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CITY COUNCIL STAFF REPORT

DATE: April 18, 2012 CONSENT AGENDA

SUBJECT: APPROVE CONTRACT WITH MK SORTING SYSTEMS FOR THE PURCHASE AND INSTALLATION OF AN AUTOMATED MATERIALS HANDLING SYSTEM AND COMPLETION OF THE RADIO FREQUENCY IDENTIFICATION SYSTEM FOR ALL LIBRARY MATERIALS

FROM: David H. Ready, City Manager

BY: Barbara Roberts, Director of Library Services

SUMMARY

As part of the Library's plan to improve staff efficiencies and provide better service to the public, the installation of an automated materials handling system is recommended which will reduce the handling of returned materials from 8 steps to 2, and provide immediate materials check-in for the public.

RECOMMENDATION:

1. Approve the contract with MK Sorting Systems, Simsbury, CT, in the amount of \$359,201.19, for the purchase and installation of an Automated Materials Handling System and the completion of the Radio Frequency Material Identification System.

STAFF ANALYSIS:

The Library circulates over 400,000 items per year. When items are returned, staff currently handles each one 8 times before it is back on the shelves. This totals 3,200,000 hand movements during the year.

The current system also damages the items, since they drop onto the floor or into a bin when returned. The public also has no proof of having returned an item. If the Library is short staffed, it may take nearly a week to process all the items and return them to the shelves.

Recently, libraries have increasingly turned to Radio Frequency Identification Systems for accurate collection identification and ease of check-out and check-in for the public. Automated Material Handling Systems provide quiet, seamless, automated handling of all materials checked-out and checked-in.

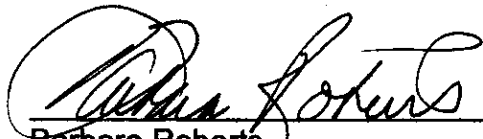
ITEM NO. 28

The proposed Automated Materials Handling System and Radio Frequency identification of all materials will reduce the current staff intensive nature of the materials circulation function, provide the ability for staff to give better customer service, and provide a more accurate record of customer transactions.

A comprehensive Request for Proposals process was conducted and six firms responded. After careful review, two firms were short-listed for presentations and interviews. MK Sorting Systems was selected by the evaluation committee and after extensive negotiations, site visits, and final system configuration, staff is recommending award of the contract.

FISCAL IMPACT:

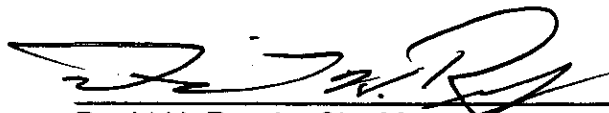
The Library Board of Trustees has voted to approve and expenditure for the total cost of \$359,201.19 from the Library Endowment/Trust fund. No General Fund dollars would be required.



Barbara Roberts
Director of Library Services



Thomas Wilson
Assistant City Manager



David H. Ready, City Manager

Library Automated Materials Handling System

THIS CONTRACT SERVICES AGREEMENT ("Agreement") is entered into, and effective on _____, 201_, between the CITY OF PALM SPRINGS, a California charter city and municipal corporation, ("City") and mK Sorting Systems, Inc. ("Contractor"). City and Contractor are individually referred to as "Party" and are collectively referred to as the "Parties".

RECITALS

A. City has determined that there is a need for a new Automated Materials Handling System at the Library Center ("Project").

B. Contractor has submitted to City a proposal to provide a new Automated Materials Handling System to City for the Project under the terms of this Agreement.

C. Contractor is qualified by virtue of its experience, training, education, reputation, and expertise to provide these services and has agreed to provide such services as provided in this Agreement.

D. City desires to retain Contractor to provide such contract services.

In consideration of these promises and mutual obligations, covenants, and conditions, the Parties agree as follows:

AGREEMENT

1. SERVICES OF CONTRACTOR

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contractor agrees to perform the contract services set forth in the Scope of Services described in Exhibit "A" (the "Services" or "Work"), which is attached and incorporated by reference. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and contract services and that Contractor is experienced in performing the Work and Services contemplated and, in light of such status and experience, Contractor covenants that it shall follow the highest contract standards in performing the Work and Services required in this Agreement. For purposes of this Agreement, the phrase "highest contract standards" shall mean those standards of practice recognized as high quality among well-qualified and experienced contractors performing similar work under similar circumstances.

1.2 Contract Documents. The Agreement between the Parties shall consist of the following: (1) this Agreement; (2) the Scope of Services; (3) the City's Request for Proposals; and, (4) the Contractor's signed, original proposal submitted to the City ("Contractor's Proposal"), (collectively referred to as the "Contract Documents"). The City's Request for Proposals and the Contractor's Proposal, which are both attached as Exhibits "B" and "C", respectively, are incorporated by reference and are made a part of this Agreement. The Scope of Services shall include the Contractor's Proposal. All provisions of the Scope of Services, the City's Request for Proposals and the Contractor's Proposal shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1st) the provisions of the Scope of Services (Exhibit "A"); (2nd) the provisions of the City's Request for Proposal (Exhibit "B"); (3rd) the terms of this Agreement; and, (4th) the provisions of the Contractor's Proposal (Exhibit "C").

1.3 Compliance with Law. Contractor warrants that all Services rendered shall be performed in accordance with all applicable federal, state, and local laws, statutes, ordinances lawful orders, rules, and regulations.

1.4 Licenses, Permits, Fees, and Assessments. Contractor represents and warrants to City that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Work and Services required by this Agreement. Contractor represents and warrants to

City that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, qualification, or approval that is legally required for Contractor to perform the Work and Services under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the Work and Services required by this Agreement. Contractor shall indemnify, defend, and hold harmless City against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City to the fullest extent permitted by law.

1.5 Familiarity with Work. By executing this Agreement, Contractor warrants that Contractor (a) has thoroughly investigated and considered the Scope of Services to be performed, (b) has carefully considered how the Services should be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services. Should the Contractor discover any latent or unknown conditions that will materially affect the performance of the Services, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the City.

1.6 Care of Work. Contractor shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components to prevent losses or damages. Contractor shall be responsible for all such damages, to persons or property, until acceptance of the Work by the City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

1.8 Additional Services. City shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from such Work. No such extra work may be undertaken unless a written order is first given by the City to the Contractor, incorporating any adjustment in (i) the Maximum Contract Amount, as defined below, and/or (ii) the time to perform this Agreement. Any adjustments must also be approved in writing by the Contractor. Any increase in compensation of up to twenty-five percent (25%) of the Maximum Contract Amount or \$25,000, whichever is less, or in the time to perform of up to thirty (30) days, may be approved by the City Manager, or his designee, as may be needed to perform any extra work. Any greater increases, occurring either separately or cumulatively, must be approved by the Palm Springs City Council. It is expressly understood by Contractor that the provisions of this section shall not apply to the services specifically set forth or reasonably contemplated within the Scope of Services.

2. COMPENSATION

2.1 Maximum Contract Amount. For the Services rendered under this Agreement, Contractor shall be compensated by City in accordance with the Schedule of Compensation, which is attached as Exhibit "D" and incorporated in this Agreement by reference. Compensation shall not exceed the maximum contract amount of Three Hundred Fifty Nine Thousand Two Hundred One Dollars and Nineteen Cents, (\$359,201.19) ("Maximum Contract Amount"), plus \$24,113 per year for ongoing support, maintenance and warranty commencing after the first year warranty expires and subject to a 2% annual increase, except as may be provided under Section 1.8. The method of compensation shall be as set forth in Exhibit "D." Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated under Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation. The Maximum Contract Amount shall include the attendance of Contractor at all Project meetings reasonably deemed necessary by the City. Contractor shall not be entitled to any increase in the Maximum Contract Amount for attending these meetings. Contractor accepts the risk that the services identified in the Scope of Services may be more costly and/or time-consuming than Contractor anticipates, that Contractor shall not be entitled to additional compensation, and that the provisions of Section 1.8 shall not be applicable to the services identified in

the Scope of Services. The maximum amount of city's payment obligation under this section is the amount specified in this Agreement. If the City's maximum payment obligation is reached before the Contractor's Services under this Agreement are completed, Contractor shall complete the Work and City shall not be liable for payment beyond the Maximum Contract Amount.

2.2. **Method of Payment.** Unless another method of payment is specified in the Schedule of Compensation (Exhibit "D"), in any month in which Contractor wishes to receive payment, Contractor shall submit to the City an invoice for services rendered prior to the date of the invoice. The invoice shall be in a form approved by the City's Finance Director and must be submitted no later than the tenth (10) working day of such month. Such requests shall be based upon the amount and value of the services performed by Contractor and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. City shall use reasonable efforts to make payments to Contractor within forty-five (45) days after receipt of the invoice or as soon as is reasonably practical. There shall be a maximum of one payment per month.

2.3 **Changes in Scope.** In the event any change or changes in the Scope of Services is requested by City, Parties shall execute a written amendment to this Agreement, specifying all proposed amendments, including, but not limited to, any additional fees. An amendment may be entered into:

A. To provide for revisions or modifications to documents, work product, or work, when required by the enactment or revision of any subsequent law; or

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Contractor's profession.

2.4 **Appropriations.** This Agreement is subject to and contingent upon funds being appropriated by the City Council for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. **SCHEDULE OF PERFORMANCE**

3.1 **Time of Essence.** Time is of the essence in the performance of this Agreement. The time for completion of the services to be performed by Contractor is an essential condition of this Agreement. Contractor shall prosecute regularly and diligently the Work of this Agreement according to the agreed upon attached Schedule of Performance (Exhibit "E"), incorporated by reference.

3.2 **Schedule of Performance.** Contractor shall commence the Services under this Agreement upon receipt of a written notice to proceed and shall perform all Services within the time period(s) established in the Schedule of Performance. When requested by Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer, but such extensions shall not exceed one hundred eighty (180) days cumulatively; however, the City shall not be obligated to grant such an extension.

3.3 **Force Majeure.** The time period(s) specified in the Schedule of Performance for performance of the Services rendered under this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor (financial inability excepted) if Contractor, within ten (10) days of the commencement of such delay, notifies the Contract Officer in writing of the causes of the delay. Unforeseeable causes include, but are not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement under this section.

3.4 **Term.** Unless earlier terminated under this Agreement, this Agreement shall commence upon the

effective date of this Agreement and continue in full force and effect until completion of the Services. However, the term shall not exceed six (6) years (inclusive of first year under warranty plus 5 years of on-going system support and maintenance) from the commencement date, except as otherwise provided in the Schedule of Performance described in Section 3.2 above. Any extension must be through mutual written agreement of the Parties.

3.5 Termination Prior to Expiration of Term. City may terminate this Agreement for its convenience at any time, without cause, in whole or in part, upon giving Contractor thirty (30) days written notice. Where termination is due to the fault of Contractor and constitutes an immediate danger to health, safety, and general welfare, the period of notice shall be such shorter time as may be determined by the City. Upon such notice, City shall pay Contractor for Services performed through the date of termination. Upon receipt of such notice, Contractor shall immediately cease all work under this Agreement, unless stated otherwise in the notice or by written authorization of the Contract Officer. After such notice, Contractor shall have no further claims against the City under this Agreement. Upon termination of the Agreement under this section, Contractor shall submit to the City an invoice for work and services performed prior to the date of termination. Contractor may terminate this Agreement, with or without cause, upon sixty (60) days written notice to the City, except that where termination is due to material default by the City, the period of notice may be such shorter time as the Contractor may determine.

4. COORDINATION OF WORK

4.1 Representative of Contractor. The following principal of Contractor is designated as being the principal and representative of Contractor authorized to act in its behalf and make all decisions with respect to the Services to be performed under this Agreement: Kristin Vogel, Vice President Sales and Business Development. It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services performed hereunder. The foregoing principal may not be changed by Contractor without prior written approval of the Contract Officer.

4.2 Contract Officer. The Contract Officer shall be the City Manager or his/her designee ("Contract Officer"). Contractor shall be responsible for keeping the Contract Officer fully informed of the progress of the performance of the services. Contractor shall refer any decisions that must be made by City to the Contract Officer. Unless otherwise specified, any approval of City shall mean the approval of the Contract Officer.

4.3 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Contractor, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Contractor shall not assign full or partial performance of this Agreement, nor any monies due, voluntarily or by operation of law, without the prior written consent of City. Contractor shall not contract with any other entity to perform the Services required under this Agreement without the prior written consent of City. If Contractor is permitted to subcontract any part of this Agreement by City, Contractor shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the Work will be considered employees of Contractor. City will deal directly with and will make all payments to Contractor. In addition, neither this Agreement nor any interest in this Agreement may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted in this Agreement shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Contractor or any surety of Contractor from any liability under this Agreement without the express written consent of City.

4.4 Independent Contractor. The legal relationship between the Parties is that of an independent contractor, and nothing shall be deemed to make Contractor a City employee.

A. During the performance of this Agreement, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act or represent themselves as City officers or employees.

The personnel performing the Services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of its officers, employees, or agents, except as set forth in this Agreement. Contractor, its officers, employees, or agents shall not maintain an office or any other type of fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Contractor's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Contractor shall pay all wages, salaries, and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Contractor in its business or otherwise a joint venturer or a member of any joint enterprise with Contractor.

B. Contractor shall not have any authority to bind City in any manner. This includes the power to incur any debt, obligation, or liability against City.

C. No City benefits shall be available to Contractor, its officers, employees, or agents in connection with any performance under this Agreement. Except for contract fees paid to Contractor as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Contractor for the performance of Services under this Agreement. City shall not be liable for compensation or indemnification to Contractor, its officers, employees, or agents, for injury or sickness arising out of performing Services. If for any reason any court or governmental agency determines that the City has financial obligations, other than under Section 2 and Subsection 1.8 in this Agreement, of any nature relating to salary, taxes, or benefits of Contractor's officers, employees, servants, representatives, subcontractors, or agents, Contractor shall indemnify City for all such financial obligations.

5. INSURANCE

5.1 Types of Insurance. Contractor shall procure and maintain, at its sole cost and expense, the insurance described below. The insurance shall be for the duration of this Agreement and includes any extensions, unless otherwise specified in this Agreement. The insurance shall be procured in a form and content satisfactory to City. The insurance shall apply against claims which may arise from the Contractor's performance of Work under this Agreement, including Contractor's agents, representatives, or employees. In the event the City Manager determines that the Work or Services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City Manager or his designee. Contractor shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified in this Agreement. Except as otherwise authorized below for contract liability (errors and omissions) insurance, all insurance provided under this Agreement shall be on an occurrence basis. The minimum amount of insurance required shall be as follows:

A. Errors and Omissions Insurance. ~~Waived Contractor shall obtain and maintain in full force and effect throughout the term of this Agreement, standard industry form contract liability (errors and omissions) insurance coverage in an amount of not less than one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) annual aggregate, in accordance with the provisions of this section.~~

~~(1) Contractor shall either: (a) certify in writing to the City that Contractor is unaware of any contract liability claims made against Contractor and is unaware of any facts which may lead to such a claim against Contractor; or (b) if Contractor does not provide the certification under (a), Contractor shall procure from the contract liability insurer an endorsement providing that the required limits of the policy shall apply separately to claims arising from errors and omissions in the rendition of services under this Agreement.~~

~~(2) If the policy of insurance is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Services provided hereunder. In the event of termination of the policy during this period, Contractor shall obtain continuing insurance coverage for the prior acts or omissions of Contractor during the course of performing Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the~~

~~present or new carrier or other insurance arrangements providing for complete coverage, either of which shall be subject to the written approval by the City Manager.~~

~~(3) In the event the policy of insurance is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall immediately be obtained to ensure coverage during the entire course of performing the Services under the terms of this Agreement.~~

B. Workers' Compensation Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, workers' compensation insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Contractor agrees to waive and obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies. If Contractor has no employees, Contractor shall complete the City's Request for Waiver of Workers' Compensation Insurance Requirement form.

C. Commercial General Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of commercial general liability insurance written on a per occurrence basis with a combined single limit of at least one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000.00) general aggregate for bodily injury and property damage including coverages for contractual liability, personal injury, independent contractors, broad form property damage, products and completed operations.

D. Business Automobile Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of business automobile liability insurance written on a per occurrence basis with a single limit liability in the amount of one million dollars (\$1,000,000.00) bodily injury and property damage. The policy shall include coverage for owned, non-owned, leased, and hired cars.

E. Employer Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of employer liability insurance written on a per occurrence basis with a policy limit of at least one million dollars (\$1,000,000.00) for bodily injury or disease.

5.2 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City Manager or his/her designee prior to commencing any work or services under this Agreement. Contractor guarantees payment of all deductibles and self-insured retentions. City reserves the right to reject deductibles or self-insured retentions in excess of \$10,000, and the City Manager or his/her designee may require evidence of pending claims and claims history as well as evidence of Contractor's ability to pay claims for all deductible amounts and self-insured retentions proposed in excess of \$10,000.

5.3 Other Insurance Requirements. The following provisions shall apply to the insurance policies required of Contractor under this Agreement:

5.3.1 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City and its officers, council members, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City and its officers, council members, officials, employees, agents, and volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

5.3.2 Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to City and its officers, council members, officials, employees, agents, and volunteers.

5.3.3 All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations

shall limit the application of such insurance coverage.

- 5.3.4 No required insurance coverages may include any limiting endorsement which substantially impairs the coverages set forth in this Agreement (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City Manager and approved in writing.
- 5.3.5 Contractor agrees to require its insurer to modify insurance endorsements to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the endorsements. Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Contractor's obligation to ensure timely compliance with all insurance submittal requirements as provided in this Agreement.
- 5.3.6 Contractor agrees to ensure that subcontractors, and any other parties involved with the Project who are brought onto or involved in the Project by Contractor, provide the same minimum insurance coverage required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with subcontractors and others engaged in the Project will be submitted to the City for review.
- 5.3.7 Contractor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Contractor of non-compliance with any insurance requirement in no way imposes any additional obligations on the City nor does it waive any rights in this or any other regard.
- 5.3.8 Contractor shall provide proof that policies of insurance required in this Agreement, expiring during the term of this Agreement, have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. Endorsements as required in this Agreement applicable to the renewing or new coverage shall be provided to City no later than ten (10) days prior to expiration of the lapsing coverage.
- 5.3.9 Requirements of specific insurance coverage features or limits contained in this section are not intended as limitations on coverage, limits, or other requirements, or as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
- 5.3.10 The requirements in this section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this section.
- 5.3.11 Contractor agrees to provide immediate notice to City of any claim or loss against Contractor arising out of the Work performed under this Agreement and for any other claim or loss which may reduce the insurance available to pay claims arising out of this Agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City, or to reduce or dilute insurance available for payment of potential claims.
- 5.3.12 Contractor agrees that the provisions of this section shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages resulting from the Contractor's activities or the activities of any person or

person for which the Contractor is otherwise responsible.

5.4 Sufficiency of Insurers. Insurance required in this Agreement shall be provided by authorized insurers in good standing with the State of California. Coverage shall be provided by insurers admitted in the State of California with an A.M. Best's Key Rating of B++, Class VII, or better, unless such requirements are waived in writing by the City Manager or his designee due to unique circumstances.

5.5 Verification of Coverage. Contractor shall furnish City with both certificates of insurance and endorsements, including additional insured endorsements, affecting all of the coverages required by this Agreement. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All proof of insurance is to be received and approved by the City before work commences. City reserves the right to require Contractor's insurers to provide complete, certified copies of all required insurance policies at any time. Additional insured endorsements are not required for Errors and Omissions and Workers' Compensation policies.

Verification of Insurance coverage may be provided by: (1) an approved General and/or Auto Liability Endorsement Form for the City of Palm Springs or (2) an acceptable Certificate of Liability Insurance Coverage with an approved Additional Insured Endorsement with the following endorsements stated on the certificate:

1. *"The City of Palm Springs, its officials, employees, and agents are named as an additional insured..." ("as respects City of Palm Springs Contract No. ___" or "for any and all work performed with the City" may be included in this statement).*

2. *"This insurance is primary and non-contributory over any insurance or self-insurance the City may have..." ("as respects City of Palm Springs Contract No. ___" or "for any and all work performed with the City" may be included in this statement).*

3. *"Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail 30 days written notice to the Certificate Holder named." Language such as, "endeavor to" mail and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representative" is not acceptable and must be crossed out.*

4. Both the Workers' Compensation and Employers' Liability policies shall contain the insurer's waiver of subrogation in favor of City, its elected officials, officers, employees, agents, and volunteers.

In addition to the endorsements listed above, the City of Palm Springs shall be named the certificate holder on the policies. All certificates of insurance and endorsements are to be received and approved by the City before work commences. All certificates of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Failure to obtain the required documents prior to the commencement of work shall not waive the Contractor's obligation to provide them.

6. INDEMNIFICATION

6.1 Indemnification and Reimbursement. To the fullest extent permitted by law, Contractor shall defend (at Contractor's sole cost and expense), indemnify, protect, and hold harmless City, its elected officials, officers, employees, agents, and volunteers (collectively the "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to or death of persons (Contractor's employees included), for damage to property, including property owned by City, from any violation of any federal, state, or local law or ordinance, and from errors and omissions committed by Contractor, its officers, employees, representatives, and agents, that arise out of or relate to Contractor's performance under this Agreement. This indemnification clause excludes Claims arising from the sole negligence or willful misconduct of the City, its elected officials, officers, employees, agents, and volunteers. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Contractor's indemnification obligation or other liability under this Agreement. Contractor's indemnification obligation shall survive the expiration or earlier termination of this Agreement until all actions against the Indemnified Parties for such matters indemnified are fully and finally barred by the applicable statute of limitations or, if an action is timely filed, until such action is final. This provision is intended for the benefit of third party Indemnified Parties not otherwise a party to this Agreement.

6.2 Design Contract Services Indemnification and Reimbursement. Waived. ~~If the Agreement is determined to be a "design contract services agreement" and Contractor is a "design contract" under California Civil Code Section 2782.8, then:~~

~~A. — To the fullest extent permitted by law, Contractor shall indemnify, defend (at Contractor's sole cost and expense), protect and hold harmless City and its elected officials, officers, employees, agents and volunteers and all other public agencies whose approval of the project is required, (individually "Indemnified Party"; collectively "Indemnified Parties") against any and all liabilities, claims, judgments, arbitration awards, settlements, costs, demands, orders and penalties (collectively "Claims"), including but not limited to Claims arising from injuries or death of persons (Contractor's employees included) and damage to property, which Claims arise out of, pertain to, or are related to the negligence, recklessness or willful misconduct of Contractor, its agents, employees, or subcontractors, or arise from Contractor's negligent, reckless or willful performance of or failure to perform any term, provision, covenant or condition of this Agreement ("Indemnified Claims"), but Contractor's liability for Indemnified Claims shall be reduced to the extent such Claims arise from the negligence, recklessness or willful misconduct of the City and its elected officials, officers, employees, agents and volunteers.~~

~~B. — The Contractor shall require all non design contract sub-contractors, used or sub-contracted by Contractor to perform the Services or Work required under this Agreement, to execute an Indemnification Agreement adopting the indemnity provisions in sub-section 6.1 in favor of the Indemnified Parties. In addition, Contractor shall require all non design contract sub-contractors, used or sub-contracted by Contractor to perform the Services or Work required under this Agreement, to obtain insurance that is consistent with the Insurance provisions as set forth in this Agreement, as well as any other insurance that may be required by Contract Officer.~~

7. REPORTS AND RECORDS

7.1 Accounting Records. Contractor shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Contractor shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement, or as the Contract Officer shall require. Contractor acknowledges that the City is greatly concerned about the cost of the Work and Services to be performed under this Agreement. For this reason, Contractor agrees that Contractor shall promptly notify the Contract Officer

the estimated increased or decreased cost if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the contemplated Work or Services. If Contractor is providing design services, Contractor shall promptly notify the Contract Officer the estimated increased or decreased cost for the project being designed if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the design services.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Contractor, its employees, subcontractors, and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement. Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials. Any use of such completed documents for other projects and/or use of incomplete documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and the City shall indemnify the Contractor for all resulting damages. Contractor may retain copies of such documents for their own use. Contractor shall have an unrestricted right to use the concepts embodied in this Agreement. Contractor shall ensure that all its subcontractors shall provide for assignment to City of any documents or materials prepared by them. In the event Contractor fails to secure such assignment, Contractor shall indemnify City for all resulting damages.

7.4 Release of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. All information gained by Contractor in the performance of this Agreement shall be considered confidential and shall not be released by Contractor without City's prior written authorization.

7.5 Audit and Inspection of Records. After receipt of reasonable notice and during the regular business hours of City, Contractor shall provide City, or other agents of City, such access to Contractor's books, records, payroll documents, and facilities as City deems necessary to examine, copy, audit, and inspect all accounting books, records, work data, documents, and activities directly related to Contractor's performance under this Agreement. Contractor shall maintain such books, records, data, and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during the term of this Agreement and for a period of three (3) years from the date of final payment by City hereunder.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such County, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.

8.3 Default of Contractor. Contractor's failure to comply with any provision of this Agreement shall constitute a default.

A. If the City Manager, or his designee, determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, he/she shall notify Contractor in writing of such default. Contractor shall have ten (10) days, or such longer period as City may designate, to cure the default by

rendering satisfactory performance. In the event Contractor fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Contractor shall be liable for all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing shall limit City's right to terminate this Agreement without cause under Section 3.5.

B. If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.3A, take over the work and prosecute the same to completion by contract or otherwise. The Contractor shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Maximum Contract Amount (provided that the City shall use reasonable efforts to mitigate such damages). The City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated. The withholding or failure to withhold payments to Contractor shall not limit Contractor's liability for completion of the Services as provided in this Agreement.

8.4 Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions.

8.5 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8.6 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct, remedy or recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.7 Attorney Fees. In the event any dispute between the Parties with respect to this Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses. These include but are not limited to reasonable attorney fees, expert contractor fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding.

9. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 **Non-liability of City Officers and Employees.** No officer or employee of the City shall be personally liable to the Contractor, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 **Conflict of Interest.** No officer or employee of the City shall have any direct or indirect financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects their financial interest or the financial interest of any corporation, partnership, or association in which he/she is, directly or indirectly, interested in violation of any state statute or regulation. Contractor warrants that Contractor has not paid or given, and will not pay or give, any third party any money or other consideration in exchange for obtaining this Agreement.

9.3 **Covenant Against Discrimination.** In connection with its performance under this Agreement, Contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, marital status, ancestry, or national origin. Contractor shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10. MISCELLANEOUS PROVISIONS

10.1 **Patent and Copyright Infringement.** To the fullest extent permissible under law, and in lieu of any other warranty by City or Contractor against patent or copyright infringement, statutory or otherwise:

A. It is agreed that Contractor shall defend at its expense any claim or suit against City on account of any allegation that any item furnished under this Agreement, or the normal use or sale arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright and Contractor shall pay all costs and damages finally awarded in any such suit or claim, provided that Contractor is promptly notified in writing of the suit or claim and given authority, information and assistance at Contractor's expense for the defense of same, and provided such suit or claim arises out of, pertains to, or is related to the negligence, recklessness or willful misconduct of Contractor. However, Contractor will not indemnify City if the suit or claim results from: (1) City's alteration of a deliverable, such that City's alteration of such deliverable created the infringement upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by Contractor when it is such use in combination which infringes upon an existing U.S. letters patent or copyright.

B. Contractor shall have sole control of the defense of any such claim or suit and all negotiations for settlement in the event City fails to cooperate in the defense of any suit or claim, provided, however, that such defense shall be at Contractor's expense. Contractor shall not be obligated to indemnify City under any settlement that is made without Contractor's consent, which shall not be unreasonably withheld. If the use or sale of such item is enjoined as a result of the suit or claim, Contractor, at no expense to City, shall obtain for City the right to use and sell the item, or shall substitute an equivalent item acceptable to City and extend this patent and copyright indemnity thereto.

10.2 **Notice.** Any notice, demand, request, consent, approval, or communication that either party desires, or is required to give to the other party or any other person shall be in writing. All notices shall be personally delivered, sent by pre-paid First Class U.S. Mail, registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission. All notices shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) five (5) business days

after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered. Other forms of electronic transmission such as e-mails, text messages, and instant messages are not acceptable manners of notice required hereunder. Notices or other communications shall be addressed as follows:

To City:

City of Palm springs
Attention: City Manager & City Clerk
3200 E. Tahquitz Canyon Way
Palm springs, California 92262
Telephone: (760) 323-8204
Facsimile: (760) 323-8332

To Contractor:

mK Sorting Systems, Inc.
Attention: Kristin Vogel, VP Sales & Business Development
17 Herman Drive, Suite C
Simsbury, CT 06070
Telephone: 860-760-0438
Facsimile: 860-760-0448

10.3 Integrated Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter in this Agreement.

10.4 Amendment. No amendments or other modifications of this Agreement shall be binding unless through written agreement by all Parties.

10.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

10.5 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

10.6 Third Party Beneficiary. Except as may be expressly provided for in this Agreement, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party to this Agreement.

10.7 Recitals. The above-referenced Recitals are hereby incorporated into the Agreement as though fully set forth in this Agreement and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.8. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he or she is executing this Agreement is duly authorized and existing, (ii) he or she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he or she is signing, (iii) by so executing this Agreement, the Party for which he or she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he or she is signing is bound.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates stated below.
"CITY"
City of Palm Springs

Date: _____

By: _____
David H. Ready
City Manager

APPROVED AS TO FORM:

ATTEST

By: _____
Douglas C. Holland,
City Attorney

By: _____
James Thompson,
City Clerk

APPROVED BY CITY COUNCIL:

Date: _____ Agreement No. _____

Corporations require two notarized signatures. One signature must be from Chairman of Board, President, or any Vice President. The second signature must be from the Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.

CONTRACTOR NAME:

Check one Individual Partnership Corporation

Address

By _____
Signature (Notarized)

By _____
Signature (Notarized)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
 County of _____ }
 On _____ before me, _____
Date Here Insert Name and Title of the Officer
 personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

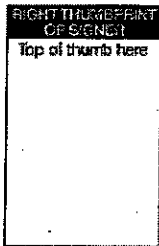
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

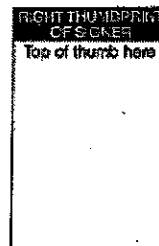
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

SCOPE OF SERVICES

SCOPE OF WORK, REQUIREMENTS, SPECIFICATIONS AND SERVICES:

Generally, the scope of work consists of, but is not limited to, all materials, equipment, and labor necessary to design, deliver, install, train staff, warranty and maintain a new turn-key Automated Materials Handling System in the main Library Center per the Technical and Service Requirements as set forth below, inclusive of RFID conversion, Warranty, and on-going system maintenance and support:

SPACE AVAILABLE:

The space is currently a book drop "room" under a sloping concrete wall. From the area immediately under the book drop a door opens into the room currently being used for checking in and sorting materials. A 90 degree angle turn may be needed from the book drop induction point(s) into the sorting area.

IMPORTANT NOTE: The successful vendor shall be fully responsible for verifying and measuring the entire space and confirming all dimensions and space requirements necessary to house the new system prior to execution of the contract or commencement of any work. The dimensions provided herein are for reference only and the City does not represent or take any responsibility for their accuracy.

TECHNICAL REQUIREMENTS:

1. The system and all of its components must be entirely compatible with, and in no manner interfere with, the Polaris integrated library system, its computer clients, or other components.
2. The system must be compatible with 3M security and ID Recall self-check.
3. The system must be able to migrate to Radio Frequency Identification (RFID).
4. The proposed system must provide application-specific software to incorporate all hardware proposed.
5. The system must be capable of supporting 2-3 different induction units.
6. The system must interface with the Library's existing Polaris automated library system using the SIP, SIP2, SIP2 plus extensions or NCIP protocol.
7. The system must not use a proprietary ILS connection.
8. The system must not interfere with other equipment, automated library system clients or PCs that may be nearby.
9. The system must be able to connect through the Library's Ethernet network via an RJ-45 connector and/or secured wireless network.
10. If RFID is/will be used in the system, the system must be ISO 15693 18000-3 Mode 1 compliant and must use Reader Talks First (RTF) Architecture.

11. The system must provide an intuitive user interface.
12. The AMH system must provide a touch screen user interface that guides users through the return process.
13. The user interface must not require patrons to have to place items in the drop in any special way or one item at a time.
14. Based upon a configurable option, the display should provide user feedback when the AMH rejects an item.
15. Each induction point in the system must have its own user interface with a "staff mode" or "staff mode switch" accessible from the rear of that particular device.
16. Sorter conveyor must be designed to prohibit materials from becoming stuck in the belt or falling off the side of the belt.
17. In the staff mode, the user may access, upload, and print statistics for each induction point and the sorter or modify configuration for that device.
18. The system must provide a configurable option so that the borrowers can select to print a receipt.
19. The system must have an option that supports a user-selected Spanish language option.
20. The default language is to be English.
21. The system must provide an emergency stop button.
22. The system must support email messaging to alert staff or administration when the system requires attention.
23. The system must provide a built-in receipt printer with high capacity paper. Please list specific length of paper roll.
24. The receipt must be configurable so that the library can easily determine content. The content must support item number, title, library name and location, time and date formatted according to the operating system and a customized footer.
25. The library staff shall be able to easily edit, update and otherwise control the content of the printed receipts without vendor intervention.
26. The receipt print must provide an auto-cut capability.
27. The system must have the ability to print out a cumulative receipt with customer and library information as determined by the library.
28. The system must provide the ability to identify items not found in the Library's catalog and print them as "Material not owned by this Library", or similar, on the patron receipt and screen.
29. The system shall provide library staff with the ability to print an exception receipt for items that are holds or are an exception.

30. The system must support SIP, SIP2, SIP2 plus extensions or NCIP connections to Polaris ILS for check in and holds.
31. To ensure future interoperability the system must support socket connections.
32. The system must read item-specific identification numbers, communicate to the host circulation system to update the library's inventory, turn on the security feature, retrieve sorting criteria and dispatch items to the proper route and receptacle on the system.
33. System must include a staff Windows based workstation and PC with master controller, ethernet switch, touch screen display and master shutdown switch.
34. The system must be able to be dual function – capable of processing RFID tags and the item bar codes in the same transactions, to prepare for the Library's eventual migration to RFID.
35. The system must be able to read barcodes in multiple locations both on top and bottom of item.
36. The system must provide real-time check-in of all items returned.
37. The system must be capable of enabling Electromagnetic and/or RFID security.
38. The system must automatically store transactions during offline situations and when connection is restored automatically forward all transactions.
39. The system must turn on the security feature to allow secure Library operations during offline situations.
40. The system shall be configurable to accept all items.
41. The system shall be able to handle sets of items with RFID tags in the future.
42. The system shall identify location codes, item types, transit locations, holds, request status or by one or more combinations of the above and sort items accordingly.
43. The system shall provide the option to sort unknown items into an exception bin.
44. The system shall have the ability to notify the staff when a bin is full or missing.
45. The system shall have the ability to notify the staff when receipt printer is out of paper.
46. The system shall have the ability to notify the staff when the system is out of service.
47. The system shall be capable of being expanded to incorporate up to nine sort locations.
48. The system must be capable of sequential sorting.
49. The system must provide for environmentally protected external patron returns and/or internal patron returns, ADA compliant and installed so all ages may access it.
50. The external returns must be of stainless material in order to blend with any décor and retain its appearance with age.

51. The external patron return must have a secure door and/or photo eye that automatically starts the conveyor by user interaction.
52. The system shall be able to be mounted on an external or interior wall of the library.
53. The system must accommodate items as small as .21 inches thick by 2 inches by 2 inches.
54. The system must accommodate items as large as 4.0 inches thick by 18 inches by 24.0 inches.
55. The system must be capable of operating in staff and public areas without causing interference to normal library operations.
56. The system must operate with quiet, sealed electric motors, not air compressors, to control noise and to eliminate introduction of pneumatic hoses and devices in a public space.
57. The system must operate below normal conversation levels.
58. System should operate only when it senses materials being returned.
59. The system must not require any special wiring.
60. All sorter components must operate using standard 110V or 220V power.
61. The maximum power required for sorter should not exceed the normal power available from a standard 110V 1P 60 HZ electrical outlet or 220V 1P 50 Hz electrical outlet

SERVICE REQUIREMENTS

Hardware / Software Technical Support

Toll-free telephone assistance on system use and troubleshooting available between 7:00 AM and 6 PM Pacific Time, Tuesday through Saturday.

Installation Requirements

1. The proposed system must be installed according to a schedule determined in coordination with Library staff to minimize disruption and prevent Library closure at any time during the installation process.
2. Vendor must also be available for consultation on placement of hardware to accommodate network infrastructure, power and ventilation requirements, building restrictions, etc., and to maximize the workflow, staffing and patron convenience issues.
3. The Contractor shall provide training for the Library staff. This training shall include all aspects of the Automated Materials Handling system and shall be scheduled with the Director of Library Services to accommodate the shift schedules of the library employees. The scope of the training shall be sufficient to teach the proper operation of the system and the cost for all training is to be *included* in the total Cost Proposal. Vendor will be required to provide the Library two (2) completely printed and bound copies of an Operations Manual for the system installed.

4. Final acceptance/commissioning by the City will not be granted until the system has been delivered, installed, all functions tested and properly operating, staff trained, workmanship is inspected, and approved by the City of Palm Springs Director of Library Services.

Warranty and Service Requirements

1. If providing RFID conversion now or in the future, the circulation RFID tags must be guaranteed to be effective for the life of the item to which they are originally affixed and, if found to be defective, they must be replaced at no cost to the Library.

2. The successful vendor warrants all products, including all equipment, hardware, and software, for a period of one (1) year from the date of acceptance of the project by the City. The warranty shall include all parts and all labor. Any equipment found to be defective shall be replaced by vendor free of charge, including labor and any inbound or outbound shipping costs. Defective equipment is defined as any equipment that requires three (3) or more repairs or service calls within a one (1) year period.

3. Software warranty: Software patches and service pack releases must be supplied for all equipment under warranty or service agreement at no additional charge to the Library.
4. Service technicians must be fully trained, factory authorized and certified by the manufacturer to perform Service.
5. The bidder must have fully factory-trained technicians stationed on the West Coast of the United States for onsite hardware support and service.
6. Technicians shall be centrally dispatched.
7. The Library shall be able to request service on a 24-hour basis using a toll free 800 number.
8. Technical software phone support will be provided via an 800 number.
9. Service technicians will be equipped with parts normally required to service the equipment and reduce downtime.
10. Average response time must be 8 hours or less.
11. Failure of vendor to meet specified standards may result in termination of service contract.
12. The Service Agreement must be renewable on an annual basis.
13. The Service Agreement must include remote maintenance for expert technical consultation and software support.
14. Warranty and Service requirements must apply to both Standard and Optional system components.

At the end of the initial original one (1) year warranty period the vendor shall provide five (5) years of ongoing on-site service and support for the Automated Materials Handling system. The cost for such on-site service and support shall be at the prices set forth in the Cost Proposal, Exhibit C, for next business day service; emergency/after-hours service, weekends.

EXHIBIT "B"

CITY'S REQUEST FOR PROPOSALS

CITY OF PALM SPRINGS, CA
REQUEST FOR PROPOSALS (RFP) #02-12
Library Automated Materials Handling System

Requests for Proposals (RFP #02-12), for a Library Automated Materials Handling System for the City of Palm Springs, CA, (hereinafter the "RFP") will be received at the Office of Procurement & Contracting, 3200 East Tahquitz Canyon Way, Palm Springs, California, until **3:00 P.M. LOCAL TIME, SEPTEMBER 8, 2011**. It is the responsibility of the respondent to see that any proposal sent through the mail, or by any other delivery method, shall have sufficient time to be received by this specified date and time. The receiving time in the Procurement Office will be the governing time for acceptability of RFP proposals. Telegraphic, telephonic, faxed or emailed RFP proposals will not be accepted. Late RFP proposals will be returned unopened. Failure to register as a Proposer to this RFP process per the instructions in the Notice Inviting Requests for Proposals (under "Obtaining RFP Documents") may result in not receiving Addenda or other important information pertaining to this process. Failure to acknowledge Addenda may render a proposal as being non-responsive. We **strongly advise** that interested firms officially register per the instructions.

1. PURPOSE AND SCHEDULE: The City of Palm Springs is requesting proposals from qualified firms to provide the City with a Library Automated Materials Handling System (hereinafter the "Project"). Since 2008 the Palm Springs Public Library, like so many libraries across the nation, has experienced reductions in staff and funding. However, the use of the Library remains high, averaging 20,000 visits and circulation of 32,000 items per month. Staff has been reduced from 30 FTE to 14.45 FTE, resulting in insufficient numbers of staff to interact directly with the public. An AMH system will relieve at least 2 FTE from the repetitive, assembly line, behind-the-scenes process of materials check-in so that they can be deployed to direct customer service. In addition an automated check-in is the natural partner to the Library's 100% self-checkout function. It is expected that an AMH will increase staff efficiency, reduce repetitive motion disorders, and increase customer satisfaction by providing immediate, visual, and tangible proof of items returned. The estimated budget for this project is not to exceed \$350,000.

SCHEDULE:

Notice requesting Proposals posted and issued August 4, 2011
Deadline for receipt of Questions Tuesday, August 30, 2011, 3:00 P.M.
Deadline for receipt of Proposals Thursday, September 8, 2011, 3:00 P.M.
Short List / Interviews/, **if desired by City* to be determined
Contract awarded by City Council to be determined

NOTE: There will NOT be a pre-proposal conference for this procurement. *Dates above are subject to change.

"KEY" TO RFP ATTACHMENTS:

ATTACHMENT "A"- Signature Authorization Form, including Addenda acknowledgment.

***Must be completed and included with Technical Proposal envelope.**

ATTACHMENT "B" – Non Collusion Affidavit Form. *Must be completed and included with Technical Proposal envelope.

ATTACHMENT "C" – Cost Proposal Form. *Must be completed and included in a separately sealed envelope – do NOT include this with your Technical Proposal.

ATTACHMENT "D" –

ATTACHMENT "E" – Sample boilerplate Contract Services Agreement (for reference only)

2. BACKGROUND: Palm Springs lies on the western edge of the Coachella Valley in central Riverside County approximately 107 miles east of Los Angeles. It is within the ecological area known as the Colorado Desert and is 487 feet above sea level. Rising behind the downtown is the impressive Mt. San Jacinto, elevation 10,831 feet. Palm Springs covers a geographical area of 96 square miles with well-established neighborhoods. Recently there has been a fascination with mid-century modern architecture - something Palm Springs is proud to have as part of its mix of eclectic design styles.

Because it is only a two-hour drive from Los Angeles, Orange and San Diego counties, there are a large number of second homes in Palm Springs. The permanent population is 44,552 as of 2010, with another 32,000 seasonal winter residents, bringing the total population to approximately 76,000 during "season" in the winter months. Recent estimates for build out resident population for Palm Springs is 70,000 around 2020.

The 32,000 sq. ft. Library Center opened in 1975. The primary architect was William Cody, considered one of the southwest's leading architects. While Cody died soon after the project began, his associate, Patrick Sheehy, completed the design which included sixty-degree sloping walls, a floating ceiling, clerestory windows, and initially, a fountain in the center of the building. The Library is currently facing space issues and lack of sufficient electrical and cabling outlets due to the age of the building. Renovation of the basic systems may take place within the next year or two. ***Thus any system installed must be capable of being moved if necessary in the future.***

Collection Statistics

Total number of materials – 130,000
Average monthly circulation – 32,000 (print and media almost even split)
Average monthly visitors – 20,000
Total annual circulation approximately 400,000 items
Average daily returns – 1500 – 2,000

Library is closed Sundays and Mondays, so book bins would need to be able to hold two (2) days worth of returns.

3. SCOPE OF WORK, REQUIREMENTS, SPECIFICIATIONS AND SERVICES:

Generally, the scope of work consists of, but is not limited to, all materials, equipment, and labor necessary to design, deliver, install, train staff, warranty and maintain a new turn-key Automated Materials Handling System in the main Library Center per the Technical and Service Requirements as set forth below.

SPACE AVAILABLE:

The space is currently a book drop "room" under a sloping concrete wall. From the area immediately under the book drop a door opens into the room currently being used for checking in and sorting materials. A 90 degree angle turn may be needed from the book drop induction point(s) into the sorting area. (See photos and diagram as provided on the website where this RFP document is posted and referenced herein as Attachment "D").

IMPORTANT NOTE: The successful vendor shall be fully responsible for verifying and measuring the entire space and confirming all dimensions and space requirements necessary to house the new system prior to execution of the contract or commencement of any work. The

dimensions provided herein are for reference only and the City does not represent or take any responsibility for their accuracy.

TECHNICAL REQUIREMENTS:

62. The system and all of its components must be entirely compatible with, and in no manner interfere with, the Polaris integrated library system, its computer clients, or other components.
63. The system must be compatible with 3M security and ID Recall self-check.
64. The system must be able to migrate to Radio Frequency Identification (RFID).
65. The proposed system must provide application-specific software to incorporate all hardware proposed.
66. The system must be capable of supporting 2-3 different induction units.
67. The system must interface with the Library's existing Polaris automated library system using the SIP, SIP2, SIP2 plus extensions or NCIP protocol.
68. The system must not use a proprietary ILS connection.
69. The system must not interfere with other equipment, automated library system clients or PCs that may be nearby.
70. The system must be able to connect through the Library's Ethernet network via an RJ-45 connector and/or secured wireless network.
71. If RFID is/will be used in the system, the system must be ISO 15693 18000-3 Mode 1 compliant and must use Reader Talks First (RTF) Architecture.
72. The system must provide an intuitive user interface.
73. The AMH system must provide a touch screen user interface that guides users through the return process.
74. The user interface must not require patrons to have to place items in the drop in any special way or one item at a time.
75. Based upon a configurable option, the display should provide user feedback when the AMH rejects an item.
76. Each induction point in the system must have its own user interface with a "staff mode" or "staff mode switch" accessible from the rear of that particular device.
77. Sorter conveyor must be designed to prohibit materials from becoming stuck in the belt or falling off the side of the belt.
78. In the staff mode, the user may access, upload, and print statistics for each induction point and the sorter or modify configuration for that device.
79. The system must provide a configurable option so that the borrowers can select to print a receipt.

80. The system must have an option that supports a user-selected Spanish language option.
81. The default language is to be English.
82. The system must provide an emergency stop button.
83. The system must support email messaging to alert staff or administration when the system requires attention.
84. The system must provide a built-in receipt printer with high capacity paper. Please list specific length of paper roll.
85. The receipt must be configurable so that the library can easily determine content. The content must support item number, title, library name and location, time and date formatted according to the operating system and a customized footer.
86. The library staff shall be able to easily edit, update and otherwise control the content of the printed receipts without vendor intervention.
87. The receipt print must provide an auto-cut capability.
88. The system must have the ability to print out a cumulative receipt with customer and library information as determined by the library.
89. The system must provide the ability to identify items not found in the Library's catalog and print them as "Material not owned by this Library", or similar, on the patron receipt and screen.
90. The system shall provide library staff with the ability to print an exception receipt for items that are holds or are an exception.
91. The system must support SIP, SIP2, SIP2 plus extensions or NCIP connections to Polaris ILS for check in and holds.
92. To ensure future interoperability the system must support socket connections.
93. The system must read item-specific identification numbers, communicate to the host circulation system to update the library's inventory, turn on the security feature, retrieve sorting criteria and dispatch items to the proper route and receptacle on the system.
94. System must include a staff Windows based workstation and PC with master controller, ethernet switch, touch screen display and master shutdown switch.
95. The system must be able to be dual function – capable of processing RFID tags and the item bar codes in the same transactions, to prepare for the Library's eventual migration to RFID.
96. The system must be able to read barcodes in multiple locations both on top and bottom of item.
97. The system must provide real-time check-in of all items returned.
98. The system must be capable of enabling Electromagnetic and/or RFID security.

99. The system must automatically store transactions during offline situations and when connection is restored automatically forward all transactions.
100. The system must turn on the security feature to allow secure Library operations during offline situations.
101. The system shall be configurable to accept all items.
102. The system shall be able to handle sets of items with RFID tags in the future.
103. The system shall identify location codes, item types, transit locations, holds, request status or by one or more combinations of the above and sort items accordingly.
104. The system shall provide the option to sort unknown items into an exception bin.
105. The system shall have the ability to notify the staff when a bin is full or missing.
106. The system shall have the ability to notify the staff when receipt printer is out of paper.
107. The system shall have the ability to notify the staff when the system is out of service.
108. The system shall be capable of being expanded to incorporate up to nine sort locations.
109. The system must be capable of sequential sorting.
110. The system must provide for environmentally protected external patron returns and/or internal patron returns, ADA compliant and installed so all ages may access it.
111. The external returns must be of stainless material in order to blend with any décor and retain its appearance with age.
112. The external patron return must have a secure door and/or photo eye that automatically starts the conveyor by user interaction.
113. The system shall be able to be mounted on an external or interior wall of the library.
114. The system must accommodate items as small as .21 inches thick by 2 inches by 2 inches.
115. The system must accommodate items as large as 4.0 inches thick by 18 inches by 24.0 inches.
116. The system must be capable of operating in staff and public areas without causing interference to normal library operations.
117. The system must operate with quiet, sealed electric motors, not air compressors, to control noise and to eliminate introduction of pneumatic hoses and devices in a public space.
118. The system must operate below normal conversation levels.

119. System should operate only when it senses materials being returned.
120. The system must not require any special wiring.
121. All sorter components must operate using standard 110V or 220V power.
122. The maximum power required for sorter should not exceed the normal power available from a standard 110V 1P 60 HZ electrical outlet or 220V 1P 50 Hz electrical outlet

SERVICE REQUIREMENTS

Hardware / Software Technical Support

Toll-free telephone assistance on system use and troubleshooting available between 7:00 AM and 6 PM Pacific Time, Tuesday through Saturday.

Installation Requirements

5. The proposed system must be installed according to a schedule determined in coordination with Library staff to minimize disruption and prevent Library closure at any time during the installation process.
6. Vendor must also be available for consultation on placement of hardware to accommodate network infrastructure, power and ventilation requirements, building restrictions, etc., and to maximize the workflow, staffing and patron convenience issues.
7. The Contractor shall provide training for the Library staff. This training shall include all aspects of the Automated Materials Handling system and shall be scheduled with the Director of Library Services to accommodate the shift schedules of the library employees. The scope of the training shall be sufficient to teach the proper operation of the system and the cost for all training is to be *included* in the total Cost Proposal. Vendor will be required to provide the Library two (2) completely printed and bound copies of an Operations Manual for the system installed.
8. Final acceptance/commissioning by the City will not be granted until the system has been delivered, installed, all functions tested and properly operating, staff trained, workmanship is inspected, and approved by the City of Palm Springs Director of Library Services.

Warranty and Service Requirements

15. If providing RFID conversion now or in the future, the circulation RFID tags must be guaranteed to be effective for the life of the item to which they are originally affixed and, if found to be defective, they must be replaced at no cost to the Library.
16. The successful vendor warrants all products, including all equipment, hardware, and software, for a period of one (1) year from the date of acceptance of the project by the City. The warranty shall include all parts and all labor. Any equipment found to be defective shall be replaced by vendor free of charge, including labor and any inbound or outbound shipping costs. Defective equipment is defined as any equipment that requires three (3) or more repairs or service calls within a one (1) year period.

17. Software warranty: Software patches and service pack releases must be supplied for all equipment under warranty or service agreement at no additional charge to the Library.
18. Service technicians must be fully trained, factory authorized and certified by the manufacturer to perform Service.
19. The bidder must have fully factory-trained technicians stationed on the West Coast of the United States for onsite hardware support and service.
20. Technicians shall be centrally dispatched.
21. The Library shall be able to request service on a 24-hour basis using a toll free 800 number.
22. Technical software phone support will be provided via an 800 number.
23. Service technicians will be equipped with parts normally required to service the equipment and reduce downtime.
24. Average response time must be 8 hours or less.
25. Failure of vendor to meet specified standards may result in termination of service contract.
26. The Service Agreement must be renewable on an annual basis.
27. The Service Agreement must include remote maintenance for expert technical consultation and software support.
28. Warranty and Service requirements must apply to both Standard and Optional system components.
29. At the end of the initial original one (1) year warranty period the vendor shall provide five (5) years of ongoing on-site service and support for the Automated Materials Handling system. The cost for such on-site service and support shall be at the prices set forth in the Cost Proposal, Exhibit C, for next business day service; emergency/after-hours service, weekends.

4. PROPOSAL REQUIREMENTS:

The firm's proposal should describe the methodology to be used to accomplish each of the project tasks. The proposal should also describe the work which shall be necessary in order to satisfactorily complete the task requirements.

Please note: this RFP cannot identify each specific, individual task required to successfully and completely implement this project. The City of Palm Springs relies on the professionalism and competence of the selected firm to be knowledgeable of the general areas identified in the scope of work and to include in its proposal all required tasks and subtasks, personnel commitments, man-hours, direct and indirect costs, etc. The City of Palm Springs will not approve addenda to the selected firm's agreement which do not involve a substantial change from the general scope of work identified in this RFP.

5. **SELECTION PROCESS:** This solicitation has been developed in the Request for Proposals (RFP) format. Accordingly, proposers should take note that multiple factors as identified in the RFP will be considered by the Evaluation Committee to determine which proposal best meets the requirements set forth in the RFP document. **PRICE ALONE WILL NOT BE THE SOLE DETERMINING CRITERIA.** The City shall review the proposals submitted in reply to this RFP, and a limited number of firms may be invited to make a formal presentation at a future date if desired by the City. The format, selection criteria and date of the presentation will be established at the time of short listing, if conducted.

6. **PROPOSAL EVALUATION CRITERIA:** An Evaluation Committee, using the following evaluation criteria for this RFP, will evaluate all responsive proposals to this RFP. Firms are requested to submit their proposals so that they correspond to and are identified with the following specific evaluation criteria (100 total points possible):

- A. Firm / Staff / Team Qualifications and experience in providing similar services and equipment as defined in the RFP, including References (15 POINTS)
- B. Proposal Organization, conformance with the RFP instructions, and demonstrated Understanding of the overall project and requested Scope of Work and Requirements (5 POINTS)
- C. Work Proposal, including detailed proposed design, methodology and approach, inclusive of all necessary materials, equipment and labor necessary to design, deliver, install, train, warranty and maintain a new turn-key solution for the requested Scope of Work (30 POINTS)
- D. Detailed Project Schedule, including equipment lead-time, installation, testing and system commissioning (15 POINTS)
- E. Local Preference: (5 POINTS) Firms that qualify as a Local Business, or employ local sub-consultants, and submit a valid business license as more fully set forth in Section F.1 below, pursuant to the City of Palm Springs Local Preference Ordinance 1756). The full local preference, five (5) points, may be awarded to those that qualify as a Local Business. Two (2) points may be awarded to a non-local business that employs or retains local residents and/or firms for this project. Non-local firms that do not employ or retain any local residents and/or firms for this project shall earn zero (0) points for this criteria.
- F. Cost Proposal (30 POINTS)

PRIOR CITY WORK If your firm has prior experience working with the City **DO NOT** assume this prior work is known to the evaluation committee. All firms are evaluated solely on the information contained in their proposal, information obtained from references, and presentations if requested. All proposals must be prepared as if the evaluation committee has no knowledge of the firm, their qualifications or past projects.

7. **PROPOSAL CONTENTS:** Firms are requested to format their proposals so that responses correspond directly to, and are identified with, the specific evaluation criteria stated in Section 6 above. **The proposals must be in an 8 ½ X 11 format, may be no more than a total of thirty (30) sheets of paper (double sided is OK),** including a cover letter. NOTE: Dividers, Attachments included in this RFP that are to be submitted with the proposal, Addenda acknowledgments and the separately sealed Cost Proposal do NOT count toward the page limit. Interested firms shall **submit SIX (6) copies (one marked "Original" plus five (5) copies)** of its proposal by the deadline.

All proposals shall be sealed within one package and be clearly marked, "RFP #02-12, REQUESTS FOR PROPOSALS FOR LIBRARY AUTOMATED MATERIALS HANDLING SYSTEM. Within the sealed proposal package, the Cost Proposal shall be separately sealed from the Technical/Work Proposal. **Proposals not meeting the above criteria may be found to be non-responsive.**

EACH PROPOSAL PACKAGE MUST INCLUDE TWO (2) SEPARATELY SEALED ENVELOPES:

Envelope #1, clearly marked "Technical/Work Proposal", shall include the following items:

- Completed Signature authorization and Addenda Acknowledgment (see Attachment A)
- If applicable, your specific request for Local Preference (see Attachment A) and a copy of a valid business license from a jurisdiction in the Coachella Valley.
- Completed, and notarized, Affidavit of Non-Collusion (see Attachment B)

In addition to the items above, at a minimum, firms must provide the information identified below. All such information shall be presented in a format that directly corresponds to the numbering scheme identified here.

TECHNICAL/WORK PROPOSAL: The Technical/Work Proposal (Envelope #1) shall be clearly marked and shall include the Sections A, B, C, D and E below:

SECTION A:

FIRM, STAFF, TEAM QUALIFICATIONS AND EXPERIENCE, INCLUDING REFERENCES

A.1 Follow the instructions and properly complete and execute both **Attachment "A" and Attachment "B"** that are provided in the RFP and include them here in your proposal. If applicable, your specific request for Local Preference (reference Attachment A) and a copy of a valid business license from a jurisdiction in the Coachella Valley is to also be included here.

A.2 Describe the firm's background and qualifications in the type of effort that this project will require, specifically identifying experience with relevant projects successfully completed of similar size and scope.

A.3 Indicate the name of any sub-contractor firms or contractors that will be utilized to make up your team. Describe each sub-contractor's qualifications, background and specific expertise that they bring to the Project.

A.4 List the name and qualifications of the key staff/team members that will be assigned to the Project. Provide detailed qualifications of the Project Manager that will be assigned to the Project.

A.5 Include a minimum of three (3) references of recent customers for who your firm has provided similar Library Automated Materials Handling systems, preferably those that used barcodes, as contemplated herein. You must include the name of a contact person, their title, and a current phone number, fax number, email address and business address along with a brief description of the scope of work and cost for each successfully completed referenced project.

SECTION B:

PROPOSAL ORGANIZATION, CONFORMANCE WITH RFP INSTRUCTIONS, AND DEMONSTRATED UNDERSTANDING OF THE OVERALL PROJECT AND REQUESTED SCOPE OF WORK AND REQUIREMENTS

B.1 Carefully review and verify that your proposal is well organized and follows **ALL OF THE INSTRUCTIONS** on proper organization, format, order, and conformance with all requirements,

including any and all required signatures, attachments, acknowledgements, or other documents that are required to be submitted. Failure to follow the instructions may result in your proposal being non-responsive and rejected from consideration.

B.2 Without reciting the information regarding the Project verbatim as contained in this RFP, convey your overall understanding of the Project and an understanding of the City's expectations upon implementation of the Project.

B.3 Based on the firms prior experiences and or the space available for the system installation, please identify any "key" or "critical" issues that you believe may be encountered on the Project; and provide steps to be taken to ensure the issues identified do not affect the successful delivery of the Project.

SECTION C: WORK PROPOSAL

C.1 Proposer should refine and/or expand the Scope of Work to reflect their understanding of the project and include a detailed technical work proposal, including proposed design plan, methodology and technical approach, inclusive of all materials, detailed proposed equipment list, and all labor (work plan) necessary to fully install, train Library Staff, and maintain a new turn-key Library Automated Materials Handling system as requested in the scope of work. Identify all tasks and sub-tasks required to successfully implement all phases of the project.

C.2 Critical functionality issues that must be addressed in this section are: 1) Compliance with all of the requirements as set forth in the RFP under Technical Requirements and Service Requirements; 2) Ease of self-service; 3) Flexibility to be relocated if current library space is remodeled; 4) Ability to convert to RFID; and 5) Vendor support.

SECTION D: PROJECT SCHEDULE OF PERFORMANCE

D.1 Proposer shall provide a detailed Project Schedule of Performance, including all tasks and sub-tasks, as well as equipment lead-time, installation, staff training, testing and system commissioning.

D.2 Discuss lines of communication necessary to maintain the project schedule. Discuss the key issues that could impact the schedule and ways to minimize or eliminate them.

D.3 Discuss your quality control methods to ensure consistent and accurate final results.

SECTION E: LOCAL PREFERENCE

E.1 Pursuant to the City of Palm Springs Local Preference Ordinance 1756, in awarding contracts for services, including consultant services, preference to a Local Business shall be given whenever practicable and to the extent consistent with the law and interests of the public. The term "Local Business" is defined as a vendor, contractor, or consultant who has a valid physical business address located within the Coachella Valley, at least six months prior to bid or proposal opening date, from which the vendor, contractor, or consultant operates or performs business on a day-to-day basis, and holds a valid business license by a jurisdiction located in the Coachella Valley. "Coachella Valley" is defined as the area between the Salton Sea on the south, the San Jacinto and Santa Rosa Mountains on the west, and the Little San Bernardino Mountains on the east and north. For the purposes of this definition, "Coachella Valley" includes the cities of Beaumont and Banning and the unincorporated areas between Banning

and the City of Palm Springs. Post office boxes are not verifiable and shall not be used for the purpose of establishing such physical address.

The consultant will also, to the extent legally possible, solicit applications for employment and proposals for subcontractors and subconsultants for work associated with the proposed contract from local residents and firms as opportunities occur and hire qualified local residents and firms whenever feasible.

In order for a business to be eligible to claim the preference, the business **MUST request the preference in the Solicitation response (see Attachment A)** and provide a copy of its current business license (or of those it employs for this project) from a jurisdiction in the Coachella Valley. A non-local business that requests the preference based on employing local residents must provide proof of full-time primary residency from a jurisdiction in the Coachella Valley with the proposal. The City reserves the right to determine eligibility.

E.2 List all team members with local expertise. Clearly define their role in the overall project.

COST PROPOSAL; The Cost Proposal (Envelope #2) shall be clearly marked in a **separately sealed envelope** and shall include Section F below:

**SECTION F:
COST PROPOSAL (*see instructions in Section 6 above and Attachment "C")**

F.1 The cost proposal (in a separate sealed envelope) shall be a not-to-exceed all inclusive Lump Sum total for all materials, equipment, and labor necessary to design, deliver, install, train staff, warranty and maintain a new turn-key Library Automated Materials Handling System. Cost shall include all applicable taxes, shipping and delivery fees to the Palm Springs Library Center. **PROPOSERS MUST USE THE COST PROPOSAL FORM, ATTACHMENT "C", PROVIDED BY THE CITY IN THE RFP DOCUMENTS.** Failure to use the Cost Proposal form Attachment "C" provided by the City **WILL** be cause for rejection of a proposal. **Do NOT include Attachment "A" or Attachment "B" in the Cost Proposal, Envelope #2.** Attachments "A" and "B" are to be included in Envelope #1, "Technical/Work Proposal".

8. GENERAL AND SPECIAL CONDITIONS:

DEADLINE FOR SUBMISSION OF PROPOSALS: Proposals will be received in the City of Palm Springs, Office of Procurement and Contracting until **3:00 P.M., LOCAL TIME, THURSDAY, SEPTEMBER 8, 2011.** Proof of receipt before the deadline is a City of Palm Springs, Office of Procurement and Contracting time/date stamp. It is the responsibility of the firms replying to this RFP to see that any proposal sent through the mail, or via any other delivery method, shall have sufficient time to be received by the Procurement Office prior to the proposal due date and time. Late proposals will be returned to the firm unopened. **Proposals shall be clearly marked and identified and must be submitted to:**

**City of Palm Springs
Division of Procurement and Contracting
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262
Attn: Craig Gladders, C.P.M., Procurement & Contracting Manager**

QUESTIONS: Firms, their representatives, agents or anyone else acting on their behalf are specifically directed **NOT** to contact any city employee, commission member, committee member, council member, or other agency employee or associate for any purpose related to

this RFP other than as directed below. **Contact with anyone other than as directed below WILL be cause for rejection of a proposal.**

Any questions, technical or otherwise, pertaining to this RFP must be submitted IN WRITING and directed ONLY to:

Craig Gladders, C.P.M.
Procurement & Contracting Manager
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262
via **FAX (760) 323-8238**
or via **EMAIL: Craig.Gladders@palmspringsca.gov**

Interpretations or clarifications considered necessary in response to such questions will be resolved by the issuance of formal Addenda to the RFP. **The deadline for all questions is 3:00 P.M., Local Time, TUESDAY, AUGUST 30, 2011.** Questions received after this date and time may not be answered. Only questions that have been resolved by formal written Addenda via the Division of Procurement and Contracting will be binding. Oral and other interpretations or clarifications will be without legal or contractual effect.

FORM OF AGREEMENT: The selected firm will be required to enter into a contractual agreement, inclusive of insurance requirements, with the City of Palm Springs in accordance with the standard Contract Services Agreement (**see Attachment "E"**). Please note that the Exhibits are intentionally not complete in the attached sample standard document. These exhibits will be negotiated with the selected firm, and will appear in the final Contract Services Agreement executed between the parties.

The term of the agreement that is awarded as a result of this RFP shall be in effect for six (6) years, including the first year warranty and the 5 year ongoing maintenance.

Failure or refusal to enter into an Agreement as herein provided or to conform to any of the stipulated requirements in connection therewith shall be just cause for an annulment of the award. If the highest ranked Proposer refuses or fails to execute the Agreement, or negotiations are not successful, or the agreement is terminated, the City may, at its sole discretion, enter negotiations with and award the Contract to the second highest ranked Proposer, and so on.

AWARD OF CONTRACT: It is the City's intent to award a contract to the firm that can provide all of the scope of work, equipment and services identified in the RFP document. However, the City reserves the right to award a contract, or to make no award, whichever is in the best interest of the City. It is anticipated that award of the contract will occur at the next regularly scheduled City Council meeting after the evaluation committee has made its final selection of the firm to be recommended for award and a contract has been negotiated and agendized for consideration. The decision of the City Council will be final.

RIGHT TO ACCEPT OR REJECT PROPOSALS: The City of Palm Springs reserves the right to waive any informality or technical defect in a proposal and to accept or reject, in whole or in part, any or all proposals and to cancel all or part of this RFP and seek new proposals, as best serves the interests of the City. The City furthermore reserves the right to contract separately with others certain tasks if deemed in the best interest of the City.

INSURANCE: Insurance provisions are contained in the Standard Contract Services sample agreement included in the RFP. The successful Proposer will be required to comply with these provisions. It is recommended that Proposers have their insurance provider review the insurance provisions **BEFORE** they submit their proposal.

RESPONSIBILITY OF PROPOSER: All firms responding to this RFP shall be responsible. If it is found that a firm is irresponsible (e.g., has not paid taxes, is not a legal entity, submitted an RFP without an authorized signature, falsified any information in the proposal package, etc.), the proposal shall be rejected.

PUBLIC RECORD: All documents submitted in response to this solicitation will become the property of the City of Palm Springs and are subject to the California Code Section 6250 et seq., commonly known as the Public Records Act. Information contained in the documents, or any other materials associated with the solicitation, may be made public after award of contract to a specific firm, if any, by the City Council.

COST RELATED TO PROPOSAL PREPARATION: The City will NOT be responsible for any costs incurred by any firm responding to this RFP in the preparation of their proposal or participation in any presentation if requested, or any other aspects of the entire RFP process.

BUSINESS LICENSE: The selected firm will be required to be licensed in accordance with the City of Palm Springs Business License Ordinance, Municipal Code Chapter 3.40 through 3.96, entitled "Business Tax".

INVESTIGATIONS: The City reserves the right to make such investigations as it deems necessary to determine the ability of the firms responding to this RFP to perform the Work and the firm shall furnish to the City all such information and data for this purpose as the City may request. The City reserves the right to reject any proposal if the evidence submitted by or investigation of such firm fails to satisfy the City that such firm is properly qualified to carry out the obligations of the Contract and to complete the Work contemplated therein.

NONCOLLUSION: The undersigned, by submission of this Proposal Form, hereby declares that this Proposal is made without collusion with any other business making any other Proposal, or which otherwise would make a Proposal. Proposer must execute an Affidavit of Non-Collusion provided as **Attachment "B"** in the RFP and include it with their proposal.

PROPOSALS TO REMAIN OPEN: The Proposer shall guarantee that all contents of their proposal shall be valid for a period of 120 calendar days from the due date of proposals.

SIGNED PROPOSAL AND EXCEPTIONS: Submission of a signed proposal will be interpreted to mean that the firm responding to this RFP has hereby agreed to all the terms and conditions set forth in all of the sheets which make up this Request for Proposals, and any attached sample agreement. Exceptions to any of the language in either the RFP documents or attached sample agreement, including the insurance requirements, must be included in the proposal and clearly defined. Exceptions to the City's RFP document or standard boilerplate language, insurance requirements, terms or conditions may be considered in the evaluation process; however, the City makes no guarantee that any exceptions will be approved.

①

ATLANTA
KING CENTER
COMMUNITY CENTER
1000 N. W. 13th St.
Atlanta, Georgia 30309

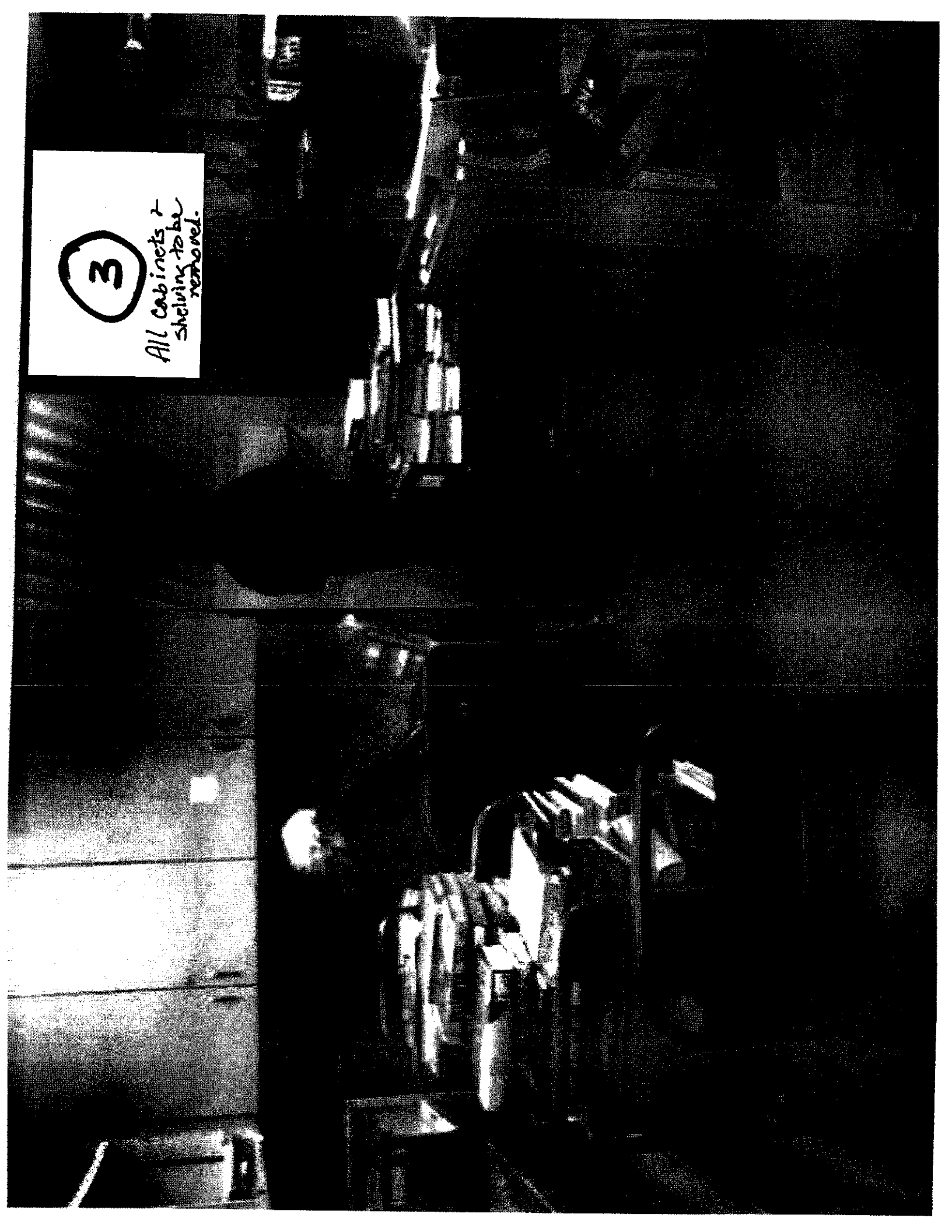
2

Shelving &
Counters to be
removed.



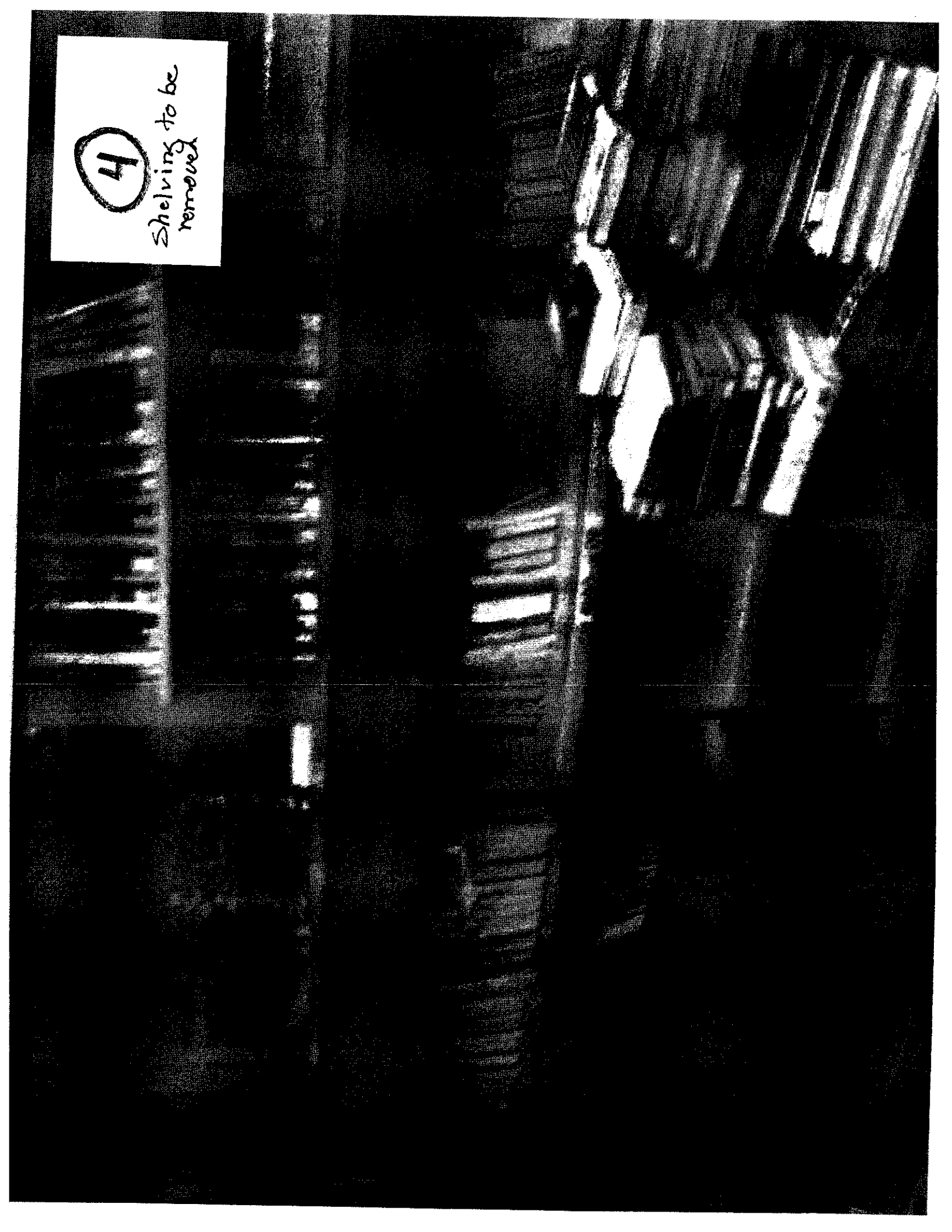
3

All cabinets & shelving to be removed.

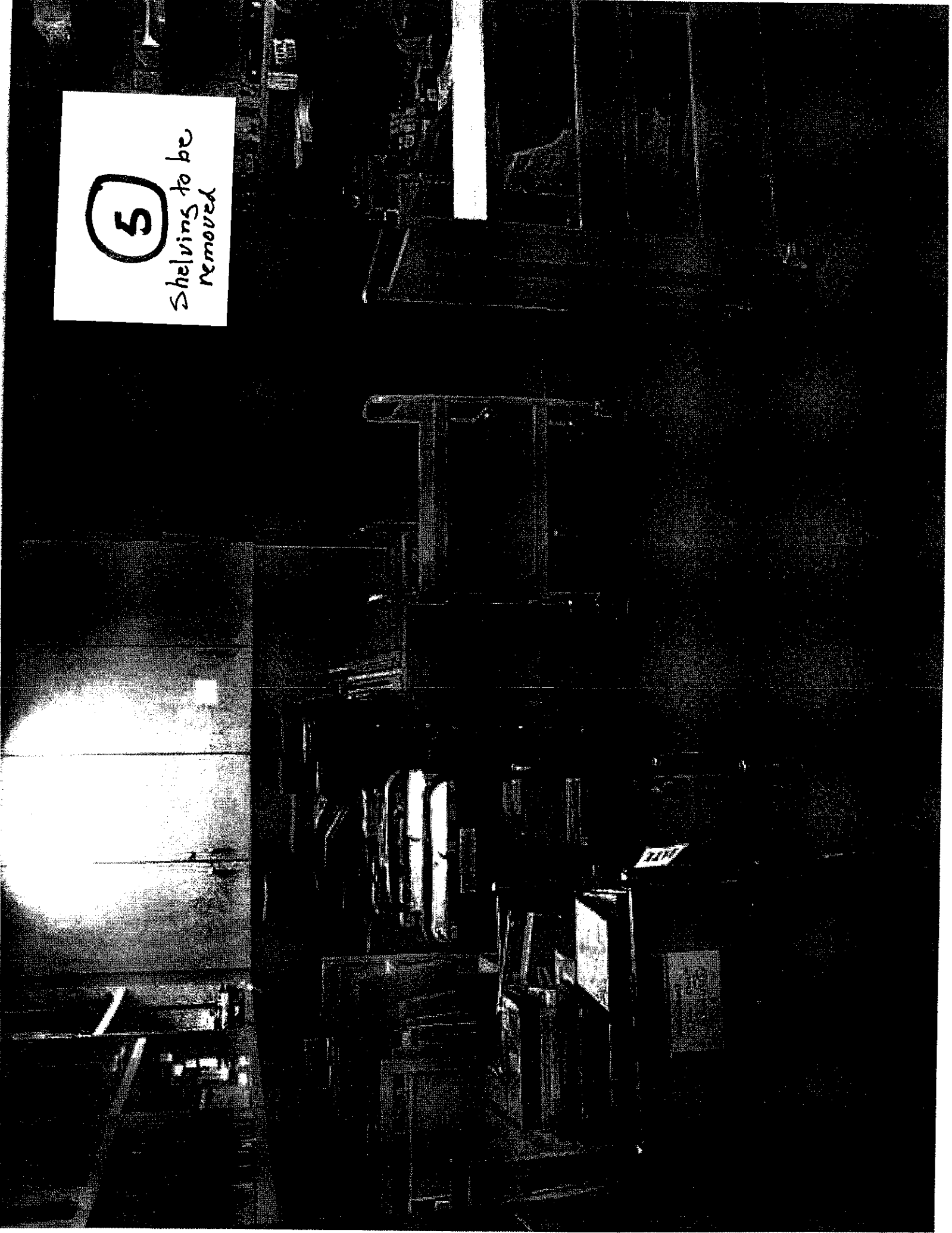


4

Shelving to be removed



5
Shelving to be
removed



6

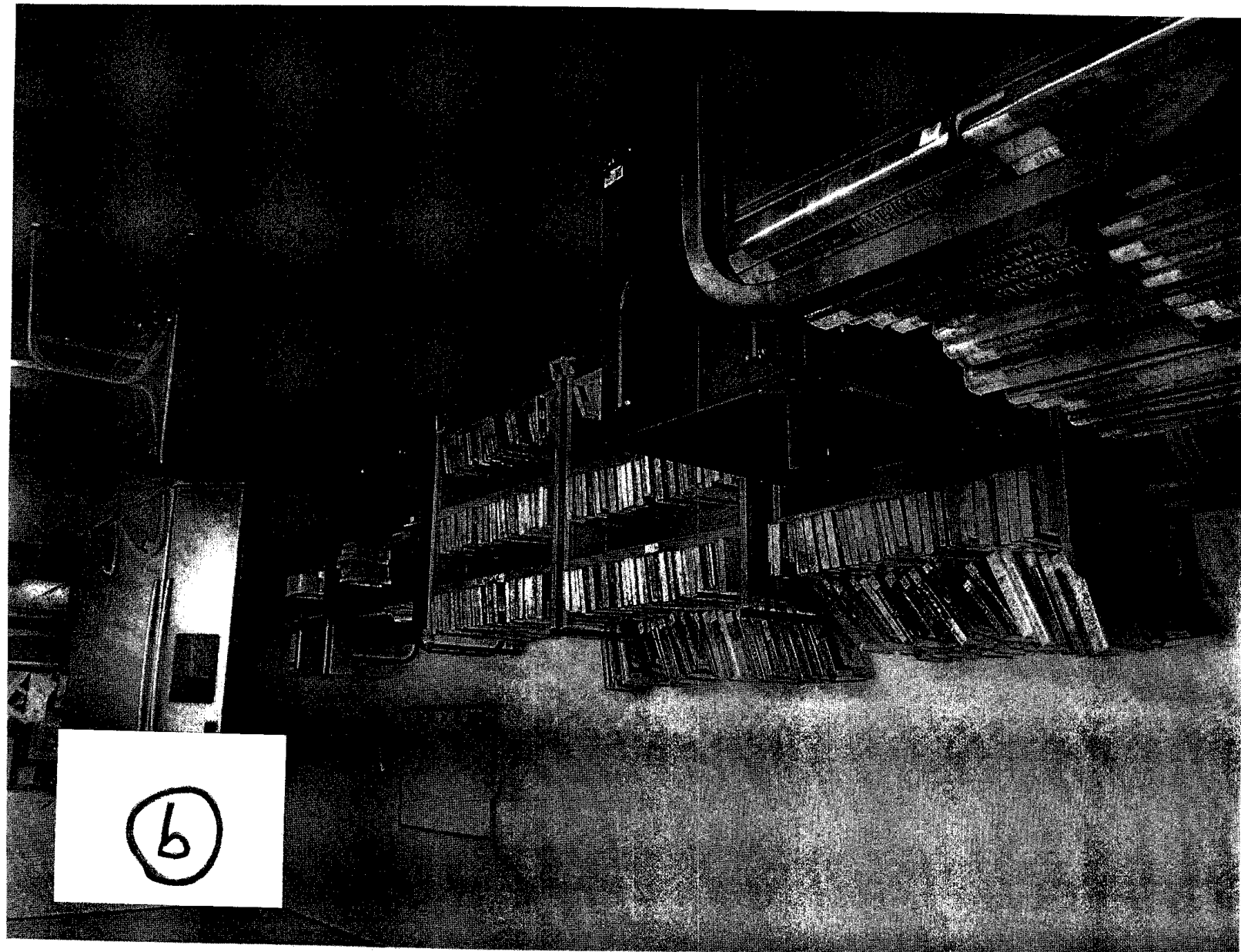


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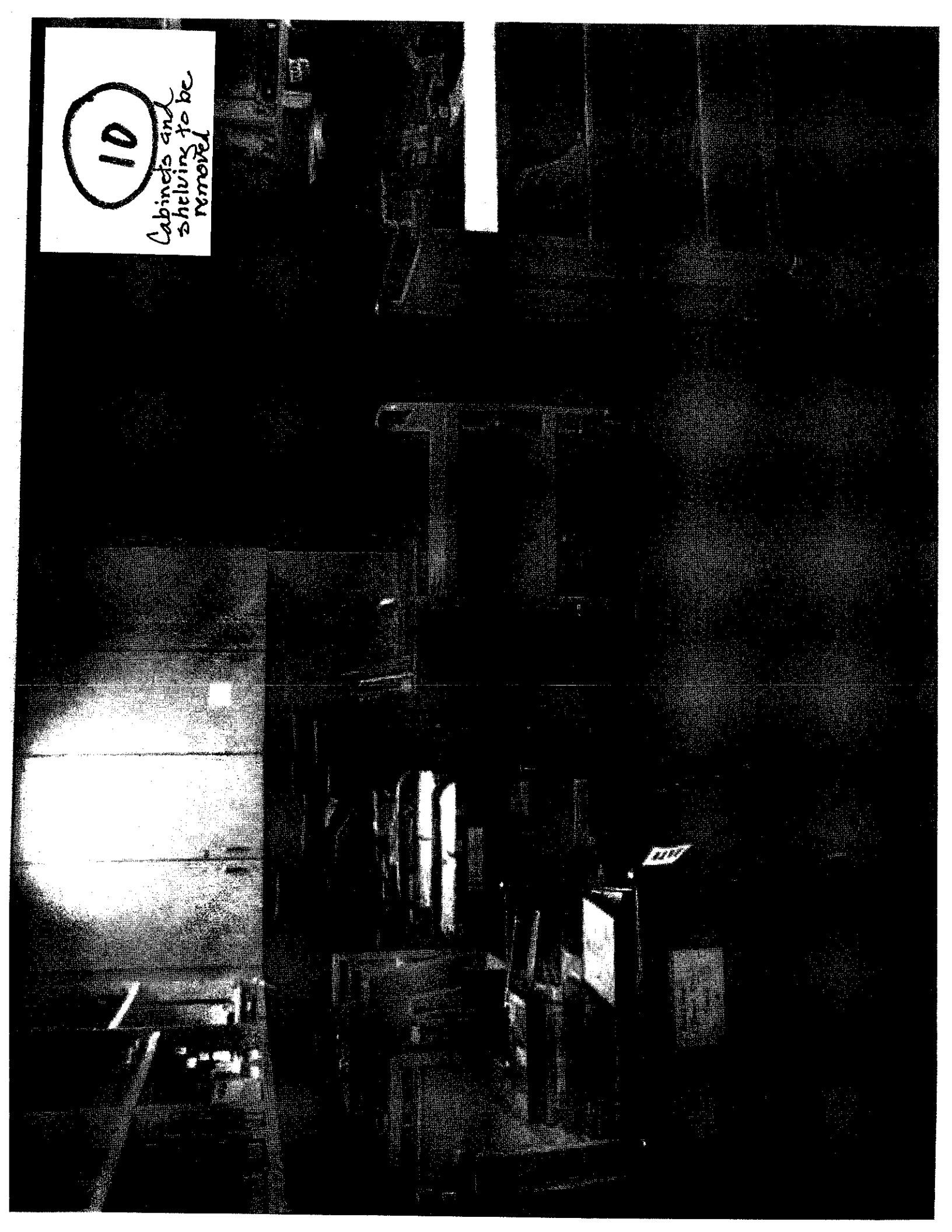


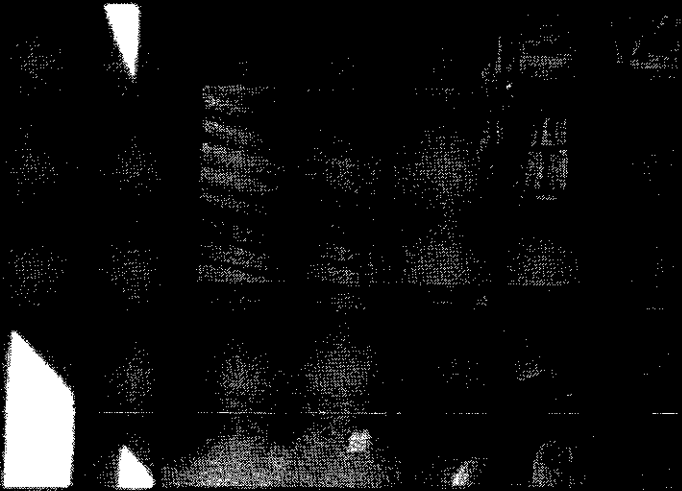
8



10

Cabinets and shelving to be removed





**REQUEST FOR PROPOSAL (RFP 02-12)
FOR
Library Automated Materials Handling Systems**

ADDENDUM NO. 1

This Addendum is being issued for the following changes and informational items:

THE FOLLOWING REVISIONS AND/OR ADDITIONS TO THE RFP DOCUMENT AND INSTRUCTIONS ARE TO BE INCLUDED AND SHALL TAKE PRECEDENCE OVER ANYTHING CONTRARY ON THE PREVIOUSLY ISSUED SPECIFICATIONS AND INSTRUCTIONS AND SHALL BE REFERRED TO HEREINAFTER AS PART OF THE CONTRACT DOCUMENTS.

The City has received the following questions and is hereby providing answers thereto:

Q 1. The RFP mentions that material barcodes are located on both the top and bottom of items. Can you provide more details on where they are positioned? Inside/Outside cover, front or back flyleaf, centered or on the left or right side?

A 1: Throughout the Library's history, different processing has put barcodes in different locations. The majority of the barcodes now are:

Books: outside back cover in upper right hand corner

CDs, Books on CD and DVDs – outside front cover lower right hand corner

Kits – Outside front in upper left third of the plastic bag container

Q 2: Question 34 indicates that you are looking for a dual functioning, Hybrid system, capable of handling both RFID and EM security. Are you currently using any form of RFID technology? If not, would you prefer to be quoted a dual functioning system, or a barcode/EM system that has the capability to be upgraded to RFID technology at a later date as a more cost efficient option?

A 2: The Library does not currently use any RFID technology, but will ultimately be converting. The quote should be for a system that has the capability to be upgraded to RFID.

Q 3: Question 47 indicates that the system should be expandable to 9 sorting locations, but does not indicate how many sorting destinations are preferred for the initial installation. What is the requested number of sorting?

A 3: Initially, if space permits, we would like to begin with 6 sorting bins.

Q 4: The RFP also indicates that the system should be able to handle multiple induction stations. Based on the drawing provided, the location of the current book drop is visible. Would this point be where you require the patron interface to the sorting system? Can the door to the book drop room be removed? How many other locations you would ideally like patron interfaces placed? Where are these locations? Are they located on the interior or exterior of the library?

A 4: The Library will be undergoing a remodel within the next two years. We hope for a double entry in which a second induction point would be located inside the entry. However, initially there will be one exterior induction point where the current wall book drop is now located. The system should have the ability to seamlessly add an induction point in the future remodel. The door to the current book drop room can be removed, but fire protection would need to be provided.

Q 5: As well, the dimensions of the room are not clearly indicated on the drawing. Understanding that finalized and accurate measurements prior to completing the project are the vendors responsibility, can you provide more complete dimensions for the sorting room in order for us to provide an accurate quotation?

A 5: Please see below.

Q 6: I have included a rendition of the drawing provided. Would it be possible to indicate the preferred location of the return interfaces and the dimensions of the area that are noted?

A 6: Preferred location is the current exterior book drop location. Dimensions of the current book drop area are:

Book drop wall: 4' 11.5"

From book drop wall to door of book drop room: 15.5"

Width of book drop door into sorting room: 35 ¾ "

In sorting room, from door to book drop room to other door at the end of the same wall: 15' 5"

Wall dividing sorting room from current staff lounge (standing in staff lounge looking toward sorting room): to left of door 3' 1.5"; to right of door 6' 11 3/4"

Long wall in staff lounge 16'

Book trucks lined up against these walls take up a depth of 3' into the staff lounge. The rest of the area marked is a portion of the staff lounge and currently not part of the check-in and sorting function. We simply use the two walls to line up book carts. The dimensions of the entire staff lounge should be on the floor plan submitted. The photos included in the RFP clearly show the staff lounge and the use of only two of its walls. Note: space in the staff lounge may or may not be used with a sorting system. This is up to the vendor.

Q 7: The provided drawing also includes a drawn in portion that is labeled as 'Sorting', is this where you intend to have the sort system? Or do you intend to have the sorter in the room labeled "Check-in and Sorting"?

A 7: The labels refer to the functions that are currently performed in those spaces. "Check-in and sorting" is where it is likely the sort system will be located and where staff currently checks in all materials and manually sorts to book trucks. The "Sorting" area is an overflow area within the staff lounge where other book trucks for sorting materials are located, due to lack of room in the main check-in and sorting area. If necessary, the new sorting system could bleed into a portion of the staff lounge.

Q 8: Question 15 states:.. Each induction point in the system must have its own user interface with a "staff mode" or "staff mode switch" accessible from the rear of that particular device. Can you clarify what is wanted for this requirement? Is the library asking to have the ability to turn each patron return interface into a staff induction station as required?

A 8: This request is based upon the predication that each patron induction point may need to have a staff mode in order to override, clear jams, or deal with problems with the patron return. This may or may not apply to particular systems. It is assumed that there will be a staff workstation within the sorting room area and perhaps this would also be able to serve the same purpose. This request is up to each vendor's system.

Q 9: Under Technical Requirements, points 35 and 37- – is the system required to have a barcode reader, RFID antenna/reader and the ability to enable Electromagnetic security? Or, if the system includes RFID antenna/reader is Electromagnetic security enabling not a requirement? Point 35. The System must be able to read barcodes in multiple locations both on top and bottom of the item. Point 37. The system must be capable of enabling Electromagnetic and/or RFID security

A 9: *The Library currently uses barcodes ONLY. Depending on material type the barcode may be on the front or back covers, thus the electromagnetic security and bar code scanner for check-in must be capable of reading from the top or bottom of the item. We do not now need a RFID antenna/reader. However the Library hopes to convert in the future to RFID and the system must be capable of switching over or being able to do either now.*

Point 35. The System must be able to read barcodes in multiple locations both on top and bottom of the item.

Point 37. The system must be capable of enabling Electromagnetic and/or RFID security

Q 10: Is the wall between the book drop room and the check-in and sorting area load-bearing? If the exterior return were to be located in the same place as it is currently is the expectation that the conveyor will turn 90 degrees and travel through the existing doorway into the check-in and sorting room? It appears there is an electrical panel adjacent to the doorway – will this panel remain or can it be moved to accommodate a larger opening? Is the sorter to be located in the check-in and sorting room?

A 10: *The wall between the book drop room and check-in sorting IS LOAD BEARING. If the vendor recommends the exterior return to remain in the same location the expectation is that there would need to be a conveyor turn of probably 90 degrees unless another method is suggested. At this time, I cannot answer the question about relocating the electrical panel; that would be a question for an electrician. Certainly any vendor can make a recommendation or present more than one option for that panel in their response.*

BY ORDER OF THE CITY OF PALM SPRINGS, CALIFORNIA

Craig L. Gladders, C.P.M.
Procurement & Contracting Manager
DATE: August 16, 2011

**REQUEST FOR PROPOSAL (RFP 02-12)
FOR
Library Automated Materials Handling Systems**

ADDENDUM NO. 2

This Addendum is being issued for the following changes and informational items:

THE FOLLOWING REVISIONS AND/OR ADDITIONS TO THE RFP DOCUMENT AND INSTRUCTIONS ARE TO BE INCLUDED AND SHALL TAKE PRECEDENCE OVER ANYTHING CONTRARY ON THE PREVIOUSLY ISSUED SPECIFICATIONS AND INSTRUCTIONS AND SHALL BE REFERRED TO HEREINAFTER AS PART OF THE CONTRACT DOCUMENTS.

The City has received the following questions and is hereby providing answers thereto:

Q 1: You stated in the RFP that the barcodes are located in various places. Can you please confirm if they are picket fence or ladder and inside or outside the book?

A 1: *The bar codes are picket fence outside the book.*

Q 2: Please clarify requirement pp. 4 Q 13. If EM is used, the strips must be oriented in order to re-sensitize properly. If bar code is used, the bar code must be visible and fed one at a time. Does the Library really not want to feed items one at a time?

A 2: *The Library currently uses EM. We would prefer that customers not have to feed items one at a time and have to orient each item, in order to prevent a line at the return intake location. Also the Library currently does not have the staff to train customers how to orient each material type before feeding it into the intake.*

Q 3: In regards to requirement pp. 5 Q 19, is Spanish the only additional language desired?

A 3: Yes

Q 4: Can the Library clarify what the purpose of the cumulative receipt is in requirement pp. 5 Q 27? Are you looking for a single header/footer with a composite of the transactions or an exact duplicate of the patron receipts? Only for a day or able to specify date range?

A 4: *The Library would like each customer to receive a receipt listing the items returned during the day's transaction. Single header/footer is fine.*

Q 5: Does the Library want both holds receipts and a specific receipt for exceptions (pp. 5 Q 29)? For the exceptions, what is the Library looking for on the receipt?

A 5: *Any hold receipts would be for staff purposes only. There does not need to be any exception receipt. Both of these functions are back of the house and do not have anything to do with the return receipt requested for the customer.*

Q 6: On page 4 #2, you state that you want us to be compatible with the 3M system and ID recall self check. Normally, the return stations are independent of the self checks and communicate directly with the ILS. If we are supplying an AMH system with return stations, can you clarify the reason for why or how the AMH system needs to be compatible with the self check (i.e. any certain features you would like to have that are similar to the self check)?

A 6: *This request was made in case any vendor had a system that had to be compatible with a particular check-out system. The primary requirement, is of course, that the system be compatible with the Library's ILS system Polaris.*

Q 7: Would it be possible to receive a copy of the RFP in Word format?

A 7: *No, I am sorry, but formal RFP documents are made available via PDF file only.*

BY ORDER OF THE CITY OF PALM SPRINGS, CALIFORNIA

Craig L. Gladders, C.P.M.
Procurement & Contracting Manager
DATE: August 30, 2011

EXHIBIT "C"

CONTRACTOR'S PROPOSAL on the following pages

The final negotiated 6 page Proposal (Summary) dated March 21, 2012 is provided first, followed by the contractor's original RFP submittal



Proposal

Palm Springs Public Library
Ms. Barbara Roberts
300 S. Sunrise Way
Palm Springs, CA 92262

Your contact: Kristin Vogel
Tel: +1 410 377 0897
Fax: +1 860 760 0448

kristin.vogel@mk-sorting-systems.com
www.mk-sorting-systems.com

mk Sorting Systems Inc.
17 Herman Drive, Suite C
Simsbury, CT 06070

This proposal consists of 6 pages.

Proposal no.:	Rev	Our Reference	Date
QUO-01475-NDQSJD-	REV2-LSSIREV5	KV/KC/MF	March 21, 2012

Thank you for your interest in our library solutions. According to our general sales conditions we would like to make the following offer:

Please find below the final configuration and pricing for the automated materials handling system and RFID solution including complete conversion.



Pricing: Automated Materials Handling System

Please note this quote is based on *Final Drawing 1-3.329-11*

Qty	Description	Single price in \$	Total price in \$
1	7-Bin Sorting System 6 bins : 700x700mm 1 bin : 900x700 removed to right side Item Identification: RFID only Item Security: RFID Patron Card Identification: Barcode Exterior Return Station: One Staff Return Station: One, height adjustable Merge Conveyors: Two		Included
1	Hold Slip Printer , located at staff return		Included
1	Shipping		Included
1	Installation		Included
1	Training (takes place during Installation)		Included
	SubTotal		\$196,450
Options			
1	Trespa Countertop (counter made of stainless steel w/ Trespa material)		\$850
	Placement of Screen Vertical (not slanted)		\$3,500
1	Manual Book Drop (as backup) Lockable flap will only be unlocked when the exterior return station is not in use Includes One Book Bin 700x700 mm		\$6,500
2	Spare Book Bin (size 700x700)	\$1,360.00	\$2,720
1	Spare Book Bin (size 900x700)		\$1,360
	Total Turnkey System		\$211,380
1	GOLD maintenance level starts after 12 month warranty – FULL coverage and 100% parts – four year contract -	10% purchase price per year	\$21,138

Silver option available at 8% and library pays 50% of cost for replacement parts

****please note service contract rate increases by 2% each year****



Pricing: RFID System Solution:

Qty	Description	Single price in \$	Total price in \$
108,000	RFID Book Tags, white with high performance SLI-X chip, ISO 15693, ISO 18000, 2" x 3" tags 1,500 per roll and 2 rolls per box per roll	\$0.16	\$17,280
20,000	RFID StingRay Tags, transparent with high performance SLI-X chip, ISO 15693, ISO 18000, Tags Ø108 mm / 4.25" 1,000 per box on one roll	\$0.69	\$13,800
3	RFIDSelfCheck SC3 – TableTop Software: mk Lib Soft Library Cards: Barcode Item Identification: RFID and Barcode Item Security: RFID Counter Design: Wide Audio Support: No Color Style: white, gray counter, others to be selected	\$5,550	\$16,650
3	mk StaffStation Kit Connected to existing staff workstation, Shielded RFID Antenna w/ USB Reader / Writer, power supply and USB cable, Software linked to ILS including tag conversion capability	\$1,225	\$3,675
1	SG1 Clear - Dual aisle Technology: RFID People counter: Yes mk GateTracker software People counter Yes Item identifier Yes	\$9,400	\$9,400
1	mk LibManager Web-based administration tool to manage and maintain all mk products including statistics	Included	Included
1	Training (takes place during installation)		Included
1	Shipping and Installation		\$8,900
1	Total for RFID Solution		\$69,705



1	RFID Conversion – LSSI (subcontractor) Provided by LSSI- staff of LSSI will coordinate the hiring of tagging staff and tagging of all items in the library – estimated time is 7 weeks – coordinated by mk Sorting Systems – includes all necessary tagging equipment (except tags) and full conversion of 125,000 items *** mk will oversee this portion of project with LSSI as the sub-contractor		\$53,300
	Total for Conversion & RFID Implementation		\$123,005
	Service GOLD contract for RFID portion level starts after 12 month warranty – FULL coverage and 100% parts – four year contract		\$2,975

****please note service contract rate increases by 2% each year****

Total for AMH and RFID (including conversion by LSSI):	\$334,385
8.75% Tax on taxable items:	\$23,816.19
DDU Total:	\$1,000

GRAND TOTAL	\$359,201.19
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Service total after the first year of warranty for both systems:	\$24,113
	<u>**please note service contract rate increases by 2% each year**</u>



Notes:

Pricing is based on complete order. Delivery and installation are planned to occur at one time.

- Library is responsible for providing the ILS SIP2 license for the proposed equipment if this requires the communication to the library's ILS via SIP2.
- mk products will be tested at the factory prior to shipment to ensure a smooth installation on site. Representative sample materials tagged and programmed if RFID or bar coded with EM security strips of each type of item need to be sent to mk's office for use during system pre-shipment testing.
- A remote connection (such as VPN or Teamviewer) for remote maintenance has to be available and tested before installation. mk will provide required forms which needs to filled out by the library.
- Library is responsible for providing power connections as well as a standard Ethernet port connection close to the equipment for some installations.
- Library is responsible for all associated building changes and wall or floor finishes if required. Pricing of building modifications – if required - such as wall openings and fire shutters are considered architectural changes to be provided by the Library's building contractor and are not included as part of this proposal. mk will provide sizing requirements and mounting specifications in the final acceptance layout.
- Depending on the product, mk will provide a drawing showing exact or recommended power and data connection. This drawing must be signed off by the library before any manufacturing can begin.
- The proposed equipment will be delivered either in completed units or in modules, depending on the type of equipment. The library must provide enough space to bring the goods from the unloading zone outside the library to the installation area inside the library.

Please do not hesitate to contact us for clarification on any of these requirements.



Terms of delivery and payment

Terms of delivery

Approximately 2-3 weeks for tags and staff stations, 4-5 weeks for tagging stations, 5-7 weeks for gates, self checks and 15-17 weeks for sorting system.

All ship dates determined after receipt of the order in writing and agreement of all technical and commercial details, as well as all parties holding to the project time schedule in dependence of the responsibilities contained therein.

Delivery

F.O.B. Destination, DDU delivered duty paid

Terms of payment

- 30 % of order value payable after receipt of order confirmation
- 40 % of order value with delivery and installation
- 30 % of order value 30 days after final acceptance but not later than 1 month after delivery
 - mk Sorting systems is not responsible for installation delays beyond our control
 - Pricing listed above include local, state/provincial or federal taxes.
 - All payments due on receipt of invoice net.

Validity of prices

3 months after date of this proposal.

Warranty

12 months according to legal rules and our terms of delivery and payment.

General

This offer is confidential and is only intended for internal use. The sharing of technical information or pricing is prohibited without the expressed, written permission of mk Sorting Systems. mk understands that this proposal is subject to the Public Records Act.

Prior to completion of manufacturing, we reserve the right to make design changes to improve the equipment or exceed the design specifications for any or all systems without prior approval. After the system has been installed, we retain the same right, but agree to notify the library in advance of any changes. The library may elect to decline an upgrade except in the case of changes to correct/limit manufacturer liability exposure.

Orders will not be processed until Contract Services Agreement is received and signed by both parties at mk Sorting Systems.

Please review our proposal carefully. We assure you of timely processing of your order.

Respectfully,
mk Sorting Systems

Kristin Vogel



mk Sorting Systems Inc.
17 Herman Drive, Suite C
Simsbury, CT 06070

info@mk-sorting-systems.com
www.mk-sorting-systems.com

September 6, 2011

Cheryl Martin
City of Palm Springs
Procurement and Contracting Office
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Ms. Martin and selection committee,

mk Sorting Systems Inc. is pleased to submit a response to the City of Palm Springs' AMH Request for Proposal for a turnkey system that includes the manufacturing, delivery, installation, training and support of an AMH library automation system for the library.

mk has a strong history of experience with RFID/Barcode/EM technology, self-service enablement and circulation workflow automation because we focus our research and development exclusively on library specific software and hardware solutions.

All products purchased from mk Sorting Systems will be custom manufactured by our experienced team and tailored to meet your specific needs. Each product is engineered and tested in our facilities, by our employees and customized to your specific requirements to exceed your expectations. mk Sorting Systems will collaborate with the library to ensure there is a solid implementation plan in place and the infrastructure to support it. In addition, ongoing maintenance and service will be available to provide you confidence in our products.

In addition, all products provided will include the web-based mk LibManager software that allows staff to monitor and configure all products from their desktop PC and provides statuses and statistical data at the click of a button.

You can be confident that all products and services will be manufactured and provided from ONE source when you choose mk Sorting Systems which allows us to have complete control of your project from start to finish.

We look forward to partnering with the City of Palm Springs in implementing a long-term and patron friendly AMH solution for your library. As a partner, we are committed to the success and excellence of this project. Please call if we can provide additional information, an onsite demonstration or if I can otherwise be of help in any way.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Tom Pinkin", written over a horizontal line.

Tom Pinkin
Sales & Business Development Manager
mk Sorting Systems
tom.pinkin@mk-sorting-systems.com
(860) 760-0438



COVER LETTER

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- 1. SECTION A: FIRM, STAFF, TEAM QUALIFICATIONS AND EXPERIENCE,
INCLUDING REFERENCES**
- 2. SECTION B: PROPOSAL ORGANIZATION, CONFORMANCE WITH RFP
INSTRUCTIONS, AND DEMONSTRATED UNDERSTANDING OF THE
OVERALL PROJECT AND REQUESTED SCOPE OF WORK AND
REQUIREMENTS**
- 3. SECTION C: WORK PROPOSAL**
- 4. SECTION D: PROJECT SCHEDULE OF PERFORMANCE**
- 5. SECTION E: LOCAL PREFERENCE**

ADDITIONAL INFORMATION

- 6. PRODUCT SHEETS, TECHNICAL SUPPORT AND WARRANTY AND
TRAINING AND PRODUCT DOCUMENTATION**

***COST PROPOSAL IS CONTAINED IN A SEPARATE SEALED ENVELOPE.**

ATTACHMENT "A"

THIS FORM MUST BE COMPLETED AND SUBMITTED WITH YOUR TECHNICAL/WORK PROPOSAL (Envelope #1)

**REQUESTS FOR PROPOSALS (RFP) # 02-12
LIBRARY AUTOMATED MATERIALS HANDLING SYSTEM**

SIGNATURE AUTHORIZATION

NAME OF COMPANY(PROPOSER):

mk Sorting Systems Inc.

BUSINESS ADDRESS: 17 Herman Drive, Suite C, Simsbury, CT 06070

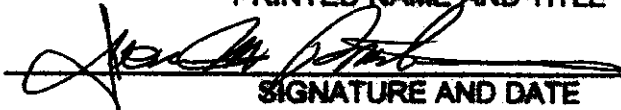
TELEPHONE: 860-760-0438 **CELL PHONE** 860-906-4235 **FAX** 860-760-0448

CONTACT PERSON Tom Pinkin **EMAIL ADDRESS** tom.pinkin@mk-sorting-systems.com

A. I hereby certify that I have the authority to submit this Proposal to the City of Palm Springs for the above listed individual or company. I certify that I have the authority to bind myself/this company in a contract should I be successful in my proposal.

Tom Pinkin, Sales & Business Development Manager

PRINTED NAME AND TITLE

 9/6/2010
SIGNATURE AND DATE

B. The following information relates to the legal contractor listed above, whether an individual or a company. Place check marks as appropriate:

1. If successful, the contract language should refer to me/my company as:

An individual;
 A partnership, Partners' names: _____

A company;
 A corporation If a corporation, organized in the state of: DE
 A Local Business (Licensed within the jurisdiction of the Coachella Valley).
Copy of current business license is required to be attached to this document.

2. My tax identification number is: 61-1573837

ADDENDA ACKNOWLEDGMENT:

Acknowledgment of Receipt of any Addenda issued by the City for this RFP is required by including the acknowledgment with your proposal. Failure to acknowledge the Addenda issued may result in your proposal being deemed non-responsive.

In the space provided below, please acknowledge receipt of each Addenda:

Addendum(s) # 1 & 2 is/are hereby acknowledged.

ATTACHMENT "B"

THIS FORM MUST BE COMPLETED AND SUBMITTED WITH YOUR TECHNICAL/WORK PROPOSAL (Envelope #1)

NON-COLLUSION AFFIDAVIT TO BE EXECUTED BY PROPOSER AND SUBMITTED WITH PROPOSAL

STATE OF CALIFORNIA) ss
COUNTY OF RIVERSIDE)

The undersigned, being first duly sworn, deposes and says that he or she is Tom Pinkin of mk Sorting Systems Inc., the party making the foregoing Proposal. That the Proposal is not made in the interests of, or on the behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Proposal is genuine and not collusive or sham; that the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham Proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham Proposal, or that anyone shall refrain from Proposing; that the Proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal price of the Proposer or any other Proposer, or to fix any overhead, profit, or cost element of the Proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the Proposal are true; and, further, that the Proposer has not, directly or indirectly, submitted his or her Proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereof, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, Proposal depository, or any other member or agent thereof to effectuate a collusive or sham Proposal.

By: 

Title: SALES & BUSINESS DEVELOPMENT MANAGER

Subscribed and sworn to before me this 6 day of September, 2011.

9/6/11



C. SOMMARUGA
NOTARY PUBLIC - CONNECTICUT
MY COMMISSION EXPIRES
16 SEPT. 30, 2013

Section A:**Firm, Staff, Team Qualifications and Experience, Including References****mk Sorting Systems, Inc.**

mk Sorting Systems provides high quality library RFID and Automated Materials Handling Solutions. mk Sorting is a division of mk Technology Group, who has been providing high level technical equipment for over 40 years. This experience bodes well for libraries, as it provides an excellent basis on which to build a technical solution for RFID circulation. mk Sorting has taken a fresh approach to the RFID solution compared to our competitors. We are very proud of our ability to customize products and services to meet our customers' needs. All equipment and software is designed to meet ISO and other published standards and has no proprietary features giving libraries the confidence that our systems will be long lasting.

One of mk Sorting Systems many strengths is our ability to develop personal relationships with our customers. Because of the size of our company, we have the ability to focus on libraries as they are going through the transition and provide the personal service they require. All of our systems are designed with the goal of interoperability between vendors.

mk Sorting Systems has an invested interest in ensuring that your project is successful. As plans for your libraries develop and implementation begins, it is important that mk Sorting Systems stays in contact with the project manager and key staff from the library. Working to help the library incorporate our equipment and systems into the library is paramount to the success of not only the project, but of the library itself. mk Sorting Systems will collaborate with the library to ensure there is a solid implementation plan in place and the infrastructure to support it.

We have learned that a successful implementation involves the completion of a set of easily identified steps to be completed by both mk Sorting Systems and the library. We are eager to finalize a Project Plan that meets each of your objectives. We are committed to making your project a success.

Company History and Experience

In 2005, mk Technology Group, a leading supplier of aluminum profile based components and modules for factory automation, created mk Sorting Systems as a division to specialize in library automation solutions. After an increase of market acceptance and over 30 installations in libraries worldwide, it was decided that mk Sorting Systems should become its own company. In February of 2008, mk Sorting Systems GmbH was established as a subsidiary of Maschinenbau Kitz and was able to focus exclusively on the development and sales of high-quality library RFID solutions and automated materials handling systems. By November, the success of mk Sorting Systems GmbH allowed for the company to expand into the emerging U.S. market, creating a subsidiary corporation, mk Sorting Systems Inc., which is headquartered in Connecticut.

Today, mk Sorting Systems continues to improve products with the latest technological advancements and will provide our customer's with the attention and dedication needed to ensure the system will exceed every library's expectations.



mk Sorting Systems, Inc.

Type of Company: Corporation
Date: Incorporated Nov. 2008 – Delaware
Company: mk Sorting Systems GmbH
Established 2006 – Germany
Holding Company: Maschinenbau Kitz GmbH
Established 1966
Experience: 44 Years – Automated Materials Handling
6 Years – Library RFID

Headquarters

USA: mk Sorting Systems Inc.
Address: 17 Heman Drive, Suite C
Simsbury, Connecticut 06070
Toll-Free: 1-888-484-5056
Phone: 860-760-0438
Fax: 860-760-0448
Contact: Tom Pinkin & Kristin Vogel

Germany: mk Sorting Systems GmbH
Address: Glockenstrasse 80
53844 Troisdorf, Germany
Phone: + 49 228 4598-123
Fax: + 49 228 4598-125
Website: www.mk-sorting-systems.com
Director: Markus Flory

Holding Company

Germany: Maschinenbau Kitz GmbH
Address: Glockenstraße 84
53844 Troisdorf, Germany
Phone: + 49 228 4598-0
Fax: + 49 228 4531-45
Website: www.mk-group.com
Commercial Register: Siegburg HRB 2107
Directors: Doris Kitz, Hans Josef Kitz,
Stephan Kitz, Jürgen Kitz

Advantages of Working with mk Sorting Systems, Inc.

History – Our proven history in automation allows us to create systems that are innovative and unique to the library community.

Design Customization – Every installation is custom designed and manufactured with continuous consultation with the library. We strongly feel that libraries do not benefit from a “cookie cutter” solution as each installation has special requirements. With multiple styles available, more than 290 extrusion shapes and over 2000 system components, mk offers the most comprehensive “modular building kit” available.

Flexibility – Even a fully installed system has the flexibility to have functionality added or changed. Every system has the ability to grow without requiring the entire system to be replaced.

Quality – 100% inspection and quality control on every product shipped

Value – Lean manufacturing principles ensure cost-effective products.

Reliability – World class on-time delivery

Support – Our customer service group and great network of distribution partners and sales representatives are available to provide you with the highest level of service and application support.

Personal attention – One of mk Sorting Systems key strengths is our ability to develop personal relationships with our customers. Because of the size of our company, we have the ability to focus on libraries as they are going through transition and provide the personal service they require. We are also very proud of our ability to customize products and services to meet our customers’ needs.

mk Sorting Systems has been able to draw on mk Automation’s 40 years of materials handling experience to provide a completely fresh approach to the design and implementation of patron self-service and library materials sorting systems. Our highly specialized design and engineering team develop each design and ensure that it meets extremely high industry standards. The system is designed with a high degree of attention to detail, reliability and safety.

Relationships with ILS vendors – mk has a history of strong relationships with ILS vendors worldwide. Our background with automated materials handling leading into RFID systems has allowed us to grow and build solid relationships with many ILS vendors to ensure that our systems are compatible with all ILS software requirements and features. Companies such as Innovative Interfaces, SirsiDynix, Polaris, Infor, Ex Libris, HKA, Biber, KRZN, DDElibra and several other ILS providers have worked with mk products worldwide to provide a complete RFID solution. This relationship ensures that the entire process from installation to implementation will be a smooth transition. The mk system communicates seamlessly via SIP or NCIP in order to provide and reference information from your ILS.



Subcontractors

Installation of your system will be conducted by mk factory trained service technicians. We have a mk service technician located in the city of San Francisco who is available for service calls when needed. This guarantees that any questions or issues that may occur will be answered quickly and effectively by our team. We will first attempt to service your products via remote access. If the problem cannot be resolved remotely, our local technician will be dispatched to the site.

mk Sorting Systems contracts with Compact Power Services to ensure that the necessary staff are available when on-site service visit is necessary. CPS Technicians are located in your area and are fully trained in our equipment and will be involved with the installation and implementation of the system.

Should the library experience a serious issue and our technical support technician is unable to solve an issue remotely with the assistance of library staff, mk Sorting Systems will issue a service call to CPS, our maintenance service provider. CPS technicians are available during regular business hours and are fully trained in all maintenance and repair requirements of our AMH solutions. Onsite calls are scheduled by our Technical Support Department.

All costs for any services provided to your library by CPS technicians are included in mk's service and maintenance pricing.

Vendor Profile / Project Team Qualifications / Skills / Experience

Kristin Vogel

Vice President, Sales & Business Development
17 Herman Drive, Suite C
Simsbury, CT 06070
(410) 377-0897 phone
(860) 760-0448 fax
(314) 422-7864 mobile
kristin.vogel@mk-sorting-systems.com

Tom Pinkin

Sales and Business Development Manager
17 Herman Drive, Suite C
Simsbury, CT 06070
(860) 760-0438 phone
(860) 760-0448 fax
(860) 906-4235 mobile
tom.pinkin@mk-sorting-systems.com

Working with mk Sorting Systems

The success of every project is dependent on excellent communication between the library and mk Sorting Systems staff. Working together to ensure that your installation is efficient and a smooth transition, mk will do everything they can to help the library reach its goals.

One of mk Sorting Systems many strengths is our ability to develop personal relationships with our customers. mk Sorting Systems has a dedicated crew of professionals who strive to deliver top quality products, service and support to our customers, regardless of where they may be located. Their diverse backgrounds allow each of them to contribute to the continuing success of the company.

Project Management Team**Markus Flory – President**

Markus Flory has been with mk Technology Group for over nineteen years. Markus founded mk Sorting Systems, GmbH in Germany as well as mk Sorting Systems, Inc. headquartered in Simsbury, Connecticut. Markus and his team have developed all mk products and spearheaded mk's growth into North America. He provides strategic vision and leadership for all library customers. Markus will have ultimate responsibility for the project implementation and execution. He is responsible for relationships with our partners and customers in over twenty five countries. His background includes experience in mechanical engineering, project management, sales, marketing and business development.

markus.flory@mk-sorting-systems.com

Kristin Vogel – Vice President, Sales & Business Development

Kristin Vogel joined mk Sorting Systems in May 2010. Kristin has over six years of experience working with libraries in North America and a proven track record of developing strategies and products that meet clients' long term needs. She has created and maintained strong working relationships within academic, public, and school libraries. Kristin will be a point of contact for any questions during the proposal, evaluation, and implementation of library systems. Working from our Baltimore, Maryland office, she will also be a contact for any concerns and will assist the library in creating a successful implementation.

kristin.vogel@mk-sorting-systems.com

Tom Pinkin – Sales & Business Development Manager

Tom Pinkin brings to the table considerable project coordination experience and expertise. Tom has over thirty years experience in the material handling industry serving a wide variety of user markets. His focus over the past seven years has been on automation for the domestic and international library market. He has a wide range of skills in direct sales, business development and strategic marketing and is past chairman of the Conveyor Products Section of the Material Handling Industry of America. Tom has a Bachelor's degree in Architectural Environmental Design and a Masters of Business Administration in Marketing. Tom is based in the Simsbury, Connecticut office.

tom.pinkin@mk-sorting-systems.com

Rebecca Linton – Sales & Business Development Manager

Rebecca Linton joined mk Sorting Systems in 2011, bringing over seventeen years of sales and marketing experience in a broad range of industries including education, non-profit, financial services, associations, and technical services. A customer service-oriented sales professional with extensive experience in strategic planning, Rebecca has worked with clients through all project stages, successfully fulfilling objectives and meeting deadlines while staying within budgetary constraints. Rebecca is based in our Baltimore, Maryland office.

rebecca.linton@mk-sorting-systems.com

Andy Sorensen – Service and Project Coordinator, North America

Andy Sorensen is the primary Service and Project Coordinator for North America from our operating location in San Francisco, California. Andy is the first point of contact for the service needs of all North American clients, working in conjunction with our headquarters in Germany to provide clients timely and effective solutions to any system error.

Andy has over five years of experience in facilitating the installation of electrical devices, conducting preventive maintenance and remote troubleshooting. He communicates with all customers on a daily or weekly basis as well as conduct site visits to verify all mk equipment is working properly.

andy.sorensen@mk-sorting-systems.com

Kelly Conover – Sales and Marketing Coordinator

Kelly Conover joined mk Sorting Systems in 2010. Kelly is responsible for communicating with the library throughout the entire implementation – including the receipt of order and responses to any post-installation service inquiries. She will coordinate all deliveries and installations to ensure the library's specified project start and completion dates have been met.

With a background and degree in Marketing Communication, Kelly will be an additional point of contact for any questions during the proposal evaluation. Kelly is located at our headquarters in Simsbury, Connecticut.

kelly.conover@mk-sorting-systems.com

Oliver Lammerich, Technical & Project Manager

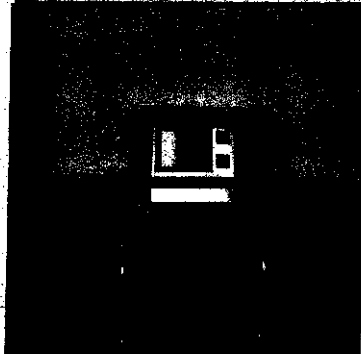
Oliver Lammerich has been with mk Technology for over 15 years and is a professional Mechanical Engineer. Oliver is the Technical & Project Manager for all of our installations. He will be taking on the responsibility of ensuring that the project moves forward, stays on schedule and within the allocated budget.

Oliver will be supervising the manufacturing team ensuring the equipment is built to the library's requirements. He will also be assisting with the testing and quality control of the systems prior to installation and will coordinate the on-site installation team. Oliver is involved with coordinating the entire project from start to finish.

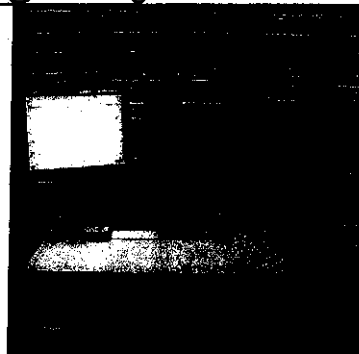
oliver.lammerich@mk-sorting-systems.com

References

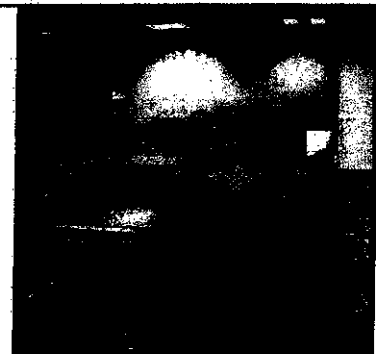
Company Name:	San Mateo County Library
ILS	Innovative Interfaces Millennium
Service Provided:	Automated Materials Handling – Barcode/EM (currently upgrading to RFID) Foster City 2 Exterior Returns 1 Staff Return 9 Way Sorter 1 Manual Book Drop Belmont 1 Exterior Return 1 Staff Return 7 Way Sorter San Carlos 1 Exterior Return with Bin 1 Interior Return 1 Staff Return 7 Way Sorter Millbrae 1 Exterior Return 1 Staff Return 7 Way Sorter
Date:	December 2009 – April 2010
Size:	13 branches
Number of Employees:	51
Contact Person:	Greg Bodin
Title	Library Services Manager
Address:	125 Lessingia Court
City, State, Zip Code:	San Mateo, CA 94402
Telephone Number:	650-312-5276
E-mail Address:	bodin@smcl.org



Exterior Return – San Carlos

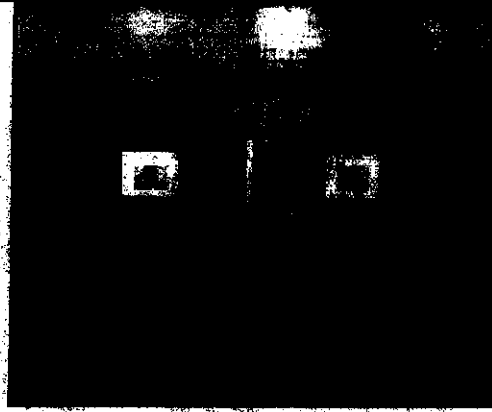
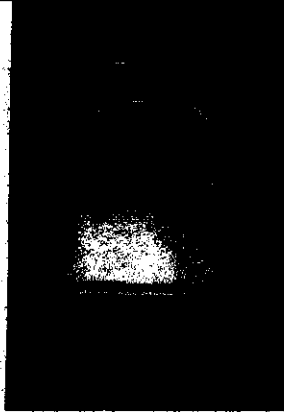


Staff Return – San Carlos



7 way Sorter – San Carlos

Company Name	University of Toronto – Robarts Library
Service Provided	SirsiDynix Symphony Automated Materials Handling – Barcode/EM (option for RFID upgrade in future) 2 Interior Returns 2 Staff Station 1 Hold Slip Printer 9-way Sorter
Installation Date	December 2010
Project Manager	Lari Langford
Address	Head, Access & Information 130 St. George Street Toronto, ON M5S 1A5 416-978-2898 lari.langford@utoronto.ca



	Mountain View Public Library
	Innovative Interfaces / Millennium
	Automated Materials Handling -- RFID
	1 Interior Return
	1 Exterior Return
	1 Drive-up Return in Parking Garage
	1 Staff Return
	11 Way Sorter
	February 2008
	1 Library
	18
	Paul Sims
	Library Services Manager

585 Franklin St.
Mountain View, CA
650-526-7040
paul.sims@mountainview.gov



SECTION B:**PROPOSAL ORGANIZATION, CONFORMANCE WITH RFP INSTRUCTIONS, AND DEMONSTRATED UNDERSTANDING OF THE OVERALL PROJECT AND REQUESTED SCOPE OF WORK AND REQUIREMENTS**

B.2 Without reciting the information regarding the Project verbatim as contained in this RFP, convey your overall understanding of the Project and an understanding of the City's expectations upon implementation of the Project.

Palm Springs, like many libraries across the country, faces the struggle of keeping up with demanding circulation increases but has pressure to hold or reduce operating expenses. The only way to accomplish this without adding additional staff is to automate the library workflow. Implementing an automated material handling system will relieve staff of the everyday task of returns handling which is a common cause of repetitive motion and lifting injuries in libraries. Implementing this system will shift the returns function from the circulation desk to the AMH system. It will also immediately check items in for patrons with improved accuracy and reduces the time required to get materials back in circulation, thus improving service to patrons. In addition, the sorting system can continue to work after library hours improving circulation workflow. With the addition of the AMH, the library will be able to shift staff to fill other understaffed areas as well as directly assist patrons researching various topics. Over the life of the system, the library wants the flexibility to be able to adapt the system should circulation continue to grow and be able to keep up with emerging technology. With the planned future renovation, the library also wants to be able to adapt to building modifications with minimal additional investment in the AMH system.

From the city's standpoint, they want to ensure that the system is installed and commissioned without problems and will then continue to operate with minimal interruption or expense. They also want the best performance, best value and the most flexibility of a system. This means that the vendor must have a proven track record of timeliness with delivery and installation, cost-effective as well as timely responses when any service issues arise. mk can address all of these demands.

B.3 Based on the firms prior experiences and or the space available for the system installation, please identify any "key" or "critical" issues that you believe may be encountered on the Project; and provide steps to be taken to ensure the issues identified do not affect the successful delivery of the Project.

Key issues –

1. Compliance with local fire codes – to prevent delays with the installation and commissioning of the system, confirm with fire marshal the requirements for a fire shutter or fire suppression on the automated returns.
2. If the library prefers to use the layout with the automated return in the existing book return room, determine if the existing electrical control panel can be relocated to allow the conveyor to penetrate the interior wall.
3. Determine if the door in the existing book return room can be relocated to still allow the room to be used for storage.
4. If the library prefers the layout with the entire system outside of the existing book return room, can the return be located in the area of the existing "desertscape" at the entrance to the library.
5. With the requirement to have extremely high accuracy and the limited space in the circulation workroom, the technical requirement to allow patrons to drop multiple items at time into the return is not possible or practical. In order to insure high accuracy, patrons would need to feed one item at a time. Given the throughput capacity of the return, this will not cause major lines to occur.

**SECTION C:
WORK PROPOSAL**

C.1 Proposer should refine and/or expand the Scope of Work to reflect their understanding of the project and include a detailed technical work proposal, including proposed design plan, methodology and technical approach, inclusive of all materials, detailed proposed equipment list, and all labor (work plan) necessary to fully install, train Library Staff, and maintain a new turn-key Library Automated Materials Handling system as requested in the scope of work. Identify all tasks and sub-tasks required to successfully implement all phases of the project.

mk Sorting Systems' submittal is based on a turnkey implementation. As an ISO certified manufacturer, we follow specific procedures for administration, engineering and manufacturing of an order. The library should assign a single individual to be the point of contact between our project manager, the library and building contractor. Upon receipt of order, we will reconfirm all information and specifications relative to the system design, building modifications and ILS interface. An approval layout will be submitted that must be approved and signed off by the library before manufacturing can begin. The layout drawing will also show size and location of building modifications to be provided by the library or building contractor. The library will also be responsible for submitting samples of check-in materials and sample patron cards for factory testing. Prior to shipping, we will test the system components and verify connections to the ILS via a test port provided by the library. Once testing is complete, the equipment will be shipped to the site. All library building modifications must be completed prior to the start of installation. Our service technicians will arrive on site at the same time the equipment arrives to direct unloading and uncrating of equipment. Our shipper will remove crating materials from the delivery point. Once all equipment is in the building, installation will begin. At the completion of installation, our technicians will do on-site pre-acceptance training, then move on to final acceptance testing that is witnessed and signed off on by a library staff member. Training usually occurs immediately after acceptance testing, but is done with the input of the library and according to the availability of library staff. All work after acceptance is coordinated with our Service Support group according the warranty or Preventive Maintenance contract provisions.

For post acceptance system modifications and relocation, mk will quote the work necessary to complete the upgrade/relocation upon clarification from the library and availability of staff. All mk AMH systems are built using a true modular design. The system can be easily dis-assembled, modified and re-assembled to fit the library's requirements and done in a minimal amount of time with a minimal amount of components. We also use common components as frequently as possible to minimize the amount of spare parts required and allow parts to be easily swapped out in other parts of the system when required.

C.2 Critical functionality issues that must be addressed in this section are: 1) Compliance with all of the requirements as set forth in the RFP under Technical Requirements and Service Requirements; 2) Ease of self-service; 3) Flexibility to be relocated if current library space is remodeled; 4) Ability to convert to RFID; and 5) Vendor support.

(1) Refer to the individual responses in "Response to Technical Requirements." mk complies with all items except the ability to feed multiple items at a time. In order to insure the high rate of sort reliability and accurate reading of barcodes, items must be fed one-a-time.

(2) It is possible for the properly trained library staff to perform basic maintenance on the equipment using the service documentation provided upon the completion of installation. Staff can access additional help from our online service hotline when necessary to correct issues. If that is insufficient, a service technician can be dispatched to the site to correct the problem.

(3) Once the library is remodeled, the system can be altered or moved very easily. Depending upon the scope of the move, the system can be moved in major modules after minor disassembly and removal of anchor bolts. Once in its final position, the system can be expanded and/or bolted back together, realigned and re-commissioned. Many, if not all, parts and modules can be reused without having to discard any part of the system.

(4) The system will be provided with the ability to convert to RFID simply by reconfiguring the controls. A RFID reader/antenna will already be installed in each return. The configuration settings will be modified and items tested by our technician at the time of conversion to ensure everything works without issues.

(5) Refer to the sections titled "Technical Support and Warranty."



**SECTION C: WORK PROPOSAL C.2
TECHNICAL REQUIREMENTS**

Requirement	Response (Y or N)	Comment(s)
1. The system and all of its components shall be entirely compatible with and in no manner interfere with, the Polaris integrated library system, its computer clients, or other components.	Y	
2. The system must be compatible with 3M security and ID Recall self-check.	Y	
3. The system must be able to migrate to Radio Frequency Identification (RFID).	Y	
4. The proposed system must provide application-specific software to incorporate all hardware proposed.	Y	
5. The system must be capable of supporting 2-3 different induction units.	Y	
6. The system shall interface with the Library's existing Polaris automated library system using the SIP, SIP2 or SIP2 plus extensions or NCIP protocol.	Y	
7. The system must not use a proprietary ILS connection.	Y	
8. The system must not interfere with other equipment, automated library system clients or PCs that may be nearby	Y	
9. The system shall be able to connect through the Library's Ethernet network via an RJ-45 connector and/or secured wireless network.	Y	
10. If RFID is/will be used in the system, the system must be ISO 15693 18000-3 Mode 1 compliant and must use Reader Talks First (RTF) Architecture.	Y	
11. The system must provide an intuitive user interface.	Y	All products include the mk LibManager – please see Section 6 for more information.
12. The AMH system must provide a touch screen user interface that guides users through the return process.	Y	
13. The user interface must not require patrons to have to place items in the drop in any special way or one item at a time	N	Exception - Patrons must feed one item at a time to maintain sort accuracy and ability to reject items for any specific reasons
14. Based upon a configurable option, the display should provide user feedback when the AMH rejects an item.	Y	
15. Each induction point in the system must have its own user interface with a "staff	Y	The mk LibManager

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mode" or "staff mode switch" accessible from the rear of that particular device.		provides staff access to all induction points and ability to access the points in staff mode.
16. Sorter conveyor must be designed to prohibit materials from becoming stuck in the belt or falling off the side of the belt	Y	Guarding is provided where ever necessary and practical to prevent jams.
17. In the staff mode, the user may access, upload, and print statistics for each induction point and the sorter or modify configuration for that device.	Y	See mk LibManager product sheet in Section 6.
18. The system must provide a configurable option so that the borrowers can select to print a receipt.	Y	Via mkLibManager
19. The system must have an option that supports a user-selected Spanish language option.	Y	
20. The default language is to be English.	Y	
21. The system shall provide an emergency stop button.	Y	
22. The system shall support email messaging to alert staff or administration when the system requires attention.	Y	
23. The system shall provide a built-in receipt printer with high capacity paper. Please list specific length of paper roll.	Y	The length of each paper roll is 885 feet.
24. The receipt shall be configurable so that the library can easily determine content. The content must support item number, title, library name and location, time and date formatted according to the operating system and a customized footer.	Y	
25. The library staff shall be able to easily edit, update and otherwise control the content of the printed receipts without vendor intervention.	Y	
26. The receipt print shall provide an auto-cut capability.	Y	
27. The system shall have the ability to print out a cumulative receipt with customer library information as determined by the library.	Y	
28. The system must provide the ability to identify items not found in the Library's catalog and print them as "Material not owned by library", or similar, on the patron receipt and screen.	Y	Yes, these items will be listed and highlighted on the receipt and screen
29. The system shall provide library staff with the ability to print an exception receipt for items that are on hold or are an exception	Y	
30. The system must support SIP, SIP2, SIP2 plus extensions or NCIP connections to Polaris ILS for check in and holds.	Y	
31. To ensure future interoperability the system must support socket connections.	Y	
32. The system must read item-specific identification numbers, communicate to the host	Y	

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circulation system to update the library's inventory, turn on the security feature, retrieve sorting criteria and dispatch items to the proper route and receptacle on the system.		
33. System must include a staff Windows based workstation and PC with master controller, ethernet switch, touch screen display and master shutdown switch	Y	
34. The system shall be dual function – capable of processing RFID tags and the item bar codes in the same transactions, to prepare for the Library's eventual migration to RFID.	Y	
35. The system shall be able to read barcodes in multiple locations both on top and bottom of item.	Y	Top & bottom scanners included
36. The system shall provide real-time check-in of all items returned.	Y	
37. The system shall be capable of enabling Electromagnetic and/or RFID security.	Y	
38. The system must automatically store transactions during offline situations and when connection is restored automatically forward all transactions.	Y	The system will store all transactions and continue to attempt to communicate with the ILS to transfer the information. Once the system is online again all data will then be sent to the ILS.
39. The system shall turn on the security feature to allow secure Library operations during offline situations.	Y	
40. The system shall be configurable to accept all items.	Y	When configured as such, any items that cannot be identified will be directed to the exception bin.
41. The system shall be able to handle sets of items with RFID tags in the future.	Y	
42. The system shall identify location codes, item types, transit locations, holds, collection code, request status or by one or more combinations of the above and sort items accordingly.	Y	Sort points can be determined by the library and can be easily changed at any time.
43. The system shall provide the option to sort unknown items into an exception bin.	Y	
44. The system shall have the ability to notify the staff when a bin is full or missing.	Y	
45. The system shall have the ability to notify the staff when receipt printer is out of paper.	Y	
46. The system shall have the ability to notify the staff when the system is out of service.	Y	



47. The system shall be capable of being expanded to incorporate up to nine sort locations.	Y	Our system is easily expandable at any time in the future.
48. The system must be capable of sequential sorting.	Y	
49. The system must provide for environmentally protected external patron returns and/or internal patron returns, ADA compliant and installed so all ages may access it.	Y	
50. The external returns must be of stainless material in order to blend with any décor and retain its appearance with age.	Y	
51. The external patron return must have a secure door and/or photo eye that automatically starts the conveyor by user interaction.	Y	
52. The system shall be able to be mounted on an external or interior wall of the library.	Y	
53. The system must accommodate items as small as .21 inches thick by 2 inches by 2 inches.	Y	
54. The system must accommodate items as large as 4.0 inches thick by 18 inches by 24.0 inches.	N	Exception – mk maximum allowable item is 3.9" H x 15.8" L x 11.8" W
55. The system must be capable of operating in staff and public areas without causing interference to normal library operations	Y	Our system is completely enclosed to ensure safety for your patrons. It is also one of the quietest systems on the market and can be placed in public areas with no distraction to patrons or staff.
56. The system must operate with quiet, sealed electric motors, not air compressors, to control noise and to eliminate introduction of pneumatic hoses and devices in a public space.	Y	
57. The system must operate below normal conversation levels	Y	
58. System should operate only when it senses materials being returned	Y	
59. The system must not require any special wiring.	Y	
60. All sorter components must operate using standard 110V or 220V power	Y	
61. The maximum power required for sorter should not exceed the normal power available from a standard 110V 1P 60 HZ electrical outlet or 220V 1P 50 Hz electrical outlet	Y	

SERVICE REQUIREMENTS

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Hardware / Software Technical Support

Requirement	Response (Y or N)	Comment(s)
1. Toll-free telephone assistance on system use and troubleshooting available between 7:00 A.M. to 6:00 P.M. Pacific Time, Tuesday through Saturday.	Y	

Installation Requirements

Requirement	Response (Y or N)	Comment(s)
1. The proposed system must be installed according to a schedule determined in coordination with Library staff to minimize disruption and prevent Library closure at any time during the installation process.	Y	
2. Vendor must also be available for consultation on placement of hardware to accommodate network infrastructure, power and ventilation requirements, building restrictions, etc., and to maximize the workflow, staffing and patron convenience issues	Y	
3. The Contractor shall provide training for the Library staff. This training shall include all aspects of the Automated Materials Handling system and shall be scheduled with the Director of Library Services to accommodate the shift schedules of the library employees. The scope of the training shall be sufficient to teach the proper operation of the system and the cost for all training is to be <i>included</i> in the total Cost Proposal. Vendor will be required to provide the Library two (2) completely printed and bound copies of an <i>Operations Manual</i> for the system installed.	Y	Electronic versions of the manual are also provided. Refer to Section 6 for Training Documentation.
4. Final acceptance/commissioning by the City will not be granted until the system has been delivered, installed, all functions tested and properly operating, staff trained, workmanship is inspected, and approved by the City of Palm Springs Director of Library Services.	Y	

Warranty and Service Requirements

Refer to Section 6 for Technical Support and Warranty

Requirement	Response (Y or N)	Comment(s)
1. If providing RFID conversion now or in the future, the circulation RFID tags must be guaranteed to be effective for the life of the item to which they are originally affixed and, if found to be defective, they must be replaced at no cost to the Library.	Y	Industry definition of item life is 10 years from date of tag receipt, as long as tags are stored according to tag



		manufacturer guidelines for heat and humidity.
2. The successful vendor warrants all products, including all equipment, hardware, and software, for a period of one (1) year from the date of acceptance of the project by the City. The warranty shall include all parts and all labor. Any equipment found to be defective shall be replaced by vendor free of charge, including labor and any inbound or outbound shipping costs. Defective equipment is defined as any equipment that requires three (3) or more repairs or service calls within a one (1) year period.	Y	
3. Software warranty: Software patches and service pack releases must be supplied for all equipment under warranty or service agreement at no additional charge to the Library.	Y	
4. Service technicians must be fully trained, factory authorized and certified by the manufacturer to perform Service.	Y	
5. The bidder must have fully factory-trained technicians stationed on the West Coast of the United States for onsite hardware support and service.	Y	
6. Technicians shall be centrally dispatched.	Y	
7. The Library shall be able to request service on a 24-hour basis using a toll free 800 number.	Y	
8. Technical software phone support will be provided via an 800 number.	Y	
9. Service technicians will be equipped with parts normally required to service the equipment and reduce downtime.	Y	
10. Average response time must be 8 hours or less.	Y	
11. Failure of vendor to meet specified standards may result in termination of service contract.	Y	
12. The Service Agreement must be renewable on an annual basis.	Y	
13. The Service Agreement must include remote maintenance for expert technical consultation and software support.	Y	
14. Warranty and Service requirements apply to both Standard and Optional system components.	Y	
15. At the end of the initial original one (1) year warranty period the vendor shall provide five (5) years of ongoing on-site service and support for the Automated Materials Handling system. The cost for such on-site service and support shall be at the prices set forth in the Cost Proposal, Exhibit C, for next business day service; emergency/after-hours service, weekends.	Y	See Section 6.

Project Implementation Plan

mk Sorting Systems will help to implement your system with full attention and support from start to finish. Each step of the process we will be available for questions, consultation and support to make this transition to automated materials handling as smooth as possible. mk Sorting Systems is responsible for the manufacturing, delivery, installation, training and support, and promises to communicate with your library as each step in the implementation process is approached and completed.

mk manufactures all of our products and systems, we have complete control of all steps in the manufacturing process and do not have to deal with third party companies that may create delays or incompatibilities. This ensures that we will deliver as promised for every deadline during the installation process.

After mk receives the library's order, a member of our Sales team will process the order and coordinate with our headquarters in Germany to ensure the project remains on schedule, including the manufacturing and shipment of materials. All order confirmation and shipping documents will be sent to the library as soon as they are available. In addition, there will be a site visit conducted by our Sales and Project Management team. This visit will confirm the location, measurements, layouts and design of your automated materials handling system.

Once the layout and design of the automated materials handling system are finalized, a final layout will be submitted to the library for approval. Once approved, the manufacturing of the equipment will begin.

All mk products include the mk LibManager software. mk LibManager is a web-based program that allows staff members to monitor, control, edit, customize and maintain all mk equipment. The mk LibManager software allows staff to easily obtain and interpret information from the system to provide statistical data and reports. Andy Sorensen, our Service and Project Coordinator, will demonstrate how this easy-to-use monitoring software will benefit the library and how the staff can utilize various customization options and set up notifications of any system activity.

After the manufacturing of your sorting system is completed, we will conduct a one week test in our manufacturing facility with the sample patron cards and library items provided by the library. This run-off will occur to make sure all components of the system are running efficiently before shipment. The system is then shipped directly to your library and installed by our factory trained service technicians (this process will take approximately one week). All AMH system training will occur after the acceptance test is completed at the end of installation.

During every stage of this process, our skilled team of sales, project management, IT, service technicians and staff will help to provide a smooth installation, answer any questions and provide quality service and training to your library.

**Project Implementation Plan for:
Palm Springs Library Center**

Palm Springs Library Center AMH Implementation Plan

Activity	Responsibility	Date*
Receive Notice of Award	Palm Springs / mkSS	4/18/2011
Evaluate Installation sites -- mk Sorting visits site	Palm Springs / mkSS	4/25/2011
Confirmation of Order/Signed Contract received by mk	Palm Springs / mkSS	5/2/2011

Activity	Responsibility	Total Weeks	Week*	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Verify all information about existing customer automation, network, space requirements and installation specifications is complete, accurate and understood by both parties	Palm Springs / mkSS	1	1	█														
Order Confirmation	Palm Springs / mkSS	1	1															
Review Implementation Schedule and Plan	Palm Springs / mkSS	1-2	1-2		█													
Complete layout engineering	mkSS	2-3	2-3			█												
Submit approval layouts, approval of layouts	Palm Springs / mkSS	4	4				█											
Manufacturing of equipment	mkSS	2-12	2-12															
Customer develops sorting preferences/table/script	Palm Springs	8	8															
Customer ships test materials to mk for factory testing -- books, CDs, DVD with current RFID tags	Palm Springs	4	4															
mk fully tests system prior to shipping	mkSS	10-12	10-12															
Hardware delivered to library	mkSS	12-15**	12-15**															
Install hardware	mkSS	12-15**	12-15**															
Test Hardware/software	Palm Springs / mkSS	12-15**	12-15**															
Library receives required training manuals	Palm Springs / mkSS	12-15**	12-15**															
Library Staff Training	mkSS	12-15**	12-15**															
System acceptance and system goes "live"	Palm Springs / mkSS	12-15**	12-15**															

Additional Activities	Responsibility	Timeline*
Pre-warranty On-Site regular maintenance -- after 1 year of operation	mkSS	1 year after acceptance

*Preliminary Timeline

**Delivery time will be between 12-15 weeks. Depending on when the hardware is delivered to the installation site, it will then take only one additional week for installation and training to be completed.

Section E: Local Reference

mk Sorting Systems is headquartered in Simsbury, CT, therefore would not be considered a local business for Palm Springs, CA. mk Sorting Systems does, however, have a remote office location in San Francisco, CA where our Service Technician is located. He will be available to assist the library in any service issues or repairs. Please see the Technical Support and Warranty sections (Section 6) for additional information on our Service support.

mk Media Sortation

Our solutions will move you



Benefits for your patron:

- Handles even the thinnest of materials including magazines, newspapers and DVD's
- Extremely quiet and does not exceed 58 db so that patrons are not disturbed when the system is installed in a public area
- Safety features and guarding system prevents injuries to patrons and staff
- Reduces book to shelf turnaround time and increases availability of items for patrons
- Immediately updates patron record allowing them to borrow additional items quicker

Benefits for your library:

- The aluminum profile construction allows the system to be installed in both public and private work areas
- Compatible to all mk products including interior return station, exterior return station, Transport, Book Bins and SelfCheck systems
- Materials conveyed via a specially designed, single conveyor belt
- Special pusher system, developed and patented by mk, moves the items gently into bins, totes or on stacking carts
- Extremely quiet so that staff are not disturbed
- Every installation is custom tailored to the library's specifications and needs
- Full system design consultation ensures system reliability

Technical Details:

Basic interior return with 3 way sorter:

- RFID, Barcode, Hybrid (Barcode/RFID)
- Dimensions: L 108.3 x W 59.1 x H 74.8 in. (L 2750 x W 1500 x H 1900 mm)
- Weight approx. 1,433 lb. (650 kg)
- 230 Volt 1P and RF45 network 230 V 3P for 5+ bins layouts
- Extension modules add 2 additional sort destinations
- Remote VPN connection allows for remote system monitoring and troubleshooting
- Various conveying components to adapt system to fit unique layout needs
- On-board visualization software to monitor system operation and fault conditions equipment status beacon
- Complete safety guarding and electrical hazard protection
- Safety interlocked book bins

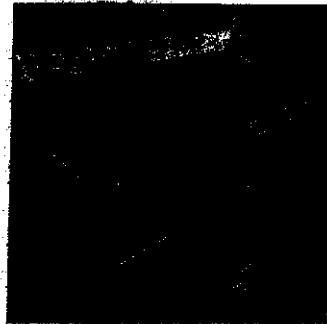
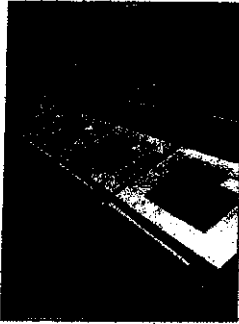
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mk
SORTING SYSTEMS

mk Book Bins

The quickest way to the right place



Benefits for your library:

- Book bins are magnetically locked in place when sorter is running and removed when full using pushbutton and safety access key
- Sensors automatically detect when a bin is full. Alert beacon activated in addition to notifying staff via visualization software
- Easy to move carts with rotating, lockable casters. Available for use on carpet or hard flooring
- Possible to use our different kinds of bins in one sorting system

Technical Details:

- Easy to move with 4 heavy duty rotating casters
- Casters available for use on carpet or hard flooring or locking type
- Colors and finish details optional and adaptable to the library

Book Bin:

- Bin floor automatically raises and lowers allowing significant reduction of lifting by staff
- Ergonomic handle with various adjustable height options.
- Available sizes and capacity:
120-140 items: L 27.6 x W 27.6 x H 31.5 in.
(L 700 x W 700 x H 800 mm)
180-200 items: L 27.6 x W 31.5 x H 31.5 in.
(L 700 x W 800 x H 800 mm)

Tote Bin:

- Ergonomic handle with various adjustable height options
- Available tote bin sizes: L x W x H
27.6 x 27.6 x 31.5 in. (700 x 700 x 800 mm) or
27.6 x 31.5 x 31.5 in. (700 x 800 x 800 mm)
- Available sizes and capacity totes:
(20-25 items) (43.5 Liter) 23.6 x 15.8 x 8.7 in.
(600 x 400 x 220 mm)
(25-45 items) (63.7 Liter) 23.6 x 15.8 x 12.6 in.
(600 x 400 x 320 mm)
- Available with or without cover

Stacking Cart:

- Ergonomic and easy handling
- Stacking length: 27.6 in. (30-50 items)

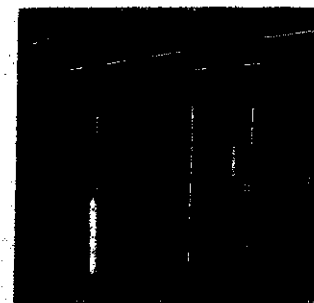
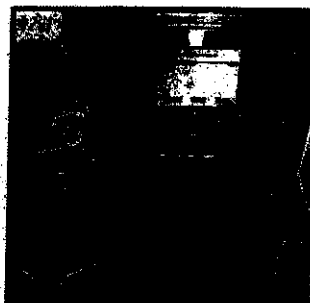
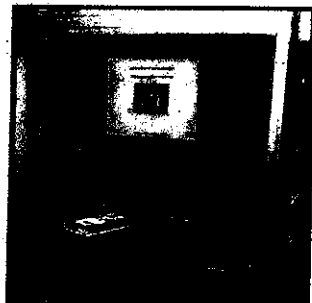
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SORTING SYSTEMS
mk
200404

mk Interior Return

Flexible, simple and modern media return



Benefits for your patron:

- Ergonomic as well as providing access to patrons with physical disabilities
- User-friendly operation with simple menu prompts for patron and staff
- Return process started by placing item on the belt
- Instructional animations, Clear error messages
- Fee status, with integrated payment system
- Multiple languages available
- Option for paper receipt, e-mail receipt, text message or opt out of transaction
- Long waiting lines are avoided

Benefits for your library:

- Stainless steel front, anodized aluminum frame
- Tailored to your individual wishes, various materials and color options
- Soft conveyor belt for gentle material handling
- Items automatically check in, with security status reset
- For items tagged as a set, will reject if item is missing
- Remote troubleshooting via secure VPN connection
- Less than 58 decibel levels

Technical Details:

- RFID, Barcode or Hybrid (RFID / Barcode)
- SIP2 or NCIP communication
- Standard return: L 37.4 x W 34.9 x H 40.2 in. (L 949 x W887 x H045 mm) (counter 12.4 in./315 mm)
- Scratch resistant 17" touch screen
- 110/230 Volt 1P 3 bin sorter
- 208/440 Volt 3P 4+ bin sorter
- CE and UL listed
- LibManager will be your standard supervisor software

- Media capacity:
min. 2.9 x 2.3 x 0.07 in. (100 x 60 x 2 mm)
max. 15.8 x 11.8 x 3.9 in. (400 x 300 x 100 mm)
- Weight media: Min. 1.1oz (30g) Max 1.1lb (5kg)

Optional:

- Integrated EM re-sensitizing
- Audio feedback
- Uninterrupted power supply
- Account information and Renewal

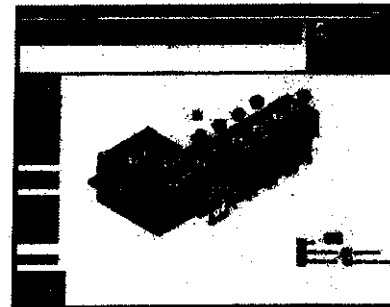
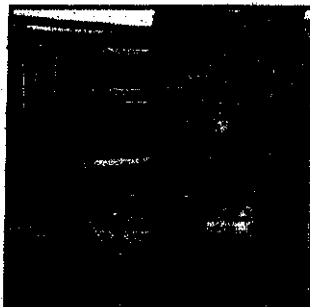
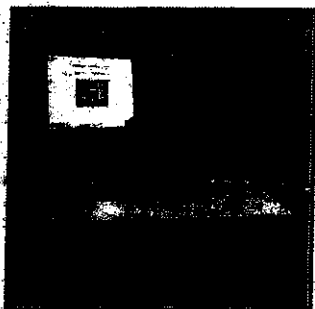
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mk
SORTING SYSTEMS

mk Staff Return

Flexibility and efficiency for your circulation staff



Benefits for your library:

- The Staff Return unit is a special return station, connected to the sorter, for use by circulation staff
- These units can greatly reduce material handling by staff and maximize the sorting capacity of the sorting system
- Full access to circulation workflows and ILS on workstation
- Staff Control Visualization Software displays system and item status, error messages and full analysis during system fault or stop conditions
- Custom built to meet library specifications with choice of materials and color

General Features:

- Can be installed in either the backroom or circulation desk areas
- Ergonomic as well as accessible for staff with physical disabilities
- Multilingual user screens
- Simple user-friendly interface
- Software is compatible with most Integrated Library Systems (ILS) via SIP-2 or NCIP
- Remote troubleshooting and maintenance via secure VPN connection

Technical Details:

- Scratch resistant 17" touchscreen
- RFID, Barcode or RFID & Barcode (Hybrid)
- Height adjustable workstation counter
- Adjustable mounted monitor
- LibManager will be your standard supervisor software

Optional:

- Height adjustable
- Integrated Hold slip printer

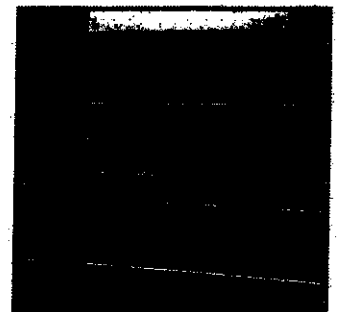
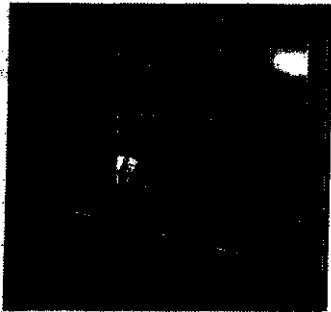
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SORTING SYSTEMS
mk
1998

mk Exterior Return

24 hours a day - independent from opening hours



Benefits for your patron:

- Return items 24 hours a day, independent from opening hours
- User friendly operation with simple menu prompts for patron and staff
- Fee status, with integrated payment system
- Multiple languages available
- Ergonomic and handicap accessible
- Access window opened by patron card or library media (barcode or RFID)
- Option for paper receipt, e-mail receipt, text message or opt out of transaction

Benefits for your library:

- Stainless steel front with security window to protect system from weather and vandalism
- Specialized climate control prevents clouding or freezing of the window.
- Integrated touch screen and receipt printer
- Item automatically checked in, with security status reset
- Soft conveyor belt for gentle material handling
- Full system monitoring and diagnostics
- Remote maintenance via secure VPN connection

Technical Details:

- RFID, Barcode or Hybrid (RFID / Barcode)
- SIP2 or NCIP communication
- Standard return: L 37.4 x W 34.9 x H 41.2 in. (L 949 x W 887 x H 1045 mm) (counter 12.4 in./315 mm)
- Scratch resistant 17" touchscreen
- 110/230 Volt 1P 3 bin sorter
- 208/440 Volt 3P 4+ bin sorter
- Media capacity:
Min. 3.9 x 2.3 x 0.7 in. (100 x 60 x 2 mm)
Max. 15.8 x 11.8 x 3.9 in. (400 x 300 x 100 mm)

- Weight media: Min 1.1oz (30g) - Max 1.1lb (5 kg)
- UL/CE system certified
- LibManager will be your standard supervisor software

Optional:

- Integrated EM re-sensitizing
- Audio feedback
- Uninterrupted power supply
- Hold slip printer (see product sheet)
- Account information and Renewal
- Fire detection and suppression

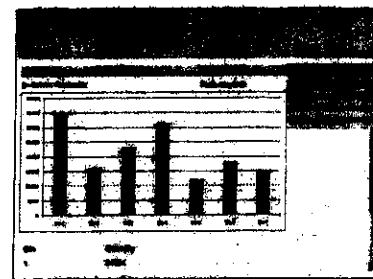
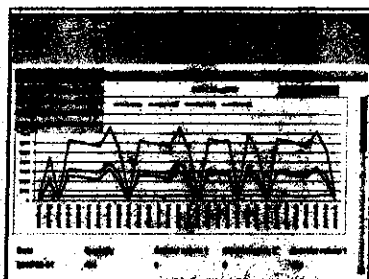
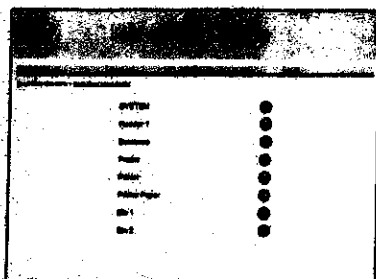
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mk
SORTING SYSTEMS

mk LibManager

Your standard supervisor software



Benefits for your library:

- One-stop management tool to manage and monitor library installations and equipment from multiple branches
- Configuration and system changes for all installed equipment including: Self-Check, Staff Station, Interior and Exterior Return, Sorting Systems, Mini-Sorters, Security Gates, Payment Stations and LipDispenser
- System changes or new configurations can be distributed to single stations or multiple stations
- Complete activity overview, powerful monitoring and statistical evaluation of your automation products
- Simple access via an internet browser with login function divided into user groups (admin, supervisor, staff)
- Diverse configurations: print, message, sorting, layout settings, statistics, help functions and support tickets
- Statistics collected for circulation and reservations as well as failure reporting (e.g. failed check-in)
- Print and export function (e.g. to MS Excel)

Technical Details:

- Access from any staff workstation
- Uses standard internet browsers

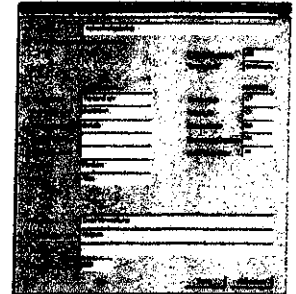
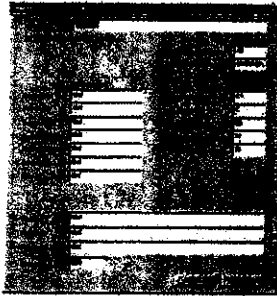
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SORTING SYSTEMS
mk

mk Holds Slip Printer

Circulation of your holds faster than ever before



Benefits for your library

- Check-in identifies a hold, sends item and patron identification via the ILS to the hold slip printer.
- Hold slips contain: ID number/identifier, patron number, Book ID and item title. Outstanding fines, library name and address, request date for the hold and a due date can also appear on slip.
- Printer prints each label in a succession as items are sorted to the assigned holds bin partially perforates the slip.
- When the bin full sensor is triggered, the printer will stop.
- Last in, first out: Staff can match the two as they empty the bin without having to search for and match items.
- The printing process starts again when the bin is changed and the first hold item is sorted into the bin.

Technical Details:

- Printer integrated in sorter's control network
- Epson TM88

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mk
SORTING SYSTEMS

Technical Support

Installation of your system will be conducted by factory trained service technicians. We have a local mk service technician located in the city of San Francisco who is available for service calls when needed. This guarantees that any questions or issues that may occur will be answered quickly and effectively by our team. We will first attempt to service your products via remote access. If the problem cannot be resolved remotely, our local technician will be dispatched to the respective branch.

Regular Support Hour – Toll-Free, E-mail and Fax Support

The AMH system comes fully equipped with our Control Panel Visualization Software and has video cameras installed inside the AMH equipment providing library and technical support staff full diagnostic tools to evaluate the system remotely as well as the ability to evaluate the system at any moment from any location. The use of this software allows us to solve over 95% of service issues with a simple phone call.

Regular Support Hours

- Monday – Friday 7:30 a.m. – 10:00 p.m. EST
- Saturday 10:00 a.m. – 8:00 p.m.
- Sunday 12:00 p.m. – 8:00 p.m.
- 24 Hour Toll-Free Emergency Hotline

Support Hourly Costs

- Telephone Support – The cost of contacting Technical Support is included at no additional charge in the initial warranty and then as an extra option in the extended warranty pricing.
- On-site Support – The cost of having a technician on-site is included at no additional charge in the initial warranty and then as an option in the extended warranty pricing.

Technical Support Contact Protocol

Initial contact is made to our Technical Support Department. These staff members will draw on their experience to solve the problem using the diagnostics available in the software, accessing workstations remotely and with the assistance of library staff. Technical Support staff will consult with mk Sorting Systems' development team and our system hardware engineers should escalation be required.

If an on-site visit is required because Technical Support has either been unable to determine the problem, or because it is a hardware issue that requires on-site attention, mk Sorting Systems will issue a work order for a Technical Support Analyst.

In the event that the technician is unable to solve the issue, staff will be flown to the library from one of our sales and service locations for further troubleshooting.

Response Time

We respond to telephone, fax and e-mail requests for assistance within a four-hour time frame. In the event that mk Sorting Systems Technical Support is unable to solve the problem remotely, an equipment-trained technician will be available to provide on-site support. In emergency cases, a service technician can be there within 24 hours. All of the technicians are fully trained in all our systems, and will be involved in the installation and implementation of the initial systems.

Warranty

Standard Warranty

Equipment, Software and Components

mk Sorting Systems offers a full 12 month parts and labor warranty from date of customer acceptance on all hardware and software. Please note that damage caused by vandalism, negligence or work performed by a third party other than a mk service representative is not covered under this warranty.

Satisfaction Guarantee

All equipment purchased is covered by a 12 month maintenance / service agreement. We offer a 12 month 100% money-back satisfaction guarantee on all equipment purchased.

Extended Warranty

mk Sorting Systems offers an Extended Warranty on the Automated Materials Handling Equipment. Extended warranties are available and are renewable annually.

Option 1: Annual Preventive Maintenance Inspection

- mk Sorting Systems provides one scheduled annual maintenance visit.
- The Library pays 100% deductible on hardware replacement. The preventive maintenance includes a check of all hardware and making any adjustments required.
- Additional service calls during the year arising from any problems will be charged separately according to our general terms and conditions.

Option 2: Annual Warranty Extension

Gold

- The Library pays no deductible on hardware replacement and includes two scheduled "custodial" visits per year.

OR

Silver

- The Library pays a 50% deductible on hardware replacement and includes two scheduled "custodial" visits per year.

Annual Maintenance/Custodial Visits

Two annual maintenance/custodial visits are included with the silver and gold warranty to make any necessary adjustments and to confirm that all mechanical parts are functioning properly. In addition a full system cleaning, and PC cleaning will be conducted. The technician will check all belts, components and confirm the alignment of the system. The visit includes a check of all hardware, software and any adjustments that might be needed.

Spare Parts

Spare parts are located in our Simsbury, CT office. In the event that there are hardware challenges and replacement parts are required, they will be sent by overnight courier. The library also has the option of purchasing a spare part package as part of the Preventive Maintenance and Service Contract after the first year of warranty operation.

Training

mk Sorting System feels that training is a key factor in the success of the implementation of the system. Training is included in the purchase price of the system.

Customer Centered Training

All training provided by mk Sorting Systems is customized to meet the needs of the library. When implementing new technology, training library staff in the use of the equipment is pivotal to the success of the project. In order for library staff to get the most out of training, we coordinate with library training staff to customize the training specific to your library. All subsequent lesson plans and handouts are customized for your library. Library staff who will be responsible for training receive these documents in an editable form so that they can be updated as needed.

Training Models

The type and training of library staff is dependent on the number of staff requiring training, the size of the library and library system, and the policies and philosophy of the library system. These training models can be adapted to best meet the needs of the library.

1. Direct Training in a Central Location – mk Sorting Systems training staff will train all library staff in the library system in a centralized location. This training will be customized based on job requirements for the library staff.
2. Direct Training in Multiple Locations – Library systems that have installations in multiple branches may prefer to have the trainer provide training sessions in each branch on the installed equipment or provide centralized training, requiring trainees to travel a short distance.
3. Train the Trainer – This type of training ensures that key staff members are trained in the system use and are also instructed in how to share this information with other staff. Designated staff trainers are given a copy of the lesson plan as well as the handouts so that they may train other library staff on the equipment. This method ensures that staff members are able to provide training to either new library staff or library staff that have taken on new responsibilities.

Training Outlines

Automated Materials Handling Basic Operator Training – 1-2 hours

This training is for all staff responsible for the basic operations of the Patron Self Return Unit and the Automated Materials Handling Unit.

1. General Introduction – This provides an overview of the unit, including the parts of the system, configuration files and other salient points.
2. General Operation of return stations – This demonstrates how the interior and exterior Patron Self-Return Stations work. The session covers placement of materials and patron cards, how to ensure RFID tags are being read correctly, and how to use the LibSoft software.
3. Changing receipt printer paper
4. Staff Induction Unit (if purchased)– A full demonstration of the Staff Induction Unit is included. This includes adjusting the workstation so that the library staff is working under ideal ergonomic conditions.

5. Removal of Bins from the Sorting Unit and care of the bins.
6. General Care – Covers regular cleaning and care of the system to insure optimal performance.
7. Coaching patrons during initial startup – Best practices for getting patrons adjusted to using self-check returns during the first weeks of operation.

Automated Materials Handling Supervisory Staff – 4 hours

This session is designed for the “Super Users” of the Automated Materials Handling Unit. The programming of the unit (e.g. setup of sorting profiles, touch screen design etc.), startup and shutdown procedures, emergency procedures and basic troubleshooting skills are demonstrated. Attendees of this session should complete the basic operator training prior to this session.

Automated Materials Handling Technical Support Staff – 1 day

This session is designed for individuals who will be responsible for the onsite system care and maintenance of the Automated Materials Handling Unit. This individual should have basic mechanical aptitude and be computer literate. Topics to be covered include periodic maintenance, cleaning, equipment adjustments, basic troubleshooting and spare parts replacement.

Product Documentation

All systems include a complete electronic set of documentation for all levels of operation – Operator, Maintenance and Troubleshooting. Updates are not scheduled, but are provided whenever changes occur that affect the accuracy of the documentation. The library will be immediately notified when any changes do occur and the documentation will be updated as well.

The following is an example of an excerpt from a product manual:

Introduction

Dear patron, we thank you for the trust that you have placed in us by purchasing our product. These operating instructions will help you get to know the return and sorting system from mk Sorting Systems.

They contain important suggestions for operating the system safely, properly, and economically.

These operating instructions also help prevent dangers, minimize repair costs and downtimes, and increase the reliability and life span of the sorting system.

In addition to the information in these operating instructions, the operator of this return and sorting system has some additional obligations. These obligations are also a component of these operating instructions.

Organization of these operating instructions

These operating instructions contain the necessary information for all of this system's user groups.

For patrons who are returning library's material, it is sufficient to be aware of the information in the section "Return of library's material" or be instructed in the activities that are described in that section.

For this, it is enough to post this section near the return stations or hand it out when distributing library's material to the patron. For legal protection, it is recommended that the patrons document that they have taken note of the information.

Set-up, removal and disposal

Qualified technicians from mk Sorting Systems will install and set up the system to make it ready for use on the site of operation.

The system must be properly uninstalled and removed by trained technicians (e.g. by mechanics and electricians). The applicable safety instructions and recognized installation rules must be followed.

The individual components of the system must be disposed of according to the applicable regulations in an environmentally-responsible manner.

Operator duties

Before putting the system into operation, a "person responsible for system operation" must be appointed.

The name of this person must be documented in writing.

The person responsible for the operation of the system ("responsible person") should be able, based on his position and experience, to detect possible dangers and risks related to working with the system. He must be authorized to train all other people who work with the system.

The responsible person will be trained in the functions and safe operation of the system from mk Sorting Systems. He will then be entitled to select and train additional people to work with the system (library staff and people returning the library's material).

The responsibilities, the permissible activities and the obligations of the responsible person will be described below.

Responsibilities

- Knowledge of how to use computers running on Microsoft Windows.
- Authorized to train all other people working with the system.

Permissible activities

- Return library's material.
- Start the sorting system.
- Perform maintenance and service work.
- Simple troubleshooting.

Obligations

- Read, understand, and follow these operating instructions.
- Select the library staff according to the directions in these operating instructions.
- Train the library staff.
- Regularly check the suitability of the library staff
- "Demands on staff working on the system," see page 5.
- Ensure that the section "Return of library's material" is read, understood, and followed by everyone returning library's material.

It is sufficient to post this section near the return stations or hand it out when distributing library's material to patrons. For legal protection, it is recommended that patrons document that they are aware of the information.

- Instigate and check general service work (according to maintenance plan).
- Instigate the maintenance and service work.
- Monitor and regularly check all activities associated with the system and processes by using the display on the visualization PC.
- Check that the system is working properly.
- Regularly check the operation of the safety equipment (daily and before each startup).
- Ensure that everyone who is assigned to perform tasks on products by mk Sorting Systems such as operation (including set-up), troubleshooting the workflow, overcoming production standstills, maintenance, disposal of operating media and servicing (inspection, repairs, maintenance) and transport is informed about the dangers associated with the system, as well as the type and location of the safety equipment (for the emergency stop switch, see page 10).

The responsible person must provide appropriate training. This can be in the form of training documents, informational material or by oral instruction. The responsible person must ensure that all operating steps and safety guidelines are received and understood.

- Ensure that the operators are aware of all safety instructions for mounted and peripheral parts which are not directly part of the system.
- Create a work permission system for the library staff.
- Create operating instructions that delineate the responsibilities for startup, operation, and maintenance.
- Regularly make sure that the library staff.
- Identify hazardous areas (through clear and easy-to-understand signs).

Safety

Safe and correct use of the system

The system has been built in accordance with the state of the art and the applicable technical rules and regulations. Nonetheless, this system may be hazardous to persons and property if:

- it is not used as intended.
- it is operated by untrained staff.
- it is operated by staff whose physical and mental abilities are impaired (by overtiredness, alcohol, drugs, etc.).
- it is not serviced in keeping with the instructions in regular intervals.
- it is improperly changed or modified.
- the safety and monitoring equipment is disabled or removed.
- the safety instructions are not observed.
- these operating instructions are not read and observed.

The responsible person must ensure that the operators are familiar with all safety instructions for mounted and peripheral parts which are not part of the mk return and sorting system according to the order.

The responsible person must ensure that all safety equipment near the return and sorting system (barriers, identification of danger areas, escape routes, first-aid equipment, etc.) are known to the operators.

While the system is operating, at least one person must be present who has been trained in first aid. The applicable fire prevention measures must be coordinated with the responsible bodies (building inspector, fire department) before startup.

Proper Uses of the system

The mk return and sorting system is intended solely for conveying and sorting library's material (books, CDs, newspapers, and DVDs).

The permissible library's material are listed in the technical data.

Any other use such as the transport of people, inappropriate parts or other products is considered improper. mk Sorting Systems is not liable for damage resulting from improper use. The operator alone bears the risk. Proper use also includes adherence to the operating instructions and observance of the inspection and maintenance intervals.

The system has been constructed specifically for a single purpose and has been adapted to the conditions at the installation site. These basic conditions have been specified in writing in the purchasing contract.

Every modification of the system or individual components without the approval of mk Sorting Systems is impermissible and may lead to unforeseeable dangers and damage!



Demands on staff working with the system

Modifications and changes to the system

For safety reasons, unauthorized changes to the system are not allowed. Modifications of the layout, the number of modules as well as the operating process and functions must be coordinated with the manufacturer.

Nonobservance will void warranty claims and may lead to unforeseeable dangers to persons and equipment. Furthermore, unauthorized modifications and additions to the system will generally void compliance with the applicable standards, permits or declaration of conformity. In the case of repair work, only OEM parts (of mk Sorting Systems or the assembly manufacturer) may be used to replace components and wearing parts.

EXHIBIT "D"

SCHEDULE OF COMPENSATION

As stated in the mk Sorting Systems Inc. final proposal dated March 20, 2012 (see Exhibit "C"), the Grand Total cost for the new AMH system and RFID conversion, inclusive of delivery, labor and all applicable taxes and duty, is \$359,201.19.

The first year maintenance and warranty support is included in this cost. However, after the first year of warranty expires, mkSorting Systems Inc. will continue to provide ongoing maintenance and support under their extended warranty at an annual cost of \$24,113 per year, subject to a 2% annual increase commencing with the second year of the extended maintenance warranty program.

The schedule of payments shall be as follows (mkSorting Systems shall provide a valid Invoice for each milestone so that the City may process payment in a timely manner):

- 30% (\$107,760.35) is payable within 30 days of Purchase Order confirmation by mkSorting Systems and receipt of a valid invoice.
- 40% (\$143,680.47) is payable within 30 days of Delivery and Installation of the system at the Library Center and receipt of a valid invoice.
- 30% (107,760.37) is payable within 30 days of Final Acceptance by the City but not later than 1 month after delivery and receipt of a valid invoice, under the condition that the system is operating properly.

mkSorting Systems is not responsible for installation delays caused by the City, or that are beyond their control.

Extended Gold Maintenance Support Warranty: \$24,113 per year after the first year warranty period ends (which is included in the initial purchase price). The annual support is subject to a 2% increase commencing in the second year of the Extended Gold Maintenance Support program. Annual support fee is due and payable in full within 30 days of a valid invoice from mkSorting Systems. mkSorting Systems cannot invoice the City for annual support until the warranty anniversary date.

EXHIBIT "E"

SCHEDULE OF PERFORMANCE is provided on the next page

Project Implementation Plan for:
Palm Springs Library Center

Palm Springs Sorting System and RFID Implementation

All dates are estimates at this time and are not guaranteed - exact dates can be provided when receipt of order is confirmed

Sorting Schedule		
Activity	Responsibility	Week*
Verify all information about existing customer automation, network, space requirements and installation specifications is complete, accurate and understood by both parties	Palm Springs / mkSS	completed
Order Confirmation	Palm Springs / mkSS	1
Review Implementation Schedule and Plan	Palm Springs / mkSS	1
Complete layout engineering	mkSS	1-2
Submit approval layouts, approval of layouts	Palm Springs / mkSS	2
Manufacturing of equipment	mkSS	3-15
Customer develops sorting preferences/table/script	Palm Springs	3
Customer ships test materials to mk for factory testing - books, CDs, DVD with current RFID tags	Palm Springs	3
mk fully tests system prior to shipping	mkSS	14-15
Hardware delivered to library	mkSS	18
Install hardware	mkSS	18
Test Hardware/software	Palm Springs / mkSS	18
Library receives required training manuals	Palm Springs / mkSS	18
Library Staff Training	mkSS	18

RFID Schedule		
Activity	Responsibility	Week*
Order Confirmation	Palm Springs / mkSS	1
Review Implementation Schedule and Plan	Palm Springs / mkSS	1
RFID tags arrives	mkSS	2-3
Tagging Stations arrive	mkSS	2-3
Tagging project begins	mkSS/LSSI	4-9
Self Checks, Staff stations and Gates arrive		6-8
Installation of Self Checks, Staff Stations and Gates	mkSS	9-10
Test Hardware/software	Palm Springs / mkSS	9-10
Library receives required training manuals	Palm Springs / mkSS	10
Library Staff Training	mkSS	10
System acceptance and system goes "live"	Palm Springs / mkSS	10

Additional Activities	Responsibility	Timeline*
Pre-warranty On-Site regular maintenance - after 1 year of operation	mkSS	1 year after acceptance

Additional Activities	Responsibility	Timeline*
Pre-warranty On-Site regular maintenance - after 1 year of operation	mkSS	1 year after acceptance

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