

A Practical Guide to AI Readiness for Public Capital Programs

Lessons for public agencies evaluating AI adoption

Artificial intelligence is quickly becoming part of the conversation around public infrastructure and capital program management. But before agencies deploy AI tools, the proper governance, security, and oversight mechanisms must be in place.

Satish Krishnan, public-sector leader at the Northeast Ohio Regional Sewer District, and Hugh Seaton, CEO of The Link and AI technologist, share insights into five key areas public agencies should evaluate before adopting AI

1 Establish governance before deployment

One of the most important steps in AI adoption is creating clear policies before implementation begins. Without governance, employees may already be using AI tools independently, creating potential security, compliance, and data management risks. Agencies should establish policies that define acceptable use, oversight responsibilities, and review processes.

Who is responsible for AI oversight?

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Are policies documented and regularly reviewed?

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Have legal, HR, operations, and technology stakeholders been included in governance discussions?

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Key takeaway:

AI governance should be established before widespread organizational adoption.

“We need to educate the user so they understand what they can rely on and where human judgment is still essential.”

Satish Krishnan

2 Prioritize data security and compliance

Public agencies manage sensitive information related to infrastructure investments, funding, operations, and compliance. Any AI solution must demonstrate how it protects that data. When evaluating AI platforms, agencies should understand:

Where data is stored

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Who has access to it

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Whether data is used to train external AI models

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How the solution aligns with government security requirements

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What compliance certifications and controls are in place

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Security frameworks such as FedRAMP and other recognized standards can provide additional assurance when evaluating vendors.

Key takeaway:

Data protection should be a primary evaluation criterion, not a secondary consideration.

“We need to clearly understand how our data is being protected, who can use it, and whether it’s being used to train any other AI models.”

Satish Krishnan

3 Require transparency and auditability

AI-generated results should be explainable. For public-sector organizations, transparency is essential for maintaining accountability and supporting audit requirements. Agencies should be able to trace outputs back to the source data and understand how conclusions were reached. Questions to ask include:

What information was used to generate the result?

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Can users verify source documents?

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Is there a clear record of how outputs were produced?

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Key takeaway:

Agencies should never have to rely on AI outputs they cannot explain or validate.

“As a user, I need to be able to see how AI arrives at a result—what data sources were used—so we can maintain transparency for compliance and audit.”

Satish Krishnan

4 Invest in employee training

Technology alone does not determine success. Employees need to understand how to use AI responsibly and effectively. Training should address:

- Appropriate use cases ☐
- Data handling requirements ☐
- Security considerations ☐
- The limitations of AI-generated outputs ☐
- When human judgment remains necessary ☐

Organizations should consider training as a foundational part of any AI rollout strategy.

Key takeaway:

Employees should be trained before receiving access to AI tools.

Training gives people “a baseline understanding about what AI can do, what it cannot do ... and a sense of its limits.”

Hugh Seaton

5 Start small and validate through pilot programs

Rather than deploying AI across an entire organization, agencies should begin with targeted pilot programs. Pilots provide an opportunity to:

- Test security controls ☐
- Evaluate compliance requirements ☐
- Gather user feedback ☐
- Measure business value ☐
- Identify policy or process gaps ☐

Most importantly, pilots help determine whether a solution solves a real operational challenge and delivers meaningful value.

Key takeaway:

Successful AI adoption starts with controlled testing and measurable outcomes.

“We need to have a pilot group... instead of deploying across the entire organization, so we can understand where the pitfalls are.”

Satish Krishnan

AI has the potential to improve efficiency, increase capacity, and support better decision-making across public capital programs. However, successful adoption depends on more than technology.

The agencies best positioned to benefit from AI will be those that first establish strong governance, protect sensitive data, ensure transparency, train their workforce, and validate solutions through carefully managed pilot programs.

By focusing on these foundational elements, public agencies can explore AI with confidence while maintaining the accountability and trust that public infrastructure programs require.

Get started