

AGENDA NO: 9I

MEETING DATE: December 15, 2025

To: Honorable Mayor and City Council

Date: December 15, 2025

From: Helen Yu-Scott, Finance Director – (650) 558-7222

Subject: Adoption of a Resolution Authorizing the City Manager to Execute a

Software as a Service (SAAS) Agreement with Tyler Technologies, Inc. for the Munis Enterprise Resource Licensing and Migration Services for an Initial Term of Three Years and an Additional Two-Year Renewal with the

**Option to Renew Services Annually Thereafter** 

# **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute a Software as a Service (SAAS) Agreement ("Agreement") with Tyler Technologies, Inc. for the Munis enterprise resource licensing and migration services for an initial term of three years and an additional two-year renewal with the option to renew services annually thereafter.

#### **BACKGROUND**

In 2018, the City entered into an agreement with Tyler Technologies, Inc for Munis Financial Software and support services to replace its legacy finance system - Rocket's Universe Database Management System. The City's Tyler Munis Enterprise Resource Planning (ERP) application is one of the City's most critical applications, serving as the primary system of record and mechanism for doing business in most administrative departments, including Human Resources and Financial Services. The software allows the City to complete the budget and perform necessary accounting, cashiering, utility billings, and human resources functions.

## **DISCUSSION**

The City is currently using Tyler's oldest supported application version, which runs on server infrastructure in the City Hall data center that has exceeded its usable life. The environment is operated by the City's IT Managed Services provider (MSP) and requires extensive coordination and testing with Tyler to ensure necessary updates are applied. Industry trends in the ERP sector show a dramatic shift from legacy on-premises solutions to cloud-based applications that eliminate the need for cumbersome manual system upgrades and on-site servers. With the plan to move City Hall to its new location in 2026 and to reduce the MSP's support for the on-site server environment, this Agreement will enable the City to update to Tyler's latest cloud software-as-a-service ERP application, with options to renew. The SaaS version of Tyler Munis will further automate internal processes and improve the City's disaster recovery and business continuity responses.

## FISCAL IMPACT

The Information Technology Internal Services Fund funds the costs associated with this Agreement. Funding is planned to be allocated in the upcoming budget for each fiscal year to accommodate annual service costs. The one-time fee for the Tyler Munis Software-as-a-Service migration will be \$8,029. This Agreement provides a 3% annual increase for the first three years, reverting to Tyler Munis' standard 5% annual increase for years four and five of the Agreement. Subsequent renewal terms will be for one year, which will renew automatically unless terminated in writing by either party at least 60 days before the end of the then-current renewal term. The license fees are \$160,584 for year one. There are adequate funds available in the FY 2025-26 IT Internal Services Fund.

#### Exhibits:

- Resolution
- License and Services Agreement between the City of Burlingame and Tyler Technologies, Inc.