



# City of Corona

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## Legislation Details (With Text)

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**Title:** City Council consideration of an Exception to Bid to Bibliotheca for the sole source material purchase and installation of the Bibliotheca flexAMH Automated Materials Handling System at the Corona Public Library.

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**Attachments:** 1. Staff Report, 2. Resolution No. 2018-113 (AMH), 3. Bibliotheca Quote #QUO-60034-K4Q6, Rev4, 4. City of Orange- Bibliotheca- agenda report, 5. County of San Diego Contract 555957

Date	Ver.	Action By	Action	Result
10/16/2019	1	City Council	approved	Pass

### AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

**DATE:** 10/16/2019

**TO:** Honorable Mayor and City Council Members

**FROM:** Library and Recreation Services Department

**SUBJECT:**

City Council consideration of an Exception to Bid to Bibliotheca for the sole source material purchase and installation of the Bibliotheca flexAMH Automated Materials Handling System at the Corona Public Library.

**RECOMMENDED ACTION:**

That the City Council:

1. Authorize the Purchasing Manager to issue a purchase order to Bibliotheca in the amount of \$129,931.87 for the purchase and installation of the Bibliotheca flexAMH - Automated Material Handling System pursuant to Corona Municipal Code (CMC) section 3.08.140 (B) "No competitive market" and 3.08.140 (E) "Purpose of bidding is otherwise accomplished".
2. Authorize the Purchasing Manager to approve necessary purchase order change orders up to the amount provided by CMC 3.08.080 (I).

3. Authorize an appropriation of \$83,763 from the Library Facilities Fee Fund 206 to the capital project titled 'Library Automated Materials Handling System,' Project 72590.

**ANALYSIS:**

Automated materials handling (AMH) refers to automation that reduces or eliminates the need for humans to check-in, sort, or move bins containing library materials. The mechanical equipment used in AMH systems includes check-in machines and sorters. The AMH system also includes patron returns - one near the library's exterior entrance and another inside the library. Each return point receives materials on a conveyor and transfers them to the sorter. Materials are, then, sorted into bins according to a pre-programmed category (i.e., adult fiction, adult new, etc.).

In 2015, the Corona Public Library initiated automated handling with the installation of the *Bibliotheca RFID check-out automation system along with RFID security technology*. The installation included 3 self-check-out machines, RFID tags, RFID security gates, and Liber8 software.

Before deciding on an RFID system in 2015, the library staff researched available AMH systems by visiting various libraries to see system operations and garner user feedback on the strengths and weaknesses of each system from check-out to return. Based on provided input, staff determined the automated system from Bibliotheca best met the needs of the Corona Public Library (CPL).

The existing RFID self-checkout system processes more than 130,000 items. There is an effort to transition more patrons to the system as automation reduces circulation desk staffing levels by one-third. Unfortunately, library staff checks in 330,000 items, one at a time, annually, thus, nullifying any staff savings. The accuracy of this manual check-in process, due to conflicts between check-out and return software, is approximately 75%. This results in inaccurate recording of returned materials and false late fees charged against patrons. Transitioning to the AMH System for check-in is expected to increase accuracy to 95% and eliminate the time needed to correct account impacts. For software consistency, CPL determined a Bibliotheca AMH system would be best suited to integrate with the existing Bibliotheca RFID system.

Resolution number 2018-113 was approved by City Council on November 7, 2018. It specified Bibliotheca as the selected brand designation for the flexAMH Automated Materials Handling System. Bibliotheca is the sole manufacturer of its RFID systems and flexAMH system and has no authorized resellers for a competitive solicitation process.

However, using Bibliotheca for the installation of the equipment will:

- Provide a long service life based on a history of reliability and durability;
- Promote cost savings and efficiency in staff time;
- Ensure standardized training in equipment operations;
- Decrease replacement, repair, and maintenance issues and costs; and
- Ensure systemwide compatibility in automated circulation software.

The purchase of the flexAMH System requires Bibliotheca to perform the physical delivery and installation of the flexAMH System which includes equipment assembly, system power-up, and software configuration.

It is important to note the preparatory construction portion of the project will be conducted through the City's approved formal Public Project bidding process. The scope of construction work will consist of redesigning the book drop opening inside the library to accommodate the flexAMH conveyor system and creation of a book drop on the building's exterior for after-hours returns. The formal bidding for the construction phase will begin November 2019.

The County of San Diego issued a formal RFQ 7885 in 2017 for an AMH sorter for their Solana Beach library and received responses from four vendors, including Bibliotheca. The County's RFQ vendor selection process determined Bibliotheca to be the best value bidder and awarded Contract 555957. Their selection criteria included Price, Automated Materials Handler (AMH) features, Maintenance and Support, Delivery and Installation.

In addition to the County's formal RFQ, the City of Orange also went out to bid competitively for their first automated handling sorter in 2003. The awarded best value bidder was Bibliotheca. In 2018, the City of Orange needed to replace their end-of-life Automated Materials Handling (AMH) sorter for the Orange Public Library and History Center. They piggy-backed from the County of San Diego's formal RFQ contract award for their new sorter. The City of Orange was able to receive similar pricing to the County of San Diego. Bibliotheca is currently proposing similar pricing that has been provided to the City of Orange. Upon review of the proposal submitted to Corona, it was determined that Corona's proposed pricing is less than that paid by the City of Orange due to bin pricing (-\$20 per bin) and material freight at \$2,700 less than Orange. Additionally, there are no costs associated with removal as this is Corona's first AMH system. The AMH equipment purchase and construction portion of the project is part of the final phase of the Library's automation project initiated in 2015.

This purchase is pursuant to CMC 3.08.140 (C) titled, "Competitive bidding already completed" which states "when the authorizing agent and the authorized contracting party, with the approval of the City Manager, determines that a competitive bid procedure conducted by another public agency including but not limited to another local agency, state through the California Multiple Award Schedule (CMAS), federal government through the General Services Administration (GSA), the US Communities Government Purchasing alliance, or the Western States Contracting alliance, and, that the price to the City is equal to or better than that public agency." This purchase is also pursuant to CMC 3.08.140 (B) titled, "No Competitive Market" which states "when the purchasing agent and the authorized contracting party, with the approval of the City Manager determines, in accordance with applicable law, that a competitive market does not exist and that no competitive advantage will be gained by the public bidding process."

**COMMITTEE ACTION:**

Not Applicable.

**STRATEGIC PLAN:**

This item supports the City's Strategic Plan Goal 4: "Actively engaging in public and private partnerships to provide services and amenities."

**FISCAL IMPACT:**

With approval of the recommended actions, funding will be available as noted in the following tables. CFD developer funds within Fund 206 will account for \$49,220 of the requested appropriation total of \$83,763.00.

Project	Fund	Account	Available Funding	Requested Appropriation	Total Available
Library Automated Materials Handling System	206	72590	\$46,168.92	\$83,763.00	\$129,931.92

Fund	07/01/19 Est. Fund Balance	Budgeted Revenues/ Sources	Budgeted Expenditures/ Uses	Fund Balance Impacts	06/30/20 Est. Fund Balance
Library Facilities Fee Fund 206	\$192,596	\$102,591	(\$867)	Appropriation (\$83,763)	\$210,557

QTY. 1 - FLX000001-000-US - flexAMH System with bulk Separator - \$121,472.89

QTY. 5 - AMH200041-000-US - AMH Bin large 900 x 600x 865mm - \$4,997.50

QTY. 1- SHP000001-000-US - Shipping and Administration - \$3,461.48

**ENVIRONMENTAL ANALYSIS:**

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

**PREPARED BY:** KATHERINE BACKUS, MANAGEMENT ANALYST

**REVIEWED BY:** DAVID MONTGOMERY-SCOTT, LIBRARY AND RECREATION SERVICES DIRECTOR

**REVIEWED BY:** CITA LONGSWORTH, PURCHASING MANAGER

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** MITCHELL LANSDELL, INTERIM CITY MANAGER

**Attachments:**

1. Resolution No. 2018-113
2. Quote Number: Quo-60034-K4Q6, Rev:4
3. City of Orange Agenda Report
4. County of San Diego Contract 555957