



Board Agenda Item 30

DATE: February 25, 2025

TO: Board of Supervisors

SUBMITTED BY: Edward Hill, Chief Operating Officer/Interim Director of Internal Services/Chief Information Officer
Paul Dictos, CPA, Assessor-Recorder

SUBJECT: First Amendment to Agreement with Tyler Technologies, Inc.

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute the First Amendment to Agreement No. A-24-421 with Tyler Technologies, Inc. for a cashier software system for the Assessor-Recorder's Office, to add Tyler Payments to Exhibit A, effective upon execution, with no change to the term of February 1, 2024 to January 31, 2030 and no change to the maximum compensation of \$2,596,286; and**
- 2. Approve and Authorize the Chairman to approve a Sub-Merchant Agreement with NIC Services, LLC for credit card processing services (\$0).**

There is no increase in Net County Cost associated with the recommended actions. Approval of the first recommended action will update Exhibit A to the Agreement with Tyler Technologies, Inc. (Tyler Technologies) to include Tyler Payments, a credit card payment processing service used for online transactions. Approval of the second recommended action accepts the terms and conditions of the Sub-Merchant agreement that allows the payment facilitator to provide payment processing services. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, the Assessor-Recorder's Office will not be able to accept online credit card processing for records.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The maximum amount payable under the potential six-year term is \$2,596,286. Sufficient appropriations and estimated revenues are included in the Assessor-Recorder's Org 1048 FY 2024-2025 Adopted Budget and will be included in subsequent Recommended Budget requests for the duration of the Agreement term. The cost associated with additional services was budgeted in the Agreement; therefore, the maximum compensation does not need to be increased.

There are no costs incurred by the County for electronic payment processing. The service fees are paid by the consumers, which includes a 3.5% service fee for each online transaction and over-the-counter transactions. The County will be responsible for fees for disputed charges, but these are exceedingly rare and will be deducted from the deposits that the County will receive.

DISCUSSION:

On August 6, 2024, the Board approved the Agreement with Tyler Technologies, to continue the use of Tyler Records Management, a software system for cashiering, recording, maintenance and preservation of all official records and indices associated with land records, including deeds, liens, and maps, and all documents associated with vital statistics, including births, deaths, and marriages.

On January 21, 2020, the Board approved Agreement No. A-20-034 with Automated Merchant Systems, Inc. (Automated Merchant) for credit card processing services, which is used when the public is charged to access recorded documents online through Tyler Records Management. Automated Merchant, through its BridgePay software, was the only vendor that integrated with Tyler Records Management. The Automated Merchant agreement expired on January 20, 2025.

While communicating with Tyler Technologies, the Assessor-Recorder's Office discovered that BridgePay will no longer be supported in future versions of Tyler Records Management and also learned that Tyler Technologies offers its own payment solution within the Tyler Records Management system. The Assessor-Recorder's office made the decision to not enter into a new agreement with Automated Merchant, but instead use Tyler Payments. Tyler Payments will also replace the over-the-counter payment solution currently provided by VitalChek. The Agreement with Tyler Technologies included \$432,715 for potential additional products and services, including Tyler Payments. The cost to transition to the new services costs \$16,035, which includes a one-time fee of \$13,335 and an annual fee of \$2,700.

Approval of the first recommended action will amend the Agreement with Tyler Technologies to add Tyler Payments to allow for credit card processing, with no changes to the compensation or term of the Agreement.

Approval of the second recommended action will allow NIC Services, LLC (NIC) to process and fund online credit card transactions made through Tyler Payments. The Sub-Merchant Agreement is not in the County's standard format; however, as a regulated financial document, using the County's standard agreement format was not an option. The Sub-Merchant Agreement also includes language limiting liability to NIC to the lesser of \$100,000 or the amount attributed to Tyler Payments under the agreement with Tyler Technologies, as amended. The Assessor-Recorder's office and Internal Services Department believe that accepting the language is an acceptable business risk, and that the benefits of entering into this agreement outweigh any potential risks.

REFERENCE MATERIAL:

BAI #48, August 6, 2024
BAI #31, January 21, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - First Amendment to Agreement with Tyler Technologies
On file with Clerk - Sub-Merchant Agreement with NIC

CAO ANALYST:

Amy Ryals