



Legislation Text

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Agenda Item: 8(B)3	Prepared By: Lina Upham, Purchasing & Risk Manager/Deputy City Clerk
Business: Discussion	Department: Finance

Subject:

Software as a Service (SaaS) Agreement Amendment between Tyler Technologies and the City of Marco Island

BACKGROUND:

Since FY2015 City has been using Tyler Munis for its financial software. Currently all related data is stored on the City's servers. Consequently, City IT staff is responsible for most support and maintenance.

To initiate the process of moving our software and data to the cloud, in FY2018 we implemented the Human Capital Management (payroll/timeclock/scheduling) module [Executime], which is stored in the cloud. This has worked well, so the Finance and IT departments feel comfortable with moving the entire Tyler Munis Enterprise Resource Planning (ERP) software and related data to the cloud.

Moving to hosted Tyler Munis from the on-premises version serves multiple purposes from an IT standpoint, as well as related benefits to the Finance Department and users. From an IT labor and expense perspective, having Tyler Munis hosted by the vendor will reduce the IT overhead required to manage the three servers currently housed in our datacenter, as well as to manage the related frequent patches to the operating system and applications. Tyler Technologies will manage the infrastructure under the hosting agreement and will also handle all patches and upgrades to the system as part of the agreement. This will reduce the City's capital expense for hardware (\$15,000 annual cost) and operating expense for labor for patching, as well as ongoing software license costs (\$205,792 one-time cost) for the operating systems and SQL databases.

In addition, hosted Tyler Munis will complement the Tyler EnerGOV (City's permitting software) allowing for more data communication between the two hosted platforms while reducing the amount of network connectivity configurations needed for sharing data. The data transfers and system interactions can remain local to Tyler's network without having to be sent and stored for pickup externally by the receiving systems. Applications that are designed to be delivered via hosted platforms typically perform better and are more reliable.

Leveraging Tyler Munis in the cloud for the City's systems also has benefits for disaster recovery and business continuity. The servers will be out of harm's way in the event of a localized hurricane, power outage, lighting strike, etc. affecting Marco Island. Services to citizens will continue to be available even if the systems on the Island are down or out of service. The Finance team can operate the systems from off-island and continue to process and execute the daily tasks as needed regardless of

an outage affecting the City's local servers.

The City would like to start the implementation immediately. Tyler Munis has agreed to provide the new service at no charge for the remainder of FY2019 to allow for implementation.

FUNDING SOURCE / FISCAL IMPACT: The cost is \$141,958.00 for the 1st year (FY2020) and \$151,958.00/year for the following two years (FY 2021 and 2022). The cost will be shared by Finance, IT, Water & Sewer, and Building Services.

RECOMMENDATION:

Approve the Amendment to the SaaS Agreement between Tyler Technologies, Inc. and the City of Marco Island for maintenance and data storage in the cloud of the City's Finance Software

POTENTIAL MOTION: "I move to approve the Amendment to the Software as a Service (SaaS) Agreement between Tyler Technologies, Inc. and the City of Marco Island for the maintenance and data storage in the cloud of the City's Finance Software in the amount of \$141,958.00 for the 1st year (FY2020) and \$151,958.00/year for the additional two years (FY 2021 and 2022), subject to Budget Appropriations.."