**ITEM 9.**     **TENDER - LIBRARY TECHNOLOGY - RFID SOLUTION**

**FILE NO:**     S123384

**TENDER NO:**     1572

## SUMMARY

This report provides details of the results of a tender for the supply, installation, commissioning and ongoing support and maintenance of Radio Frequency Identification (RFID) equipment and services in 11 City of Sydney libraries.

RFID refers to the electronic tagging of library books, magazines and media, and the use of self-serve automated library check-out / check-in kiosk facilities by library patrons to check-in and check-out tagged items independently of library staff.

The introduction of RFID technology and services will redefine library processes for patrons and staff by improving the use of limited space in library buildings, releasing staff from repetitive transactional tasks and facilitating greater focus by staff on the delivery of branch-run programming and user education activities. Interaction and engagement with library patrons will be further enhanced through the proposed introduction of "concierge" roles to greet, assist and assess library patron needs.

Tender submissions were called for appropriately experienced and qualified contractors to supply, install, integrate with existing systems, commission and provide ongoing support of an RFID Solution.

The tender proposed the outright purchase of the RFID equipment and a three year support and maintenance arrangement.

Two tender submissions, offering various options, were received and evaluated.

This report recommends that Council accept the tender offer of Tenderer 'A' for the RFID equipment and services.

## RECOMMENDATION

It is resolved that:

(A)     Council accept the tender offer of Tenderer 'A' to supply, install, integrate with existing systems, commission and provide ongoing support and maintenance of Radio Frequency Identification (RFID) equipment and services in 11 City of Sydney libraries for a period of three years; and;

(B)     authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender.

**ATTACHMENTS**

**Attachment A:** Tender Evaluation Summary (Confidential)

**(As Attachment A is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)**

**BACKGROUND**

1.  The City Library Network manages 450,000 items available for loan to the public via a floating collection. The role of the City Library Network is evolving to facilitate greater access to technology, digital literacy, learning and creativity, with a focus on trend-setting digital resources to educate and connect the community, innovative programming to engage the community and welcoming spaces and to enhance the liveability of the City.

2.  The facilities and services that are the subject of this tender support initiatives to implement world class self-service technologies in the City of Sydney libraries as a catalyst to transform the library culture, enhance the customer experience, improve use of limited space in library buildings, allow staff to provide more responsive library services (including branch-run programming and user education activities), and to meet key performance indicators.

3.  Interaction and engagement with library patrons will be further enhanced through the proposed introduction of "concierge" roles to greet, assist and assess library patron needs. There is no expected impact on existing staffing levels from these changes, which include the repositioning of branch staff responsibilities to enable staff delivery of branch-run programming and user education activities.

4.  The proposed RFID technologies will deliver RFID tags for assets, self-service borrowing kiosks, security gates and staff service pods. The solution will deliver an automated private self-service check-in and check-out facility which offers language of choice for library patrons. Patrons can borrow and return items independently of staff, with real-time electronic updates to their borrowing status and history. Each physical item is tagged with an RFID tag which contains information about the item.

5.  Implementation of the proposed RFID and self-check machines broadly across the entire City of Sydney library network was a key recommendation from the 2013 internal and external State Library of NSW review. This project is supported in part by a $100K grant from the State Library of NSW to drive the impetus for all public libraries to use RFID technology to improve efficiency and customer services.

6.  Tender submissions were sought for the supply, installation, commissioning and ongoing support and maintenance of RFID equipment and services in 11 City of Sydney Library locations.

**INVITATION TO TENDER**

7.  The tender was advertised in The Sydney Morning Herald and The Daily Telegraph and on the Council's E-Tender website on Tuesday 10 November 2015.

8.  The tender was open to the public from Tuesday 10 November to Thursday 10 December 2015.

**TENDER SUBMISSIONS**

9.  Submissions were received from the following organisations (listed alphabetically):

    - Bibliotheca RFID Library Systems Pty Ltd

    - FE Technologies Pty Ltd

10. No late submissions were received.

**TENDER EVALUATION**

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.

12. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.

13. All submissions were assessed in accordance with the approved evaluation criteria being:

    (a) demonstrated experience in delivery of similar RFID facilities and services;

    (b) meeting the specifications in the tender;

    (c) proposed solution and implementation program;

    (d) service levels;

    (e) major services agreement acceptance;

    (f) financial and commercial trading integrity including insurances;

    (g) environmental management;

    (h) Workplace Health & Safety; and

    (i) lump sum price and schedule of prices.

**PERFORMANCE MEASUREMENT**

14. Performance measurement will be through monthly reporting to the City on the availability of the facilities, incident management and service requests against agreed targets.

**FINANCIAL IMPLICATIONS**

15. There are sufficient funds allocated for this project within the current year's budget and future years' forward estimates.

**RELEVANT LEGISLATION**

16. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.

17. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:

    (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and

    (b) prejudice the commercial position of the person who supplied it.

18. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

## CRITICAL DATES / TIME FRAMES

19. The proposed implementation program is scheduled to run over six months following Council approval and contract execution. The program will be coordinated with City Property, who are performing the necessary civil works at each of the 11 sites.

## OPTIONS

20. Accept the tender offer of Tenderer 'A' to supply, install, integrate with existing systems, commission and provide ongoing support for a period of three years.

21. The only other option is to not proceed with a RFID solution as proposed. This is not recommended. The introduction of RFID facilities at the City's libraries is a necessary step in improving and maintaining a high level of responsive services through innovation, technology and excellent customer service service to our library clients.

## PUBLIC CONSULTATION

22. There has been no public consultation regarding the tender.


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