

CITY COUNCIL REPORT



Meeting Date: May 19, 2026
Charter Provision: *Provide for the orderly government and administration of the affairs of the City*
Objective: *Authorize Contract Extension*

ACTION

Contract Extension for Human Resources and Payroll Management System. Adopt Resolution No. 13670 Authorizing Contract No. 2016-067-COS-E1 Tyler with Tyler Technologies for a two-year extension of an existing contract for Human Resources and Payroll Management System in an amount not to exceed \$630,000 over the term.

BACKGROUND

The purpose of this action is to authorize a two-year extension of Contract No. 2016-067-COS with Tyler Technologies, Inc. for the City's Human Resources and Payroll Management System, commonly referred to as Tyler Munis. The current contract term expires June 30, 2026, and the proposed amendment extends the term through June 30, 2028 through two, one-year renewals.

The City originally entered into Contract No. 2016-067-COS with Tyler Technologies, Inc. on June 7, 2016, for a Software-as-a-Service (SaaS) Human Resources and Payroll Management System. The system supports core enterprise functions including HR management and payroll with employee self-service and reporting. The City has utilized Tyler Munis for approximately 10 years and has invested significantly in configuration, integration, and training. The system is tightly integrated with the City's existing enterprise systems and business processes. Continued use of Tyler Munis through this extension period preserves the City's prior investment and maintains operational continuity while longer-term Oracle Fusion enterprise system transition project is executed.

RESOURCE IMPACTS

Available Funding

Funding for the Renewal Term (FY 2026/27) is included in the proposed City Treasurer's Office and Human Resource Department's operating budgets. Funding for the second renewal term (FY 2027/28) will be included in the proposed operating budget for that fiscal year, subject to Council budget appropriation.

The contract administrator will be Jacob Beard in the Information Technology Department.

Action Taken _____

City Council Report | AUTHORIZE CONTRACT EXTENSION

Existing Information Technology, Human Resources, Finance, and Payroll staff will continue to support the system under current operational workloads.

Future Budget Implications

Combined recurring cost for the two-year extension will not exceed \$630,000.

OPTIONS & STAFF RECOMMENDATION

Adopt Resolution No. 13670 authorizing Amendment No. 1 to Contract No. 2016-067-COS with Tyler Technologies, Inc. for two, one-year extensions to the existing contract for the City's Human Resources and Payroll Management System in an amount not to exceed \$630,000.

Proposed Next Steps

Following approval of the amendment, staff will execute the amendment and continue administration of the contract under its existing terms and conditions as modified herein.

RESPONSIBLE DEPARTMENT(S)

City Treasurer's Office

Human Resources Department

STAFF CONTACTS (S)

Jacob Beard, Deputy CIO, jbeard@scottsdaleaz.gov

Monica Boyd, Sr. Director Human Resources, mboyd@scottsdaleaz.gov

Anna Henthorn, Assistant City Treasurer, ahenthorn@scottsdaleaz.gov

APPROVED BY

Sonia Andrews

Sonia Andrews, City Treasurer

sandrews@scottsdaleaz.gov

5/4/26 11:28 MST

Date

Greg Caton

Greg Caton, City Manager

gcaton@scottsdaleaz.gov

4/30/26 17:24 MST

Date

ATTACHMENTS

1. Resolution 13670
2. Contract No. 2016-067-COS-E1

RESOLUTION NO. 13670

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, APPROVING CONTRACT NO. 2016-067-COS-E1, AN AMENDMENT TO AN EXISTING CONTRACT WITH TYLER TECHNOLOGIES, INC. TO AUTHORIZE AN EXTENSION OF THE TERM OF THE CONTRACT.

WHEREAS, the city has a need for a human resource and payroll management system platform; and

WHEREAS, Tyler Technologies, Inc. was selected by the city to provide this software as a service under Contract No. 2016-067-COS (the "Contract") for the term of June 7, 2016, through June 30, 2026; and

WHEREAS, the city desires to extend the term of the Contract until June 30, 2028.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes, approves and directs the Mayor to execute, on behalf of the city Contract No. 2016-067-COS-E1 with Tyler Technologies, Inc. to extend the term of the Contract until June 30, 2028.

Section 2. The City Council hereby authorized the City Manager or designee to execute any other documents and take such other actions as are necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this ____ day of _____, 2026.

CITY OF SCOTTSDALE, an Arizona
municipal corporation

ATTEST:

Ben Lane, City Clerk

Lisa Borowsky, Mayor

APPROVED AS TO FORM:

Luis E. Santaella

Luis E. Santaella, City Attorney

By: Lindsay Hampshire, Assistant City Attorney

**CITY OF SCOTTSDALE
CONTRACT AMENDMENT**

Human Services and Payroll Management System

THIS CONTRACT AMENDMENT ("Amendment") is entered into this ____ day of _____, 2026, by and between the City of Scottsdale, an Arizona municipal corporation ("City"), and Tyler Technologies, Inc., a Delaware corporation ("Contractor"), to amend Contract No. 2016-067-COS, dated June 7, 2016, as amended, between City and Contractor (the "Contract").

RECITALS

A. The Mayor of the City of Scottsdale is authorized by provisions of the City Charter to execute contracts and contract amendments.

B. City and Contractor executed City of Scottsdale City Services – RFP Software As A Service Contract, Contract No. 2016-067-COS on June 7, 2016, for a Human Resources and Payroll Management System.

C. The term of the Contract is set to expire on June 30, 2026, and City desires to extend the term until June 30, 2028.

D. The City and Contractor mutually agree to amend the Contract.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1.0 MODIFICATIONS

1.1 Section 4.1 TERM AND EXTENSION is hereby modified to add the following language:

The term of the Agreement is hereby renewed for a one (1) year term commencing on 7/1/2026 (for the purposes of this Amendment, the "First Renewal Term"). After the completion of the First Renewal Term, the Agreement will renew automatically on 7/1/2027 for one additional one (1) year term (the "Second Renewal Term") unless terminated in writing by either party at least sixty (60) days prior to the end of the Renewal Term. Contractor will provide the City notice of any increase in SaaS Fees no less than sixty (60) days prior to the commencement of the Second Renewal Term.

1.2 Section 3.2 FEE SCHEDULE is hereby modified to add the following language:

Fees for the First Renewal Term are as noted on **Exhibit A**, Amendment Investment Summary.

Fees for the Second Renewal Term will not increase more than five percent (5%) over the fees for the First Renewal Term.

Users Limits. The SaaS fees may be based on user limits indicated in Exhibit A and the Contract, with Exhibit A controlling in the event of conflict. Should the number of users be exceeded, Contractor reserves the right to re-negotiate the SaaS fees based upon any resulting changes in the pricing categories.

2.0 CONTINUED EFFECT.

Except to the extent amended hereby, all terms, provisions, and conditions of the Contract are hereby ratified and shall continue in full force and effect, and the Contract shall remain enforceable and binding in accordance with its terms.

[Signatures on following page.]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth above.

CITY OF SCOTTSDALE, an
Arizona municipal corporation

ATTEST:

Lisa Borowsky, Mayor

Ben Lane, City Clerk

CONTRACTOR

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, Maine 04096

By: Erik Graney
Erik Graney, Senior Corporate Attorney

REVIEWED BY:

Jacob Beard
Jacob Beard
Contract Administrator

Jenn Myers
Jenn Myers, MPA, CPPO, NIGP, CPP, CPPB
Purchasing Director

George Woods Jr.
George Woods
Safety and Risk Management Director

APPROVED AS TO FORM:

Lindsay Hampshire
Luis E. Santaella, City Attorney
By: Lindsay Hampshire, Asst. City Attorney

Exhibit A



Exhibit A
Amendment Investment Summary

The following Amendment Investment Summary details the additional software, products, and services to be delivered by us to you under the terms of the Agreement. This Amendment Investment Summary is effective as of the Effective Date, despite any expiration date in the Investment Summary that may have lapsed as of the Effective Date.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK



Quoted By: Amy Hughey
 Quote Expiration: 05/04/26
 Quote Name: City of Scottsdale AZ - ERP 2
 Year Renewal

SaaS Term 1.00

Sales Quotation For:
 SCOTTSDALE, AZ CITY OF
 STACEY WESTERHOLM
 SCOTTSDALE AZ 85251-3915

Shipping Address:
 City of Scottsdale
 9191 E San Salvador Dr
 Scottsdale AZ 85258-5588

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Financial Management			
General Ledger (Limited Use)	1	0	\$ 23,286.00
Human Resources Management			
HR Management	1	0	\$ 22,440.00
Payroll w/ESS	1	0	\$ 67,359.00
Talent Management	1	0	\$ 9,749.00
Revenue Management			
Accounts Receivable	1	0	\$ 24,172.00
Cashiering	1	0	\$ 43,160.00
General Billing	1	0	\$ 11,280.00
Content Management			
Content Manager Core includes Onboarding	1	0	\$ 28,971.00
Content Manager Enterprise Auto Indexing and Redaction	1	0	\$ 4,029.00
Data Insights			

Contract No. 2016-067-COS-E1

Enterprise Analytics and Reporting (Limited Use)	1	0	\$ 28,017.00
Additional Additional 300 GB Server Space	1	0	\$ 3,434.00
Enterprise Forms Processing (including Common Form Set)	1	0	\$ 16,069.00
TOTAL		0	\$ 281,966.00

Tyler Annual Services

Description	QTY	Imp. Hours	Annual Fee
Recurring Services			
Annual Payroll Tax Table Updates	1	0	\$ 1,145.00
TOTAL:		0	\$ 1,145.00

Summary	One Time Fees	Recurring Fees
Total Tyler License Fees	\$ 0.00	\$ 0.00
Total SaaS	\$ 0.00	\$ 281,966.00
Total Tyler Services	\$ 0.00	\$ 1,145.00
Total Third-Party Hardware, Software, Services	\$ 0.00	\$ 0.00
Summary Total	\$ 0.00	\$ 283,111.00

Client's purchase of the items listed above is subject to the Comments below
 Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held
 For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

All Primary values quoted in US Dollars

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion module, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion module.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Unless otherwise indicated on this Sales quotation, annual services will be invoiced in advance, for annual terms commencing on the date this sales quotation is signed by the Client. If listed annual service(s) is an addition to the same service presently existing under the Agreement, the first term of the added annual service will be prorated to expire coterminous with the existing annual term for the service, with renewals to occur as indicated in the

Agreement.

- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the scope, level of engagement, and timeline as defined in the Statement of Work (SOW) for your project. The actual amount of services required may vary, based on these factors.

Tyler's pricing is based on the scope of proposed products and services contracted from Tyler. Should portions of the scope of products or services be altered by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely but can be done onsite upon request at an additional cost.

In the event Client cancels services less than four (4) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

The Implementation Hours included in this quote assume a work split effort of 70% Client and 30% Tyler.

Implementation Hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Content Manager Core includes up to 1TB of storage. Should additional storage be needed it may be purchased as needed at an annual fee of \$5,000 per TB.

In the event Client acquires from Tyler any edition of Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Content Manager software with non-Tyler applications, Client must purchase or upgrade to Content Manager Enterprise Edition.

Tyler's form library prices are based on the actual form quantities listed, and assume the forms will be provided according to the standard Enterprise ERP form template. Any forms in addition to the quoted amounts and types, including custom forms or forms that otherwise require

custom programming, are subject to an additional fee. Please also note that use of the Tyler Forms functionality requires the use of approved printers as well. You may contact Tyler's support team for the most current list of approved printers. Any forms included in this quote are based on the standard form templates provided. Custom forms, additional forms and any custom programming are subject to additional fees not

included in this quote. The additional fees would be quoted at the time of request, generally during the implementation of the forms. Please note that the form solution provided requires the use of approved printers. You may contact Tyler's support team for the most current list of approved printers.

General Billing library includes: standard invoice, standard statement, standard general billing receipt and standard miscellaneous receipt.

Tyler Software Product General Ledger (Limited Use) is licensed only for use with the other Tyler Software Products licensed to the client. A Client may use General Ledger (Limited Use) independent of the other Tyler Software Products licensed to the client by remitting to Tyler the then-current license and annual maintenance fees.

Payroll library includes: standard PR check, standard direct deposit, standard vendor from payroll check, standard vendor from payroll direct deposit, W2, W2c, ACA 1095B, ACA 1095C and 1099 R.