

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, CPM Ph.D. *CPD*

CC: ITS Project Number 48720

Date: May 20, 2025

Re: Sole Source Certification Number 4688 to provide Daktronics Traffic Controllers for the Mississippi Department of Transportation (MDOT)

Contact Name: Naz Khan

Contact Phone Number: 601-432-8014

Contact E-mail Address: Naz.Khan@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4688 for the Mississippi Department of Transportation (MDOT), please be advised that ITS intends to award Daktronics, Inc. as the sole source provider of Daktronics Traffic Controllers through June 30, 2026, in an amount not to exceed \$26,000.00. If MDOT opts to purchase additional components, this sole source certification shall be valid through June 30, 2028. Please be advised that ITS will determine if additional components, equipment, or support, are within scope during the certification period and may increase the spending authority accordingly. Should Daktronics, Inc., change their name during this certification period, then ITS will determine if a recertification is necessary. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment B: Sole Source Procurement Overview.

Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

MDOT needs to purchase replacement field controllers for the Dynamic Message Signs (DMS) currently installed throughout the State roadways. The digital traffic message boards currently in use are manufactured by Daktronics. Due to the proprietary nature of these systems, only Daktronics replacement parts and services are compatible with the existing Daktronics message boards. These message boards operate using specific electronic components and display technologies that are uniquely designed and produced by Daktronics.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

The DMS signs in the traffic network fulfill MDOT's mission to advance safe and efficient traffic operations throughout the State. Using non-Daktronics parts will result in operational failure of the message boards, which will impact the State's ability to effectively manage traffic and ensure public safety. The DMS field controllers are proprietary to Daktronics and controllers made by other manufacturers are not compatible with the current signs in place.

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

The technology and parts in the Daktronics displays used by the Mississippi DOT were manufactured by Daktronics, are proprietary in nature to Daktronics, Inc. and cannot be purchased from any other manufacturer. Daktronics, Inc. is the sole source provider of parts and technology of MDOT's displays. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	05/20/25
Second Advertisement Date	05/27/25
Response Deadline From Objectors	06/04/25 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 06/05/25

Project Details

The Mississippi Department of Transportation (MDOT) is looking to procure field controllers for Digital Message Signs (DMS) traffic message boards that will provide safe and efficient traffic operations. Through a MDOT construction project, the winning construction vendor selected Daktronics Digital Message Boards and, due to the proprietary nature of Daktronics products, only the Daktronics controllers are compatible with Daktronics Digital Message Boards.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that Daktronics Traffic Controllers should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to Daktronics, Inc.

1.1 Interested Party Information

1.1.1 Contact Name, Phone Number and email address

1.1.2 Company Website URL, if applicable

1.2 Objection to Sole Source Certification

1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.

1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.

1.3 Comments will be accepted at any time prior to Wednesday, June 4, 2025, at 3:00 p.m. (Central Time) to Naz Khan at Naz.Khan@its.ms.gov or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Naz Khan to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

**SUBMITTED IN RESPONSE TO
Sole Source Certification No. 4688-48907
Accepted until June 4, 2025 @ 3:00 p.m.,
ATTENTION: Naz Khan**

If you have any questions concerning the information above or if we can be of further assistance, please contact Naz Khan at 601-432-8014 or via email at Naz.Khan@its.ms.gov.

Attachment A: Vendor Correspondence

Attachment B: Sole Source Procurement Overview

DAKTRONICS

201 Daktronics Drive PO Box 5128
Brookings, SD 57006-5128

tel 800-833-3157 605-697-4000
fax 605-697-4700

www.daktronics.com

4 March 2025

Mississippi DOT
401 North West Street
Suite 2041
Jackson, MS 39201

Re: Sole Source Document

ATTN: Cindy Gosa

This letter is being sent to establish that the technology and parts in the Daktronics displays used by the Mississippi DOT were manufactured by Daktronics, are proprietary in nature to Daktronics, Inc. and cannot be purchased from any other manufacturer.

Daktronics, Inc. is the sole source provider of parts and technology of your displays. Our pricing and standards for parts have been agreed to by and are acceptable to most state and local municipal authorities, and state universities, in addition to retail, sports and commercial businesses worldwide.

If you have any questions, please feel free to contact me at 1-800-325-8766.

Thank you.

Regards,
DAKTRONICS, INC.

Stacey Lichtsinn-Schmidt

Stacey Lichtsinn-Schmidt
Transportation Account Manager



Attachment B

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website (www.its.ms.gov).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment A.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$75,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.