



AGENDA ACTION FORM

Consideration of a Resolution to Implement Grace AI Pilot Solution for City Customer Service by Hansen Banner, LLC

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-236-2025

Work Session: August 18, 2025

First Reading: N/A

Final Adoption: August 19, 2025

Staff Work By: Floyd Bailey

Presentation By: Floyd Bailey

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the Resolution

Executive Summary:

If approved the Statement of Work (SOW) outlines the agreement between the City of Kingsport, Tennessee, and Hansen Banner LLC for the implementation of a pilot AI virtual call center agent platform, Grace AI. The city will evaluate the effectiveness of the AI solution for customer service operations.

The pilot is governed by a Software Service Agreement dated October 3, 2024, which was approved in AF-273-2024. This is a no-cost to the city initiative with an estimated 544 hours of effort, effective upon signature and expiring six months later unless extended.

This SOW establishes a structured framework for the Grace AI pilot, ensuring clear responsibilities, deliverables, and timelines to evaluate the platform's potential for enhancing the City's customer service operations.

Attachments:

1. Resolution
2. SOW Pilot Agreement

	Y	N	O
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—