ITEM # 10
DATE: 10-22-13

COUNCIL ACTION FORM

SUBJECT: LIBRARY AUTOMATED MATERIALS HANDLING SYSTEM

BACKGROUND:

An Automated Materials Handling System (AMHS) has been included in the vision for renovated and expanded Library since planning for the project began. An AMHS provides a means by which returned library materials are automatically checked in and sorted into bins in preparation for shelving by staff. The system operates in conjunction with the radio frequency identification (RFID) inventory management approach that the Library implemented in fiscal years 2011/12 and 2012/13. It greatly reduces the amount of labor required for materials check-in and accurate sorting. It will allow members of staff to be assigned to the many new tasks that will be necessary for efficient operation of the Library that is significantly larger with public service areas on two floors.

Requests for Proposals were sent to 24 potential vendors and three responses were received. The evaluation committee assessed how well the vendors demonstrated understanding of the project and considered their qualifications, experience, references and cost. Each proposal was scored under a point matrix shown on the attached evaluation criteria form.

The evaluation team was led by the Library's Circulation Supervisor, Tracy Briseño. Other participants included representatives from Library Information Services, Network Services, Building Maintenance, and the Director. Final scoring of the proposals was computed by a City Purchasing Agent and appears below.

Request for Proposal No. 2014-017 - Automated Materials Handling System

Evaluator	RFID Library Solutions	Tech Logic	SirsiDynix
1	82.34	48.34	47.99
2	53.66	47.36	46.31
3	60.20	49.30	52.10
4	78.33	41.66	38.45
5	59.00	48.97	49.67
Pricing Score	66.00	54.75	75.00
TOTALS:	**399.53**	**290.38**	**309.52**
Base Bid*	$305,499	$369,582	$269,937

Base bids included pricing for AMH sorter, 11 bins, the software, the freight to the library, on-site installation and training as well as five years of maintenance.* ***These items were consistent from proposal to proposal, but not what was ultimately selected.*

As shown in the chart, the AMHS marketed by RFID Library Solutions achieved the highest score of the three proposals. The team was pleased that the evaluators relative rankings were consistent, even when the pricing score was not included, indicating that RFID Library Solutions not only had a competitive price, but demonstrated greatest understanding of the Library's needs.

The negotiated contract with RFID Library Solutions is slightly different from the base bid, as the Request for Proposal provided cost options for various components to allow the Library to get the best system for the new facility.

Base Bid	**$305,499**
*Less Maintenance fees**	*- 60,000*
Add bin induction module*	***+ 16,500***
Add six return bins	**+ 24,000**
Add one oversized bin and sorter bin	**+ 4,015**
Total	**$290,014**

** Maintenance fees of $15,000 for the new system are included in the proposed 2014-2015 operating budget and are not included in the contract. The bin induction module for $16,500 allows staff to wheel bins from front returns to the system and machine for induction. RFID Library Solutions was the only company to provide this labor saving option.*

Library staff has met with a representative of RFID Library Solutions to discuss the project and work out the details of a contract for an AMHS that can be installed prior to the re-opening of the Library. **Upon the recommendation of the evaluation team, the Library Board of Trustees voted unanimously on October 10, 2013, to select RFID Library Solutions as the vendor of choice for the Automated Materials Handling System in the Library and adopted a resolution recommending that City Council award the contract.**

Funds for the project were included in the Capital Improvement Plan (CIP) when it was presented in 2011. In 2012, the Library Board was able to budget for the AMHS in the Library Renovation and Expansion Project and the dollars be removed from the CIP. **The Library project budget contained $260,000 for automated materials handling, the additional $30,014 will come from project contingency budget of $1,107,227.**

ALTERNATIVES:

1. Award the contract for the purchase of an automated materials handling system to RFID Library Solutions of Maple Grove, MN, in the amount of $290,014 using Library Renovation and Expansion Project funds.

2. Do not award the contract.

MANAGER'S RECOMMENDED ACTION:

An automated materials handling system for the Library is essential for the success of the operations of the renewed Library facility and will help provide efficiencies to staff to create the best possible customer experience.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the award of a contract for the purchase of an automated materials handling system to RFID Library Solutions of Maple Grove, MN, in the amount of $290,014 using Library Renovation and Expansion Project funds.

EVALUATION MATRIX FORM: RFP NO. 2014-017
(Ames Public Library Automated Materials Handling System)

VENDOR: _____ **EVALUATED BY:** _____

1	**Responsiveness to proposal requirements:** • Does the proposal comply with the submittal requirements?	**Acceptable** ☐					**OR**	**Not Acceptable** ☐			
	Evaluation Criteria	**(-)**		**Score**		**(+)**	**Points Scored**		**Weighting Factor**		**Weighted Total Score**
		1	**2**	**3**	**4**	**5**					
2	**Understanding of the Project** • Ability to perform tasks specified in this RFP including:										
	• Patrons do not have to place items in the drop in any special way or one at a time										
	• Continuous automatic check in 24/7 regardless of staff presence										
	• System can prioritize patron inducted materials over staff inducted materials										
	• Machine induction option by bin and tote										
	• System reduces staff labor output										
	• Intuitive patron and staff interface										
	• System shall be configurable to accept all items										
	• System is capable of being expanded										
	• Architectural rendering that addresses specified requirements of the RFP										
	• Solution design elegance										
	• Compatibility with SirsiDynix Horizon										
	• Compatibility with Microsoft Windows 7, 8, 2008, 2008 R2, 2012, and touch screen										
	• Ease of use and learning for patrons and staff										
	• Interoperability with other vendors										
	• Error messaging										
	• Onscreen and verbal (if capable) prompts										
	• Ability to provide reports as needed										
	• Ability to sort by item type or status (ie. “on hold,” “lost,” “in transit”)										
	• Ability to provide an interactive interface for staff to “see” and “fix” errors from a remote location										
	• Quality of Service (installation, training, warranty, maintenance contract) as compared to competitors and references either provided or discovered.							**x**	**35**	**÷ 5**	

EVALUATION MATRIX FORM: RFP NO. 2014-017 (Continued)

	Evaluation Criteria	(-) Score (+) 1	2	3	4	5	Points Scored		Weighting Factor		Weighted Total Score
3	**Vendor Qualifications** • Technological expertise • Experience of similar projects • Financial stability, longevity, & strength of vendor • Training & support offered by the vendor							x	25	÷ 5	
4	**Experience/References** • Description of services for similar projects • Quality and relevance of references and contact information							x	25	÷ 5	
5	**Cost** • Overall cost of Bidder's proposal and estimated total cost of ownership.	**(Purchasing will score Cost)**						x	15	÷ 5	
	MATRIX TOTALS										

<u>The ratings are as follows</u>:

1 = Does not meet requirements

2 = Does not meet requirements (below average, very weak)

3 = Meets requirements (meets requirements as outlined in the technical requirements section)

4 = Meets requirements (above average)

5 = Meets requirements (exceeds expectations)

Scoring Cost: The lowest proposed cost will receive 5 points. To score the next lowest proposed cost, divide the lowest proposed cost by the second lowest proposed cost. This will give a percentage that will be multiplied by the weighting factor. The third lowest proposal will be scored in the same manner.

Each member of the evaluation team prepares an evaluation matrix for each proposal by checking the score that reflects his/her evaluation of the vendor's capability regarding each criterion (1 is the worst score and 5 is the best score).

The formula to calculate the weighted total score for each criterion is as follows: points scored x weighting factor divided by the highest number of points possible = weighted total score. The weighted total scores are then added together to determine the matrix total.

Vendor-by-vendor, the matrix totals are added together and then divided by the number of matrices to determine the vendor's overall average score.