



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: June 23, 2025

Report No: ES-032-25

Subject: Milton Public Library Automated Materials Handling (AMH) system at Main Branch

Recommendation: That report ES-032-25 be received for information.

EXECUTIVE SUMMARY

- The Milton Public Library Board has authorized the contract award for an AMH system in order address existing challenges that are associated with the growing volume of materials returned at the Main Branch, and has requested Town Council authority to proceed with the contract award.
- Existing capital project funding is available for the initial investment. A new operating cost of \$25,295 (excluding HST) is expected beginning in 2027 and will result in a budget pressure beginning in that year. As such Town Council authorization is required in order for the contract award to proceed at this time.
- A draft resolution has been included within the body of this report that, if approved by Council, will allow for the AMH system implementation to proceed as has been requested by the Milton Library Board.

REPORT

Background

At their May 21, 2025 meeting, the Milton Public Library (MPL) board approved the following resolutions:

That the Milton Public Library Board receive the report entitled "Purchase and Installation of Mini Sorter at Main Branch"; and

Background

That the Milton Public Library Board approve the single source award to Convergent Library Technologies for \$140,969 (excluding HST) for the purchase and installation of a Lyngsoe Systems Mini Sorter;

THAT authorization be given to the CEO/Chief Librarian to increase the contract award by up to 15% if required for any contingency or value addition to the project; and

THAT in accordance with Town of Milton Policy 113 (Budget Management), that Town Council be requested to approve the contract award to Convergent Library Technologies due to the additional warranty and lifecycle costs of \$25,295 (excluding HST) that will begin in 2027;

THAT the CEO/Chief Librarian be authorized to execute the resulting purchase order as per the current MPL's purchasing policy.

As the capital purchase will result in a future incremental operating budget pressure, Town Council approval is required in accordance with Town policy 113 (Budget management). As such, this staff report is being presented in order to allow Council to consider the MPL Board's request, with draft language for a potential resolution for Council to consider in order to allow the AMH system acquisition to proceed.

Discussion

Full details of the MPL's consideration of an AMH system are provided as Schedule 1 to this report, being a copy of the MPL's report to the board from the May 21 meeting. Notable points include, but are not limited to:

- With growing volumes of materials being returned at the book drop at the Main Branch (currently over 1,000 daily returned items), an AMH system will replace current manual processes to create efficiencies and prevent overflowing materials that can lead to damaged materials and poor working conditions.
- MPL staff have investigated potential systems and suppliers, and have identified a solution that can perform in Ontario's climate.
- The capital budget requirement is estimated to be \$167,893, and funding is available from an existing approved capital project for MPL.



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Discussion

- Annual operating funds of \$25,295 (excluding HST) are expected to be required beginning in 2027, in order to fund warranty and lifecycle costs of the new system.

MPL would like to proceed at this time with the AMH system in order to address the existing challenges with the manual system and achieve the intended efficiencies. As the acquisition will result in a future pressure on the operating budget that has not yet had the opportunity to proceed through the budget process, Council approval is required in accordance with section 4.6 of Policy 113.

In order for Council to support the MPL board's request for support for the acquisition of the AMH system, the following resolution will require approval by Town Council:

THAT Milton Town Council authorize the Milton Public Library Board to proceed with a contract award to Convergent Library Technologies for the purchase and installation of a Lyngsoe Systems Mini Sorter, with an estimated capital cost of \$167,893 and an estimated annual operating cost of \$25,295 (excluding HST) beginning in the year 2027.

Financial Impact

Funding for the initial capital cost of the AMH system is available from an existing approved capital budget for the MPL (project C80010318). The acquisition will result in new operating costs related to warranty and lifecycle contributions beginning in 2027. The current estimate for those costs are \$25,295 (excluding HST), and should the initiative be authorized by Town Council these costs will be introduced into the operating budget beginning in 2027.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Glen Cowan

Phone: Ext. 2151



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Attachments

Schedule 1 - May 21, 2025 Report to Milton Public Library Board

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Decision Item: XX

Report to: Milton Public Library Board

From: Sarah Douglas-Murray, CEO and Chief Librarian
Kanta Kapoor, Director – Support Services

Date: May 21, 2025

Re: Purchasing Report - Mini Sorter at Main Branch

Recommendation:

That the Milton Public Library Board receive the report entitled "Purchase and Installation of Mini Sorter at Main Branch"; and

That the Milton Public Library Board approve the single source award to Convergent Library Technologies for \$140,969 (excluding HST) for the purchase and installation of a Lyngsoe Systems Mini Sorter;

THAT authorization be given to the CEO/Chief Librarian to increase the contract award by up to 15% if required for any contingency or value addition to the project; and

THAT in accordance with Town of Milton Policy 113 (Budget Management), that Town Council be requested to approve the contract award to Convergent Library Technologies due to the additional warranty and lifecycle costs of \$25,295 (excluding HST) that will begin in 2027;

THAT the CEO/Chief Librarian be authorized to execute the resulting purchase order as per the current MPL's purchasing policy.

Background

The Main Library currently operates an external book drop that is accessible 24/7 and patrons can drive right up to the drop without having to park and come in the building. This book drop processes over 1,000 returned items daily, including materials from each of the MPL's branches. These volumes continue to increase with growth, in particular with the addition of the Sherwood branch and related collection material growth. Often on weekend overnight and holidays times the bins fill and overflow resulting in damage to library collections and a working conditions that cause health and safety issues for staff as materials are all over the floor. Further staff then have to manually check in and sort all of the materials, taking up significant time of our page staff.

Implementing an exterior induction Automated Materials Handling (AMH) system will alleviate these issues by enhancing return efficiency, reducing staff workload, and protecting library resources. The system will automatically check in the materials as they are fed into the book

drop moving along a conveyor belt that will then sort the material into 4 bins (Beaty, Sherwood, Main and Other). As there are 4 bins, this will quadruple the capacity of the system. As the sorter checks the materials in staff will not have to manually process this step. The automatic sorting will allow staff to quickly pack the Beaty and Sherwood materials for the courier, prepare the Main materials for shelving and deal with the “Other” materials efficiently. “Other” materials are typically items that have holds for other patrons. As our existing page staff compliment cannot currently keep up with the volume of returns and re-shelving there are often delays in returning items back into circulation once returned, sometimes for several days time. Installing the Mini-sorter would allow for efficiencies in page staff time that would allow for more efficient use of library materials, enhanced circulation of materials, and quicker circulation of in demand materials.

Library staff have met with Town Facilities staff regarding this project including the modifications that will need to be made to the existing Book Drop location. Town staff have provided the costs estimates for minor construction work included in this report.

Suppliers

The proposed Automated Material Handling (AMH) system is manufactured by Lyngsoe Systems, a global leader in library automation solutions. The system will be supplied and installed by Convergent Library Technologies, a Canada-based reseller specializing in automated return and sorting systems for libraries. Convergent has provided a comprehensive quote detailing the sorter configuration, available sort bin options, and additional features. Convergent is the exclusive reseller of Lyngsoe in Ontario.

Lyngsoe Systems' AMH solution includes proprietary components and software, engineered to perform reliably under extreme weather conditions. One of its key features is an RFID-sensor-equipped door that opens exclusively for RFID-tagged library items, ensuring secure and efficient returns. The Lyngsoe Systems' AMH is the only external AMH system that is compatible with Ontario's extreme winter temperatures. Notably, large library systems such as those in Oakville, Toronto, and Mississauga have implemented Lyngsoe solutions across multiple branches, citing the reliability of its RFID-sensor technology and its resilience in harsh climates as deciding factors.

Budget:

Capital Budget Requirement

The table below outlines the estimated initial cost to purchase and install the Mini Sorter at Main Branch.

Item	Quantity	Estimated Cost*
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Sortation system that supports one exterior induction and four (4) sort destinations	I	\$143,450
Minor construction work		\$2,544
Contingency		\$21,899
Total		\$167,893

* Includes non-recoverable HST

As the need for this investment relates to the continued growth in collections, the funding for this project will be provided from the New Collections capital project (C80010318), which has available budget of \$397,971 at the time of this report.

Operating Budget Requirement \$16,900 from 2027 onwards

The first year of warranty is included. To ensure annual maintenance of the devices and extend the warranty, an additional \$16,900 plus HST will be required in the operating budget for 2027 and each subsequent year. In addition, an annual lifecycle provision of \$8,395 will be required in order to provide for the future renewal costs for this asset. As this represents an increase in the gross operating budget with a future tax levy impact, Town Council approval is required (as per Town Policy 113). Following MPL Board approval of the recommendations within this report, MPL staff will work with Town staff to coordinate a similar request for approval from Town Council in order for the project to proceed.

As such, this fulfils the following 2025 MPL Strategic Pillar & Objective:

Pillar: Building Strong Infrastructure

Objective: Proactively plan for future population growth by ensuring appropriate physical and technological infrastructure

Pillar: Delivering Quality Services

Objective: Explore and implement innovative models and ensure Milton residents have access to exceptional library service.

Use data and metrics to build both physical and digital collections that meet community needs and keep pace with Milton's population growth.

Recommendation:

That the Milton Public Library Board receive the report entitled "Purchase and Installation of Mini Sorter at Main Branch"; and

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