MEMORANDUM

TO: Claire Powell, City Manager

VIA: Aaron Russell, P.E., Director of Public Services

FROM: Katelyn Hearon, Assistant Director of Public Services

DATE: October 6, 2025

SUBJECT: **Approval of a Professional Service Agreement with VODA.ai Inc., for Predictive Water and Sewer Infrastructure Management in the Estimated Annual Amount of $70,785; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.**

BACKGROUND

The City of Lewisville's water and sewer infrastructure was largely constructed during the rapid growth period between the 1970s and 1990s. As this infrastructure approaches and surpasses 50 years of service, the City faces increasing challenges in managing rehabilitation and replacement needs.

Traditionally, capital improvement planning and asset management have been based on proactive or reactive methods, such as water and sewer report card studies and field condition assessments. While useful, these approaches are limited in predictive accuracy and often lead to suboptimal prioritization of capital dollars.

With the advancement of artificial intelligence and machine learning, predictive analytics tools have emerged that far exceed the forecasting accuracy of conventional consulting studies. VODA.ai is a Software-as-a-Service (SaaS) solution that has been tested and validated across numerous utility systems nationwide. It enables municipalities to predict where pipeline failures are most likely to occur, allowing capital dollars to be more strategically invested before failures happen.

VODA.ai will support the City's strategic focus on Infrastructure and Facilities, providing more precise planning, reducing the risk of unexpected service disruptions, and ultimately providing savings in avoided repair and replacement costs.

ANALYSIS

The cost for the first year is $70,785. The ongoing funding for this program is available in the Public Services operating budget.

The benefits of VODA.ai include:

- Predictive modeling of pipeline failures, improving capital improvement planning.
- Higher accuracy rates than consulting firms in identifying priority rehabilitation areas.
- Long-term savings by directing capital dollars away from low-risk assets.
- Reduction in reactive repairs and unplanned service outages.

The proposed contract with VODA.ai Inc. is for a five-year annual subscription.

Funding for this contract is available in the VODA.ai capital project, and ongoing costs are planned for in future years.

CITY STAFF'S RECOMMENDATION

That the City Council approve the agreement and authorize the City Manager, or her designee, to execute the agreement as set forth in the caption above.