into the client incident portal and referencing the appropriate incident tracking number.

Remote Support Tool

Some support calls require further analysis of the client's database, process or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Support is able to quickly connect to the client's desktop and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.