



STAFF REPORT BUSINESS

ITEM NUMBER: 11.

TITLE

Draft Artificial Intelligence (AI) and Data Policy

RECOMMENDATION

Review and provide feedback on the draft Artificial Intelligence (AI) and Data Policy.

CONTACT

Alexandra Ikeda, Deputy City Manager

BACKGROUND & ANALYSIS

The following is a Council Requested Item

We live in a fast-changing technological world where Artificial Intelligence (AI) is becoming part of everyday life and work. AI tools are already used across many sectors to improve efficiency, support communication and decision-making, and enhance services, and our organization is no exception. As the City continues to modernize and use digital tools such as our registration and utility billing systems, along with newer platforms like NeoGov and OpenGov, we are generating and managing more digital information than ever before. The City does not currently have a formal data policy guiding how this information is managed, which creates the risk that sensitive employee, customer, or City information could be shared inappropriately, or even unintentionally.

The intent of the *draft* AI and Data Policy is to provide clear expectations for the responsible use of AI tools and the protection of City data, while still encouraging safe and innovative use of technology. The policy outlines how AI tools may be used as part of daily work and emphasizes transparency, accountability, and ethical use. It also establishes standards for how City information is collected, stored, shared, and protected across all systems. This includes defining what sensitive information is and making clear that it should only be handled in secure City systems.

This policy is in draft form. Staff are seeking feedback from the City Council, recognizing that refinements may be needed. The draft will also be reviewed by legal counsel and shared with bargaining units before a final version is brought forward for adoption.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Organizational Effectiveness: "Deliver exemplary government services."

FISCAL IMPACT

There is fiscal impact from this item.

ENVIRONMENTAL REVIEW

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

COMMUNICATION

Level 0: No Further Public Communication Needed Included in the City Council Agenda Packets - this serves as the official communication for this item.

ATTACHMENTS:

1. Draft Al and Data Policy