



Date of Regular Session: October 11, 2011

**TOWN OF LEESBURG
TOWN COUNCIL REGULAR SESSION**

Subject: Awarding the MUNIS/Tyler Technologies Application Service Provider Agreement

Staff Contact: John Wells, Town Manager

Recommendation: Town Council award to MUNIS/Tyler Technologies, a contract to transfer in-house software system maintenance and support to a hosted vendor solution.

Fiscal Analysis: It is anticipated that the Town will save \$317,000 over a six-year period in terms of direct and indirect cost savings.

Background: The Town purchased the MUNIS Enterprise System in 2005 and relies on this system for all financial transactions. The system has multiple features relating to management information across multiple departments and is being implemented incrementally across the town government. As the hub of most financial and management information, it is the Town's most critical software application.

As the Town moves forward in the implementation of various aspects of this system and other software systems to maximize the fullest potential for efficiency and customer service, it is important to be realistic regarding available resources to support basic system maintenance and the full application and integration of software technology into current our business practices throughout the town. To take advantage of the software and technological investments that the town has made, our best direction for the future is to strategically determine what functions can best be accomplished in house compared to contractual support. In the case of the MUNIS system, it is more cost efficient to have MUNIS/Tyler Technology provide support for the system off-site. (At their data center in Maine.) Additional reasons to support this management decision include:

1. The costs of managing software and hardware maintenance for the system in house continue to increase. Over time it is more cost effective to contract out this support service.
2. As this is the Town's most critical system, it is extremely important that the Town look at ways to ensure that this system remain highly available and fault tolerant. From an emergency planning/disaster recover perspective, this move will help insulate the Town financial/management records in the event of an on-site disaster.
3. As a result of the staffing and budget reductions, management has re-assessed the most efficient use of in-house and contractual resources and determined that the recommended approach provides the highest level of customer service at a lower cost.

In summary, it is my belief that this approach provides the best allocation of limited resources, provides the best opportunity to implement technology solutions into town government operations, and results in long term cost savings.

Attachments: Application Service Provider Agreement
Application Service Provider & Self-Hosted Cost Comparison

Motion: I move that the Town Council approve the Application and Service Provider Agreement between Tyler Technologies, Inc., and the Town of Leesburg (as reflected in Attachment 1) to transfer in-house software system maintenance and support to a hosted vendor solution

Application Service Provider Agreement

between

**Tyler Technologies, Inc.
One Cole Haan Drive
Yarmouth, Maine 04096**

and

**Town of Leesburg
25 West Market Street
Leesburg, Virginia 20176**

Agreement

This Application Service Provider Agreement ("ASP Agreement") made this _____ day of _____, 2011 ("Effective Date") between **Tyler Technologies, Inc.**, a Delaware Corporation, with offices at One Cole Haan Drive, Yarmouth, Maine 04096 ("Tyler") and the **Town of Leesburg**, with its principal offices at 25 West Market Street, Leesburg, Virginia, and mailing address at P.O. Box 88 Leesburg, Virginia 20178 ("Client").

Tyler and Client agree as follows:

- 1. Tyler shall furnish the products and services as described in this ASP Agreement, and Client shall pay the prices set forth in this Agreement, all subject to the terms of this ASP Agreement. Tyler shall mail invoices to Client at the above address to the attention of Information Technology.
- 2. The ASP Agreement consists of this Cover; Investment Summary; License Agreement for Tyler Software, Sections 1 through 6; Terms and Conditions Related to Application Services, Sections 1 through 13; and the following Attachments and Exhibits:

Addendum A

Exhibit 1 - Service Level Agreement

Exhibit 2 - Adobe End User License Agreement

Exhibit 3 - Outline of Tasks for Transferring Existing Client to ASP

- 3. Any reference to this "Agreement" or the "ASP Agreement" in any of the documents mentioned in Section 2 shall be understood to refer to the ASP Agreement as a whole.

IN WITNESS WHEREOF, persons having been duly authorized and empowered enter into this ASP Agreement, including Addendum A and all Exhibits hereto. This ASP Agreement is effective as of the date last set forth below.

**Tyler Technologies, Inc.
ERP and School Division**

Town of Leesburg

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Section A - Investment Summary

Investment Summary follows this page.



Quoted By: Phil Sharp
Date: 09/19/2011
Quote Expiration: 10/01/2011
Quote Name: Application Service Provider Contract
Quote Number: 33501

Sales Quotation For:

Ms. Wendy Wickens
 Town of Leesburg
 P.O. Box 88
 25 West Market Street
 Leesburg, VA 20176-2901

Phone: (703) 771-2732
Fax:
Email: wwickens@leesburgva.gov

1 Services

Item #	Description	Quantity	Price	Extended Price	Amount
ASP-VPN-HDW-1001	VPN Installation	2.00	\$4,000.00	\$7,000.00	\$7,000.00
					Total: \$7,000.00

2 Maintenance

Item #	Description	Quantity	Price	Extended Price	Amount
ASP-LIC-CC-1001	Concurrent Users	1.00	\$50,000.00	\$50,000.00	\$50,000.00
FA-AC-AS-E	Accounting/GL/BG/AP - ASP - E	1.00	\$30,787.00	\$30,787.00	\$30,787.00
FA-BM-AS-E	Bid Management - ASP - E	1.00	\$4,490.00	\$4,490.00	\$4,490.00
FA-CM-AS-E	Contract Management - ASP - E	1.00	\$4,241.00	\$4,241.00	\$4,241.00
FA-FA-AS-E	Fixed Assets - ASP - E	1.00	\$9,330.00	\$9,330.00	\$9,330.00
FA-IN-AS-E	Inventory - ASP - E	1.00	\$9,330.00	\$9,330.00	\$9,330.00
FA-PA-AS-E	Project & Grant Accounting - ASP - E	1.00	\$7,006.00	\$7,006.00	\$7,006.00
FA-PO-AS-E	Purchase Orders - ASP - E	1.00	\$9,174.00	\$9,174.00	\$9,174.00
FA-RQ-AS-E	Requisitions - ASP - E	1.00	\$6,566.00	\$6,566.00	\$6,566.00
FA-WO-AS-E	Work Orders, Fleet & Facilities - ASP - E	1.00	\$6,948.00	\$6,948.00	\$6,948.00
HR-PM-AS-C	HR Management - ASP - C	1.00	\$4,444.00	\$4,444.00	\$4,444.00
HR-PR-AS-C	Payroll - ASP - C	1.00	\$7,482.00	\$7,482.00	\$7,482.00
OF-CRW-AS-E	MUNIS Crystal Reports - ASP - E	1.00	\$8,425.00	\$8,425.00	\$8,425.00
OF-MO-AS-E	MUNIS Office - ASP - E	1.00	\$6,692.00	\$6,692.00	\$6,692.00
OF-PL-AS-E	Role Tailored Dashboard - ASP - E	1.00	\$3,790.00	\$3,790.00	\$3,790.00
RB-AR-AS-E	Accounts Receivable - ASP - E	1.00	\$8,921.00	\$8,921.00	\$8,921.00
RB-BL-AS-E	Bus Licenses - ASP - E	1.00	\$8,067.00	\$8,067.00	\$8,067.00
RB-GB-AS-E	General Billing - ASP - E	1.00	\$4,097.00	\$4,097.00	\$4,097.00
RB-TXVA-AS-D	VA Tax - ASP - D	1.00	\$9,731.00	\$9,731.00	\$9,731.00
RB-UB-AS-D	Utility Billing - ASP - D	1.00	\$8,640.00	\$8,640.00	\$8,640.00
RB-UBI-AS-D	UB Interface - ASP - D	1.00	\$2,688.00	\$2,688.00	\$2,688.00
TF-AC-ASP-E	Tyler Forms Processing - ASP - E	1.00	\$6,446.00	\$6,446.00	\$6,446.00
WEB-MOL-EMP-ASP-C	Employee Self Service - ASP - C	1.00	\$1,953.00	\$1,953.00	\$1,953.00
WEB-SSC-AS-TII-E	Citizen Self Service - ASP - E	1.00	\$5,053.00	\$5,053.00	\$5,053.00
WEB-SSVB-AS-TII-E	Business and Vendor Self Service - ASP - E	1.00	\$3,904.00	\$3,904.00	\$3,904.00
					Total: \$228,205.00

Summary

Fees **Maintenance**

Total Services	\$7,000.00	
Total Software		\$228,205.00
Summary Total	\$7,000.00	\$228,205.00

Comments

Customer Approval: _____
Print Name: _____

Date: _____
P.O. #: _____

All primary values quoted in US Dollars

LICENSE AGREEMENT FOR TYLER SOFTWARE

Now, therefore, the Tyler and Client agree as follows:

1. GRANT OF LICENSE

Client holds a perpetual license to certain software products (the "Existing Products") under the terms of a System Agreement between the parties dated May 24, 2005 (the "Existing License"), and nothing in this Agreement shall limit or reduce Client's rights in the Existing Products. This License Agreement grants Client certain rights with respect to the software products listed in the Investment Summary (the "Tyler Software Products"), for the purpose of allowing Tyler to provide Client with certain data storage and software hosting services using Tyler's data hosting capabilities, under the ASP Agreement. Client shall continue to use the Existing Products together with the Tyler Software Products in order to perform the functions contemplated by the ASP Agreement. Client is hereby granted the limited, non-exclusive and non-transferable license and right to use the Tyler Software Products, any modifications and enhancements to such Tyler Software Products, any related interfaces and related documentation. Tyler agrees to extend and the Client agrees to accept a license subject to the terms and conditions contained herein for Tyler Software Products identified herein. The grant of license is contingent on Client remitting payment of fees required under a current ASP Agreement. **TYLER HAS THE RIGHT TO REVOKE THIS LICENSE, BUT NOT THE EXISTING LICENSE, IF CLIENT TERMINATES, CANCELS OR FAILS TO RENEW THE ASP AGREEMENT. TYLER HAS THE RIGHT TO REVOKE THIS LICENSE, BUT NOT THE EXISTING LICENSE, IF CLIENT FAILS TO REMIT ANY REQUIRED ASP FEES AND THE AMOUNT IN ARREARS IS THIRTY (30) DAYS OR OLDER FOLLOWING THIRTY (30) DAYS WRITTEN NOTICE OF ITS INTENT TO REVOKE THE LICENSE.**

2. LIMITED USE

The Tyler Software Products listed are licensed for use only for the internal business purposes of Client. Client shall not use the Tyler Software Products to provide services to any legal entity other than Client and its departments, divisions and agencies.

3. CONFIDENTIALITY

"Tyler Confidential Information" means all information of Tyler in whatever form transmitted to Client that describes or contains Tyler's business methods, business plans, databases, systems, technology, management, business development, operations, products, processes, and services, including, without limitation, information relating to research, development, inventions, recommendations, programs, systems, systems analyses, pricing strategies, client sources, system designs, terms and conditions of arrangements of any business or clients or suppliers, reports, personnel procedures, client lists, methods of competing, and other proprietary information. The Client agrees that the Tyler Confidential Information is proprietary to Tyler and has been developed as a trade secret at Tyler's expense. Subject to the Virginia Freedom of Information Act, and other applicable law, the Client agrees to keep the Tyler Confidential Information confidential and use its best efforts to prevent any misuse, unauthorized use or unauthorized disclosures by any party of any or all of the Tyler Confidential Information. The confidentiality covenants contained herein shall survive the termination or cancellation of this Agreement.

4. MODIFICATION

The Tyler Software Products may be modified but such modification shall be only for use on Tyler's hosted computer system and shall not cause the Client or anyone performing such modification to gain any proprietary or other interest in the Tyler Software Products.

5. COPIES

The Client may make copies of the Tyler Software Products for archival purposes only. The Client will repeat any proprietary notice on the copy of the Tyler Software Products. The documentation accompanying the Tyler Software Product may not be copied except for internal use.

6. WARRANTY AND LIMITATION OF WARRANTY

- a) Tyler warrants that all Tyler Software Products to which access is provided under this Agreement will operate as described in the user manuals of Tyler and the functional descriptions of the Tyler Software Products in Tyler's written proposal to the Client (in the event of conflict between the afore-mentioned documents, the then-current Tyler User Guides will control), and Tyler further agrees to correct promptly and without additional charge any nonconformity that it is notified of while the Client maintains an active ASP Agreement with Tyler. The Client acknowledges that this warranty is limited to Tyler Software Products installed and used on Tyler's hosted computer system and accessed by Client. Client further acknowledges that modifications made to the Tyler Software Products by the Client will void Tyler's warranty of the programs, unless specifically stated and approved in writing by Tyler.
- b) Tyler warrants that it is authorized by the manufacturer of all software included with or used by the Tyler Software Products, listed in the Investment Summary, to grant licenses or sublicenses to such software.
- c) Tyler represents and warrants that the Tyler Software Products(s) and/or services for this Agreement are Year 2000 compliant. Year 2000 compliant means information technology that accurately processes date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations. Furthermore, Year 2000 compliant information technology, when used in combination with other information technology, shall accurately process date/time data if other information technology properly exchanges date/time data with it.
- d) Tyler warrants that the Tyler Software Products do not infringe any United States patents or copyright held by any other person or entity.
- e) Tyler shall defend, indemnify and hold harmless the Client and its officers, agents, and employees from any claim or proceedings brought against the Client, and from any cost damages and expenses finally awarded against the Client, which arise as a result of any claim that is based on an assertion that the Client's use of the Tyler Software Products under this Agreement constitutes an infringement of any United States or other patent, copyright, trademark, provided that the Client notifies Tyler promptly of any such claim or proceeding and gives Tyler full and complete authority, information, and assistance to defend such claim or proceeding and further provided that Tyler shall have sole control of the defense of any claim or proceeding and all negotiations for its compromise or settlement, provided that Tyler shall consult with the Client regarding such defense and the terms of any settlement. In the event that the Tyler Software products are finally held to be infringing and its use by the Client is enjoined, Tyler shall, at its election; (1) procure for the Client the right to continue use of the Tyler Software Products; (2) modify or replace the Tyler Software Products so that it becomes non-infringing; or (3) if procurement of the right to use or modification or replacement can not be completed by Tyler, terminate the access to the infringing Tyler Software Product, and upon termination, refund the ASP fees paid for the infringing software product during the twelve (12) months prior to the claim. Tyler shall have no liability hereunder if the Client modified the Tyler Software Products in any manner not contemplated by this Agreement without the prior written consent of Tyler and such modification is determined by a court of competent jurisdiction to be the primary cause of the infringement. The foregoing states Tyler's entire liability, and the Client's exclusive remedy, with respect to any claims of infringement of any copyright, patent, trademark or other property interest rights by the Tyler Software Products, or any part thereof, or use thereof, provided that any such claim does not relate to or affect Client's access to, use of, or ownership of Client Data, as defined in Addendum A.
- f) Tyler's obligation for breach of warranty shall include the obligation to correct or replace any Tyler Software Product which fails to conform to such warranty. In no event shall Tyler be liable for special,

incidental, or consequential damages arising out of or in connection with the use of the Tyler Software Products or hardware products. Tyler shall not be liable for damages resulting from loss of use or access or loss of data arising out of or in connection with the use of the Tyler Software Products unless caused by Tyler's negligence or willful acts. In no event shall Tyler be liable for any breach of warranty unless notice thereof is given to Tyler within the period covered by an active ASP Agreement or extension thereof.

g) THE WARRANTIES CONTAINED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESSED, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND SYSTEM INTEGRATION.

TERMS AND CONDITIONS RELATED TO APPLICATION SERVICES

1. ASP SERVICES

In addition to the Tyler Software Products, Tyler shall provide to Client certain application services and related hosting facilities (the "ASP Services"), as identified in summary form on the Investment Summary.

2. PRICE

The one-year financial obligation of the Client to Tyler for the Tyler Software Products and the ASP Services listed in the Investment Summary herein shall be as outlined in Addendum A of the Agreement. The price shall be payable by the Client to Tyler as provided in Section 3 hereof. Tyler recognizes that, as a government entity, Client is exempt from sales tax, use tax or excise tax. As a tax exempt entity, Client shall provide Tyler with its tax exempt number or form.

Training and/or consulting services utilized in excess of those set forth in the Investment Summary and additional related services not set forth in the Investment Summary will be billed at Tyler's then-current rates, subject to prior written approval by the Client.

Programming and/or interface quotes are estimates based on Tyler's understanding of the specifications supplied by Client. In the event Client requires additional work performed above the specifications provided, Tyler will submit to Client an amendment containing an estimate of the charges for the additional work. Client will have thirty (30) calendar days from the date the estimate is provided to approve the amendment.

Any modifications or adjustments to the financial obligation of the Client shall be effective only if contained in a written Change Order or similar written instrument signed by both parties.

3. PAYMENT

Commencing on the first day of the Term of this Agreement and in each quarter through the end of the Term of this Agreement, Client will remit to Tyler fees (the "ASP Fees") in the amount shown in Addendum A of this Agreement with payment due ten (10) days prior to the beginning of each upcoming quarter. Tyler will invoice Client in accordance with the terms of the Agreement. Until notified otherwise, Tyler shall mail invoices to the attention of the person identified on the Cover of this Agreement for approval in accordance with the terms of this Agreement. Unless otherwise stated in this Agreement, payment is due within forty-five days of the invoice date.

CLIENT ACKNOWLEDGES THAT CONTINUED ACCESS TO THE HOSTED APPLICATIONS LISTED IN THE INVESTMENT SUMMARY IS CONTINGENT ON CLIENT'S PAYMENT OF ASP FEES. IF CLIENT FAILS TO REMIT ANY REQUIRED ASP FEES, AND THE AMOUNT IN ARREARS IS THIRTY (30) DAYS OR OLDER, TYLER SHALL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT AND DENY ACCESS TO THE HOSTED APPLICATIONS FOLLOWING THIRTY (30) DAYS WRITTEN NOTICE OF ITS INTENT TO

TERMINATE. NOTWITHSTANDING THE FOREGOING, CLIENT SHALL RETAIN ALL OF ITS RIGHTS IN DATA STORED ON TYLER'S FACILITIES, AND TYLER SHALL EITHER RETURN ALL CLIENT DATA OR PROVIDE CLIENT WITH CONTINUED ACCESS FOR PURPOSES OF RETRIEVING CLIENT DATA, PURSUANT TO SECTION 1 OF ADDENDUM A.

4. LIMITATION OF LIABILITY

In no event shall Tyler be liable for special, indirect, incidental, consequential or exemplary damages arising out of or in connection with the ASP Services. Except for claims for indemnification as provided in this ASP Agreement, in no other event shall Tyler be liable for damages in excess of two (2) times the amounts paid by Client for the ASP fees identified in the Investment Summary. This limitation applies to all causes of action in the aggregate, including without limitation breach of warranty, negligence, strict liability and misrepresentation and other torts. The ASP Fees herein reflect and are set in reliance upon this allocation of risk and the exclusion of such damages as set forth in this Agreement.

5. CONFIDENTIALITY

Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities. Subject to the Virginia Freedom of Information Act, and other applicable law, each party agrees that it will not disclose any confidential information of the other party and further agrees to take reasonable action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein shall survive the termination or cancellation of this Agreement.

6. RESOLUTION OF DISPUTES

Upon the request of the Client, in the event of disputes pertaining to the performance levels in Exhibit 1 to Addendum A (the "SLAs"), upon Tyler's failure to meet any individual SLA for any applicable quarterly period, each party shall appoint an authorized representative to cooperate in developing a mutually agreeable problem resolution plan, which shall include a description of internal diagnostic procedures. Tyler shall perform according to the problem resolution plan and shall be responsible for updating any hardware on Tyler's site or taking additional action within Tyler's control to reach the agreed upon performance level. Tyler shall act expeditiously in all matters related to developing and implementing any problem resolution plan, and the parties agree that time is of the essence in developing and implementing any such plan. Tyler's failure to cooperate in developing a problem resolution plan in a timely manner, in complying with a problem resolution plan, or to successfully bring performance into compliance with the SLAs, shall be grounds for termination by Client, in Client's sole discretion. In the event of a dispute between the parties under this Agreement pertaining to pecuniary damages or losses, the parties shall submit the matter to non-binding mediation before pursuing remedies available at law or in equity.

7. TERMINATION, CANCELLATION OR MODIFICATION

This Agreement may not be terminated, canceled or modified except by the written mutual consent of both parties or as otherwise provided in this Agreement. Upon termination, cancellation or non-renewal of this Agreement, any licenses for the versions of the applications that Client licensed prior to this Agreement shall remain with Client under the terms of prior license Agreements, subject to Section 1 of the License Agreement. Upon termination, cancellation, or non-renewal of this Agreement, the licenses provided under this Agreement shall be automatically terminated, and Client's access to the licensed applications shall be denied, subject to Section 1 of the License Agreement, and except as necessary to provide for orderly transfer of all Client Data back to Client. After all Client Data has been returned to Client, Tyler shall not retain any copies of such data.

In the event of termination or cancellation, Client will be responsible for payments made by Tyler, or payments due from Tyler, to any third parties for the purchase of systems software, other third party software or hardware delivered to Client's site as of the date of termination or cancellation, subject to Addendum A. In the event of a permitted termination or cancellation by Tyler prior to the expiration of the term of this Agreement, Client shall make a payment to Tyler equal to Tyler's daily rate for implementation, consulting and conversion services delivered by Tyler prior to termination or cancellation, subject to Addendum A.

Should Client's governing body fail to appropriate or otherwise make funds available sufficient to purchase, lease, operate, or maintain the products set forth in the Investment Summary, Client may unilaterally terminate this Agreement upon thirty (30) days' written notice to Tyler. Upon termination for non-appropriation, Client shall remit payment for all products delivered, services provided, and expenses incurred by Tyler prior to Tyler's receipt of the termination notice.

8. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

9. NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be delivered in hand or sent by first class mail, postage prepaid, to the parties at the following addresses or other such address or addresses as to which a party shall have notified the other party in accordance with this Section:

If to Tyler Technologies, Inc.:

Tyler Technologies, Inc
One Cole Haan Drive
Yarmouth, ME 04096
Attention: Contracts Manager

If to Client:

Town of Leesburg
P.O. Box 88
Leesburg, VA 20178
Attention: Town Manager

10. NO INTENDED THIRD PARTY BENEFICIARIES

This Agreement is entered into solely for the benefit of Tyler and Client. No third party shall be deemed a beneficiary of this Agreement.

11. ENTIRE AGREEMENT

This Agreement and any proposal and related submissions by Tyler represent the entire agreement of Client and Tyler with respect to the hardware, the Tyler Software Products and the ASP Services and supersedes any prior agreements, understandings and representations, whether written, oral, expressed, implied, or statutory, except as provided herein. Client hereby acknowledges that in entering into this Agreement it did not rely on any representations or warranties other than those explicitly set forth in this Agreement.

12. MULTIPLE ORIGINALS AND SIGNATURES

This Agreement may be executed in multiple originals, any of which shall be independently treated as an original document. Any electronic, faxed, scanned, photocopied or similarly reproduced signature on this Agreement or any amendment hereto shall be deemed an original signature and shall be fully enforceable as if an original signature.

13. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. Any legal action related to this Agreement shall be brought in the Circuit Court of Loudoun County and in no other court.

ADDENDUM A

The following are clarifications and/or modifications to the Agreement. In the event of a conflict between Addendum A and the Agreement, Addendum A shall prevail.

1. The System Agreement between Tyler and the Client dated May 25, 2005 shall be suspended as of November 1, 2011, provided that if the ASP Agreement is terminated and the Client continues to use the Existing Software after such termination: (i) the Existing License shall be deemed modified to include all releases to the Existing Software made available by Tyler to Client during the term of the ASP Agreement (during the term of this ASP Agreement, Tyler shall provide Client with all releases Tyler makes to the Existing Software that Tyler makes generally available without additional charge to customers possessing a current Tyler annual Maintenance Agreement); and (ii) Tyler shall either promptly return to Client all Client Data that is stored on Tyler's hosting facilities pursuant to the ASP Agreement in the following format(s): (a) As long as Client uses the Munis V7.5 and below version of the Tyler Software Products then Tyler will return the Client Data in a flat ascii file, pipe delimited format; and (b) Once the Client upgrades to Munis V8.x or greater version of the Tyler Software Products then Tyler will return the Client Data in a flat ascii file, pipe delimited format or, at Client's election, a MS SQL Backup file format; or Tyler shall continue to allow Client to have access to Tyler's hosting facilities for a reasonable time (not to exceed thirty (30) days), in order to ensure that Client retains access to all such data without interruption in order for Client to be able to properly and effectively perform its functions. The current Annual Support Agreement and License Agreement for MUNIS Software shall be terminated as of November 1, 2011, subject to the foregoing conditions.
2. The initial term of this ASP Agreement shall be November 1, 2011 through October 31, 2012 ("Term"). The ASP Agreement shall be automatically renewed for up to four (4) successive terms, each of one year in duration, unless the Agreement is sooner terminated in accordance with its terms, or the Client gives Tyler written notice of Client's decision not to renew at least thirty (30) days in advance of the then-applicable termination date. The maximum term of the Agreement shall be five (5) years.
3. The financial obligation of Client to Tyler for the Tyler Software Products and ASP Services listed in the Investment Summary herein shall be \$235,205.
4. Payment Terms (payment is due within thirty (30) days of the invoice date):
 - a) VPN Device Installation Fee (\$7,000) will be due as respectfully provided.
 - b) On or before November 1, 2011, and on or before the 1st day of each three (3) months thereafter through the end of the Term, Client will remit to Tyler quarterly ASP Fees in the amount of \$57,051.25.
5. Prices include Client's use of test, training, and production databases.
6. The ASP Fees are based on fifty (50) concurrent users. Should the annual average of the average daily number of concurrent users exceed fifty (50), Tyler reserves the right to re-negotiate the ASP Fees based upon any resulting changes in the pricing categories.
7. Tyler will provide ASP Services in accordance with the Service Level Agreement attached hereto as Exhibit 1.

8. Unused services will expire at the end of the initial Term.

9. The Tyler Software module "Tyler Forms Processing" must be used in conjunction with a Hewlett Packard printer supported by Tyler for printing checks.

10. Tyler agrees that the data generated by the Client and stored or transmitted using Tyler's hosting facilities (the "Client Data") is proprietary to Client, confidential in nature, and subject to release only in accordance with applicable law. Tyler agrees to keep the Client Data confidential and secure and to use its best efforts to prevent any misuse, unauthorized use or unauthorized disclosures by any person of any or all of the Client Data or related documentation. The confidentiality covenants contained herein shall survive the termination or cancellation of this Agreement.

11. If Tyler becomes aware that any unauthorized party has obtained access to Client Data or obtained access to Tyler's hosting facilities in a fashion that could put Client Data at risk of unauthorized disclosure, Tyler shall notify the Client immediately, and immediately take all commercially reasonable measures necessary to prevent further unauthorized access. Tyler shall ensure that at all times it has in place commercially reasonable technology capable of effectively guarding against reasonably foreseeable attempts to infiltrate data stored on Tyler's hosting facilities. Tyler shall have at all times the ability to purge and wipe any copies of Client Data residing on Tyler's facilities, and the ability to move Client Data to an alternative host if necessary to preserve the security and integrity of Client Data, and prevent unauthorized access to Client Data.

12. Tyler shall defend, indemnify and hold harmless the Client and its officers, agents, and employees from any claim or proceedings brought against the Client, and from any costs, damages and expenses finally awarded against the Client, which arise as a result of any loss of Client Data, corruption of Client Data, or breach of Tyler's obligation to maintain the confidentiality and security of Client Data, which themselves result from any negligence or willful acts of Tyler or its officers, agents or employees; provided that the Client notifies Tyler promptly of any such claim or proceeding and gives Tyler full and complete authority, information, and assistance to defend such claim or proceeding and further provided that Tyler shall have sole control of the defense of any claim or proceeding and all negotiations for its compromise or settlement, provided that Tyler shall consult with the Client regarding such defense and the terms of any settlement.

13. Client shall have the right to retain a third party consultant to conduct a penetration test at a mutually agreeable time to determine the effectiveness of security measures protecting Tyler's facilities and Client Data from unauthorized access. Tyler shall reasonably cooperate with Client and any consultant retained by the Client in developing reasonable criteria and methodology for conducting such a test, and in the conditions of the testing itself. Failure to meet the applicable testing criteria, in the reasonable judgment of the consultant, shall not be considered a breach by Tyler of this ASP Agreement, however, in such event Client may terminate this ASP Agreement for convenience.

14. The process for initiating ASP services and related matters are described in Exhibit 3.

15. If Tyler is served with notice of legal process related in any way to Client Data, Tyler shall notify Client in writing within three business days.

16. Tyler shall at all times have in place redundant storage capability at multiple, physically distinct sites to ensure backup storage and transmission capability in event of loss of electric power, Internet connectivity, fire, natural disaster or other interruption in the ability to provide ASP Services.

17. In addition to the production database, training database, and test database, Tyler will provide, at no additional charge, storage capacity for and access to a UBCIS conversion database and UBCIS training database to ensure a stable environment for additional testing and training by the Town. When new updates are issued by MUNIS and when new conversion data is provided by MUNIS (when working on an implementation), these two databases shall be updated. The Client project manager, Tyler Project Manager and Tyler Data Center manager shall mutually agree to procedures (assigning respective roles and responsibilities for both Tyler and the Client, and express directions with regards to any refreshes or conversion loads - Client acknowledges that Tyler will not always refresh when reloading a conversion to quickly fix a issue for example), to be performed when new releases are made available by Tyler and when new conversion data is provided by Tyler (when working on an implementation) with respect to the UBCIS conversion database and UBCIS training database

Exhibit 1

SERVICE LEVEL AGREEMENT

I. Service Levels

Service levels shall be as in this section. In the event of a conflict between the summary chart and the explanation that follows the summary chart, the explanation shall govern.

A. Definitions

When used in this section the following shall mean:

Application shall mean Application Services.

Business Day shall mean Monday through Friday excluding Tyler holidays.

Business Hours shall mean 8:00 a.m. – 6:00 p.m. (EST) on Business Days.

EST shall mean Eastern Standard Time and, where applicable, Eastern Daylight Savings Time.

ASP shall mean Application Services Provider of Tyler

ISP shall mean Internet Service Provider.

B. Service to the Client

The following service levels apply to ASP Operations Support. Application support calls are handled by the Application Support Teams. All service levels are based on attainment rates shown below and calculated on a quarterly basis on the following summary chart and explanations following.

SUMMARY CHART

Service Type	Time	Attainment
Application Availability - Green	6:00 a.m. to 9:00 p.m. EST Mon-Fri 6:00 a.m. to 3:00 p.m. EST Sat	99%
Application Availability – Yellow	9:00 p.m. to 5:00 a.m. EST Mon – Fri 3:00 p.m. EST Sat to 5:00 a.m. EST Sun 6:00 a.m. EST Sun to 5:00 a.m. EST Mon	No SLA
Application Availability – Red	5:00 a.m. to 6:00 a.m. EST Mon – Sun	No SLA
Adding/Changing User Access or Printer	Request by noon: same day before 9:00 p.m. Request by noon: by noon next business day Request after noon; by noon next business day Request by noon: next business day before 9:00 p.m.	90% 100% 90% 100%
Data or File Restoration	Next Business Day Second Business Day	95% 100%
Synchronization of “live” and “test” and/or “training” databases	Next Business Day	95%
New Release/Update Testing Period	10 Business Days	95%
VPN Appliance Repair	Next Business Day	95%
Support Call Response	By Severity Level Level 1 2 Business Hours Level 2 4 Business Hours Level 3 8 Business Hours Level 4 12 Business Hours	80%
Support Call Response for Escalated Issues	By Severity Level Level 1 1 Business Hours Level 1 2 Business Hours	90% 100%

	Level 2 4 Business Hours	100%
	Level 3 8 Business Hours	100%
	Level 4 12 Business Hours	100%
File Back-up	Nightly	97%

Explanations

1. Application Availability:

Green Time: Guaranteed system availability. SLA applies to green time only.

Yellow Time: User access permitted. Tyler reserves the right to use this time for scheduled or unscheduled maintenance, repairs that require a longer window of downtime, and scheduled testing. 24-hour advance user notification will be given when possible.

Red time: System is not available. Reserved for routine daily maintenance.

Measurement: A log is kept to report any system issues including down time. Total minutes down will be compared to total green minutes in a quarter to determine % of goal in the above summary chart. All percentage calculations shall be rounded to the lowest whole number.

Exclusions: Red Time. Yellow time.

Target is 99% attainment.

If actual attainment is 98-97%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 96-94%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 94%, a credit of 5% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Application Availability) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

2. Adding/Changing User Access or Printer:

A request to add or change a user or printer must be made through the Tyler support department. All requests / issues should be logged by calling the ASP team in support at 800.772.2260 and following the recorded instructions. Calls made to the foregoing telephone number shall trigger the applicable time periods for purposes of determining compliance with SLAs. Support hours are 8:00 AM to 6:00 PM EST. Messages may be left after hours. After initial call is made to support at the designated Tyler telephone number for logging purposes, email may be used to provide needed information. If Tyler subsequently creates an internal logging system that utilizes email or other telephone numbers to log calls, the Client will be notified of such and may use such to log calls.

Measurement: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Exclusions: Requests that are not made through the ASP team will not be counted toward the SLA. Calls that are left on a personal voicemail box or e-mailed will not be counted toward the SLA.

Where target is 90% within guidelines specified above:

If actual attainment is 89-88%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 87-85%, a credit of 1% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 85%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Adding/Changing User Access or Printer, 90% target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if in the quarter immediately following the correction Tyler does not attain that service level, the credits that would normally be due will be doubled.

Where target is 100% within guidelines specified above:

If actual attainment is 99-98%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 97-95%, a credit of 1% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 95%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Adding/Changing User Access or Printer, 100% target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

3. Data or File Restoration:

Data that may be restored include the complete database, files in the user's home directory and spool files. Data shall be restored so that it is recoverable and usable by the Client using the same application software originally used by the Client, and in the same format in which originally stored by the Client.

A request to restore spool file must be made through the Tyler support department and must include the user name, exact file name and date when file may be found. A request to restore a database must be made through the Tyler Support Department and must be made only by the Client's authorized personnel. A list of such will be provided by the Client signed by the Comptroller or Director of Information Technology Department. All requests / issues should be logged by calling the ASP team in support at 800.772.2260 and following the recorded instructions. Calls made to the foregoing telephone number shall trigger the applicable time periods for purposes of determining compliance with SLAs. Support hours are 8:00 AM to 6:00 PM EST. Messages may be left after hours. After initial call is made to support at the designated Tyler telephone number for logging purposes, email may be used to provide needed information. If Tyler subsequently creates an internal logging system that utilizes email or other telephone numbers to log calls, the Client will be notified of such and may use such to log calls. A list of

personnel with authority to make specific requests, other than relating to the database, will also be provided by the Client's authorized representative.

Measurements: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Exclusions: Service levels exclude files that are older than 20 business days. Requests that are not made through the ASP team will not be counted toward the SLA. Calls that are left on a personal voicemail box or e-mailed will not be counted toward the SLA.

Where target is 95% attainment:

If actual attainment is 94-93%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 92-90%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 90%, a credit of 3% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Data or File Restoration, 95% Target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

Where target is 100% within guidelines specified above:

If actual attainment is 99-98%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 97-95%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 95%, a credit of 3% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Data or File Restoration, 100% Target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

4. Data Synchronization in the Training and/or Test Database:

Tyler shall maintain three databases containing the Client data: production database, training database, and test database. Tyler shall synchronize the training and/or test database(s) upon request of the Client. There shall be no limit to such requests. However, it is understood that all users must be off of the system during such synchronization.

A request to synchronize the training and/or test database(s) must be made through the Tyler support department. All requests / issues should be logged by calling the ASP team in support at 800.772.2260 and following the recorded instructions. Calls made to the foregoing telephone number shall trigger the applicable time periods for purposes of determining compliance with SLAs. Support hours are 8:00 AM to 6:00 PM EST. Messages may be left after hours. After initial call is made to support at the designated Tyler telephone number for logging purposes, email may be used to provide needed information. If Tyler subsequently creates an internal logging system that utilizes email or other telephone numbers to log calls, the Client will be notified of such and may use such to log calls.

Measurement: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Exclusions: Requests that are not made through the ASP team will not be counted toward the SLA. Calls that are left on a personal voicemail box or e-mailed will not be counted toward the SLA.

Target is 95% attainment.

If actual attainment is 94-93%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 92-90%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 90%, a credit of 3% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Data Synchronization) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

5. New Release/Update Testing Period:

New releases of Tyler will be loaded into the test database prior to Production (meaning productive use of the release using actual Client Data). These releases will remain in the training environment for a minimum of ten business days. A migration plan must be developed and published for each release for each site. Changes to the plan shall be discussed with both parties.

Client agrees to devote time and resources to testing new release to remain no more than two releases behind.

Measurement: A date stamp is created when the program directory for training is updated. This will be compared to the requested date for migration to production.

Exclusions: Individual programs that have been requested to fix a "bug" or add functionality for a site may be moved from training to production at the Client's request.

Target is 95% attainment.

If actual attainment is 94-93%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 92-90%, a credit of 1% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 90%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (New Release/Update Testing Period) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

6. VPN Appliance Repair:

Client's data is currently encrypted using a Cisco ASA 5505. This is a piece of hardware that is installed on Client's network to create a virtual private network. If the appliance should fail, Tyler has guaranteed 4-hour response from the vendor. Should a new device be required during the reconfiguration of the Client's network by the Client, if Tyler is notified by 6PM EST, a preconfigured device can be sent via overnight mail.

A hardware failure notice must be made through the Tyler support department. All requests / issues should be logged by calling the ASP team in support at 800.772.2260 and following the recorded instructions. Calls made to the foregoing telephone number shall trigger the applicable time periods for purposes of determining compliance with SLAs. Support hours are 8:00 AM to 6:00 PM EST. Messages may be left after hours. After initial call is made to support at the designated Tyler telephone number for logging purposes, email may be used to provide needed information. If Tyler subsequently creates an internal logging system that utilizes email or other telephone numbers to log calls, the Client will be notified of such and may use such to log calls.

Measurement: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Exclusions: Requests that are not made through the ASP team will not be counted toward the SLA. Calls that are left on a personal voicemail box or e-mailed will not be counted toward the SLA.

Target is 95% attainment.

If actual attainment is 94-93%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 92-90%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 90%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (VPN Appliance Repair) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client’s exclusive remedy or Tyler’s only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler’s potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

7. Support Call Response:

Definition of Severities:

- 1 Critical Issue – Tyler is down
- 2 Severe issue, but there is a work around
- 3 Important issue – not severe
- 4 Lowest priority

All requests / issues should be logged by calling support at 800.772.2260 and following the recorded instructions. Calls made to the foregoing telephone number shall trigger the applicable time periods for purposes of determining compliance with SLAs. Support hours are 8:00 AM to 6:00 PM EST, except as noted below. Messages may be left after hours. After initial call is made to support at the designated Tyler telephone number for logging purposes, email may be used to provide needed information. If Tyler subsequently creates an internal logging system that utilizes email or other telephone numbers to log calls, the Client will be notified of such and may use such to log calls.

Currently you would press 3 for support, then you would press one of the following numbers based on Client’s need:

Application Teams:

- 1 Financials (8:00 AM to 8:00 PM EST)

- 2 This includes general ledger, budget, project accounting, fixed assets, accounts payable, purchase orders, requisitions, bids and quotes.
- 2 Payroll, personnel, applicant tracking (8:00 AM to 8:00 PM EST)
- 3 Tax (8:00 AM to 6:00 PM EST)
- 3 This team also handles any accounts receivable or general billing questions.
- 4 Utility Billing (8:00 AM to 8:00 PM EST)
- 4 This team also handles any accounts receivable or general billing questions.

Operating System / Database:

- 6 ASP
- 6 This would cover any non-application requests such as setting up new users or printers, scheduling a refresh of Client’s test database or restoration of Client’s file.

You may press 0 at any time and be transferred to the operator. The Operator phone is answered by a receptionist between the hours of 8:00 AM and 6:00 PM EST

Escalation Procedure: SLA 8 applies to calls paging the ASP department

If you need to escalate a reported problem, please page/call the following people in the order shown:

Name	Title	Business Phone	Cell Phone
	Receptionist	800-772-2260	
On-Call Support:			
Tom Lowrie	OS/DB Administrator	ext 4126	207-831-5218
John MacVane	Network Engineer	ext 4181	207-671-8347
Jason Labbe	Associate Network Engineer	ext 4299	207-229-9643
John Hill	Manager, ASP Operations	ext 4467	207-712-3765
Danelle Daley	VP, ASP Operations & Implementation - LFD	ext 4456	207-229-2688
CJ McCarron	VP, Support - Large Financial Division	ext 4124	
Dick Peterson	President - Large Financial Division	ext 4102	
Jim Hurley	VP, Sales - Large Financial Division	ext 4108	

Exclusions: Calls that are left on a personal voicemail box or e-mailed will not be counted toward the SLA.

Holiday Schedule:

Tyler will observe the following Holiday schedule. If assistance is required on a published holiday, 30 days advance notice must be given.

- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas

Measurement: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Target is 80% within guidelines specified above.

If actual attainment is 79-78%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 77-75%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 75%, a credit of 5% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Support Call Response, 80% target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

8. Support Call Response for Escalated Issues:

After call is placed according to the procedures described in service level 7. Support Call Response, the Client may make an additional call to Tyler' receptionist to have the receptionist page the ASP department.

Measurement: Support logs include time request was made and time request closed. Each call for which response does not meet the agreed upon levels in the above summary chart will be compared against total calls to determine attainment.

Where target is 90%:

If actual attainment is 89-88%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 87-85%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 85%, a credit of 5% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Support Call Response for Escalated Issues, 90% target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

Where target is 100%:

If actual attainment is 99-98%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 97-95%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 95%, a credit of 5% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Support Call Response for Escalated Issues, 100% target) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does

not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled

9. Data or File Back-Up:

Nightly backups of the following files will be completed: live database, training database, home directories, and spool directories.

Back-up media will be cycled off-site nightly to a fireproof vault.

Target is 97% attainment.

If actual attainment is 96-95%, Tyler shall include in its quarterly report descriptions of the failure to reach the target and the remedial action that has been or will be taken.

If actual attainment is 94-92%, a credit of 2% of the quarterly payment due shall be posted to the next quarterly payment.

If actual attainment is less than 92%, a credit of 4% of the quarterly payment due shall be posted to the next quarterly payment.

Notwithstanding the above, the total of all credits that would be due under this specific SLA (Data or File Back-up) shall not exceed 5% of the quarterly fee for any one quarter. Issuing of such credit does not relieve Tyler of its obligations under the ASP Agreement to correct the problem which created the service to fall below the agreed upon levels in the above summary chart. In addition, the foregoing credits are in the nature of liquidated damages only for failure to meet the specified attainment levels, and do not represent Client's exclusive remedy or Tyler's only potential liability for failure to meet the applicable SLA. In particular, and without limitation, the maximum 5% credit does not represent a cap on Tyler's potential liability for pecuniary damages. However, the Client acknowledges that correction may occur in the following quarter, and, because of the time reasonably needed to perform any such correction, the quarter in which the correction occurs may also fall below the agreed upon service levels. If Tyler does not perform the correction within the quarter immediately following the quarter that contained the unattained service levels, or if Tyler does not attain that service level in the quarter immediately following the correction, the credits that would normally be due will be doubled.

C. Telecommunications

Tyler is constantly measuring the speed of its network to ensure the highest level of data delivery and efficiency. At the time of execution of this Agreement, the levels in this section can not be provided by Tyler because the commitments of the Client's ISP are not known. Client has provided Tyler with contact information in order for Tyler to determine whether Client's ISP can provide commitments regarding such levels, and Tyler and the Client will mutually agree upon the service levels in this section which shall be inserted herein and initialed by the parties.

Service	Level	Goal
Latency	Xms or less (Site specific)	90%
Packet Delivery	X% or greater (Site specific)	90%

1. Latency:

Speed is measured from the ASP network through the encryption equipment to the CLIENT VPN device.

Measurement: Data will be collected every 10 minutes during green time. Quarterly statistics will be derived from all readings taken during the quarter.

Goal: Total roundtrip latency readings of Xms or less will be divided by total readings for the quarter.

Exclusions: Delays due to customer network(s) or ISP.

2. Packet Delivery:

Packet delivery statistics will be gathered in the same manner as the latency statistics.

Goal: Packet delivery of X% or greater between the ASP server and the customer VPN.

Exclusions: Delays due to customer network(s) or ISP.

II. Force Majeure

Failure to meet service levels caused by any bona fide strikes, government priority or requisition, riots, fires, sabotage, acts of God or any other delays reasonably deemed to be beyond Tyler's control will be recognized by Client in its reasonable discretion, provided that Tyler submits to Client a statement signed by an officer of the company, requesting that such failure to meet the aforementioned service levels be excused on the grounds of Force Majeure, and setting forth the essential details and circumstances supporting Tyler's request for relief pursuant to this section.

Exhibit 2

Adobe End User License Agreement

**ADOBE SYSTEMS INCORPORATED
ADOBE CENTRAL OUTPUT SOFTWARE
Software License Agreement**

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

**Tyler Technologies, Inc.
ERP and School Division**

Town of Leesburg

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Exhibit 3 – *Outline of Tasks for Transferring Existing Client to ASP*

1. Work with IT staff to get information to configure VPN Device. Ship, install, and verify VPN connectivity.
2. Transfer a copy of the client's database to the ASP server. This is typically done by the ASP staff but we may require assistance from the clients IT staff depending upon our access to the MUNIS server.
3. Transfer TylerForms information, if necessary. This is typically done by the ASP staff but we may require assistance getting the files from the clients IT staff depending upon our access to the MUNIS server.
4. Transfer Business Objects information, if necessary. Any changes required on the PC will be handled by the clients IT staff with guidance from the ASP staff if necessary.
5. Install ASP Client package on end-users PC's. This will be done by the clients IT staff with guidance from the ASP staff if necessary.
6. Check programs on client's server to verify any fixes that have been installed.
 7. Setup MUNIS on ASP server including any required printers.
 8. Client should TEST all processes to verify that they work correctly on the ASP server. Exampled include but are not limited to: Payroll, AP, Printing, File Transfers, Special Processing.
 9. Once client is satisfied that everything is working as expected on the ASP server, schedule a transfer of their PRODUCTION database to the ASP server.
 10. Before beginning the transfer process, disable MUNIS on the current server. This is a safety precaution to make sure that users do not login to the wrong database.
 11. Tyler will provide reasonable cooperation with the Town and the vendors of other systems or programs used by the Town that interface in any way with the Existing Products, in order to either maintain or restore such interfaces after the transition to Tyler's hosting facilities and initiation of the ASP Services, so that such systems and programs (e.g., LaserFiche) may function properly after the transition, however, depending on the nature of system, program, or interface, and the connection used to allow access to the Existing Products, maintenance or restoration of such interfaces may require additional services not set forth in the Investment Summary which will be billed at Tyler's then-current rates, and changes to the system, program, or interface, and the connection used to allow access to the Existing Products may be required of the Town and its vendor(s).

Leesburg, Virginia
ASP & Self-Hosted Cost Comparison

	July 2011	July 2012	July 2013	July 2014	July 2015	July 2016	
MUNIS Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
UB CIS Migration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Conversions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Travel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
System Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
System Software Maintenance	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	GUI
Munis Maintenance	\$ 117,890	\$ 123,785	\$ 129,974	\$ 136,473	\$ 143,297	\$ 150,461	5% increase /year
OSDBA Support	\$ 18,916	\$ 19,862	\$ 20,855	\$ 21,898	\$ 22,993	\$ 24,142	5% increase /year
Total Direct Munis	\$ 141,406	\$ 148,247	\$ 155,429	\$ 162,971	\$ 170,889	\$ 179,204	
Disaster Recovery	\$ 29,472	\$ 30,946	\$ 32,493	\$ 34,118	\$ 35,823	\$ 37,615	5% increase /year
Total including Disaster Recovery	\$ 170,878	\$ 179,193	\$ 187,922	\$ 197,088	\$ 206,713	\$ 216,818	
Internal FTE*	\$ 62,400	\$ 62,400	\$ 62,400	\$ 62,400	\$ 62,400	\$ 62,400	
SQL and Windows 2008 licenses	\$ 32,686	\$ -	\$ -	\$ -	\$ -	\$ 37,000	
Server Equipment**	\$ 22,572	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 25,000	
Total Self-Hosted for Town	\$ 288,536	\$ 251,593	\$ 260,322	\$ 269,488	\$ 279,113	\$ 341,218	6 Year Total \$ 1,690,270
Budgeted Funds for MUNIS:							
Staffing (hourly rate only)	\$ 62,400	(estimated - needs to be discussed)					
MUNIS Maintenance/Support	\$ 170,878	(actual invoice amount)					
OSDBA	\$ 18,916	(actual invoice amount)					
Windows 2008 Licenses	\$ 3,050	(budgeted amount)					
SQL Licenses	\$ 29,636	(not budgeted for but required to do next version upgrade)					
Servers Purchased	\$ 22,572	(already purchased in FY2011- repurposed for Virtualization project)					
Total MUNIS Costs	\$ 307,452						
ASP Annual Fee (50 Users)***	\$ 228,205	\$ 228,205	\$ 228,205	\$ 228,205	\$ 228,205	\$ 228,205	
Installation	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Total ASP	\$ 232,205	\$ 228,205	\$ 228,205	\$ 228,205	\$ 228,205	\$ 228,205	6 Year Total \$ 1,373,230
Cost Difference- hosted model	\$ (75,247)	\$ (23,388)	\$ (32,117)	\$ (41,283)	\$ (50,908)	\$ (113,013)	\$ 317,040
Not including Disaster Recovery	\$ (45,775)	\$ 7,558	\$ 376	\$ (7,166)	\$ (15,084)	\$ (75,399)	\$ (135,490)
<i>* 4 hour per day at \$60.00/hour fully loaded salary</i>							
<i>** Server based on \$30,000 in server related equipment and SQL Licensing depreciated over 3 years</i>							
<i>*** Assumes cost of hosted model does not increase during the 5 year period</i>							