

To: Administration & Finance Committee

Date: July 30, 2026

From: Amber Johnson, Chief Financial Officer

Reviewed by: WC.

SUBJECT: Clever Devices/Hitachi Rail Contracts

Background:

County Connection has utilized Clever Devices Intelligent Transportation System (ITS) technology for more than two decades. In 2011, the Board authorized implementation of the Clever Devices ITS platform, including replacement of the Authority's CAD/AVL system, radio control system, and passenger information systems. In 2012, the Board approved a contract amendment to upgrade onboard Intelligent Vehicle Network (IVN) equipment throughout the fleet, establishing the foundation of the ITS infrastructure currently in service. On July 1, 2016, Hitachi Rail acquired Clever Devices.

Today, Hitachi Rail technology supports several mission-critical functions, including vehicle location tracking, computer-aided dispatch, automated stop announcements, passenger counting, BusTime real-time passenger information, onboard communications, and service performance reporting. The Hitachi Rail platform is integrated throughout the fleet and operations and serves as the backbone of County Connection's Intelligent Transportation System.

The Authority's annual software maintenance and support agreement with Clever Devices (now Hitachi Rail) expired on June 30, 2026, and renewal is necessary to maintain manufacturer-supported operation of these critical systems.

In addition, the onboard IVN version 3 (IVN3) equipment installed on the County Connection fleet has reached the end of manufacturer support. Beginning in 2023, bus builds include the newer IVN version 5 system (IVN5). Staff has proposed upgrading the 2017 fleet (13 buses) to current IVN5 platform. The upgrade will modernize the Authority's fleet while allowing removed, operational IVN3 units to be retained as spare parts for older buses that remain equipped with the IVN3 platform. This strategy reduces obsolescence risk, improves system reliability, and extends the useful life of existing fleet assets.

Discussion:

The proposed maintenance agreement provides continued support for the Authority's ITS platform, including software maintenance, database management, hosted services support, software updates, and technical assistance. The agreement also includes six annual on-site visits by a Hitachi Rail field service technician.

The proposed IVN5 project includes replacement of IVN3 equipment on thirteen buses, hardware configuration, testing, installation supervision, project management, and three spare IVN5 controllers. The upgrade will improve long-term reliability while creating a valuable inventory of spare IVN3 components for older vehicles.

Because the Hitachi Rail system consists of proprietary hardware and software installed throughout the fleet, Hitachi Rail is uniquely qualified to provide manufacturer-supported maintenance, software support, and system upgrades.

Financial Implications:

The proposed one-year maintenance agreement for the period July 1, 2026 through June 30, 2027 totals \$245,487, consisting of:

- Annual On-Site Support and Database Support: \$172,907
- Software Maintenance: \$72,580
- **Total Contract Amount: \$245,487**

County Connection has programmed \$156,627 in FY 2026-27 State of Good Repair (SGR) funds to support the ongoing maintenance of its onboard Intelligent Transportation System (ITS) infrastructure, including radios, onboard computers, and the CAD/AVL system. These SGR funds will be applied to the Hitachi Rail maintenance agreement. The remaining balance of \$88,860 will be funded through the FY 2026-27 operating budget.

The proposed IVN5 fleet upgrade project totals \$260,034, consisting of:

- IVN5 Retrofit Upgrade for 13 buses, net of discount program: \$204,516
- Three (3) Spare IVN5 Controllers: \$20,394
- Sales tax: \$21,929
- Installation Services: \$13,195
- **Total Contract Amount: \$260,034**

This upgrade project will be funded with FY 2026-27 TDA Capital funds and is included in the approved budget.

The total cost of both contracts is \$505,521.

Recommendation:

Staff recommends that the Administration & Finance Committee consider the renewal of the Hitachi Rail service contract for annual software maintenance, database services, on-site technical support; and the upgrade of thirteen 2017 buses from IVN3 to IVN5 equipment in an amount not to exceed \$505,521, and recommend that the Board of Directors authorize the General Manager, or designee, to execute the agreement and related purchase orders.

Action Requested:

Staff requests that the Administration & Finance Committee recommend that the Board of Directors adopt a resolution authorizing the General Manager or designee to execute agreements and related procurement documents with Hitachi Rail for annual software maintenance, database services, on-site support, and the IVN5 fleet upgrade project in an amount not to exceed.

Attachments:

None.