



ADMINISTRATIVE REPORT

Report Date: June 25, 2010
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VanRIMS No.: 08-2000-20
Meeting Date: July 6, 2010

TO: Vancouver City Council
FROM: City Librarian, Vancouver Public Library
SUBJECT: Award of Contract for Radio Frequency Identification (RFID) Equipment

RECOMMENDATION

- A. *THAT, subject to the conditions set out in Recommendations B, C and D, the City Librarian be authorized to enter into a contract with 3M Company for the purchase of RFID equipment and tags at an estimated value of \$2,067,525 plus HST (less any municipal rebate received), with the funding to be provided by the 2009 and 2010 Library Basic Capital Budgets for RFID.*
- B. *THAT the Director of Legal Services and the City Librarian (or the Library's Director Corporate Services) be authorized to execute and deliver on behalf of the Library all legal documents required to implement Recommendation A.*
- C. *THAT all such legal documents be on terms and conditions satisfactory to the City Librarian and the Director of Legal Services.*
- D. *THAT no legal rights or obligations will be created or arise by Vancouver Public Library Board's and Vancouver City Council's adoption of Recommendations A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services and the City Librarian (or Library's Director Corporate Service).*

CITY LIBRARIAN'S COMMENTS

The City Librarian recommends A to D.

CITY MANAGER'S COMMENTS

The City Manager recommends A to D. The City Manager, City's Chief Financial Officer, City Librarian, and Library's Director Corporate Services (collectively "The Library's Bid Committee") have reviewed and endorsed this award.

COUNCIL POLICY

Vancouver Public Library Board and Vancouver City Council approval is required on the award of any contract which is procured by way of a formal invitation to tender and which has a total purchase price in excess of \$2,000,000.

The policy of Council and the Library Board is to award contracts for the purchase of equipment, supplies, and services that will give the highest value based on quality, service, and price.

PURPOSE

This report seeks Council authorization to award the contract for the purchase of Radio Frequency Identification equipment and tags.

BACKGROUND

Libraries are heavily invested in inventory circulation functions (i.e., materials handling). For libraries, such tasks have traditionally represented - by far - the largest staff investment. Since the late 1950s, when machine-created library catalogue cards replaced hand-typed cards, to the introduction of the Integrated Library System (ILS) in the late 1970s, when the online catalogue made catalogue card filing obsolete, technology has had profound impacts on library activities. The latest technology revolution in library circulation started in the 1990s, with the introduction of Radio-Frequency Identification (RFID) tags in public and academic libraries. Since then, the number of RFID-based libraries is increasing across the globe.

RFID is now reaching early maturity as a library inventory control system. The technology has been implemented in hundreds of libraries across North America and internationally.

DISCUSSION

The Library issued a Request for Proposals (RFP) on April 9, 2010. The RFP was posted to BCBid. The tenders were opened on May 21, 2010. Tenders were received from four vendors, 3M Company, Libramation, Tech-Logic, and Integrated Technology Group.

The prices listed in table 1, below, are based unit rates with estimated quantities for the work specified in the tender. HST (less any municipal rebate received) is in addition to all prices shown below.

A VPL staff committee closely reviewed all submissions and shortlisted to two vendors, who were invited for interviews intended to clarify and elaborate on their submissions.

The Library has openly discussed the RFID project with CUPE 391 for many months, updating the union with information and progress related to the technology and the project planning, through the Joint Technological Change Committee and the Union Management Committee.

After the evaluation, 3M Company emerged as the strongest tender, meeting specifications/requirements and providing best overall value to the Library and City.

On June 25, 2010 the Library's Bid Committee reviewed the award and recommends that the Library Board and Council approve the award to 3m Company.

Proponent	Tender Price
Bid # 1	\$2,067,525
Bid # 2	\$2,224,642
Bid # 3	\$2,347,300
Bid # 4	\$2,666,957

FINANCIAL IMPLICATIONS

The total estimated base contract award is \$2,067,525. The vendor will be paid for the actual quantities of equipment and tags. These costs may be higher or lower than the estimated value of the contract award; however, the costs will not exceed the funding provided for Radio Frequency Identification in the 2009 and 2010 Library Basic Capital Budgets.

CONCLUSION

Following a public procurement process and evaluation of the tenders submitted for the RFID equipment, The City Librarian recommends that 3M Company be awarded the contract as providing the best value to the Library.

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