

OFFICE OF THE COUNTY ADMINISTRATOR

600 West Fourth Street
Davenport, Iowa 52801-1003

Office: (563) 326-8702
Fax: (563) 328-3285
www.scottcountyia.com



November 11, 2016

TO: Mahesh Sharma, County Administrator

FROM: David Farmer, CPA, Director of Budget and Administrative Services

SUBJ: Annual Support Agreement New World Software – Tyler Technologies

The County received a new annual support agreement for the upcoming renewal period beginning 1/1/2018 that will apply to the New World ERP software licensed to us by Tyler Technologies. Tyler Technologies merged with New World System on November 16, 2015.

The Tyler-wide practice for maintenance and support terms is to establish one –year yearly agreements which automatically renew on an annual basis. Fees are based on Tyler’s then current rates. The contract may be terminated, effective the last date of the then-current term by providing at least ninety (90) days’ written notice to Tyler Technologies.

Scott County’s contracted rate of Annual Maintenance of \$89,250 remains in effect until December 31, 2017. Tyler Technologies has agreed to carry through the agreement with New World Systems the annual maintenance for January 1, 2018 to December 31, 2018 will not exceed 3% over 2017. Renewals after that period would be at the new market rates.

The agreement has been reviewed by Information Technology and Administration. It is recommended to enter into the revised agreement.

CC:
Matt Hirst, Director Information Technology



840 West Long Lake Road
Troy, MI 48098

P: 248.269.1000

October 18, 2016

Ms. Dee Bruemmer
County Administrator
County of Scott
600 West 4th Street
Davenport, IA 52801

Dear Ms. Bruemmer,

Enclosed is the annual support agreement for the upcoming renewal period beginning **1/1/2018** that will apply to the New World software you have licensed.

You will note that this renewal form is different from the forms you may have received in the past. First, you will see that the agreement is with Tyler Technologies, Inc. As you may know, New World Systems merged into Tyler effective November 16, 2015.

Second, the enclosed form aligns you with the Tyler-wide practice of establishing one-year maintenance and support terms, which automatically renew on an annual basis. Fees are also set for all customers on an annual basis, based on Tyler's then-current rates. In future years, you will receive an invoice from us reflecting your fees, based on those rates. You will not receive a new form to complete and sign.

Now that New World is part of the Tyler family, we are taking this step to simplify the administration of your contract - a change we believe benefits us both. This change does not mean, though, that you are forever bound to a maintenance and support agreement with Tyler. If you choose to, you may terminate the agreement, effective as of the last date of the then-current term, by providing us at least ninety (90) days' notice of your intent to do so.

I ask that you sign and return the form to Dennis Kleinedler, Staff Accountant, Tyler Technologies, Inc., 840 West Long Lake Road, Troy, MI 48098. Please do not hesitate to contact Dennis at 248.269.1000 ext.1372 or dennis.kleinedler@tylertech.com with any questions or concerns. If James is unavailable, or you prefer, you may also contact your Customer Care Manager.

Sincerely,

Abigail Diaz
Vice President &
Associate General Counsel

Enclosure

Support Agreement

This Support Agreement is made, as of the date 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, Tyler and Client are parties to an original agreement ("Agreement") under which Client licensed the New World software itemized therein; and

WHEREAS, Tyler and Client 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 Agreement.
2. Tyler shall provide maintenance and support services on the Tyler Software according to the terms of Exhibit 1 to this Support Agreement.
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 Agreement 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 Agreement as of the dates set forth below.

Tyler Technologies, Inc.

Client: Scott Co., IA

By: _____

By: _____

Name: Abby Diaz

Name: _____

Title: Associate General Counsel

Title: _____

Date: _____

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 Agreement.

1. **Term.** We provide maintenance and support services on an annual basis. The initial term commences on the Effective 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 ninety (90) days prior to the end of the then-current term. We will adjust the term to match your first use of the Tyler Software in live production if that event precedes the one (1) year anniversary of the Effective Date.
2. **Maintenance and Support Fees.** Your year 1 maintenance and support fees for the Tyler Software are listed in the applicable invoice. 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 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 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

If, after you have cut over to live production use of the Tyler Software, you believe that the Tyler Software is Defective, as "Defect" is defined in the Agreement, then you will notify us by phone, in writing, by email, or through the support website. Please reference the applicable Customer Support page at www.tylertech.com/client-support for information on how to use these various means of contact.

Documented examples of the claimed Defect must accompany each notice. We will review the documented notice and when there is a Defect, we shall resolve it at no additional cost to you beyond your then-current maintenance and support fees.

In receiving and responding to Defect notices and other support calls, we will follow the priority categorizations below. These categories are assigned based on your determination of the severity of the Defect and our reasonable analysis. If you believe a priority categorization needs to be updated, you may contact us again, via the same methods outlined above, to request the change.

In each instance of a Priority 1 or 2 Defect, prior to final Defect correction, the support team may offer you workaround solutions, including patches, configuration changes, and operational adjustments, or may recommend that you revert back to the prior version the Tyler Software pending Defect correction.

- (a) **Priority 1:** *A Defect that renders the Tyler Software inoperative; or causes the Tyler Software to fail catastrophically.*

After initial assessment of the Priority 1 Defect, if required, we shall assign a qualified product technical specialist(s) within one business (1) hour. The technical specialist(s) will then work to diagnose the Defect and to correct the Defect, providing ongoing communication to you concerning the status of the correction until the Tyler Software is operational without Priority 1 defect.

The goal for correcting a Priority 1 Defect is 24 hours or less.

- (b) **Priority 2:** *A Defect that substantially degrades the performance of the Tyler Software, but does not prohibit your use of the Tyler Software.*

We shall assign a qualified product technical specialist(s) within four (4) business hours of our receipt of your notice. The product technical specialist will then work to diagnose and correct the Defect. We shall work diligently to make the correction, and shall provide ongoing communication to you concerning the status of the correction until the Tyler Software is operational without Priority 2 Defect.

The goal for correcting a Priority 2 event is to include a correction in the next Tyler Software release.

- (c) **Priority 3:** *A Defect which causes only a minor impact on the use of the Tyler Software.*

We may include a correction in subsequent Tyler Software releases.

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

November 17, 2016

APPROVING THE ANNUAL SUPPORT AGREEMENT FOR THE RENEWAL PERIOD
BEGINNING JANUARY 1, 2018 FOR NEW WORLD ERP SOFTWARE WITH TYLER
TECHNOLOGY

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

- Section 1. The renewal agreement of one-year increments beginning January 1, 2018 of the maintenance and support terms, which automatically renews on an annual basis at then-current rates and may be terminated with at least ninety days' notice, for New World ERP software is hereby approved.
- Section 2. The County Administrator is hereby authorized to sign the contract document on the behalf of the Board of Supervisors.
- Section 3. This resolution shall take effect immediately.