



AGENDA ITEM NO.

COUNCIL MEETING 6/3/2008

APPROVED BY

*K Nerland*

DEPARTMENT DIRECTOR

CITY MANAGER

June 3, 2008

**FROM:** KENNETH A. NERLAND, Director  
General Services Department

**THROUGH:** JANET SMITH, Manager  
General Services Department, Purchasing Division

**BY:** GERALD S. TODD, Manager  
General Services Department, Administration Division

**SUBJECT:** AWARD A CONTRACT IN THE AMOUNT OF \$1,349,167 TO DAKTRONICS, INC. OF ANAHEIM, CA, TO DESIGN, BUILD AND INSTALL A SCOREBOARD SYSTEM FOR SELLAND ARENA (PROPOSAL FILE NO. 2821)

**KEY RESULT AREA**

Customer Satisfaction and Financial Management

**RECOMMENDATIONS**

Staff recommends that the City Council award a contract in the amount of \$1,349,167 to Daktronics, Inc. of Anaheim, CA to design, build and install a scoreboard system for Selland Arena, subject to review and approval by the City Attorney's Office.

**EXECUTIVE SUMMARY**

As part of the Fresno Falcon's 20 year lease agreement to return to Selland Arena certain improvements will be required to bring the facility up to the expected level of amenities. In addition to a new ice floor and associated hockey equipment, a new scoreboard system is planned for the Arena. The current scoreboard, which is over 40 years old, is original to the Arena and is outdated in terms of today's scoreboard technology.

Following analysis of the submitted proposals, staff recommends that the City Council award a contract to Daktronics, Inc. of Anaheim, CA in the amount of \$1,349,167 to design and build a new center-hung scoreboard system for Selland Arena.

**KEY OBJECTIVE BALANCE**

Phase III improvements to the Selland Arena, of which the scoreboard system is an element, balances all Key Objectives of Customer Satisfaction, Employee Satisfaction and Financial Management by further enhancing and upgrading Selland Arena to meet the needs of the Fresno Falcon's hockey team and other assembly and sports events and providing fans with a premium entertainment venue further enhancing the Arena's marketability and revenue generating capabilities.

## BACKGROUND

A Request for Proposal (RFP) was advertised in the Business Journal on April 14, 2008 to solicit proposals to design and build a new center-hung scoreboard system for Selland Arena to be in place by the time the Fresno Falcons play their first hockey game in October, 2008. A total of eight (8) sets of specifications were distributed to various prospective proposers. Three proposals were received and opened on May 6, 2008.

The manufacture of arena scoreboards which include video displays is a highly specialized field. Sony was the first to provide their Jumbotron LED video display, however they are no longer producing them. The only two other known video display manufacturers that meet that level of quality are Daktronics and Mitsubishi. The specifications were prepared listing video displays manufactured by Daktronics, Mitsubishi or approved equal. The specifications included a base bid for the scoreboard system with video displays, LED displays and other necessary accessories to meet the requirements of hockey, basketball and arena football, and included ten alternate items which increased functionality or advertising space to generate revenue. Proposers were also encouraged to provide alternative configurations that they thought may suit the City's needs better.

ANC Sports: ANC Sports is an industry leader in arena scoreboard construction and installation, has extensive experience and expertise. ANC Sports is the sole provider of Mitsubishi video displays. ANC Sports submitted a proposal which under initial review appeared to meet our specifications at a cost of \$1,551,370 for the base proposal.

Upon a more thorough review of the proposal some questions became apparent and were asked of ANC Sports. The most important question was that the specifications required that the proposer, at the time of bid opening, hold a valid California contractors license in order to be considered for award. ANC Sports confirmed that they do not hold a valid California contractors license. As such ANC Sports cannot be considered for award.

A-Plus Signs: A-Plus Signs is a local company who submitted a proposal in partnership with four other companies. All of the companies have good reputations in their respective fields. Under initial review it appeared that the A-Plus Signs proposal met our specifications at a cost of \$1,403,906 for the base proposal. Upon further review of their qualifications they did not list locations where they had supplied a similar scoreboard system. Each of the five companies provided references of work in their respective fields but none showed where they had provided a scoreboard system of the complexity and quality that the City was requesting.

Daktronics: Daktronics is the other industry leader besides ANC Sports in arena scoreboard construction and installation, and has extensive experience and expertise. Daktronics is the sole manufacturer of their scoreboard system and video displays. Strong training and technical support for the product are available. Quality of the product offers operational dependability to meet the needs of Arena events. Daktronics base proposal with selected alternatives is offered for \$1,349,167 and upon review meets the City's specifications. Examples of Daktronics past projects include: HP Pavilion, San Jose; Oracle Arena, Oakland; USC Galen Center, Los Angeles; Rabobank Arena, Bakersfield and Save Mart Center, at CSU Fresno.

The proposal was structured in accordance with FMC Section 4-502(a), Design-Build Contracts, which allows the proposals to be evaluated on more than just price to achieve the best value for the City. The evaluation committee's report is attached for reference.

The Daktronics proposal meets the requested specifications and their pricing with selected alternatives is 14 percent below ANC Sports base proposal and 11 percent below A-Plus Signs base proposal. Therefore, staff

recommends that Daktronics be awarded a contract as providing the best value to the City in accordance with FMC Section 4-502(a). This staff determination was posted on the City's website on May 23, 2008.

Council may award a contract to Daktronics, Inc.

The Council may reject all proposals. If all proposals are rejected, the City will be without a contract for a scoreboard system for approximately sixty days which will severely impact the City's ability to meet the deadline for returning the Falcons to play hockey in Selland Arena in October.

#### **FISCAL IMPACT**

Funds have been appropriated for Phase III improvements to the Selland Arena which includes the scoreboard system. Council previously adopted the 44th amendment to the Annual Appropriation Resolution and corresponding reimbursement resolution on November 6, 2007. The Finance Department has indicated that they expect to bring the supporting bond issuance forward for Council approval no later than the end of July, 2008. Bonds would then be issued in early Fall 2008.

KAN/gst  
5/28/2008

Attachment: - Evaluation Committee Report

**LISTING OF PROPOSERS**

FOR: REQUEST FOR PROPOSALS FOR DESIGN, BUILD SCOREBOARD SYSTEM FOR  
SELLAND ARENA

RFP No. 2821  
RFP Opening: May 6, 2008

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<b>PROPOSER'S</b> (In alphabetical order)	<b>TOTAL PROPOSAL AMOUNT</b>
1. A-Plus Signs, Inc. 4379 N Brawley Ave Fresno CA 93722	\$1,403,906.00
2. ANC Sports Enterprises, LLC 2 Manhattanville Rd Ste 402 Purchase NY 10577	\$1,551,370.00
3. Daktronics, Inc. 331 32 <sup>nd</sup> Avenue Brookings SD 57006	\$1,172,950.00

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Each proposer has agreed to allow the City one hundred twenty (120) days from date proposals were opened to accept or reject their proposal.

**BACKGROUND OF PROJECT** (To be completed by Evaluating Department/ Division. Explain need for project/equipment):

The goal of this Request for Proposal (RFP) was to solicit proposals to design and build a new center-hung scoreboard system for Selland Arena to be in place by the time the Fresno Falcons play their first game in October 2008. The specifications included a base bid for the scoreboard system with video displays, LED displays and other necessary accessories to meet the requirements of hockey, basketball and arena football, and included ten alternate items which increased functionality or advertising space to generate revenue.

The proposal was structured in accordance with FMC Section 4-502(a), Design-Build Contracts, which allows the proposals to be evaluated on more than just price to achieve the best value for the City.

Staff recommends award of the Base Bid and alternates 1. Video/Stats Combined option (LED stats display), 4. two time of day clocks, 5. two auxiliary scoreboards, and 6. four Sponsor Panels (Back Lit), subject to review and approval of the City Attorney's office and final negotiations, if required.

See attached Committee Report .

**LISTING OF PROPOSERS**

FOR: REQUEST FOR PROPOSALS FOR DESIGN, BUILD SCOREBOARD SYSTEM FOR  
SELLAND ARENA

RFP No. 2821  
RFP Opening: May 6, 2008

**DEPARTMENT CONCLUSIONS AND RECOMMENDATION:**

Award a contract in the amount of \$ 1,349,167  
to Daktronics Inc.  
in accordance with the Selection Committee recommendation.

Remarks: Award the Base bid and alternates 1, 4, 5 and 6

Reject all proposals. Reason:

Department Head Approval

K. Nerland  
Title General Services Director  
Date 5/23/08

- Approve Dept. Recommendation       Approve GSD/Purchasing Recommendation
- Disapprove       Disapprove
- See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

*Acting* [Signature] 5/23/08  
Purchasing Manager      Date

[Signature] 5/23/08  
City Manager or Designee      Date

K. Nerland 5/23/08  
Director      Date

**REPORT FROM EVALUATION COMMITTEE  
DESIGN, BUILD SCOREBOARD SYSTEM FOR SELLAND ARENA  
RFP NO. 2821**

**COMMITTEE MEMBERS:**

Efren Banuelos, Assistant Director, Public Works Department  
Phillip Tarvin, Senior Engineering Inspector, Public Works Department CMD  
Jason MacDonald, Management Analyst III, General Services Department  
Michael C. Godoy, Executive Director of Operations, SMG  
Bob Callistro, Supervising Buyer, Purchasing Division – Purchasing Facilitator

**BACKGROUND:**

The goal of this Request for Proposal (RFP) was to solicit proposals to design and build a new center-hung scoreboard system for Selland Arena to be in place by the time the Fresno Falcons play their first game in October 2008. The manufacture of arena scoreboards which include video displays is a specialized field. Sony was the first to provide their Jumbotron LED video display, however they are no longer producing them. The only two other known video display manufacturer's that meet that level of quality were Daktronics and Mitsubishi. The specifications were prepared listing video displays manufactured by Daktronics, Mitsubishi or approved equal. The specifications included a base bid for the scoreboard system with video displays, LED displays and other necessary accessories to meet the requirements of hockey, basketball and arena football, and included ten alternate items which increased functionality or advertising space to generate revenue. Proposers were also encouraged to provide alternative configurations that they thought may suit the City's needs better. Three proposals were received and opened on May 6, 2008.

The proposal was structured in accordance with FMC Section 4-502(a), Design-Build Contracts, which allows the proposals to be evaluated on more than just price to achieve the best value for the City.

**EVALUATION BY COMMITTEE:**

The Proposal Review Committee reviewed and evaluated the proposals based on the RFP criteria which included Cost, Ability, Operational and Functional Performance, Quality of proposed equipment, Past Performance and Experience, Conformance to the Terms and Conditions of the Specifications, Best Value, and Other Pertinent Information.

ANC Sports: ANC Sports is an industry leader in arena scoreboard construction and installation, has extensive experience and expertise. ANC Sports is the sole provider of Mitsubishi video displays. ANC Sports provided a proposal which under initial review would meet our specifications at a cost of \$1,551,370 for the base bid. Examples of past performance include: Los Angeles Kings, Ottawa Senators, New York Rangers, Golden State Warriors, Los Angeles Lakers, Seattle Supersonics, and many more.

Upon a more complete review of the proposal some questions came up and were asked of ANC Sports. The most important question was that the specifications required that the proposer, at the time of bid opening, hold a valid California contractors license in order to be considered for award. ANC Sports confirmed that they do not hold a valid California contractors license and listed another contractor to perform the work, as such ANC Sports cannot be considered for award.

A-Plus Signs: A-Plus Signs is a local company which provided a proposal partnering with four other companies. All of the companies have a very high reputation in their respective fields. A-Plus Signs provided a proposal which under initial review may meet our specifications at a cost of \$1,403,906 for the base bid. Upon further review of their qualifications they did not note locations where they had supplied a similar scoreboard system. Each of the five companies partnering in the project provided references of work in their respective fields but none showed where they had provided a scoreboard system of the complexity and quality that the City is requesting. Further, the five companies did not provide evidence they had ever worked together on a project as specified in this RFP. The specifications require that the proposer identify a minimum of ten facilities where they had supplied a similar product as described in the specifications and this requirement was not met. Another concern was the quality of the LED video display panels that were proposed. The primary business of Optec Displays, Inc. is outdoor advertising LED displays which are not up

to the same quality as required of the LED video displays in the specifications.

These concerns and other technical concerns were presented to A-Plus Signs. A-Plus Signs did not provide the necessary references of where their team had installed a minimum of ten similar products as described in the specifications (center-hung scoreboard systems with LED video displays). Additionally, there was confusion by A-Plus Signs as to what LED video display board they had proposed. The specifications required a 10mm LED video display and they proposed a 5mm LED video display. Again, they did not provide references where this particular display had been installed in ten similar projects.

In order to get an objective review of the quality and functionality of the scoreboard system proposed by A-Plus Signs the City requested an independent consultant familiar with the technical aspects of these products to review their proposal. The report received upheld the Committee's opinion that the proposed system was not of the quality required in the specifications.

Daktronics: Daktronics is the other industry leader (besides ANC Sports) in arena scoreboard construction and installation, and has extensive experience and expertise. Daktronics is the sole manufacturer of their scoreboard system and video displays. Strong training and technical support for the product are available. Quality of the product offers operational dependability to meet the needs of Arena events. Daktronics provided a proposal which under initial review would meet our specifications at the lowest cost of \$1,172,950 for the base bid and provided alternate configurations that ranged in cost up to \$1,428,525. Examples of past performance include: HP Pavilion, San Jose; Oracle Arena, Oakland; USC Galen Center, Los Angeles; Rabobank Arena, Bakersfield and Save Mart Center at CSU Fresno. As part of the Committee review process references were called. The feedback received was extremely positive relative to Daktronics design, build and install process, customer service and responsiveness to customer needs.

Upon a fuller review of the proposal some questions came up about clarifications and exceptions that were taken. The questions were put to Daktronics and through a series of negotiations were answered to the satisfaction of the City which brought Daktronics back into conformity with our original requirements and would increase the base cost only \$73,412 for a total base of \$1,246,362. The committee reviewed the alternate configurations provided by Daktronics and decided that their first alternate which included video boards for stats rather than fixed stat boards would provide a much more flexible system for the cost of \$1,263,555.

The Committee recommends award of the Base Bid and alternates 1. Video/Stats Combined option (LED stats display), 4. two time of day clocks, 5. two auxiliary scoreboards, and 6. four Sponsor Panels (Back Lit) for a total cost of \$1,349,167.

## **RECOMMENDATION**

The Committee recommends that Daktronics be awarded the contract for the following reasons:

1. Their proposal meets all the RFP requirements.
2. They offer extensive experience and expertise in the assembly and installation of arena sports video installations.
3. Daktronics product offers the best value and quality of the proposals received.

Subject to review and approval of the City Attorney's office.

Attachment: Evaluation Matrix

DESIGN, BUILD SCOREBOARD SYSTEM FOR SELLAND ARENA  
FILE NO. 2821

VENDORS CRITERIA		ANC Sports RESPONSE	A-Plus signs RESPONSE	Daktronics RESPONSE
A	Cost as shown on the proposal form	\$1,551,370.00	\$1,403,906.00	Alternate Bids range from \$1,102,950 to \$1,419,755
B	Ability to meet the stated Work requirements of the Specifications	Comply	Comply	Comply
C	Operational and Functional Performance of the scoreboard system including ease of use, functionality and proposed Project features.	Comply	Comply	Comply
D	Quality of proposed equipment.	Comply	Does not comply	Comply
E	Past Performance and Experience based on references and experience shown on "Statement of Qualifications."	Comply	Does not comply	Comply
F	Conformance to the terms and conditions of the Contract Documents	Does not Comply, Does not have a Contractors License	Comply	Comply
G	Best Value comparing cost to quality and functionality of the proposed scoreboard system	Comply	Does not comply	Comply
H	Other related information			

DESIGN, BUILD SCOREBOARD SYSTEM FOR SELLAND ARENA  
 FILE NO. 2821

VENDORS CRITERIA	ANC Sports RESPONSE	A-Plus signs RESPONSE	Daktronics RESPONSE
COMMENTS			
<b>ANC Sports</b>	Good product, but does not have California Contractors license.		
<b>A-Plus signs</b>	Does not have the level of quality as required in the specifications. Does not meet the experience requirement of having ten similar product installations.		
<b>Daktronics</b>	Meets or exceeds all requirements with the lowest price to provide the best value to the City.		