



**TO:** Mayor  
Members of the City Council

**FROM:** Lisa Jundt, HR Director

**DATE:** April 18, 2022

**SUBJECT: TYLER TECHNOLOGIES, INC – PAYROLL AND HR COMPONENTS**

**I. RECOMMENDED ACTION**

- A. Approve the Agreement and Mutual Release and Amendment; and
- B. Authorize the Mayor to sign applicable documents on behalf of the City.

**II. DEPARTMENT CONTACT PERSONS**

Lisa Jundt, HR Director                      857-4753

**III. DESCRIPTION**

At the December 6, 2021 regular City Council meeting, the City Council approved a memorandum of understanding (MOU) between the City and Tyler Technologies, Inc. The MOU set proof of concept demonstration requirements and next steps depending on the outcomes of the demonstration. Section 3(a)(i) of the MOU outlined next steps if Tyler failed to demonstrate the necessary functionality at the demonstration. That Section provided that (1) Tyler would issue a \$229,063.49 credit to the City and (2) the parties would amend the agreement to remove the Payroll/Human Capital Management Phase. On January 4, 2022, after the demonstration was unsuccessful, the City Council approved a motion to take the steps outlined under Section 3(a)(i).

**IV. IMPACT:**

The City will receive a \$229,063.49 credit from Tyler if this item is approved. The actual amount of the credit was previously approved at the December 4, 2021 regular City Council meeting. In addition, approval of this item will allow City staff to pursue alternative Payroll/HR software services to address the City’s current Payroll/HR processes.

**V. CITY COUNCIL ASPIRATIONS**

Resilient and Prepared: Management and Human Resource Staff recognized the diminishing returns of expending continued resources for implementing Tyler ExecuTime and HCM software, and made the determination to discontinue this portion of the project with Tyler Technologies, Inc.

**VI. ALTERNATIVES**

The City Council could offer modifications to the proposed documents for Tyler’s consideration, however, in approving the MOU, the City did agree to the credit amount and the contract amendment to remove the Payroll/Human Capital Management Phase.

**VII. TIME CONSTRAINTS**

There are no known time constraints, other than the fact that City staff is ready to pursue alternative Payroll/HR software services.

**VIII. LIST OF ATTACHMENTS**

- A. *Approved MOU*
- B. *Proposed Agreement and Mutual Release with Amendment*