

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Ron Ahlers, Finance Director 

DATE: April 28, 2015 (City Council Meeting of May 6, 2015)

SUBJECT: Consider Award of Contract for Software License and Services Agreement to Tyler Technologies and Resolution Amending the Fiscal Year 2014-15 Budget to Purchase Financial and Permitting Software

SUMMARY

The City's current financial software package is from SunGard, known as "Pentamation" or "Finance Plus". The City implemented the Pentamation software in 1999 and upgraded to Plus Series version 4.2 in late 2007. At that time, it was the most current version. Since then, SunGard has released versions 4.3 and 5.0. SunGard plans to release version 5.1 sometime in 2016. In August 2014 the City was notified by SunGard that their support of the software version 4.2 will be diminished as of July 2015. A portion of their email follows:

Microsoft support for Windows Server 2003 and Windows Server 2003 R2 ends on July 14, 2015, which means the end of updates and patches, and a loss of compliance for any datacenter running this operating system after this date. We recommend that our impacted customers begin preparations now to migrate to a currently supported version of Windows Server, which includes all versions of Server 2008 and 2012. Remaining on Windows Server 2003 after July 2015 may negatively impact the performance of your SunGard Public Sector products.

SunGard Public Sector's future product releases will not support Windows Server 2003 or Windows Server 2003 R2, in compliance with Microsoft support timelines.

Products released before July 14, 2015 will continue to support the operating systems they support today; however, hotfixes for these products will no longer be tested for Windows Server 2003 compatibility after July 14, 2015.

Because Windows Server 2003 is no longer supported, SunGard Public Sector's ability to support you on this system may be diminished after July 2015.

Since that time City staff has reviewed a few software packages and recommends the City Council consider contracting with Tyler Technologies to provide a new financial software for the City as well as a new permitting, planning, business registration software. The total projected cost proposed for the project implementation is \$350,000.

BACKGROUND

The City implemented the Pentamation software in 1999 and upgraded to Finance Plus version 4.2 in late 2007. We have been using the software for sixteen (16) years. The software uses older technology and is not considered "user friendly". City staff from Administrative Services, Community Development, Public Works and Finance have reviewed three software packages and consider Tyler Technologies to be the right software solution for the City. The softwares reviewed are: SunGard FinancePlus 5.0, SunGard One Solution and Tyler Technologies. Staff also contacted New World Systems and requested a demo. After numerous emails and a phone conversation, New World Systems declined to return phone calls and email.

SunGard FinancePlus 5.0

The quickest and least expensive route is to upgrade to version 5.0 of SunGard FinancePlus. The cost is about \$22,000 for the software and another \$81,000 for the computer servers. The risk is low with this decision. City staff will require minimal training as it is primarily the user interface that has changed. SunGard currently has a sixty-day backlog on their implementation projects. Four to six months is the normal implementation plan: install the operating and database software on the new servers, install FinancePlus 5.0 software and convert the City's data. Staff would run one or two complete parallel tests to ensure the entire finance software performs well. The City may need to hire temporary Finance professional staff to run the finance operations while we work on the upgrade. SunGard has stated the City can be live on the new version within six to eight months after the signing of the contract. The City will retain all the data that is currently in the system. This is an added benefit since we do produce reports that show a ten year history or longer. Since it is the Microsoft software that caused this upgrade to occur, I inquired about the lifespan of the Microsoft Service 2008 software. At this time, the software will be supported until the middle of 2019. Therefore, we would get about 4 ½ years of use from upgrading to version 5.0. There would be additional cost if the City were to purchase the permit, business license and planning software. There were constraints to adding the additional permitting packages, such as the "business license" component could not be changed to "business registration".

Not Recommended.

SunGard One-Solution

The webinar demo was impressive. The software has a variety of nice offerings with GIS interface and built-in work flow management. It appears to be very flexible and

customizable to meet the City's needs for both Financials and Community Development applications. The price, however, is very expensive at approximately \$265,000 for the financial software, \$152,000 for HR/Payroll and another \$475,000 for the Community Development package. In addition, the City would need to purchase new servers for these applications. The City cannot afford this implementation cost. In addition, this software would require many hours of staff time to keep the system running correctly on a going-forward basis. It probably would require one additional I.T. analyst and one user expert each in Finance and Community Development.

Not recommended.

Tyler Technologies

Tyler Technologies demo was impressive as well. The Finance software allows for a very long account string and work-flow management. The product uses the latest software technology and the user interface is very well done. It appears to be a state of the art system which should enable staff to perform their jobs quicker and with more accuracy. In addition, the City would need to purchase new servers for these applications, which are included in the price quote. Tyler Technologies price includes converting five years' worth of data from our current finance system (two years for budget). The vendor states implementation time of 8-9 months. The software also includes the "Energov Product Suite": Permitting and Land Management, License and Regulatory Management, Customer Relationship Management and Reporting. These Energov Product Suites would allow staff to implement online business registration, some online permitting applications (such as newly mandated solar building permits), and inspection scheduling. Staff estimates the software to be viable for about ten years. City staff visited three government agencies to view the software in a real live environment. The three agencies are: City of Sierra Madre, City of Agoura Hills and East Valley Water District (Highland, CA). The staff from the three agencies were all supportive of the Tyler software. All three lauded the technical support that Tyler provides. Two of the agencies stated that they required additional implementation and training hours above the stated contractual agreement. All three agencies are satisfied with the software and recommend it. City staff requested additional implementation and training hours be added to the quote from Tyler. The total contract price is \$301,650.

Recommended.

FISCAL IMPACT

The money for this purchase will come from the General Fund reserves in the amount of \$350,000. The Tyler Technologies software price is \$301,650, the remainder of \$48,350 will be for contracting with a staffing agency for accounting services during the implementation phase of the project.

STAFF RECOMMENDATION (Roll Call Vote)

1. Adopt Resolution No. 2015-_____ to appropriate \$350,000 from the General Fund (1000) for the purchase and installation of Tyler Technologies software and to provide for contractual accounting services.
2. Authorize the City Manager to execute an agreement with Tyler Technologies subject to final language approval by the City Manager and City Attorney.

Attachments:

1. Resolution No. 2015 - _____
2. Tyler Technologies License and Services Agreement

RESOLUTION NO. 2015 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2014/15 BUDGET TO APPROPRIATE \$350,000 FROM THE GENERAL FUND (1000) FOR THE PURCHASE AND INSTALLATION OF TYLER TECHNOLOGIES SOFTWARE AND TO PROVIDE FOR CONTRACTUAL ACCOUNTING SERVICES

WHEREAS, on June 18, 2014, the City Council adopted the Operating and Capital Improvement Budget for Fiscal Year 2014/15; and

WHEREAS, a staff report has been presented to City Council discussing the purchase and implementation of Tyler Technologies software for a new financial software, permitting, planning and business registration software; and

WHEREAS, a budget amendment line item transfer of \$350,000 from the General Fund (1000) to the Finance department operating accounts is required to fund this purchase; and

WHEREAS, Exhibit "A" hereof describes said budget amendment and its resultant impact to the budget line items.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment from the General Fund (1000) and increase appropriations by \$350,000, as more particularly described in Exhibit "A" attached hereto is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 6th day of May, 2015.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

Attachment: Exhibit A – Budget Amendment

**EXHIBIT A
 BUDGET AMENDMENT FOR GENERAL FUND (100) TO PURCHASE TYLER
 TECHNOLOGIES SOFTWARE AND CONTRACTUAL ACCOUNTING SERVICES
 FY 2014/15**

FUND ALLOCATION FROM:

FUND TITLE	FUND ACCOUNT NUMBER	AMOUNT
General Fund	1000-5500	\$ 350,000
Total		\$ 350,000

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

BUDGET NUMBER	CURRENT BUDGET	REVISION	ADJUSTED BUDGET
1000-5110-0000-9102	\$ 106,600	\$ 48,350	\$ 154,950
1000-5110-0000-9503	\$ 0	\$ 301,650	\$ 301,650
Total	\$ 106,600	\$ 350,000	\$ 456,600

Finance approval: *Ron Ahlert*



LICENSE AND SERVICES AGREEMENT

This License and Services Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to license the software products and perform the services set forth in the Investment Summary and Tyler desires to perform such actions under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **“Agreement”** means this License and Services Agreement.
- **“Business Travel Policy”** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **“Client”** means City of Moorpark.
- **“Defect”** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **“Developer”** means a third party who owns the intellectual property rights to Third Party Software.
- **“Documentation”** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **“Effective Date”** means the date on which your authorized representative signs the Agreement.
- **“Force Majeure”** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **“Investment Summary”** means the agreed upon cost proposal for the software, products, and services attached as Exhibit A.
- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **“Maintenance and Support Agreement”** means the terms and conditions governing the provision of maintenance and support services to all of our customers. A copy of our current Maintenance and Support Agreement is attached as Exhibit C.
- **“Support Call Process”** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **“Third Party End User License Agreement(s)”** means the end user license agreement(s), if any, for the Third Party Software attached as Exhibit D.
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.

- “Third Party Products” means the Third Party Software and Third Party Hardware.
- “Third Party Software” means the third party software, if any, identified in the Investment Summary.
- “Tyler” means Tyler Technologies, Inc., a Delaware corporation.
- “Tyler Software” means our proprietary software and related interfaces identified in the Investment Summary and licensed to you through this Agreement.
- “we”, “us”, “our” and similar terms mean Tyler.
- “you” and similar terms mean Client.

SECTION B – SOFTWARE LICENSE

1. License Grant and Restrictions.

- 1.1 We grant to you a license to use the Tyler Software for your internal business purposes only, in the scope of the internal business purposes disclosed to us as of the Effective Date. You may make copies of the Tyler Software for backup and testing purposes, so long as such copies are not used in production and the testing is for internal use only. Your rights to use the Tyler Software are perpetual but may be revoked if you do not comply with the terms of this Agreement.
- 1.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
- 1.3 You may not: (a) transfer or assign the Tyler Software to a third party; (b) reverse engineer, decompile, or disassemble the Tyler Software; (c) rent, lease, lend, or provide commercial hosting services with the Tyler Software; or (d) publish or otherwise disclose the Tyler Software or Documentation to third parties.
- 1.4 The license terms in this Agreement apply to updates and enhancements we may provide to you or make available to you through your Maintenance and Support Agreement.
- 1.5 The right to transfer the Tyler Software to a replacement hardware system is included in your license. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance associated with such transfer.
- 1.6 We reserve all rights not expressly granted to you in this Agreement. The Tyler Software and Documentation are protected by copyright and other intellectual property laws and treaties. We own the title, copyright, and other intellectual property rights in the Tyler Software and the Documentation. **The Tyler Software is licensed, not sold.**

2. License Fees. You agree to pay us the license fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
3. Escrow. We maintain an escrow agreement with a third party under which we place the source code for each major release of the Tyler Software. You may be added as a beneficiary to the escrow agreement by completing a standard beneficiary enrollment form and paying the annual beneficiary fee (currently \$756) directly to the escrow agent. You will be responsible for maintaining your ongoing status as a beneficiary, including payment of the then-current annual beneficiary fees. Release of source code for the Tyler Software is strictly governed by the terms of the escrow agreement.



4. **Limited Warranty.** We warrant that the Tyler Software will be without Defect(s) as long as you have a Maintenance and Support Agreement in effect. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect as set forth in the Maintenance and Support Agreement.

SECTION C – PROFESSIONAL SERVICES

1. **Services.** We will provide you the various implementation-related services itemized in the Investment Summary. You will receive those services according to our industry-standard implementation plan, which outlines roles and responsibilities in calendar and project documentation. We will finalize that documentation with you upon execution of this Agreement.
2. **Professional Services Fees.** You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you.
3. **Additional Services.** The Investment Summary contains the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.
4. **Cancellation.** We make all reasonable efforts to schedule our personnel for travel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.
5. **Services Warranty.** We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. **Site Access and Requirements.** At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us. You further agree to provide a reasonably suitable environment, location, and space for the installation of the Tyler Software and Third Party Products, including, without limitation, sufficient electrical circuits, cables, and other reasonably necessary items required for the installation and operation of the Tyler Software and Third Party Products.
7. **Client Assistance.** You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to



cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

SECTION D – MAINTENANCE AND SUPPORT

This Agreement includes the period of free maintenance and support services identified in the Invoicing and Payment Policy. If you have purchased ongoing maintenance and support services, and continue to make timely payments for them according to our Invoicing and Payment Policy, we will provide you with maintenance and support services for the Tyler Software under the terms of our standard Maintenance and Support Agreement.

If you have opted not to purchase ongoing maintenance and support services for the Tyler Software Products, the Maintenance and Support Agreement does not apply to you. Instead, you will only receive ongoing maintenance and support on the Tyler Software Products on a time and materials basis. In addition, you will:

- (i) receive the lowest priority under our Support Call Process;
- (ii) be required to purchase new releases of the Tyler Software Products, including fixes, enhancements and patches;
- (iii) be charged our then-current rates for support services, or such other rates that we may consider necessary to account for your lack of ongoing training on the Tyler Software Products;
- (iv) be charged for a minimum of two (2) hours of support services for every support call; and
- (v) not be granted access to the support website for the Tyler Software Products or the Tyler Community Forum;

SECTION E – MYGOVPAY/VIRTUAL PAY

The MyGovPay/Virtual Pay functionality, to the extent you have purchased it, is provided to you according to the terms and conditions set forth in this Agreement, and the provisions of [Exhibit D](#).

SECTION F – THIRD PARTY PRODUCTS

1. **Third Party Hardware.** We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
2. **Third Party Software.** Upon payment in full of the Third Party Software license fees, you will receive a non-transferable license to use the Third Party Software and related documentation for internal business purposes only. Your license rights to the Third Party Software will be governed by the Third Party End User License Agreement(s).

2.1 We will install onsite the Third Party Software. The installation cost is included in the installation fee in



the Investment Summary.

2.2 If the Developer charges a fee for future updates, releases, or other enhancements to the Third Party Software, you will be required to pay such additional future fee.

2.3 The right to transfer the Third Party Software to a replacement hardware system is governed by the Developer. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance associated with such transfer.

3. Third Party Products Warranties.

3.1 We are authorized by each Developer to grant or transfer the licenses to the Third Party Software.

3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

4. Maintenance. If you have a Maintenance and Support Agreement in effect, you may report defects and other issues related to the Third Party Software directly to us, and we will (a) directly address the defect or issue, to the extent it relates to our interface with the Third Party Software; and/or (b) facilitate resolution with the Developer, unless that Developer requires that you have a separate, direct maintenance agreement in effect with that Developer. In all events, if you do not have a Maintenance and Support Agreement in effect with Tyler, you will be responsible for resolving defects and other issues related to the Third Party Software directly with the Developer.

SECTION G – INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you the fees for the license(s), products, and services in the Investment Summary per our Invoicing and Payment Policy, subject to Section G(2).
2. Invoice Disputes. If you believe any delivered product or service does not conform to the warranties in this Agreement, you will provide us with written notice within fifteen (15) days of your receipt of the applicable invoice. The written notice must contain sufficient detail of the issues you contend are in dispute. We will provide a written response to you that will include either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work together as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may only withhold payment of the amount(s) actually in dispute until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all services, including maintenance and support services, if you fail to pay an invoice not disputed as described above.

SECTION H – TERMINATION

1. **For Cause.** You may terminate this Agreement for cause in the event we don't cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within forty-five (45) days of receiving a written notice of the alleged breach. You agree to comply with Section J(3), Dispute Resolution, prior to termination. In the event of termination for cause, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination.
2. **Lack of Appropriations.** If you should not appropriate or otherwise make available funds sufficient to purchase, lease, operate, or maintain the products or services set forth in this Agreement, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. In the event of termination due to a lack of appropriations, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. You will not be entitled to a refund or offset of previously paid license and other fees. You will not use a termination for lack of appropriations as a substitute for termination for convenience.
3. **Force Majeure.** Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of scheduled tasks for a period of forty-five (45) days or more. In the event of termination due to Force Majeure, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received; or we have incurred or delivered, prior to the effective date of termination. You will not be entitled to a refund or offset of previously paid license and other fees.

SECTION I – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.

- 1.1 We will defend you against any third party claim(s) that the Tyler Software infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
- 1.2 Our obligations under this Section I(1) will not apply to the extent the claim or adverse final judgment is based on your: (a) use of a previous version of the Tyler Software and the claim would have been avoided had you installed and used the current version of the Tyler Software; (b) combining the Tyler Software with any product or device not provided, contemplated, or approved by us; (c) altering or modifying the Tyler Software, including any modification by third parties at your direction or otherwise permitted by you; (d) use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties; or (e) willful infringement, including use of the Tyler Software after we notify you to discontinue use due to such a claim.
- 1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately.

1.4 If, as a result of an infringement or misappropriation claim, your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; (c) replace it with a functional equivalent; or (d) terminate your license and refund the license fees paid for the infringing Tyler Software. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. Property Damage and Personal Injury Indemnification.

2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all direct claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by our negligence or willful misconduct.

2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all direct claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by your negligence or willful misconduct.

3. **DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

4. **LIMITATION OF LIABILITY. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO THE LESSER OF (A) YOUR ACTUAL DIRECT DAMAGES OR (B) THE AMOUNTS PAID BY YOU UNDER THIS AGREEMENT. THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS I(1) AND I(2).**

5. **EXCLUSION OF CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

6. Insurance. During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000; (b) Automobile Liability of at least \$1,000,000; (c) Professional Liability of at least \$1,000,000; and (d) Workers Compensation complying with applicable statutory requirements. We will add you as an additional insured and provide you with copies of certificates of insurance upon written request.

SECTION J – GENERAL TERMS AND CONDITIONS

1. Additional Products and Services. You may purchase additional products and services at the rates set forth

in the Investment Summary for twelve (12) months from the Effective Date, and thereafter at our then-current list price, by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.

2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. **Dispute Resolution.** You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will meet at your office within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.
4. **Taxes.** The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.
5. **Nondiscrimination.** We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. **E-Verify.** We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. **Subcontractors.** We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.
8. **No Assignment.** Neither party may assign this Agreement without the prior written consent of the other party; provided, however, that your consent is not required in the event we have a change of control.
9. **Force Majeure.** Neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with



written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. **No Intended Third Party Beneficiaries.** This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party End User License Agreement(s).
11. **Entire Agreement; Amendment.** This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.
12. **Severability.** If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. **No Waiver.** In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. **Independent Contractor.** We are an independent contractor for all purposes under this Agreement.
15. **Notices.** All notices or communications required or permitted as a part of this Agreement must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. **Client Lists.** You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.
17. **Confidentiality.** Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (e.g., social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

- (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
- (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
- (c) a party receives from a third party who has a right to disclose it to the receiving party; or
- (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. **Business License.** In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.

19. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without regard to its rules on conflicts of law.

20. **Multiple Originals and Signatures.** This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature.

21. **Contract Documents.** This Agreement includes the following exhibits:

- Exhibit A Investment Summary
- Exhibit B Invoicing and Payment Policy
Schedule 1: Business Travel Policy
- Exhibit C Maintenance and Support Agreement
Schedule 1: Support Call Process
- Exhibit D MyGovPay/VirtualPay
- Exhibit E Statement of Work

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.
Local Government Division

City of Moorpark

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address for Notices:

Tyler Technologies, Inc.
5519 53rd Street
Lubbock, Texas 79414
Attention: Brett Cate

Address for Notices:

City of Moorpark
799 Moorpark Ave.
Moorpark, CA 93021
Attention: Finance Director



Investment Summary

The following Investment Summary details the software, products, and services to be delivered by Tyler Technologies, Inc. to you under your License and Services Agreement. This Investment Summary is effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in your License and Services Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Investment Summary

Ron Ahlers
City of Moorpark



Prepared for:	City of Moorpark	Contract ID # :	2015-0098
Contact Person:	Ron Ahlers	Issue Date:	04/22/15
Address:	799 Moorpark Ave. Moorpark, CA 93021-1155	Sales Rep:	K. Winget
Phone:	805-517-6249	Tax Exempt:	Yes / No
Fax:			
Email:	rahlers@ci.moorpark.ca.us		

Software License Payments						
Total Hardware				20,399	20,399	
Total Applications Software						
License Fees - INCODE Financial Suite	10,413	24,991	6,248		41,651	10,413
License Fees - INCODE Personnel Management Suite	3,125	7,500	1,875		12,500	3,125
License Fees - INCODE Customer Relationship Management Suite	3,300	7,920	1,980		13,200	2,613
License Fees - Energov Product Suite	12,313	29,550	7,388		49,250	12,313
License Fees - INCODE Document Management Suite	4,744	11,385	2,846		18,975	4,744
Less Discount	(7,500)	(18,000)	(4,500)		(30,000)	
Total Professional Services						
Implementation				84,375	84,375	
Project Management & Final Implementation				22,500	22,500	
Data Conversion				68,800	68,800	
Annual Services						
Employee Self Service						3,234
Tyler On Demand - Tyler U						500

* Earlier of first use of Tyler Software in live production or 180 days from the date the Tyler Software is made available for downloading.

Please Note: Travel expenses will be billed as incurred.



Software Licenses

Ron Ahlers
City of Moorpark
April 22, 2015



Application Software	QTY	Hours	Estimated Services	License Fee	Estimated Services	Annual Fee
Incode Financial Management Suite				41,651	23,000	10,413
Core Financials		96	12,000			
<i>(General Ledger, Budget Prep, Bank Recon, Accounts Payable)</i>						
Positive Pay						
CAFR Statement Builder		36	4,500			
Purchasing		36	4,500			
Fixed Assets		16	2,000			
Incode Personnel Management Suite				12,500	17,000	6,359
Personnel Management		72	9,000			
Employee Self Service <i>(Number of FTE Employees)</i>	50	32	4,000			N/C
<i>(Employee Portal)</i>						
ESS Benefits Administration <i>(Number of FTE Employees)</i>	48					1,584
ESS Time & Attendance <i>(Number of FTE Employees)</i>	50	32	4,000			1,650
Incode Customer Relationship Management Suite				13,200	4,500	2,613
Cashiering		20	2,500			
<i>(Support Credit/Debit Cards via ETS, PCI Compliant)</i>						
Cashiering Receipt Import <i>(Generic Interface)</i>		Included	Included			
Miscellaneous Accounts Receivable		16	2,000			
Energov Product Suite Up to 20 Users				49,250	37,875	12,313
Permitting & Land Management						
Permitting & Inspections		120	15,000			
Object Management		12	1,500			
E-Reviews Server		12	1,500			
License & Regulatory Management						
License Management		60	7,500			
Customer Relationship Management						
Code Enforcement		60	7,500			
System Extensions						
Customer Portal						
Permitting & Inspections		8	1,000			
Licensing		8	1,000			
GIS Server		8	1,000			
iG Workforce Server		8	1,000			
iG Workforce iPad Apps (each)	1	7	875			
Incode Content/Document Management Suite				18,975	2,000	4,744
Incode Printing and Reporting Solutions						
Standard Forms Package		Included	Included			
<i>(4 Overlays for Financials, 1 Logo)</i>						
Secure Signatures <i>(includes 2 signatures)</i>		Included	Included			
Output Director						
Output Director		8	1,000			
<i>(Base Engine, Print Output Channel, Tyler Content Management Output Channel, Email Output Channel)</i>						
Laserfiche Financial & Personnel Suite Interface		8	1,000			
Laserfiche Output Channel		Included	Included			
Professional Services					22,500	
Business Process Review/Discovery		40	5,000			
Final Implementation		40	5,000			
Project Management			12,500			
Incode Application Subtotal		675	84,375	135,576	84,375	36,441
Professional Services		80	22,500		22,500	
Preferred Customer Discount				(30,000)		
Application and System Software Total		755	106,875	105,576	106,875	36,441



Professional Services

Ron Ahlers
 City of Moorpark
 April 22, 2015



Conversion Services	Programming Fee	Hours	Estimated Services	Conversion Fee
Financial Applications				21,500
General Ledger	4,000	8	1,000	
- Chart of Accounts				
- Budget (2 years + Current)				
- Summarized YTD History				
Summarized History/Budget 5 Years total	500	4	500	
Transaction History - 5 Years total	1,500	8	1,000	
Legacy/Historical Views	1,000	8	1,000	
Accounts Payable	3,000	4	500	
- Vendor Master Info, address, primary contact				
- 1099 Balances (current year)				
Vendor Notes, Additional Contacts	500	4	500	
Detailed History -(payable, payable items, distribution) 5 Years total	1,500	8	1,000	
Legacy/Historical Views	1,000	8	1,000	
Fixed Assets	1,500	4	500	
- Assets information with improvements, totals only, no history)				
Personnel/Payroll Applications				15,000
Personnel Management/Payroll	5,000	28	3,500	
- Basic Employee Information - employee master, address, primary contact, standard dates (i.e. hire, birth, termination, leave), standard phones (work, home, cell), current direct deposit, current position, retirement, employee deductions, employee taxes				
- Current Year Leave Balances				
- Current Year detailed employee pay history - paycheck earnings, earning distribution, deductions and taxes OR current year quarterly summarized history				
Detailed Employee Information	1,000	8	1,000	
- Additional contacts, dependent details, notes, additional dates (i.e. anniversary, seniority), additional phones (i.e. spouse, fax)				
Detailed employee pay history 5 Years total	1,500	8	1,000	
Legacy/Historical Views	1,000	8	1,000	
Permitting & Licensing				32,300
Permits & Inspections	6,400	8	1,000	
- Permit Master (includes contacts & properties)				
Contractors	2,000	4	500	
Inspections	2,000	8	1,000	
Transactions (2 years + current)	2,000	4	500	
Licensing	6,400	8	1,000	
- License Master (includes contacts & properties)				
Transactions (2 years + current)	2,000	8	1,000	
Code Enforcement	4,000	20	2,500	
- Incidents (includes property & contact info)				
Conversion Services Total	47,800	168	21,000	68,800

Note:
 Financial data conversion consists of current year plus 5 years history.
 Energov data conversion consists of current year plus 2 years history.



Hardware & System Software

Ron Ahlers
 City of Moorpark
 April 22, 2015



Network Systems and Software	QTY	Price	Maintenance Source
Dell PowerEdge T630 (Specify Tower or 4-Post 5U Rack Mount) Intel® Xeon® E5-2620 v3, 2.40GHz, 6 core, 12 thread, 15M Cache, 8.0GT/s QPI, 85W 16GB 1600MHz RDIMM Memory 2 - 300 GB 15K RPM Hot swap SAS HDD (RAID1 - 300GB Usable capacity) 3 - 300 GB 15K RPM Hot swap SAS HDD (RAID5 - 600GB Usable capacity) PERC H730 Raid controller DVD-ROM SATA Gigabit Ethernet Dual Redundant 750w Power Supplies Keyboard/Mouse 3 year ProSupport and NBD onsite warranty Windows 2012R2 Standard Edition, 2 Socket, 2 VM (No CALS)	2	13,800	Dell - 36 mos on-site warranty
RD1000 Backup Drive 500/1TB w/8 Cartridges	1	1,800	
Uninterruptible Power Supplies (UPS) Tower - APC 1500 - (SMT1500)	1	635	
APC UPS Network Management Card (BC3030)	1	275	
Backup Licensing Backup Assist (per server that needs image backup)	1	220	
Backup Assist w/SQL Addon (per SQL server that needs image backup)	1	335	
OEM Operating System and Terminal Server Licensing (from Dell) Additional 2012 Client Licenses 5-pack **Citrix XenApp available upon request**	2	330	
SQL SERVER 2012 ISV RUNTIME LICENSING Microsoft SQL Server 2012 RUNTIME	1	499	
Microsoft SQL 2012 RUNTIME CAL	20	2,100	
<i>NOTE: By selecting RUNTIME licensing the customer is legally bound to ONLY use SQL Server RUNTIME for Tyler Technologies Applications.</i>			
ANTIVIRUS LICENSING Trend Micro Worry-Free Business Security Media CD REQUIRED 1 PER SITE	1	30	
Worry-Free Business Security Standard 1 Yr 2-25 Users	15	375	
Trend Micro requires a minimum purchase of 5 licenses			
**Assistance with new installations will incur normal phone support fee of \$75 per 1/2 hour if client is not on current support plan			
Hardware and System Software Total		20,399	



Tyler On Demand - Tyler U

Ron Ahlers
 City of Moorpark
 April 22, 2015



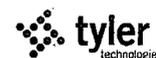
Service	Annual Fee
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Tyler On Demand - Tyler U

Tyler U Subscription <ul style="list-style-type: none"> - E-learning courses available for all employees during the subscription period - Unlimited access to hundreds of e-learning courses spanning the entire suite of Tyler applications - Unlimited access to on-demand Continuing Professional Education credit courses certified by NASBA standards - Unlimited access to Government compliance courses such as HIPAA Compliance, Red Flag Rules, and Workplace Harassment Prevention - Available 24/7 - New courses created continually 	500
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Tyler Technologies, Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org

Tyler Online Training Center Total	500
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Invoicing and Payment Policy

Tyler Technologies, Inc. will provide you with the software, products, and services set forth in the Investment Summary of your License and Services Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in your License and Services Agreement.

Invoicing: We will invoice you for the applicable license fees, products, and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in your License and Services Agreement.

1. Tyler Software.

1.1 *License Fees:* License fees are invoiced as follows: (a) 25% on the Effective Date; (b) 60% on the date when we make the applicable Tyler Software available to you for downloading (the "Available Download Date"); and (c) 15% on the earlier of first use of the Tyler Software in live production or (180) days after the Available Download Date.

1.2 *Maintenance and Support Fees:* Maintenance and support fees are waived through the earlier of (a) ninety (90) days after use of the Tyler Software in live production; or (b) one hundred eighty (180) days after the Available Download Date. Subsequent maintenance and support fees, at Tyler's then-current rates, are invoiced annually in advance on the anniversary of that earlier-of date.

2. Professional Services.

2.1 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed at hourly rates and invoiced as delivered.

2.2 *Requested Modifications to the Tyler Software:* Requested modifications to Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed.

3. Third Party Products.

3.1 *Third Party Software License Fees:* License fees for Third Party Software are invoiced when we make it available to you for downloading.

3.2 *Third Party Software Maintenance:* The first year maintenance for the Third Party Software is invoiced when we make it available to you for downloading.

3.3 *Third Party Hardware*: Third Party Hardware costs are invoiced upon delivery.

4. **Expenses**. The service rates in the Investment Summary do not include travel expenses. Expenses will be billed as incurred and only in accordance with our then-current Business Travel Policy, plus a 10% travel agency processing fee. Our current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided on an exception basis for an administrative fee. Receipts for mileage or miscellaneous items less than twenty-five dollars are not available.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. Maintenance and support fees are due on each anniversary of the Available Download Date. We prefer to receive payments electronically. Our electronic payment information is:

Bank: Wells Fargo Bank, N.A.
420 Montgomery
San Francisco, CA 94104
ABA: 121000248
Account: 4124302472
Beneficiary: Tyler Technologies, Inc. – Operating



Business Travel Policy

1. Air Travel

A. Reservations & Tickets

Tyler's Travel Management Company (TMC) will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven day advance booking requirement is mandatory. When booking less than seven days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is scheduled to exceed six hours, only economy or coach class seating is reimbursable.

B. Baggage Fees

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five days = one checked bag
- Six or more days = two checked bags

Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.



B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a "mid-size" or "intermediate" car. "Full" size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler's TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

- Breakfast 15%
- Lunch 25%
- Dinner 60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

5. Internet Access – Hotels and Airports

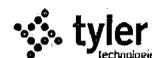
Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.



Maintenance and Support Agreement

Tyler Technologies, Inc. will provide you with the following maintenance and support services for the Tyler Software licensed to you. Capitalized terms not otherwise defined will have the meaning assigned to such terms in your License and Services Agreement.

1. **Term.** We provide maintenance and support services on an annual basis. The initial term commences on the earlier of (a) ninety (90) days after use of Tyler Software in live production; or (b) one hundred eighty (180) days from the date when we make the applicable Tyler Software available to you for downloading (the "Available Download Date") 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 thirty (30) days prior to the end of the then-current term.
2. **Maintenance and Support Fees.** Your initial maintenance and support fees for the Tyler Software licensed to you are listed in the Investment Summary of your Agreement. Those amounts are payable in accordance with our Invoicing and Payment Policy. We reserve the right to suspend maintenance and support services if you fail to pay undisputed maintenance and support fees within sixty (60) days of the due date. 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 trained on the Tyler Software, and 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 conform the Tyler Software to the warranty set forth in your Agreement; 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;
 - 3.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software in order to provide maintenance and support services;
 - 3.4 provide you with a copy of all 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 support 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. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. 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 to perform 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 can't resolve a support issue remotely, we may be required to provide onsite services. In such event, 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. 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); (c) application design; (d) other consulting services; (e) maintenance and support of an operating system or hardware; (f) support outside our normal business hours as listed in our then-current Support Call Process; or (g) installation, training services, or third party product costs related to a new release. Requested maintenance and support services beyond those outlined in this section will be billed to you at our then current rates. We do not guarantee resolution of a Defect in a version of the Tyler Software Products older than one version behind the then-current release. We reserve the right to decline support calls from users who have not received the required training on the Tyler Software.

6. Current Support Call Process. Our current Support Call Process for the Tyler Software is attached to this Exhibit C at Schedule 1.



Incode Customer Support

1 About Incode Customer Support

Support Availability

Incode Customer Support	Monday - Friday	7 a.m. to 7 p.m. (Central)
Tyler Public Safety Support	Monday - Friday	7 a.m. to 7 p.m. (Central)

Incode Customer Support consists of four functional areas:

- Financial Modules – General Ledger, Accounts Payable, Payroll, Fixed Assets, Budgeting, Check Reconciliation, etc.
- CIS/CRM Modules – CIS includes Utility Billing, Cash Collections, Handhelds, and Service Orders; CRM includes Accounts Receivable, Business License, Building Projects, Call Center, Cemetery Records, and Sales Tax.
- Court Case Management
- Tyler Public Safety (TPS)

Each functional area consists of four levels of personnel: (1) Front line Customer Support Representatives are assisted by (2) Advisors – senior representatives – and both are managed by (3) Team Leaders. These Team Leaders report to the (4) Support Group Managers.

2 Contacting Incode Customer Support

Incode Customer Support can be contacted by

1. Email – Great for low priority and project-type issues
2. Chat – Useful for quick help and allows you to do other tasks while we resolve your issue
3. Internet – Best for low priority and project-type issues
4. Telephone – Great for complex questions

2.1 Email Support at Incode.Support@tylertech.com

1. From any Incode window, click **Help** on the menu bar and select *Support > Email* to open an email message with this address. The email message must contain the following information:
 - Area of support (use the list above as a reference for functional areas)
 - Question
 - Priority
 - Priority 1 – Critical (system is currently down)
 - Priority 2 – High (need immediate assistance)
 - Priority 3 – Medium (respond within one day)
 - Priority 4 – Non-critical

- Your contact information
 - Screen prints or attachments (as necessary)
2. Your email will be received and logged by Incode Support, and an incident number will be assigned. You will receive an email reply from Incode Support with the incident number.

2.2 Chat with a Support representative online at www.tylertech.com.

Log in to tylertech.com and click **Client Support > Incode > Live Support** to chat with a Support team member via instant message. Just click on the area of support needed and follow the prompts.

2.3 Create a Support incident online at www.tylertech.com.

Log in to tylertech.com and click **Online Support Incidents > Enter Online Support Incidents > Add a new support incident**. Follow the prompts to log a new incident with Incode Support. You will receive an incident number after you click **Submit**.

2.4 Call Support toll-free at 1-800-646-2633.

- Press 1 for Support
 - Press 1 for Incode Support (Financials, Cash Collections, Utility Billing, Citizen Services, and Municipal Court)
 - Press 1 for Financials
 - Press 2 for Cash Collections
 - Press 3 for Utility Billing
 - Press 4 for Citizen Services
 - Press 5 for Municipal Court
 - Press 2 for Tyler Public Safety
 - Press 3 for Imaging Support (Tyler Content Manager)
 - Press 4 for Version 10 Support (V.X Financials, V.X CRM, and V.X Court)
 - Press 1 for V.X Financials Support
 - Press 2 for V.X CRM Support (Cashiering and Utility Billing)
 - Press 3 for V.X Court
 - Press 0 for an Operator
- Press 2 for an Existing Incident

The average hold time is approximately 5 minutes. This time may increase at critical times such as fiscal year end, quarter end, and calendar year end due to the volume of calls received.

3 Incident Management and Escalation

Incode Support takes great pride in serving our clients and being responsive to support issues. Exceeding our clients' expectations is our constant goal. We closely monitor all support metrics and report them to Executive Management on a weekly basis. In addition, our Support Team Leaders monitor Support response and resolution times on a daily basis.

There may be times when support incidents need more attention or a faster response. We encourage our clients to communicate the level of urgency or priority of support issues so that we can respond to incidents appropriately. A support incident can be escalated by any of the following methods:



1. Use any of the support channels mentioned in the “Contacting Incode Customer Support” section above to request an escalation.
2. Access the client support portal at www.tylertech.com.
 - a. Click **Online Support Incidents**.
 - b. In the incident grid, click the incident you need to escalate to open it.
 - c. Mark the **Escalate the priority of this incident** checkbox at the bottom of the incident detail page. This sends an email notifying the Support team to escalate the incident.
3. Alternatively, you can escalate the support incident through the management channels outlined below.

Incode Financials	Cathy Curtis	Team Leader	806.791.8251
V.X Financials	Michele Nickerson	Financial Support Manager	207.356.9348
Incode CIS/CRM	Steve Roberts	Team Leader	806.791.8247
V.X CRM	Audrey Salazar	Technical Lead	806.791.8258
Court/Tyler Public Safety	Rita Ewings	Court/TPS Support Manager	806.791.8237
V.X Court	Amanda Hogan	Team Leader	806.791.8265
Public Safety	David Watson	Team Leader	806.791.8228
Property Tax	Heidi Thompson	Operations Manager	806.791.8249
Software Support	Michele Nickerson	Financial Support Manager	207.356.9348
Technical Support	Michael Lao	Technical Services Support Manager	806.791.8231
Installs and Upgrades	Michael Hoffmann	Technical Services Deployment Manager	806.791.8230
Support	Bryan Thompson	Director of Support	806.791.8226
Executive Management	Dane Womble	Chief Operating Officer	806.791.8220

Please do not hesitate to use any of these escalation methods so that we may better serve you.

4 Additional Resources on

- Click **Online Support Incidents** to look up ALL previous requests made by your site (regardless of how the request was submitted).
- Access the Tyler Community and hover over the **Incode** menu button to expand the dropdown. Select the appropriate software suite (Financials, CIS/CRM, Court, TPS, etc.).
 - The **Search** feature allows you to look for content on certain topics or to answer specific questions.
 - The **Blog** highlights helpful tips and tricks and other valuable information related to your software.
 - The **Library** includes documents covering a wide range of topics (e.g., release notes, tax preparation documents, Connect documents).
 - The **Wiki** contains FAQs and additional help content.
 - The **Forum** provides an area where you can ask a question of our staff or of other Tyler Community members. This is a great way to share information, get the opinion of fellow Tyler clients, and have questions answered quickly.

