

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/11/2025

Staff Report No. 25-328

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: Contract Award for CAD/AVL Maintenance

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to execute a five-year contract with Clever Devices Ltd. for the continued provision of hardware warranty, software maintenance, system hosting, and professional services in an amount not to exceed \$6,790,270, plus optional professional services.

Staff Contact:
Ahsan Baig, Chief Information Officer

STRATEGIC IMPORTANCE:

Goal - High-Performing Workforce
Initiative - Service Quality

Clever Devices provides a mission critical Computer Aided Dispatch/Automated Vehicle Location (CAD/AVL) system that supports real-time service operations, dispatch, two-way voice communications, vehicle monitoring, General Transit Feed Specification (GTFS) real-time data for Websites and Mobile Applications, and various analytics reporting systems. Continued maintenance and system hosting through this contract ensures system reliability and positions AC Transit to transition to a modern, cloud-based infrastructure hosted on Microsoft Azure.

BUDGETARY/FISCAL IMPACT:

The base five-year agreement totals \$6,790,270, covering hardware warranty, software maintenance, hosting services, Azure migration, integrated software modules, and as-needed professional services. Monthly and one-time costs are detailed in the following table:

Item	Monthly Cost	Total 5-year Cost
Hardware Warranty	\$11,413	\$684,800
Software Maintenance	\$48,227	\$2,893,620
OTAVA Hosting Year 1	\$26,962	\$323,544
Azure Hosting Years 2-5	\$37,955	\$1,821,840

Integrated Modules (Record Logger, Celrado, GTT, etc.)	N/A	\$312,496
Azure Migration Services (One-time)	N/A	\$153,970
As-Needed Professional Services	\$10,000	\$600,000
Total		\$6,790,270

Funding for this agreement is included in the Department of Innovation and Technology's FY 2025-26 Operating Budget and will be programmed in the District's future Operating Budgets.

The total cost of the Clever Devices contract for hardware warranty, software maintenance, hosting, and associated professional services for the five-year term from July 30, 2025, through July 29, 2030, shall not exceed \$6,790,270, based on firm, fixed annual pricing of \$1,358,054. This pricing is locked for the duration of the agreement, contingent upon the District not making any material changes to the scope of covered warranty, maintenance, hosting, or professional services

BACKGROUND/RATIONALE:

AC Transit has used Clever Devices' CAD/AVL platform for over five years as an essential core business system. The system provides key operational capabilities such as real-time vehicle location, two-way voice communications, dispatch communications, disruption management, and real-time passenger information services. This new five-year contract supports the long-term maintenance and hosting of these mission-critical systems, incorporates a planned migration from Otava to Microsoft Azure cloud services, and integrates several modules that were previously optional.

Key contract elements include:

- Five-year hardware warranty and software maintenance for 625 vehicles
- Transition from Otava to Microsoft Azure hosting beginning in Year 2
- Support for Record Logger, Celrado dispatch/iOS, GTT Traffic Signal Priority (TSP), and Next Generation Clipper (NGC) integrations
- Professional services support through a fixed monthly allocation and optional time-and-materials work

Hardware Support:

The contract provides hardware warranty coverage for 625 buses, including key components such as onboard vehicle network controllers (IVN4 and IVN5), Transit Control Heads (TCH), URLC converters, antennas, routers, microphones, VoIP communication modules, and interior LED signage. In addition, Clever Devices will continue to support critical infrastructure at AC Transit's Operations Control Centers (OCC), including console equipment and integrated communication equipment used by dispatch staff. Warranty coverage includes repair or replacement of defective equipment, turnaround time guarantees, spare parts management, and support for OEM components. IVN4 technology will be at end of life, December 2025, and no longer under warranty. The IVN4 computers will be replaced with IVN5 computers as the new buses are purchased and deployed.

Software Maintenance:

On the software side, Clever Devices provides comprehensive maintenance services that include regular

software patches, bug fixes, defect corrections, feature enhancements, and scheduled version upgrades across its suite of applications such as CleverCAD, Disruption Management, BusTime, Celrado, CleverReports, and CleverWorks. The agreement includes an annual upgrade of all software products deployed, including deployment labor, training, project management, and test system data refreshes. Failover testing and remote support are also included, ensuring system resilience and disaster recovery readiness. Maintenance ensures system availability, enhanced functionality, and timely integration of new features across the entire CAD/AVL environment.

Cybersecurity and Infrastructure Protection:

As part of the hosting and software services, Clever Devices implements a multi-layered cybersecurity framework. This includes hosted infrastructure protected by firewalls, intrusion detection, antivirus software, and secure VPN-based remote access protocols. Hosting in Microsoft Azure further enhances the District's cybersecurity posture with access to enterprise-grade cloud protections, including physical data center security, network segmentation, and incident response readiness. Regular vulnerability scans, patch management, and encrypted backups stored with cloud providers (Otava) provide additional layers of defense against cyber threats.

Stakeholder Collaboration:

The scope of services outlined in this contract reflects a negotiated framework based on the District's ongoing operational needs and previous implementations of Clever Devices' CAD/AVL system. However, the final scope will be refined through coordinated input from Operations, Maintenance, Planning, Procurement, Legal, and Innovation & Technology departments. This ensures that the resulting agreement fully aligns with evolving operational, legal, technical, and strategic requirements. Importantly, any scope refinements resulting from this process will remain within the not-to-exceed amount of \$6,790,270 and are not expected to have any financial impact.

Competitive Bidding

Under Board Policy 465, Section IV.C.5(c) this procurement is exempt from the competitive bid process. Section IV.C.5 (c) states in relevant part, "[a]uthorized maintenance or upgrade agreements of proprietary software previously implemented at the District for 'critical infrastructure' do not require competitive bidding".

This contract reflects negotiated reductions to implementation fees and hosting costs, while delivering a comprehensive support package that includes periodic subsystem updates, annual Disaster Recovery (DR) testing, software and hardware support, and robust cybersecurity protections. It aligns with AC Transit's digital modernization roadmap and supports continuity of critical CAD/AVL functions across operations.

ADVANTAGES/DISADVANTAGES:

Advantages:

- Maintains continuity for essential CAD/AVL infrastructure
- Enables secure, scalable cloud hosting via Microsoft Azure

Disadvantages:

- Migration to Azure requires internal and vendor coordination

ALTERNATIVES ANALYSIS:

1. In-house hosting: Not recommended due to lack of 24/7 IT support, high infrastructure investment, and increased operational risk.
2. Issue a new RFP: Would significantly delay implementation and introduce transition risks to critical systems with no guarantee of better value.
3. Allow current agreement to expire: Would result in disruption to dispatching, real-time vehicle tracking, and public-facing tools like BusTime.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 465 - Procurement Policy

Staff Report 24-450 - Clever Devices Contract Extension

ATTACHMENTS:

None

Prepared by:

Dr. Manjit Sooch, Director of Innovation and Technology

Approved/Reviewed by:

Phillip Halley, Program Manager, Compliance & Diversity-Contracts

Fred Walls, Director of Procurement & Materials Management

Aimee L. Steele, General Counsel/Chief Legal Officer

Chris Andrichak, Chief Financial Officer

Ahsan Baig, Chief Information Officer