

# Memorandum

**REPORT TO:** City Commission

**FROM:** Jon Kercher, WRF Superintendent  
Shawn Kohtz, Utilities Director

**SUBJECT:** Authorize the City Manager to sign the Software as a Service Agreement with Pani Energy for Wastewater Operational AI Coaching software services.

**MEETING DATE:** June 3, 2025

**AGENDA ITEM TYPE:** Agreement - Vendor/Contract

**RECOMMENDATION:** Authorize the City Manager to sign the Software as a Service Agreement with Pani Energy for Wastewater Operational AI Coaching software services.

**STRATEGIC PLAN:** 7.4 Performance Metrics: Utilize key performance and cost measures to monitor, track and improve the planning and delivery of City programs and services, and promote greater accountability, effectiveness and efficiency. Learn from those outside city government and measure specific tasks for performance.

**BACKGROUND:** The Water Reclamation Facility (WRF) uses various software to aggregate and analyze data produced within the facility. Pani Energy's AI operator coaching software is comprised of the most advanced capabilities to provide prediction and insights to optimize operations and minimize costs at the WRF. Similar capabilities are either not available in market or available in silos, and advanced capabilities are only available through large engineering firms. The goal of implementation of this software is to build a reliable and interactive digital twin for the WRF and add new input metrics for energy consumption, reuse of methane produced at the WRF for heating, and begin using operation expenses as performance indicators to improve efficiency, uptime, and reduce emissions of the WRF with holistic data measurement and predictive optimization.

**UNRESOLVED ISSUES:** None

**ALTERNATIVES:** As suggested by City Commission

**FISCAL EFFECTS:** The annual cost of the SaaS is \$25,000 and will be paid from the existing WRF O&M budget.

Attachments:

[Final City SaaS Agreement\\_Pani.docx](#)

Report compiled on: May 15, 2025