

Automated Materials Handling System

Date:	January 18, 2010
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request Toronto Public Library Board approval for the extension of the award of contract to P.V. Supa Inc. to acquire additional Automated Materials Handling Systems for the Toronto Public Library (TPL) as per the Library’s Request for Proposal for Automated Materials Handling System – Cedarbrae Branch. Since subsequent installations will result in the value of the contract exceeding \$500,000, Board approval is required.

P.V. Supa Inc. was the successful proponent for the Request for Proposal – TPL 24/2009 to supply an Automated Materials Handling System for Cedarbrae Branch. The contract for the Cedarbrae Branch was awarded within the signing limit of the City Librarian in December 2009 to meet construction deadlines.

The installation at Cedarbrae is being evaluated as a pilot for other installations. Subject to a successful pilot, the extension of the contract to subsequent installations will provide a standardized Automated Materials Handling System which will be in the best interest of the Library.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. authorizes the extension of the award of contract to P.V. Supa Inc. for additional Automated Materials Handling Systems, as required and within the approved budget, for a period of three years, with a provision to extend the contract for two additional years based on satisfactory performance and technological changes, subject to successful completion of the pilot project at Cedarbrae Branch; and
2. authorizes and directs Library staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

This recommendation positions the Library to proceed with implementing a standardized Automated Materials Handling System in additional locations with the vendor who has been selected through an RFP process. The average cost of an Automated Materials Handling System is approximately \$200,000. The potential number of installations is 10 to 12 branches in the long-term of which five to seven branches could be installed over the next five years. Funding for any future system would be requested through the capital budget process.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

Express check-out using RFID technology has been a part of the Capital Budget for all branches undergoing major renovations since 2006. The 2009 - 2013 Capital Budget and Plan, adopted by the Library Board on December 15, 2008, included funding for the multi-year Self Service for Open Hours Capital Project, running from 2009 - 2012. This project is an approved part of the 2010 Capital Budget as well.

ISSUE BACKGROUND

Express check-out has been implemented at 16 locations. By 2012, an additional 31 locations will be added. Preparing the collections for express check-out involves attaching an RFID tag to each item. Moving forward with implementation, a critical mass of library materials has been tagged, creating the opportunity to implement automated check-in and sorting systems using the same RFID technology with an Automated Materials Handling System.

An automated check-in and sorting system means that customers return their library materials through an automated book drop located in the branch. The Automated Materials Handling System checks in the material and sorts it via a conveyor belt system, which separates materials by destination both within and outside of the branch. Benefits to the customer include no waiting in line to return library materials, faster filling of holds and the faster return of library materials to the shelves. Benefits to staff include reduced materials handling and increased branch efficiency.

An Automated Materials Handling System will be piloted at the Cedarbrae Branch when it re-opens in 2010 after a major renovation. Cedarbrae is a large, busy library where the scale of operations is appropriate to such a system.

P.V. Supa Inc. was awarded the contract to supply Toronto Public Library with an Automated Materials Handling System for Cedarbrae Branch as the successful proponent for RFP – TPL24/2009 in November 2009.

A complete evaluation of all of the proponents was undertaken during the RFP process, which included a live demonstration at Toronto Public Library.

COMMENTS

A thorough evaluation of the Cedarbrae pilot project will be undertaken following its installation, including a technical and performance review and a customer satisfaction study. If the pilot is successful, it will be in the Library's best interest to incorporate these systems into other TPL branches as part of the capital program. The opportunity for increased efficiency at larger branches with high circulation is significant. Approving the continued use of the selected vendor will standardize the equipment and the process, as well as streamline subsequent installations. Such further installations will be subject to budget availability and will follow the purchasing policies of the Library. The cost will vary according to the size of the installation with an average cost of \$200,000.

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SIGNATURE

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