

CONSULTING AGREEMENT

THIS AGREEMENT, made and entered into on this 1st day of May 2014, by and between JACKSON COUNTY, MISSOURI, hereinafter called the "County" and TYLER TECHNOLOGIES, INC., 3199 Klepinger Road, Dayton, Ohio 45406, hereinafter called "Consultant."

WITNESSETH:

**WHEREAS**, the County has obtained the Consultant's Computer-Assisted Mass Appraisal (CAMA) software, training and consultation services relating to market valuation for the County's Assessment Department; and

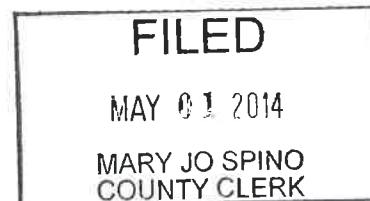
**WHEREAS**, the County is now interested in obtaining additional consultation services from the Consultant;

**WHEREAS**, Consultant has agreed to provide such services, as is more fully set out in the proposal attached hereto as Exhibit A, in accordance with the terms, conditions, and covenants as set forth in this Agreement; and,

**WHEREAS**, Consultant and County have agreed to be bound by the provisions hereof,

**NOW THEREFORE**, in consideration of the foregoing and the terms and provisions herein contained, County and Consultant respectively promise, covenant and agree with each other as follows:

1. Consultant shall provide consulting services and training for the Jackson County Assessment Department as more fully described in Exhibit A. The services will utilize the Consultant's CAMA software, licensed by the County under a prior agreement and maintained and supported under separate agreement.
2. Consultant shall work as an independent contractor and not as an employee of the County. The manner in which the services are to be performed and the specific hours to be worked by Consultant shall be determined by the Consultant. The County will rely on Consultant to determine and work as many hours as may be reasonably necessary to fulfill Consultant's obligations under this Agreement. Consultant shall be subject to the direction of County only as to the result to be accomplished and not as to the means and methods for accomplishing the result. Consultant shall report all earnings received hereunder as gross income, and be responsible for its own Federal, State and City withholding taxes and all other taxes, and operate its business independent of the business of County except as required by this Agreement.
3. County shall pay Consultant the total sum not to exceed \$55,000.00 for its services pursuant to this Agreement, as is more fully set out in Exhibit A. Consultant shall invoice the County on a monthly basis for the work performed under this Agreement, and County shall promptly pay said invoices.



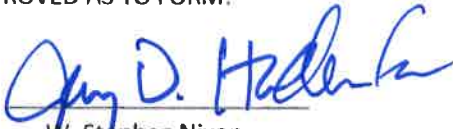
4. County shall pay Consultant's reasonable expenses incurred under this Agreement as set out in Exhibit A, provided that the total amount payable hereunder shall not exceed \$55,000.00. Reimbursement for meals and lodging will be limited to that amount established for travel by County employees traveling on County business. The costs listed on Exhibit A for on-site visits by Consultant's personnel to County facilities are inclusive of expenses.
5. The term of this Agreement shall be effective upon execution, and shall extend until April 23, 2015. County shall have the option of renewing this Agreement for an additional year, at the same cost of \$55,000.00. If the County executes this option, the services Consultant shall provide and the rates County shall pay therefor, shall be as set out in Exhibit A. Consultant or County may terminate this Agreement by giving 30 days' written notice to the other party. Termination of this Agreement shall not constitute a waiver of the rights or obligations which County or Consultant may be entitled to receive or be obligated to perform under this Agreement. Should this Agreement terminate, all books, brochures, fliers, lists, and all other County materials must be delivered and returned by Consultant to County within three (3) days of the demand of County.
6. Consultant warrants that no officer or employee of the County, whether elected or appointed, shall in any manner whatsoever be interested in or receive any benefit from the profits or emoluments of this Agreement.
7. Consultant shall be responsible for its own compliance with all applicable federal, state and local laws and regulations of the jurisdiction(s) in which Consultant's services shall be rendered.
8. Consultant promises, covenants, and agrees, in addition to all other provisions herein, that during the term of this Agreement, it shall not assign any portion or the whole of this Agreement without the prior written consent of County.
9. If any covenant or other provision of this Agreement is invalid or incapable of being enforced by reason of any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.
10. This Agreement shall be governed by the laws of the State of Missouri.
11. No party to this Agreement shall assume any liability for the acts of any other party to this Agreement, its officers, employees or agents. Each party agrees to indemnify, defend and hold the other harmless from any and all claims, liability, damages, and costs (including reasonable attorney's fees directly related thereto) including but not limited to violation of civil rights and/or bodily injury to or death of any person, and for damage to or destruction of property, if and to the extent caused by the negligence, willful misconduct or omissions of a party or its officers, employees or agents during the performance of this Agreement.


12. This Agreement, together with Exhibit A, the Proposal, incorporates the entire understanding and agreement of the parties. In case of a conflict between these documents, the provisions of this Agreement shall govern.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement on the date first written above.

APPROVED AS TO FORM:

JACKSON COUNTY, MISSOURI


By:   
W. Stephen Nixon  
County Counselor

By:   
Q. Troy Thomas  
Director of Finance and Purchasing

ATTEST:

TYLER TECHNOLOGIES, INC.


  
Clerk of the County Legislature

By:   
Gus Tenhundfeld  
Federal I.D. Number: 75-2303920

**REVENUE CERTIFICATE**

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriate to which this contract is chargeable, and a cash balance otherwise unencumbered in the treasury from which payment is to be made, each sufficient to meet the obligation of \$55,000.00 which is hereby authorized.

  
Date

  
Director of Finance and Purchasing  
Account No. 045-1902-56790

19022014023

**EXHIBIT A - QUOTE FOR TYLER TECHNOLOGY SERVICES**

***CAMA Modeling and Valuation Consulting Services***

*The County has requested the Company to provide ongoing CAMA Modeling and Valuation Consultation services to support residential data analysis, modeling and valuation for the County's 2015 revaluation effort. The following rates apply to services billable on a monthly basis for consultation rendered during the prior month.*

Billing rates for the 2014-2015 consultation are estimated as follows:

*On-site consultation, billable per trip as described below:*

*Two day visits (travel in pm before first day; depart late pm of second day on site; limited prep; follow-up report ... three days consultant time plus expenses):*

*Sr. Research Analyst (Rich Borst): \$5,000*

*Sr. Company Officer (John Thompson): \$6,050*

*Three day visits (travel in pm before first day; depart late pm of third day on site; limited prep; follow-up report ... four days consultant time plus expenses):*

*Sr. Research Analyst (Rich Borst): \$6,400*

*Sr. Company Officer (John Thompson): \$7,800*

*Off-site analysis and support:*

*Sr. Research Analyst (Rich Borst): \$1,140 per day*

*Sr. Company Officer (John Thompson): \$1,470 per day*

Based upon the above estimates of consultation effort, the estimated 2014 and 2015 costs are in the \$55,000 and \$45,000 range respectively. Assuming that the County continues to use PC market for modeling and valuation the annual maintenance cost for PC market for 2014 and 2015 is \$15,600 per year.

**Forecast effort:**

The following chart is indicative of the services which will be provided under this agreement.

	Projected Activities for 2015 Revaluation Consultation	Est. Hrs.	Visit days
Feb-14	General planning and coordination with revaluation effort - Review setups for value review - Implement cost computations - Review condominium plan - Develop strategies for different residential zones - Possible review of the Data Cloud solution	32	3
Mar-14	Early pass at 2012-13 sales to establish models for review areas - continue work from February (probably won't be able to address all items in one visit)	32	3
May-14	Incorporate neighborhood and land value updates into models	24	
Jul-14	Pass 1 (early outlier identification for sales cleanup and validation of assumptions re data changes)	32	3
Sep-14	Pass 2 (additional outlier identification and review of market trends)	32	3
Oct-14	Pass 3 (final outlier identification and preliminary value estimates ... based on mid 2014 sales)	24	
Dec-14	Pass 4 ( finalize models, pretest valuation, finalize comp selection criteria)	32	3
Through Dec-14	Ongoing monitoring of revaluation and other follow-up activities not included above.	32	
		240	
Jan-15	Value generation for review; adjustments based upon feedback from pre-test	32	3
Jan-15	Develop confidence estimates and guidance re review	24	
Feb-15	Analysis of review results; additional adjustments where needed	32	3
Mar-15	Updates for review corrections, new construction, etc.	32	3
May-15	Generation of updates for appeals	24	2
Jul-15	Debriefing on the 2015 reval cycle; planning for the 2017 cycle	24	2
Through Dec-15	Ongoing monitoring of revaluation and other follow-up activities no included above.	24	
		192	
		432	

As noted above, this outline of tasks, estimated hours and visits is suggestive of likely activities and needs to be adjusted in conjunction with the detailed plan for the County's 2015 Revaluation. Further consideration is also needed with regard to the best utilization of Tyler resources and the associated hours. The above estimate reflects time estimates based upon John Thompson being available to

provide the consultation services and a start date in February 2014. The activities, associated cost allocations and schedule will be adjusted in conjunction with the first planning visit, engaging Rich Borst for much of the consultation effort.

***Ongoing Software Maintenance***

*This agreement assumes that the County is maintaining support for the OASIS PC Market package which the Company has licensed to the County under separate agreement. The provisions under this license which are supported under the separate maintenance agreement are described in Exhibit B.*

**EXHIBIT B**

**1. SOFTWARE LICENSE**

**OASIS PC MARKET SOFTWARE**

a. Subject to the terms and conditions hereinafter set forth, the Company grants to the County a perpetual right-to-use, non-exclusive, non-transferable license to use the Company's Licensed Software, hereinafter referred to as the OASIS PC Market (OASIS) software, solely in the conduct of the business of the County, OASIS Software, related documentation, and any improvements, additions or modifications of the version or versions of the software which the Company has licensed to the County, together with the right to make such copies of the software as may be required for the County's own internal business purposes.

b. The County understands that the software provided under this Agreement contains trade secrets and proprietary information belonging to the Company. The County agrees to hold the software in trust and confidence and will safeguard the software to the same extent that the County safeguards other trade secret information related to its uses. The County agrees not to disclose, provide or otherwise make available the software to any person other than the County's employees or agents or the Company's employees without prior written consent of the Company. The County further agrees not to sell, assign, lease, license or in any manner encumber, pledge, convey or transfer the Company's software or any interest therein. Software ownership will pass to the County in the case where the Company is financially unable to perform.

**2. ASSURANCES, REPRESENTATIONS AND WARRANTIES OF COMPANY**

a. The Company warrants to the County that the System will operate according the published performance standards.

b. The Company warrants that the System shall operate in accordance with the requirements of this Agreement from the date of acceptance through the maintenance periods provided for herein, and any extension or renewal thereof.

c. The Company warrants and represents to the County that the Company has the right to grant to the County the right to use all software without restriction or limitation except as provided herein.

d. The Company warrants the software will perform as specified herein and shall perform as represented by the Company with respect to updates, enhancements or additional software which may be acquired by the County so long as the County continues with a Maintenance Agreement with the Company or the Company's successors or assigns.

During the maintenance period, the Company will design, code, test, document and deliver any amendments or alterations (the "Amendments") to the Company's software that is necessary to correct or avoid any defect in the Company's software which is present at the time of delivery, or is discovered during County usage, and affects performance of the Company's software. The Company shall only

be responsible to correct defects that are documented or submitted in writing during the maintenance agreement period. Oral notification or other unwritten complaints will not constitute notice under this Agreement.

At any time during the Period of Agreement the Company shall not be required to correct any defects in any of the Company software caused by the County's negligence, improper installation or operation of the Company's software or other improper action by the County operating the Company's software.

The warranties specified in herein do not cover damage, defect, malfunctions or failure caused by: (i) failure by the County to follow the Company's and the manufacturer's installation, operation, or maintenance instructions or its failure to fulfill its obligations under this Agreement, (ii) the County's modification or relocation of the System, (iii) the County's abuse, misuse or negligent acts, (iv) power failure or surges, lightning, fire, flood, accident, actions of third parties and other events, including force majeure, outside Company's reasonable control, and (v) failure of County to provide an operating environment for the System.

### 3. LIMITATION OF ACTIONS AND LIABILITY

a. Neither party shall be liable to the other for any loss, damage, failure, delay or breach in rendering any services or performing any obligations hereunder to the extent that such failure, delay or breach results from any cause or event beyond the control of the party being released hereby ("Force Majeure"), including, but not limited, to acts of God, acts or omissions of civil or military authorities.

If either party is prevented or delayed in the performance of its obligations hereunder by Force Majeure, that party shall immediately notify the other party in writing of the reason for the delay or failure to perform, describing in as much detail as possible the event of Force Majeure causing the delay or failure and discussing the likely duration of the Force Majeure and any known prospects for overcoming or ameliorating it. Both parties agree to take any commercially reasonable measures to overcome or ameliorate the Force Majeure and its adverse effects on this Agreement, and to resume performance as completely as is reasonably possible once the Force Majeure is overcome or ameliorated.

b. Neither party shall be liable to the other for consequential, indirect or incidental damages, including, but not limited to, loss of tax revenue or claims related to valuation of property, whether based in contract, negligence, strict liability or otherwise even if Company has been advised of the possibility of same except for the amount of direct damages to real or personal property and personal injury caused by the negligent acts, errors or omissions of Company or its officers, agents and employees.

c. In any event, the Company's liability for damages (except for damage to real or personal property or personal injury as provided above) under any theory of liability or form of action including negligence shall not exceed the total amount paid by the County to the Company under this Agreement.



d. This section shall survive the failure of any exclusive remedy.

#### 4. PATENT AND COPYRIGHT INDEMNIFICATION

a. Company shall defend or settle any PATENT AND COPYRIGHT INFRINGEMENT suit or proceeding brought against County by a third party arising out of, or relating to, County's own internal use of the Software provided that Company is given written notice within ten (10) days of receipt of notice of such claim and is given information, reasonable assistance and sole authority to defend or settle the claim. Provided, however, in any suit or proceeding in which it is alleged that the infringement is based upon actions of the County excluded under (c) below and the matter is finally settled (with the consent of Company) or held by a court of competent jurisdiction, including appellate proceedings, that such infringement did not arise as a result of any action of County covered under (c) below, then Company shall pay all costs incurred by County in defending such claim, including reasonable attorneys' fees.

b. Company, at its option, may obtain for County the right to continue using or to replace or modify the equipment or Licensed Software involved so it becomes non-infringing; or if such remedies are not reasonably available, grant County a refund, based on the County's net book value, for the equipment or Licensed Software provided pursuant to this Agreement and accept the return of the infringing product.

c. The Company shall have no obligation under this section if the alleged infringement or violation is based upon the use of software in combination with other hardware or software not provided by the Company or from modifications, or enhancements or changes not provided by the Company.

d. THIS SECTION STATES THE ENTIRE LIABILITY OF COMPANY FOR PATENT OR COPYRIGHT PROTECTION INFRINGEMENT BY THE LICENSED SOFTWARE OR THE EQUIPMENT OR ANY PORTIONS THEREOF.