

COUNCIL ACTION FORM

SUBJECT: LIBRARY RADIO FREQUENCY IDENTIFICATION PROJECT

BACKGROUND:

The project to convert the Library collection to a Radio Frequency Identification (RFID) system for circulation, security, and management of the Library collection was entered into the 2011-2016 Capital Improvement Program (CIP). The project was divided into two phases. Phase 1 will be executed in this current fiscal year and Phase 2 is to be executed in the next fiscal year. Phase 1 budget is \$125,000 in the current year's CIP. Phase 2 is in the 2012/13 budget in an amount of \$153,400.

Phase 1 is for tags and equipment necessary for tagging the collection. Phase 2 is to acquire the equipment necessary for self-serve circulation, security gates, and equipment supporting inventory management. This CIP project anticipates enough equipment for the renovated and expanded library under Phase 2 of the project. Should the Library locate adequate temporary space, some equipment may be used in that temporary library space during library construction.

The Request for Proposals (RFP) was sent to fifteen potential vendors from whom the Library received nine responses. The evaluation team regarded both phases of the project, since it would be in the interest of the City of Ames to realize the compatibility, as well as the pricing structure, of a uniform product.

Three responses were eliminated as they did not meet the complete requirements as stated in the RFP and were considered non-responsive. The six valid responses had various options to offer and a wide variety of pricing. The evaluation committee assessed how well the vendor met the requirements of the RFP. The evaluation committee evaluated the tagging time required for each product submitted. The evaluation team looked at the products for self check-out stations based on their ease of operation for first time users, aesthetics of the checking stations, the ability to accept cash or credit/debit card payment for fines and fees, and their ability to work off-line in the event of failure of our automated system. It also assessed the ability of each product to interface with the current integrated library system (ILS). **Cost was an important consideration. The evaluation committee used the components of the project that were constant for each proposal to compare the pricing of one response from another. This was a difficult process since there was a wide variety of functionality among the finalists.**

The evaluation team for the project was lead by Mike Quinn of the Information Services Division of the Library. Also participating in the evaluation were the Network Services Coordinator; the Circulation Division Coordinator, and the Library Director.

The scoring for the six eligible vendors, as computed by Purchasing Department is inserted below:

Request for Proposal No. 2012-077

Ames Public Library RFID Implementation

Totals with Phase 1 & Phase 2 Pricing:

Evaluator	SirsiDynix	3M Library Systems	Tech Logic	Demco	Sentry Technology	Libramation
1	94.00	80.82	74.88	71.98	74.60	71.20
2	91.90	89.12	82.88	78.68	78.90	72.70
3	89.50	85.22	75.88	70.88	69.30	54.90
4	91.00	85.82	76.48	78.48	69.00	54.30
TOTALS:	366.40	340.98	310.12	300.02	291.80	253.10

Each proposal was scored under a point matrix for the following evaluation criteria:

- Provide an efficient and simple conversion process for implementing RFID technology. (10 points)
- Enhance circulation workflow. (10 points)
- Provide real time integration with the library's current SirsiDynix Horizon ILS and any future ILS system selected by the library. (10 points)
- Improve staff efficiencies. (10 points)
- Provide integration with existing materials handling technology. (10 points)
- Reduce ergonomic issues related to barcode technology. (10 points)
- Maximize use of self-check workstations by the public, including the ability to accept credit/debit card payments. (5 points)
- Simplify future self-check-out design (5 points)
- Provide portable inventory and search options (5 points)
- Support both barcode and RFID customer library cards (5 points)
- Support non-proprietary (common) industry standards (5 points)
- Allow flexibility in future RFID technology selection and support (5 points)
- Description of services for similar projects (5 points)
- Quality and relevance of references and contact information (5 points)
- Cost: Overall cost and estimated total cost of ownership

A price comparative used by the evaluation committee is attached. The comparatives were difficult to determine, as the vendors did not offer the same products to accomplish the objectives of the project. Prices were compared among vendors when equipment was comparable. Quantities of both tags and equipment were estimated for comparative purposes. **It should be noted that adjustments were made for quantities of tags actually required to tag the collection, and for adding 2 more staff stations and purchasing the staff stations in Phase 1 instead of Phase 2. Finally, the license fee of \$9,934.65 was not included in the RFP items, but is added into the order. SirsiDynex is the lowest bidder on a unit cost basis for the stations and tags, so adjustments for actual quantities does not change the costing results.**

Of the six finalists for selection, the product marketed SirsiDynex (Bibliotheca) achieved the highest score under the criteria by all raters.

The Library's current ILS is Horizon®, a product of SirsiDynex. The corporate partnership between Bibliotheca and SirsiDynex will benefit the implementation of the RFID system for the library. A single company responsible for the interface of the two systems will assure problem resolution by eliminating "finger pointing" or blame based on the system of an outside vendor.

On February 7, 2012, Library staff met with the highest evaluated vendor, who demonstrated the SirsiDynex/Bibliotheca self-check units. Representatives of SirsiDynex/Bibliotheca then assessed the Library's needs under Phase 1 and determined that the items listed below will be necessary. This will require both the purchase and leasing of equipment. The three (3) month lease of Mobile Tag Programming Stations and the additional tag dispenser are necessary for the processing of tagging the entire collection of the Library. Once completed, the Library will only require a mobile tagging station for inventory work and other minor operations.

The following is a general list of items to be acquired for Phase 1. All items are for purchase except where noted.

270,500 Tags	\$50,056.00
Software License	\$9,934.65
18 Staff Stations	\$19,530.00
3 Tag Label Dispenser	\$1,752.30
1 Total Mobile Staff Station Hardware	\$5,112.00
Remote Training	\$750.00
Shipping and Administrative	\$2,510.00
<i>Total Purchases for Phase 1</i>	<u>\$89,644.95</u>
2 Mobile Tag Programming Stations (Leased for 3 months)	\$2,850.00

Additional Tag Dispenser (Leased for 3 months)	\$225.00
<i>Total Leased Equipment for Phase 1</i>	<u>\$3,075.00</u>
 <i>Grand Total for Phase 1</i>	 <u><u>\$92,719.95</u></u>

Upon the recommendation of the evaluation team, the Library Board of Trustees, by majority vote, selected SirsiDynix/Bibliotheca as the vendor of choice for both phases of the RFID project, and requests the City Council to award the contract.

This request is to fulfill the project requirements for Phase I and evaluate the equipment needs of Phase 2. **Both Phases 1 and 2 are being awarded to SirsiDynix at on this Council Action Form, however only Phase 1 equipment is being purchased at this time. Once the design of the renovation of the Library has been established by the architect during the next fiscal year, staff will revisit the Phase 2 needs.** The intent is to fully define the components necessary for Phase 2 and bring back to the City Council for approval a complete equipment order. SirsiDynix has agreed to hold the pricing listed in its RFP for Phase 2 of the project.

ALTERNATIVES:

1. Award the contract for Radio Frequency Identification Tagging and Equipment to SirsiDynix/Bibliotheca of Huntsville, AL in an amount not to exceed \$92,719.95 for tags and equipment under Phase 1.
2. Reject the library board’s recommendation and re-open the Request for Proposal process for project delivery.

MANAGER’S RECOMMENDED ACTION:

SirsiDynix is the highest evaluated respondent to the Library’s RFID project RFP process, and also the lowest cost response on a unit-cost basis. The Library has had a very positive experience with its products to date.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the award of contract for Radio Frequency Identification Tagging and Equipment to SirsiDynix/Bibliotheca of Huntsville, AL in an amount not to exceed \$92,719.95 for Phase 1 (FY 2011/12 in the CIP).

RFID Cost Comparatives
RFP #2012-077

Phase I	Quantity	SirsiDynix	3 M	Demco	Sentry	Tech Logic	Libramation
Tag	250,000	\$39,750	\$46,250	\$45,000	\$45,000	\$41,250	\$52,250
Hub Tag	50,000	\$9,500	\$13,250	\$14,500	\$12,000	\$12,250	\$12,500
Sting Ray Tag	10,000	\$6,900	\$6,900	\$6,800	\$7,900	\$6,900	\$9,000
Printing (b/w)	250,000	\$6,250	\$6,250	\$10,000	\$10,000	\$3,750	\$5,000
Total Tag Unit Cost		\$62,400	\$72,650	\$76,300	\$74,900	\$64,150	\$78,750
Conversion Unit							
Purchase	1	\$5,112	\$10,750	\$6,822	\$4,365	\$6,500	\$7,385
Monthly Lease (no. of months)	4	\$1,900	\$3,940	\$0	\$1,940	\$2,400	\$3,980
Total for Conversion Unit (Buy/Lease)		\$7,012	\$14,690	\$6,822	\$6,305	\$8,900	\$11,365
Total Phase 1*		\$69,412	\$87,340	\$83,122	\$81,205	\$73,050	\$90,115
Phase 2							
Staff Equipment							
Staff Station:	16	\$17,360	\$20,800	\$30,400	\$21,840	\$41,600	\$32,320
Portable Unit	1	\$4,376	\$6,000	\$8,420	\$3,945	\$5,500	\$6,045
Security Gates (dual aisle)	1	\$9,900	\$11,260	\$10,100	\$12,190	\$14,850	\$12,125
Total Staff Equip		\$31,636	\$38,060	\$48,920	\$37,975	\$61,950	\$50,490
Self Checks							
Self Check Table Top	2	\$16,378	\$19,520	\$15,600	\$20,850	\$19,520	\$19,000
Kiosk	5	\$46,210	\$52,800	\$49,000	\$62,125	\$84,750	\$84,750
Built in	5	\$38,359	\$32,800	\$38,435	\$39,625	\$26,950	\$54,975
Total Self Check		\$100,947	\$105,120	\$103,035	\$122,600	\$131,220	\$158,725
Estimate - Total Phase 2*		\$132,583	\$143,180	\$151,955	\$160,575	\$193,170	\$209,215
Total Project Cost		\$201,995	\$230,520	\$235,077	\$241,780	\$266,220	\$299,330

Phase 1 costs do not include staff workstations, software licensing, training, shipping. Quantities were changed during project assessment of actual needs to complete the project.

* Phase 2 costs are not fully defined and exclude credit card/cash vending add ons, bank set up charges, licensing agreements, installation, training, and shipping.

Vendors evaluated as unacceptable:

Intelletto: lacks phase 2 components

VTLS; many functions still under development

RFID Solutions: lacks phase 2 components