

# STATEMENT OF WORK AMENDMENT 2

DEPARTMENT OF LAND & NATURAL RESOURCES

BUREAU OF CONVEYANCES

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Online Payments

Version 1.00

Document Number – DLNR.FY2024.012.A2

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**OVERVIEW**

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This Statement of Work (“SOW”) document identifies the responsibilities between the Department of Land & Natural Resources Bureau of Conveyances (“STATE”) and the Hawaii Information Consortium, LLC dba Tyler Hawaii (“TYLER”), the Internet Portal provider for the State of Hawaii. This document is subordinate to the requirements stated in RFP-08-11-SW, Internet Portal Manager and Service Provider, TYLER’s Proposal and the contract between the State of Hawaii and TYLER dated December 3, 2007 (collectively referred to as the “CONTRACT”).

The SOW is subordinate to the Service Level Agreement (“SLA”) between the STATE and TYLER signed on March 14, 2008. This SOW is subject to all terms and conditions thereof unless specifically designated as exceptions in this document.

This is an amendment to the original SOW and Amendment 1 document entitled “Online Payments” dated March 16, 2021 and April 11, 2022 respectively, and signed between the STATE and TYLER.

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**PURPOSE STATEMENT**

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This SOW amendment modifies the fee structure defined in the original SOW and Amendment 1.

The credit card processing fee will be modified from 2.78% to 2.5%. For online document search transactions, the transaction processing fee will be modified from 12% (2.78% credit card fee + 9.22% convenience fee) to 7.5% (2.5% credit card fee + 5% convenience fee). For online invoice payments, paper checks will not be accepted. Fee sharing of monthly billing to customers will be modified from \$5,000/month to \$4,500/month.

This SOW Amendment does not modify fees other than those explicitly stated in the below Fees section.

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**F E E S**

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Below are the existing terms from the original SOW and SOW Amendment 1 Exhibit A:

4. Transaction Fees:

For all transactions completed, there will be a Transaction Fee due and payable to TYLER by the STATE, comprised of the following components:

- (1) For over-the-counter transactions, each real time credit/debit card or eCheck transaction will incur an additional convenience fee as described below:
  - a. A fixed fee of \$1.50; plus
  - b. Credit/debit card transactions - Transaction processing fee of 2.78%
  - c. eCheck transactions - Additional transaction processing fee of \$1.00 per eCheck transaction

Ex. Credit card transaction

Recording Fee (varies) = \$41.00

Transaction Fee = \$1.50 service fee + (\$41.00 + \$1.50) x 0.0278 credit card fee = \$2.68

Ex. eCheck transaction

Transaction Fee = \$1.50 service fee + \$1.00 eCheck fee = \$2.50

Projected TYLER annual revenue:

5,000 transactions per year x \$1.50 service fee = \$7,500.00/yr TYLER revenue

(2) For online document search transactions, each credit/debit card transaction will incur an additional convenience fee as described below:

a. Credit/debit card transactions - Transaction processing fee of 12% (2.78% credit card fee + 9.22% convenience fee)

Ex. Credit card transaction

Document Fee (varies) = \$20.00 document fee

Transaction Fee = \$20.00 x 0.12 processing fee = \$2.40

Historical unaudited TYLER annual fees:

Year	Number of Transactions	TYLER Fees
2018	15,667	\$35,526.48
2019	16,442	\$35,004.96
2020	14,456	\$33,744.12

(3) For online invoice payments, each real time credit/debit card or eCheck transaction will incur an additional convenience fee as described below:

a. Credit/debit card transactions - Transaction processing fee of 2.78%

b. eCheck transactions - Additional transaction processing fee of \$1.00 per echeck transaction

c. Paper checks – Additional paper check processing fee of \$5.00 per paper check

Ex. Credit card transaction

\$1,000.00 document fee + (\$1,000.00 x .0278 credit card fee) = \$1,027.80 total user fee

Ex. eCheck transaction

\$1,000.00 document fee + \$1.00 eCheck fee = \$1,001.00 total user fee

Ex. Paper check transaction

\$1,000.00 document fee + \$5.00 paper check fee = \$1,005.00 total user fee

5. Other Fees:

For Monthly Customer Billing, fees will be invoiced as follows\*:

- a. Conveyance Image Updates (Monthly Bulk Images) \$1000/month
- b. Conveyance Grantor/Grantee Indexed Data (Monthly Bulk Data) \$500/month
- c. Conveyance Certificates/Documents (Monthly Billing) \$50/month for access plus \$3 per image
- d. Unlimited Conveyance Certificates/Document Images (Monthly Unlimited Download) \$1000/month

\*Monthly Billing to Customer and Fee Sharing with STATE

- a. TYLER will collect all fees from the customer as defined above and remit full payment to the STATE. The frequency and method of remittance will remain as is.
- b. TYLER will invoice the STATE \$5,000/month. Payment from the STATE is due within 30 days of receiving the invoice.

Projected TYLER monthly revenue: \$5,000/month

**This SOW Amendment modifies the above fee structure to the following:**

4. Transaction Fees:

For all transactions completed, there will be a Transaction Fee due and payable to TYLER by the STATE, comprised of the following components:

- (1) For over-the-counter transactions, each real time credit/debit card or eCheck transaction will incur a convenience fee absorbed by the STATE as described below:
  - a. A fixed fee of \$1.50; plus
  - b. Credit/debit card transactions - Transaction processing fee of 2.5%
  - c. eCheck transactions - Additional transaction processing fee of \$1.00 per eCheck transaction

Ex. Credit card transaction

User Paid Recording Fee (varies) = \$41.00

STATE Absorbed Transaction Fee = \$1.50 service fee + (\$41.00 x 0.025 credit card fee) = \$2.53

Ex. eCheck transaction

User Paid Recording Fee (varies) = \$41.00

STATE Absorbed Transaction Fee = \$1.50 service fee + \$1.00 eCheck fee = \$2.50

TYLER annual revenue:

FY2023 TYLER revenue: \$17,099.43 (including credit card and eCheck fees)

Projected TYLER revenue with fee change: \$16,000.00 (including credit card and eCheck fees)

- (2) For online document search transactions, each credit/debit card transaction will incur a convenience fee absorbed by the STATE as described below:
  - a. Credit/debit card transactions - Transaction processing fee of 7.5% (2.5% credit card fee + 5% convenience fee)

Ex. Credit card transaction

User Paid Document Fee (varies) = \$20.00 document fee

STATE Absorbed Transaction Fee = \$20.00 x 0.075 processing fee = \$1.50

TYLER annual revenue:

FY2023 TYLER revenue: \$31,310.22 (including credit card fees)

Projected TYLER revenue with fee change: \$18,500.00 (including credit card fees)

- (3) For online invoice payments, each real time credit/debit card or eCheck transaction will incur an additional convenience fee as described below:
  - a. Credit/debit card transactions - Transaction processing fee of 2.5%
  - b. eCheck transactions - Additional transaction processing fee of \$1.00 per echeck transaction

c. Paper checks are not accepted

Ex. Credit card transaction

\$1,000.00 document fee + (\$1,000.00 x .025 credit card fee) = \$1,025.00 total user fee

Ex. eCheck transaction

\$1,000.00 document fee + \$1.00 eCheck fee = \$1,001.00 total user fee

5. Other Fees:

For Monthly Customer Billing, STATE fees will be invoiced to STATE's customers as follows:

- a. Conveyance Image Updates (Monthly Bulk Images) \$1000/month
- b. Conveyance Grantor/Grantee Indexed Data (Monthly Bulk Data) \$500/month
- c. Conveyance Certificates/Documents (Monthly Billing) \$50/month for access plus \$3 per image
- d. Unlimited Conveyance Certificates/Document Images (Monthly Unlimited Download)  
\$1000/month

TYLER will invoice STATE as follows:

- a. TYLER will collect all fees from the customer as defined above and remit full payment to the STATE. The frequency and method of remittance will remain as is.
- b. TYLER will invoice the STATE \$4,500/month. Payment from the STATE is due within 30 days of receiving the invoice.

TYLER annual revenue:

FY2023 TYLER revenue: \$60,000

Projected TYLER annual revenue with fee change: \$54,000

The new fee structure will be effective July 1, 2024.

These fees can be modified upon mutual agreement between TYLER and STATE.

TYLER will provide a detail report on number of transactions and fees collected twice annually (January 1 and July 1).

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**STAKEHOLDERS**

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**Department of Land and Natural Resources, Bureau of Conveyances**

Kalanimoku Building  
1151 Punchbowl St, #120  
Honolulu, HI 96813

**Hawaii Information Consortium, LLC dba Tyler Hawaii**

201 Merchant Street Suite 1805  
Honolulu, HI 96813

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**CHAIN OF COMMAND**

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**STATE**

Leslie Kobata, Registrar  
Mike Imanaka, Deputy Registrar

**TYLER**

Bertrand Ramos, General Manager  
Janet Yee, Director of Operations  
Zheng Fang, Director of Development  
Laurenz Bacungan, Partner Liaison

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**SIGN OFF**

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I, the undersigned, have the authority to make binding decisions and have the authority to sign on behalf of my respective agency/department regarding projects in collaboration with TYLER.

Date:

Date:

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Leslie Kobata  
Registrar, Bureau of Conveyances  
Department of Land & Natural Resources

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Bertrand Ramos  
General Manager  
Hawaii Information Consortium, LLC  
dba Tyler Hawaii

REVIEWED AND APPROVED:

Date:

ACCESS HAWAII COMMITTEE

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By: Douglas Murdock  
Chief Information Officer  
Office of Enterprise Technology Services  
State of Hawaii