



DATE: August 5, 2024

TO: Mayor and Members of the City Council

VIA: Stefan Chatwin, City Manager  
Marlene Subhashini, Assistant City Manager

FROM: Derek Schweigart, Director, Parks and Recreation  
Tiffany Oren, Recreation Manager  
Rob Lasky, IT Manager

DEPARTMENT: Parks and Recreation

SUBJECT: AUTHORIZE AGREEMENT WITH MEGA LED TECHNOLOGY FOR THE REPLACEMENT AND INSTALLATION OF TWO (2) ELECTRONIC MARQUEE DISPLAY BOARDS AT THE CORNER OF SHELL AND EAST HILLSDALE BOULEVARDS AND OTHER RELATED SOFTWARE AND CELLULAR SERVICE IN AN AMOUNT NOT TO EXCEED \$74,845.40, ESTABLISH CONTINGENCY IN THE AMOUNT OF \$7,485, AUTHORIZE A TOTAL APPROPRIATION OF \$82,331 FROM THE EQUIPMENT REPLACEMENT FUND TO THE ACCOUNT NUMBER 502-0110-413-4385 FOR FISCAL YEAR 2024-2025; AND FINDING APPROVAL OF AGREEMENT CATEGORICALLY EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES SECTION 15301

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## RECOMMENDATION

It is recommended that the City Council adopt the attached resolution authorizing:

1. The Mayor to sign an agreement with Mega LED Technology for the replacement and installation of the two (2) electronic marquee display boards for the marquee at the corner of Shell and East Hillsdale boulevards and other related software and cellular service in an amount not to exceed \$74,845.40 ; and
2. Establish a contingency in the amount of \$7,485 with authorization given to the City Manager or his designee, to execute contract change orders up to the contingency amount if necessary;
3. A total appropriation of \$82,331, representing the total contract amount and the

contingency amount, from the Equipment Replacement Fund to the account number 502-0110-413-4385 for fiscal year 2024-2025; and

4. Finding project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 (Class 1-Existing Facilities).

## EXECUTIVE SUMMARY

On June 3, 2024, the City Council approved issuance of a Request for Proposals (RFP) for replacement of the two (2) electronic marquee display boards at the corner of Shell and East Hillsdale boulevards. After issuing the RFP and conducting an extensive evaluation process, staff is recommending the proposal from Mega LED Technology for the new boards and installation. The total cost for both replacement display boards and all services is \$74,845.40. The proposal includes 5 years of cellular service, with an option for lifetime service for an additional \$1,800. Staff is recommending purchasing the lifetime service, as we would pay the same amount to provide a cellular account of our own. Total including the lifetime cellular service is \$74,845.40. Staff would also like to establish a contingency in the amount of \$7,485 representing 10% of the total contract amount. Of the total amount of \$82,331, \$52,000 has already been reserved in the Equipment Replacement Fund (ERF) and for the remaining amount of \$30,331, there is sufficient ERF fund balance available to appropriate for the funding needed.

## BACKGROUND

A Marquee has been located at the corner of Shell and East Hillsdale Boulevards since 1997 for the purpose of providing public information from both the City and various community organizations. The display boards are an effective way to reach the public due to their high visibility and immediate messaging capability. Along with numerous City uses, many local non-profit organizations such as the Foster City youth sports groups, the Foster City Library, and the Foster City Village, can advertise their events in accordance with the City's policy on use of the Marquee. A copy of the City's Marquee Policy is attached to this report (Attachment 3).

Prior to 2016 the structure consisted of a single display board. In 2016, the City Council directed staff to consider technology and structural configurations that would increase and maximize viewership, including the addition of a second display board that would be viewable by additional lanes of traffic.

The dual marquee display boards located at the corner of Shell and East Hillsdale Boulevards in Leo J. Ryan Park were installed in 2016. The boards have experienced numerous problems over the past seven years, and staff has worked with 3 different support vendors to perform repairs. Replacement LED panels for the boards are no longer being manufactured, so no further repairs can be made.

Due to the condition of the boards and lack of replacement parts for repairs, staff asked for Council authorization to issue a RFP for replacement of the marquee display boards. City Council approved the request via Resolution No. 2024-57.

## ANALYSIS

Proposals from 8 vendors were received by the City in response to the RFP. One proposal was deemed non-responsive. Excluding the non-responsive bid, Mega LED's response was the low responsible bid.

Vendor	Quote	Screen resolution (lower is better)	Software	Cellular
Arrow Sign	\$154,500.00	10mm	Ignite Opx cloud-based software	4G wireless w/ Watchfire Cellular data plan. Life of sign data plan.
Blink Signs	\$106,958.51	10mm	Ignite Opx cloud-based software	4G wireless w/ Watchfire Cellular data plan. Life of sign data plan.
Dave's Signs	\$144,879.30	10mm	ME cloud software w/ lifetime subscription	Cell modem + Lifetime Data
Empire Digital Signs	\$74,275.92	9mm	Lifetime cloud- based software	4G Lite 5yr connectivity
Fluoresco Services	\$113,487.50	10mm	Venus Control Suite Basic 10yr subscription	Daktronics Verizon Modem, 4G requires Daktronics Verizon Cell data plan
Mega LED Technology	\$74,054.40	8mm	Mega Cloud Software cloud- based	LTE modem with 60months data 4G LTE from Verizon or AT&T
Square Signs Technology, Inc.*	\$124,443.75 \$56,900.00	10mm 10mm	Ignite Opx cloud-based software	4G wireless w/ Watchfire Cellular data plan.
* Vendor did not provide full informational proposal (i.e. Qualifications, organization and staff info, samples, references, etc). Provided equipment quote with prices.				

Mega LED Technology was founded in 2007 in Los Angeles. Their headquarters was moved to Texas in 2021, but they maintain a large California customer base. In addition to submitting the lowest bid, Mega LED's proposal stood out from the competitors in several ways for the following reasons:

- They offer a 5-year parts warranty and a 10-year parts availability guarantee.
  - The component parts used to fabricate their panels can change over time, which can lead to color matching issues on older signs. In order to meet their 10-year parts availability guarantee (and avoid the color matching issue), they manufacture extra panels in each generation to store in a

- warehouse, ready to ship to customers with older signs.
- Mega LED's proposal is for an 8mm pixel pitch sign.
    - Our current sign is 16mm, so the new sign will be double the image quality (for this specification, lower numbers are better).
    - The RFP requirement was 10mm or better. Most other vendors bid 10mm panels.
  - Their panels are serviceable by the customer.
    - All the proposals were for signs that were composed of many smaller panels. By breaking up the face of the sign into smaller panels, it prolongs the life of the sign by allowing replacement of just the failed panels vs. needing to replace the entire face of the sign.
    - The Mega LED proposal highlighted how easy it is to replace a failed panel that make up the face of the sign.
    - The City will receive 2 spare panels and 2 spare power supplies to keep on hand, so City staff could perform a panel swap more quickly than waiting for a vendor to come on site.
  - Their customer references were government-related.
    - References included Military bases, schools, NASA, and the Ronald Reagan Library, so they are familiar with working with government contracting.
    - The average length of the references' relationship with Mega LED was 7 years, and reviews of support and the quality of their work was positive, with one customer saying they have only had to replace 3 panels in 7 years.
  - Access to the cloud-based software platform used to manage the content on the sign is available for free for the lifetime of the sign. They also included links to video demos of the software.
  - A cellular modem is used to communicate with the sign.
    - The current sign is connected wirelessly to the Rec Center for communications. With the Rec Center starting construction soon, using cellular for the new sign will alleviate this concern.
    - The proposal includes 5-years of cellular service, with an option for lifetime service for an additional \$1,800. Staff is recommending purchasing the lifetime service, as we would pay the same amount to provide a cellular account of our own.

## CALIFORNIA EQUALITY QUALITY ACT

This action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Title 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) as it involves the repair of an existing structure.

## FISCAL IMPACT

The total not-to-exceed agreement amount of \$73,054.40 includes parts and labor and 5

years of cellular service, with an option for lifetime service. After establishing a contingency of \$7,485, the total amount to be appropriated is \$82,331. Of this amount, \$52,000 has already been reserved in the Equipment Replacement Fund (ERF) and for the remaining amount of \$30,331, there is sufficient ERF fund balance available to appropriate for the funding needed. Therefore, staff requests Council's authorization to appropriate \$82,331 from the ERF fund balance to the account number 502-0110-413-4385.

## CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Innovation and Sustainability

## ATTACHMENTS

- Attachment 1 - Resolution
- Attachment 2 - Agreement
- Attachment 3 - Marquee Policy