

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: March 2, 2026

RE: Agreement with Cayenta, a division of N. Harris Computer Corporation, for the Implementation of Lakeland Electric Customer Service Automation Utilizing Artificial Intelligence

Attached hereto for your consideration is a proposed Agreement with Cayenta, a division of N. Harris Computer Corporation, (Cayenta) for the implementation of the Cayenta Live Agent ("Cayla") Artificial Intelligence (AI) customer service solution for Lakeland Electric. The implementation of Cayla supports Lakeland Electric's ongoing efforts to modernize customer service operations, improve customer access across multiple communication channels, and enhance operational efficiency through automation integrated directly with Lakeland Electric's existing Cayenta Customer Information System (CIS) and Utility Management System (UMS).

The City's Purchasing Department identified Cayenta as the sole source supplier of software development, professional services, maintenance and support for all of its software products, including the UMS and CIS utilized by Lakeland Electric. Cayla is an omni-channel solution capable of answering voice calls and emails and interacting with customers via chat and text messaging. The initial deployment will be limited to four (4) high-volume customer service call types, which include: Bill Inquiry; Payment Inquiry; Pay Arrangement; and Start/Stop Service. The solution is designed to expand into additional call types and communication channels as warranted by future business needs.

Cayenta's products and services will be delivered pursuant to the City's existing SFG License Agreement dated March 3, 1997, the Amendment to the Cayenta License and Maintenance Agreement dated May 12, 2022, Amendment 2 to the Cayenta License and Maintenance Agreement the 2025 SaaS and Professional Services Agreements, as well as Cayenta's Scope of Work Statement dated February 18, 2026. Full implementation of the Cayla AI solution is anticipated to occur by May 1, 2026.

The term of the Agreement shall become effective upon City Commission approval and shall remain in effect for an initial term of five (5) years. Thereafter,

the Agreement may be renewed for one (1) year terms upon mutual written agreement of the parties.

Pricing under the Cayenta Cloud Services Order is based on an estimated maximum usage of 5,000 transactions per month. The annual cost for the Cayla AI Agent Implementation, including a one-time fee for the first year, an annual Technology Fee, and Interaction Transactions Fee is estimated at \$99,000 for the first year, with a total not-to exceed cost of \$381,012 over the initial five (5) year term. The cost for the first year is included in Lakeland Electric's FY26 budget and the cost for the remaining term and any subsequent renewals will be subject to City Commission approval in subsequent budget years.

It is recommended that the City Commission approve the Agreement with Cayenta for the implementation of the Cayla AI Agent customer service solution for Lakeland Electric, including maintenance, and authorize the appropriate City officials to execute all necessary corresponding documents on behalf of the City.

Attachment



Scope Statement

CLIENT/Project Name: City of Lakeland Cayla AI Agent Project

Date: 18-Feb-26

Prepared By:

Document Owner(s)	Project/Organization Role
Stephen Burrowes	Account Manager

Engagement

City of Lakeland on behalf of its municipal utility, Lakeland Electric (CLIENT), wishes to engage with Cayenta (HARRIS) and their technology partner Dial AI (PARTNER) on the implementation of Cayenta Live Agent (Cayla) to provide customer service automation utilizing artificial intelligence (AI). Cayla is omni-channel, capable of answering voice calls and emails as well as interacting with customers via chat and text messaging, with direct integration to Cayenta CIS. The initial deployment of Cayla will be to handle a subset of four voice call types, with the opportunity to expand into additional call types and communication channels as business needs warrant.

These products and services will be delivered under the provisions of the SFG License Agreement dated 3-March-1997 and the 2022 Amendment to Cayenta License and Maintenance Agreement (dated 12-May-2022) via Amendment 2 to Cayenta License and Maintenance Agreement and the 2025 Professional Services Agreement, and, for any and all services provided hereunder.

Scope of Work

The project will include:

- **Project Initiation:** Kickoff, confirm resources, and finalize the plan.
- **Environment Preparation:** Setup and configure test environments, provide access.
- **Requirements Workshops:** Conduct **two** structured workshops with CLIENT to capture requirements for the initial use case requirements, including call flows and standard operating procedures.
- **AI Configuration:** Configure and build Cayla workflows for the two use cases.
- **CIS Integration:** Develop and validate required integrations with Cayenta CIS.
- **IVR Call Routing:** Configure and test call routing to direct traffic for the two use cases.
- **Testing and UAT:** Integration testing, UAT case prep, and UAT execution.
- **Training & Rollout:** Train CLIENT staff, execute go-live, and provide support.

HARRIS and PARTNER will provide the following under this scope of work:

- Cayla AI Agent (SaaS solution)
- Project Management
- Technical Services
- Configuration Services
- Testing Support Services
- Training Services
- Move to Production tasks, as agreed to
- Post go-live support and transition to Cayenta Support

CLIENT will provide the following:

- Any necessary infrastructure and connectivity required for the engagement
- Internal engagement oversight and management
- Access to customer service Subject Matter Experts (SMEs)
- Access to technical staff for systems access and integration
- Configuration changes/support as deemed necessary
- Testers and testing management, as required to prepare for production cut-over
- Customization of training materials to match business processes
- Trainer(s) and training participants
- Documentation of business processes as needed
- Approval prior to promoting any changes to production.
- Move to Production tasks, as agreed to
- Post Go-live management and transition to Support
- Acceptance Sign-off

Implementation Process and Timeline

Target Production Go-Live: 1-May-2026.

Phase	Subtasks	Timing	Responsible Parties
Preconditions	<ul style="list-style-type: none"> • CLIENT provides two initial use cases • HARRIS/PARTNER confirms API availability for those use cases 	Week 1	CLIENT, HARRIS/PARTNER
Initiation & Planning	<ul style="list-style-type: none"> • Confirm project team • Kickoff meeting • Finalize project plan 	Week 1	HARRIS/PARTNER (75%), CLIENT (25%)
Environment Preparation	<ul style="list-style-type: none"> • Configure environment and authentication 	Week 2	HARRIS (75%), PARTNER (25%)

	<ul style="list-style-type: none"> • Provide access • Verify access and connectivity 		
Requirements Workshops	<ul style="list-style-type: none"> • Workshop 1 (Use Case A & B) – 1 hr • Workshop 2 (Use Case C & D) – 1 hr • Refine conversation flows • CLIENT review and approval 	Week 2	PARTNER (70%), HARRIS (20%), CLIENT (10%)
AI Configuration & CIS Integration	<ul style="list-style-type: none"> • Configure Cayla AI agent • Develop integration with Cayenta CIS • Validate data exchange • Internal QA 	Week 3-5	PARTNER (75%), HARRIS (25%)
IVR Call Routing Setup	<ul style="list-style-type: none"> • Configure routing for 2 use cases • Joint testing with CLIENT • Confirm escalation paths 	Week 6	HARRIS/PARTNER (50%), CLIENT (50%)
Testing & UAT	<ul style="list-style-type: none"> • Integration testing • UAT case preparation • UAT execution by CLIENT • Review and signoff 	Week 7-8	CLIENT (80%), HARRIS/PARTNER (20%)
Training & Rollout	<ul style="list-style-type: none"> • Staff training workshop • Deliver training materials • Final rollout plan • Go-live support 	Week 8	PARTNER (50%), HARRIS (30%), CLIENT (20%)
Post-Go-Live Support	<ul style="list-style-type: none"> • Hypercare support for 1 month • Monitor performance of deployed use cases • Resolve issues that materially impact use case functionality during the hypercare period. • Provide knowledge transfer and handoff 	Week 9	PARTNER (75%), HARRIS (25%)

Deliverables

- Project kickoff and confirmed schedule
- Verified environments with access provisioned
- Two documented use cases with confirmed API availability from HARRIS
- Configured AI agent integrated with Cayenta CIS
- Completed IVR call routing configuration

- Test cases for integration and UAT
- UAT results and sign-off
- Training workshop and materials
- Production rollout support
- Post-go-live hypercare will run for **1 month following production rollout.**

Responsibilities

- **PARTNER**
 - Configure and train the AI agent for the two use cases
 - Develop and validate integration with Cayenta CIS
 - Provide integration and UAT test cases
 - Support execution of testing and UAT
 - Deliver documentation and training materials
 - Conduct end-user training (with CLIENT trainer)
 - Support production rollout and post-go-live activities
- **HARRIS**
 - Provide project management and coordination with CLIENT
 - Confirm API availability for the two selected use cases
 - Prepare test and production environments in collaboration with CLIENT
 - Coordinate UAT execution with CLIENT
 - Support production rollout and post-go-live activities
- **CLIENT**
 - Define and provide four initial call flow processes prior to project start (identified as part of the early adopter proposal as: Bill Inquiry, Pay Arrangement, Start/Stop Service, Payment Inquiry)
 - Provision and provide access to systems and data
 - Identify and make available subject matter experts (SME)
 - Participate in call type design workshops
 - Review and approve deliverables
 - Execute UAT with support from HARRIS/PARTNER
 - Customize training materials as needed
 - Co-deliver end-user training
 - Participate in end-user training and knowledge transfer
 - Execute cut-over to production and validate functionality

Assumptions

- CLIENT will define four initial use cases defined (transaction types) before project kickoff.
- HARRIS has API's available for those use cases prior to project start.
- CLIENT will provide timely access to environments (CIS and IVR) and staff to test and approve call flows.

Future Scope

This SOW covers the initial deployment of four use cases. The solution is designed to expand to additional use cases, channels, and integrations. Scope increases will be defined in a follow-on Scope Statement or change order, referencing this baseline project.

Term of Agreement

Except as otherwise expressly set forth herein, this Scope Statement is performed pursuant to the terms and conditions of the 2026 Professional Services Agreement, mutually executed between the parties on the 2nd of March 2026. The initial term of this Agreement shall commence March 2, 2026 and shall be in effect for five (5) years. Thereafter, this Agreement may be renewed in one (1) year increments upon mutual written agreement of the parties. Either party reserves the right to cancel 120 days prior written notice of its intent to cancel.

Fees

Utility	City of Lakeland/Lakeland Electric
Monthly Call Volume	25,031
Anticipated Cayla Interaction Volume	5000
Approximate Cayla Interaction Percent	20%

QTY	Requested Components	Per Unit	Monthly	1st Year
1	Implementation Fee (one-time, 1st Year)	\$45,000	N/A	45,000.00
1	Technology Platform Fee (annual)	\$10,000	833.33	10,000.00
5,000	Cayla Interaction Transaction Fees (annual recurring)*	\$1.50	7,500.00	90,000.00
Totals for Requested Components (1st Year)				
			8,333.33	145,000.00

	Pricing Adjustments		Monthly	1st Year
1	Implementation Discount (one time, 1st Year)	50%	N/A	-22,500.00
1	Cayla Interaction Transaction Fees*	33%	-2,500.00	-30,000.00
Totals for Adjustments				
			-2,500.00	-52,500.00

	Net Pricing	One-Time	Monthly	1st Year
	Totals for Requested Components	\$45,000.00	8,333.33	145,000.00
	Totals for Adjustments	-\$22,500.00	-2,500.00	-52,500.00
Net Totals (1st Year)				
		22,500.00	5,833.33	92,500.00

* - Transaction counts are best estimate and will vary depending on how many interaction Cayla handles monthly/annually

Payment Milestones

Payment Milestone	Description	Amount
HOST-01	First Year on Signing	\$10,000.00
MP-01	50% of Implementation on Signing	\$11,250.00
MP-02	25% of Implementation on Testing Start	\$5,625.00
MP-03	25% of Implementation on Go-live	\$5,625.00
Project Totals		\$32,500.00

- 1) Transaction fees will commence on Go-live and will be invoiced monthly in arrears based on actuals.
- 2) Hosting fees will be invoiced at the start of the project and annually on that date thereafter.

Total Cost of Ownership

This table represents a total cost of ownership over a 5-year term using the estimated transaction volumes. CLIENT will have control over the monthly transactions Cayla is handling and may elect to increase or decrease the volume of transaction to meet their operational needs.

	Estimated Total Cost of Ownership	Annual Increase starting year 4	4.00%			
	Year 1	Year 2	Year 3	Year 4	Year 5	Term Total
Transactions	\$60,000	\$60,000	\$60,000	\$62,400	\$64,896	\$307,296
Platform	10,000	\$10,000	\$10,000	\$10,400	\$10,816	\$51,216
Implementation	22,500.00					\$22,500
						\$381,012

Terms and Conditions

1. HARRIS reserves the right to pause work upon notification to CLIENT if HARRIS undisputed invoices become aged greater than 60 days.
2. In the event CLIENT terminates this Agreement, CLIENT shall be invoiced for work done to date of notification and CLIENT will pay all the outstanding fees and other amounts owing to HARRIS under the provisions of this Agreement.
3. All work is expected to be performed remotely from CLIENT's places of business.
4. However, if on-site work is deemed to be required then actual travel and living costs will be invoiced as incurred on a monthly basis in accordance with CLIENT'S City of Lakeland Consultant Expense Reimbursement Policy attached hereto as Exhibit 1. HARRIS will make every effort to minimize travel and living expenses and request CLIENT'S prior written approval prior to incurring such expenses.

Travel and living expenses include:

- . Airfare
 - . Lodging
 - . Ground Transportation (taxis, rental cars, fuel, tolls, parking)
5. Hardware costs are priced/managed directly by CLIENT.
 6. Scrutinized Companies or Other Entities. Pursuant to Florida Statute §287.135(3)(b)2., CLIENT may terminate this Agreement with HARRIS if HARRIS is found to have been placed on the Scrutinized Companies or Other Entities that Boycott Israel or is engaged in a boycott of Israel.
 7. Affidavit Regarding the Use of Coercion for Labor and Services. Florida Statute §787.06(14), requires all nongovernmental entities executing, renewing, or extending a contract with a governmental entity to provide an Affidavit, attached hereto as Exhibit 2, signed by an officer or representative of the nongovernmental entity under penalty of perjury that the nongovernmental entity does not use coercion for labor or services as defined in that statute.

Change Control Process

The Change Control Process governs changes to the project parameters (scope, schedule, budget, quality, risk) during the life of each engagement.

Change requests can be made by HARRIS or CLIENT; however, all change requests will be documented under this Agreement as new quotes for additional hours from the annual allotment project. The quote must be approved in writing by CLIENT before any changes are formally incorporated into each effort.

Approval of this Work Scope

City of Lakeland / Lakeland Electric

By: _____

Name Printed: _____

Title: _____

Date: _____

Exhibit 1
City of Lakeland
Consultant Expense Reimbursement Policy
Revised 6/18/2018

General

This policy governs all eligible reimbursement expenses paid to consultants hired by City Departments under professional service contracts. All reimbursable expenses must adhere to the following provisions and be verified and approved by the appropriate department head, or their designated representative administering the professional contract. An exhibit to each contract or agreement must be accepted by each professional services consultant prior to the agreement being considered fully executed. All proposed reimbursable consultant expenses must be submitted to the managing designee with matching receipts and specific documentation outlining the nature of the business conducted in association with the expenditure prior to approval by the City.

Consultant Contract Provisions

1. Reasonable expenses will be reimbursed for customary business activities deemed integral to the completion of the consulting assignment (i.e. phone calls, copies, printing, facsimile services, etc.)
2. Reasonable travel expenses will be reimbursed at a rate not-to-exceed the following:
 - Car Rental – Limited to mid-size vehicles or smaller.
 - Airline Travel – Limited to tourist or coach class fare, all efforts will be made to identify the most economical flight options available at time of scheduling.
 - Use of private automobile for administration of project related requirements may be reimbursed at the current IRS mileage reimbursement rate. (www.irs.gov)
 - Local hotel accommodations will be reimbursed at a rate not-to-exceed the GSA lodging rate for Tampa, Florida per night plus sales tax. (www.gsa.gov) Incidentals related to the hotel stay will not be reimbursed.
 - Meal expenses will be reimbursed at a rate not-to-exceed the GSA M&IE rate for Tampa, Florida. A maximum of 15% gratuity on meals will be allowed.
 - No entertainment expenses will be reimbursed, including, but not limited to, alcoholic beverages, in-room entertainment, registrations, tickets to sporting events or entertainment events, banquet and or client entertainment.
 - No reimbursement will be provided for personal expenses of any nature.
 - When representing the interest of the City outside of the Lakeland area, reimbursement of reasonable hotel accommodation costs will be provided as determined by the responsible Department Head.

Collection of Back-up Documentation

All consultant expenditures submitted for reimbursement shall be properly documented and approved by the appropriate department head or designated representative managing the agreement. Original receipts must be provided for payment, along with documentation on purpose. The department head or designated representative will be responsible for the collection of this documentation and for communicating with the consultant on issues related to reimbursable costs or back-up documentation. It will be the responsibility of the department head or designated representative to obtain the necessary approvals from the City Managers' Office for variances to the policy.

Prior to payment of invoices, the following will be required:

1. Verification that invoice references the correct professional service contract.
2. Verification that the specific contract deliverables have been met and scope of work has been satisfactorily completed.
3. Verification that all consultant reimbursable expenses were incurred in conjunction with specified services rendered and billed at cost.
4. All reimbursable expenses must be submitted with receipts documenting expenses.
5. Verify all expense calculations are correct.

Variance Approval

All variances or modifications to the provisions in this policy must be approved by the City Manager or authorized designee.

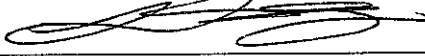
Exhibit 2
HUMAN TRAFFICKING AFFIDAVIT

In compliance with Section 787.06(14), Florida Statutes, this Affidavit must be completed by an officer or representative of a nongovernmental entity that is executing, renewing, or extending a contract with the City of Lakeland, Florida (the "Governmental Entity").

The undersigned, on behalf of the entity listed below (the "Nongovernmental Entity"), hereby attests under penalty of perjury as follows:

1. I am over the age of 18 and I have personal knowledge of the matters set forth herein.
2. I am an officer or representative of N. Harris Computer Corporation, a Nongovernmental entity and I am authorized to provide this affidavit on behalf of Nongovernmental Entity.
3. Nongovernmental Entity, and any of its subsidiaries or affiliates, do not use coercion for labor or services, as those terms are defined in Section 787.06, Florida Statutes, as may be amended from time to time.
4. If, at any time in the future, Nongovernmental Entity does use coercion for labor or services, Nongovernmental Entity will immediately notify Governmental Entity and no contracts may be executed, renewed, or extended between the parties.
5. I have read the foregoing affidavit and confirm that the facts stated in it are true, and are made for the benefit of, and reliance by Governmental Entity.

Company: N. Harris Computer Corporation

Authorized Signature: 

Printed Name: Larissa Wong

Date: February 18, 2026

Title: Executive Vice President

STATE OF Arkansas

COUNTY OF Pulaski

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 18th day of February, 2026, by Larissa Wong, as Executive Vice President on behalf of the company/corporation. They are personally known to me or have produced passport as identification.



Notary Public Signature

(Affix Notary Stamp or Seal) Print, Type or Stamp Name of Notary: Sarah Mallory

My commission expires: 8/22/2029

