

TO: Budget & Finance Committee
FROM: Matthew Ames, Information Technology Project Manager
DATE: September 26, 2025
SUBJECT: SaaS Cloud Contract Amendment with Tyler Technologies

1) Recommended Action:

Place the SaaS Cloud Contract Amendment with Tyler Technologies on the October 7, 2025, City Council consent calendar with a recommendation to approve and authorize the Mayor to sign.

2) Background:

In 2021, the city began upgrading its primary software for managing key business functions like Finance, Human Resources, Utility Billing, Permitting and Asset Management. The software provider, Tyler Technologies, is now releasing powerful new features, including Artificial Intelligence (AI) tools, that are only available to cloud customers. By moving to the cloud, the city gains access to these modern tools, which will improve efficiency. Staff have confirmed with the provider that migrating now is the most efficient option. It will require less staff time and cause the least disruption to public services compared to delaying the move.

Moving from our on-premise version to the SaaS (Cloud) version was discussed at the September 10, 2024 work session and again at the November 12, 2024 budget workshop #3.

3) Policy Support:

Be fiscally responsible and develop sustainable financial strategies.

4) Alternatives:

- ☐ Place the contract amendment to support modernizing our Enterprise Resource Planning on the October 7, 2025, City Council considerations calendar.
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5) Fiscal Notes:

The original contract for licensing and implementation costs in 2021 was \$891,989, plus annual subscription and maintenance fees. Amendment #1 added \$7,800, and Amendment #2 added \$35,000 to the total cost, bringing the total contract cost to \$934,789. This Cloud contract, Amendment #3 was planned and approved through the budget process for the 2025-2026 budget. The annual cost of our current annual subscription fee \$182,347. The cost of the SaaS (Cloud) annual subscription fee is \$334,000, or \$151,654 more than the

current, on-premise subscription fee.

6) Attachments:

A. SaaS Cloud Contract Amendment with Tyler Technologies