

- I. Proposal Committee Activities
 - a. City developed RFP sent out to various potential vendors
 - b. Two vendors responded to the RFP and submitted proposals
 - i. Library Systems & Services Inc. (LSSI)
 - ii. County of Los Angeles Public Library (CLAPL)
 - c. Library Proposal Committee formed by direction of City Council
 - i. Members
 1. Glenn Putnam – Chair (Library Trustee)
 2. Janet Emery – Vice Chair (Friends of the Library-President)
 3. Barry Ziff – Member (Library Trustee)
 4. Jackie Pergola – Member (Senior Commission)
 5. Joan Spears – Member (Sierra Madre Historical Preservation Society)
 - ii. City Council Representative – Denise Delmar
 - d. First meeting July 21, 2015
 - i. Received proposals, City financials, Sierra Madre Public Library operating data
 - ii. Set dates for future meetings and agenda topics
 - iii. Topics included setting up visits to customers of LSSI and CLAPL
 - iv. Inviting both vendors to a question and answer session
 - e. Two teams formed to visit customers LSSI
 - i. East team visited/contacted
 1. Upland, Riverside-Temecula, Fargo ND
 - ii. West team visited
 1. Moorpark, Calabasas and Camarillo
 - f. Bob Windrow of LSSI and Yolanda De Ramus of CLAPL gave their presentations to a joint meeting of the Library Proposal Committee and the Sierra Madre Library Board of Trustees on October 20, 2015.
 - g. Final report and recommendation to be given to City Council on November 24, 2015.
 - a. LSSI
 - i. LSSI's presentation enumerated the following steps in their proposal:
 1. When a new library is added to the LSSI family of libraries the first action by LSSI would be a two week assessment of the library collections, financial health, staff and programs. From this assessment would come recommendations on how to best run the library utilizing LSSI's proven experienced in managing financially distressed community libraries.
 2. Their recommendations will be the foundation upon which LSSI will set strategies for collection development, staff retention, staff management, MOU management with the SMHPS and Friends of the SM Library and programs (quantity and type) in order to stabilize the Sierra Madre Public Library's financial condition and realize LSSI financial objectives.
 3. LSSI will work with Library Board of Trustees to set policies on running the Library. Policy's such as:
- II. Approach by each proposal team

- a. Days and hours the Library will be open to the community,
 - b. Fines and collection,
 - c. Acceptable conduct on Library premise and use of Library resources.
4. The Library Board of Trustees would have no role in deciding staff makeup or management. All employees would be LSSIs and all personnel decisions would be LSSIs responsibility.
 5. LSSI proposes an increase in operational hours and days from the current 6 days Monday thru Saturday of 47 hours to a recommended 7 days adding Sunday and expanding hours of operation to 51 hours.
 6. LSSI's proposal is a firm fixed price contract for 5 years of \$3,647,893 total or about \$730,000 per year. Current and projected five year General Fund expenditures for Sierra Madre Public Library are projected to be \$4,183,969 total or about \$837,000 per year. This yields a savings to Sierra Madre of \$107,000 per year of the contract.
 7. Greater career growth opportunities to offer employees. This due to the size of LSSI who provides library management services across 20 public systems and 81 libraries in the US.
- b. County of Los Angeles Public Library (CLAPL)
 - i. CLAPL's presentation enumerated the following steps in their proposal:
 1. Size and breadth of resources which CLAPL can offer to Sierra Madre with trained and experienced personnel available within LA County was the focus of CLAPL's presentation.
 2. CLAPL presented an overview listing of their services and yearly numbers of items checked out, users of services and event attendance.
 3. If CLAPL won the contract SMPL would have to leave their Apollo ILS system and convert to the County's Sirsi-Dynix whereby SMPL would be accorded integration into the County's ILS system.
 4. CLAPL proposed keeping the same days of operation (Monday thru Saturday) and total hours per week of 47. They indicated the hours may move around per day depending upon need, i.e., Monday's hours could be reduced and Saturday's increased.
 5. CLAPL presented two staffing proposals A and B:
 - a. Proposal A was for staffing the Library with 12 staff members at a cost of \$856,000.
 - i. 1 – Community Library Manager
 - ii. 2 – Librarian 1
 - iii. 1 – Library Assistant
 - iv. 5 – Library Aides
 - v. 3 – Library Pages
 - b. Proposal B was for staffing the Library with 9 staff members at a cost of \$806,000.

Sierra Madre Public Library Proposal Committee – Final Report

- i. The staffing template was the same as Proposal A except for the elimination of the (3) Library Pages whose collective salaries must equal \$50,000 per year.
6. The County offered their proposals in a 3 year package where the costs would increase in step with cost of living (COL) increases as dictated by the LA County Board of Supervisors.
7. Greater career growth opportunities to offer employees by operating 85 Regional and Community Libraries within LA County a plus if you do not want to move.

Comparison of Estimated Library General Fund Operating Costs

	FY15-16	FY16-17	First Year Costs ¹	Adjusted FY16-17	FY17-18	FY18-19	FY19-20
Sierra Madre	757,000	798,149		798,149	835,877	875,428	916,888
SM Level II		592,163		592,163	618,810	646,657	675,756
		205,986	-	205,986	217,067	228,771	241,132
SM Level III		417,599	50,000	467,599	436,391	456,029	476,550
		380,550		330,550	361,758	342,120	321,599
County (A)		856,000	150,000	1,006,000	881,680	908,130	935,374
<i>Difference</i>		<i>(57,851)</i>		<i>(207,851)</i>	<i>(45,803)</i>	<i>(32,702)</i>	<i>(18,486)</i>
County (B)		806,000	150,000	956,000	830,180	855,085	880,738
<i>Difference</i>		<i>(7,851)</i>		<i>(157,851)</i>	<i>5,697</i>	<i>20,343</i>	<i>36,150</i>
LSSI		694,000	150,000	844,000	711,350	729,134	747,362
<i>Difference</i>		<i>104,149</i>		<i>(45,851)</i>	<i>124,527</i>	<i>146,294</i>	<i>169,526</i>

¹ Estimated employee leave cash outs + two months operating cost for contracting options

- III. Sierra Madre Library must have from the community survey conducted in July and August of 2012
 - a. Protection of collections/archives/rare books
 - i. LSSI
 1. LSSI has stated they will work closely with the Library Staff, City Council and Trustees to determine which collections should be retained.
 2. Several articles in the NY Times and the Upland report indicated that during the first weeks of the contract significant weeding took place with significant loss of historical information. Upland recommends that all items subject to the weeding process be specifically identified in the contract with LSSI.
 3. It is our understanding that the weeding process enables LSSI to justify new purchases that are billed to city at cost + 5% surcharge.
 - ii. CLAPL
 1. During the transition phase would work with the Trustees to identify collections to be retained, special editions and local author books would

become part of countywide collection and be available for delivery & check-out throughout the system. Several policy decisions would have to be made regarding retention / protections of collections.

2. The balance of our items would be blended into their 7 million item collection.

b. Retention of existing employees

i. LSSI

1. Every position at the Sierra Library will become open when LSSI begins operations. All existing staff may submit for open positions. The incumbent staff will be given first opportunity to interview for positions with LSSI and will be given priority in their hiring decisions. LSSI made it very clear that all employees hired to work in the Library will be LSSI employees, and LSSI will decide the pay rate, pay all costs related to their employment, including the provision of benefits.

2. LSSI hourly pay ranges:

- a. Library Director/Project Manager \$25 to \$48
- b. Librarian/Supervisors \$15 to \$30
- c. Support staff/Assistants \$ 9 to \$20

3. LSSI would staff the Sierra Madre Library with 7 to 9 FTE's consisting of both full time and part-time employees. Typically about 20% would be MLS degreed librarians.

4. At rates quoted – what level of experience can we expect in director position and staff?

ii. CLAPL

1. All positions become open. Staff can apply, but no guarantees, current county employees have seniority due to they are unionized.

2. County pay ranges comparable to SMPL.

3. CLAPL would staff with 9-12 FTE's consisting of both FT and PT employees. Would ensure that at least one MLS degreed librarian would be on site during open hours. Is it possible to staff with MLS degreed librarian during all open hours?

4. At rates quoted – what level of experience can we expect in director position and staff?

c. SMPL employee career opportunities

i. LSSI – has wider network than single library therefore offers greater number of opportunities in varied fields than SMPL can offer.

ii. CLAPL - much same as LSSI, but would be within LA County – no relocation expenses, some, but within LA County.

d. Retain Community Character

i. LSSI

ii. CLAPL

Opinion – outsourcing Library Services in any way will diminish the character of our small town. This is just another loss of our character and identity.

e. Grant Winning Expertise

- i. LSSI – LSSI states that they work with Friends organizations and/or City staff with grant proposals, but do not write grants.
 - ii. CLAPL – CLAPL has a robust grant writing experience and have several “wins” to their credit.
 - iii. SMPPL – In the past 2 years, Library Director has secured over \$83,000 in grants.
 - f. Staff with Archival or Curatorship experience to handle and preserve local historical materials
 - i. LSSI – did not have examples of experience in this area
 - ii. CLAPL – presented examples of collections brought into their system, i.e. Anthony Quinn collection
 - g. Technical Expertise
 - i. LSSI – would keep SMPPL Apollo system if we insist upon it, but would want to convert us to their ILS to be compatible with rest of their system.
 - ii. CLAPL – must convert to county ILS system. Have the data experts locally to convert our data at no additional cost to City.
 - h. Experience honoring MOU’s with local organizations (SMHPS and Friends of the Library)
 - i. LSSI – will honor any arrangements that SMPPL has made with other organizations. They have similar arrangements with historical societies, genealogical societies and museums in several of the libraries they operate.
 - ii. CLAPL – would continue to honor partnership, need to evaluate the MOU to ensure consistent with County policy for contractual agreements and have further discussion with SMPPL.
 - i. Maintain or expand existing programs or add new programs
 - i. LSSI
 - ii. CLAPL

Both LSSI & CLAPL claim to have the ability to maintain or expand current programming levels.
 - j. Role of Trustees, Friends, SMHPS
 - i. LSSI – Trustee would continue to play policy role, Friends would continue fundraising support for library, SMHPS – MOU will be honored
 - ii. CLAPL – Same as w/LSSI.
- IV. Pros and Cons of Outsourcing
- a. Pros: reduce and control costs; reduce or share risk; acquire expertise not on regular staff; time consuming tasks can be centralized; access to programs contractor has already developed; provision for temporary employees at irregular intervals; greater opportunities for staff advancement
 - b. Cons: could get lost in bureaucracy of contractor, de-personalization of services; loss of community voice if significant change in staff; loyalty of staff is to outsource agency-not city; only control or recourse is to cancel or not renew contract; understaffing by contractor to keep costs down; no guarantee of placement for current staff; loss of benefits by staff.
- V. Option III -This option is being proposed to retain library services under the City of Sierra Madre’s control but reduce expenses to provide savings.

- a. BACKGROUND: Current cost and projected 5 year General Fund expenditures for the City of Sierra Madre are approximately \$837,000 per year.
 - i. LSSI Proposal -- Contract for 5 years at a cost of \$738,000 per year. One important factor not to be overlooked in this contract is the weeding of our collections/archives/rare books to justify new purchases by LSSI that would then be billed to the city at cost + 5% surcharge. This could possibly increase the cost of expenditures by a large amount without the city having any control over amount spent.
 - ii. CLAPL Proposal -- Contract for 3 years with proposal A and proposal B. Proposal A cost would be \$856,000 per year with 12 staff members and Proposal B would be \$806,000 per year with 9 staff members. These amounts are subject to” Cost of Living” increases proposed by LA County Board of Supervisors which we would have no control over.

SUGGESTIONS FOR CUTBACKS TO KEEP CITY CONTROL OF LIBRARY

Even though we would like to provide services for free, we should allow the people that use the library help pay for the services.

1. Charge a membership fee to have access to checking out books, research etc.
2. Charge for special programs, groups, etc.
3. Charge a fee for library cards and past due returns and collect on those fees.
4. Reduce staff and utilize volunteers (trained) to do tasks.
5. Reduce hours even more.
6. From within the community and Library Friends and Trustees, find volunteer Grant Writers. There is so much talent in our community. We probably have many members who are knowledgeable in writing grants.

Due to the uncertainty in our future to remain a viable community that serves its inhabitants, it could be disastrous to sign a contract with outside sources that we may not be able to fulfill.

VI. Recommendation

- a. Jacque Pergola – No to outsourcing
- b. Joan Spears – No to outsourcing
- c. Barry Ziff – No to outsourcing
- d. Janet Emery – No to outsourcing
- e. Glenn Putnam – No to outsourcing

The main reason for the unanimous no to outsourcing was that the savings anticipated through outsourcing were just not there. In addition, the Library had developed a Level II spending cuts plan which yielded greater saving to the City than even LSSIs proposal over five years (Table 1).

The committee wants to see how the community will vote on the UUT initiative in April 2016. We also recommend that City Council strongly consider a higher UUT percentage than the current 10% level proposed for the ballot of at least 12% or even better 13%.

The committee then had a lively discussion on what to do next, since we all voted no to outsourcing, to raise monies for the Library and to reduce expenses from now until the UUT initiative is voted on. We agreed that Library Board of Trustees would look into several of the revenue generators that Jacquie Pergola presented in her Option III write up. It was agreed that the Friends of the Library would re-examine the Partners program to increase its numbers and to investigate establishing a Patron Level at \$1000 membership. It was finally agreed to that City Council should wait until the UUT vote is taken in April before directing Library Operations to implement Level II cuts, should the UUT fail.

Level II cuts would be:

Level 2 definition (minimum level of service with major service reduction)

Staffing

- Reduction of 5760 part time hours resulting in 4.8 FTEs (down from current level of 8.6 FTEs)
- Elimination of 1 part-time management analyst, 3 part-time library technicians, 2 part time library pages, 1 full time Library Associate.
- Reclassify Library Services Manager Position to Associate Librarian; Reclassify Library Director to City Librarian.
- Open 40 hours per week (ex: M 12-8, T-Sat 12-6 or closed Fridays)

LEVEL 2 – COST SAVINGS \$217,817

COST TO GENERAL FUND BUDGET: \$590,183

(27% reduction in proposed 2015-2017 Library budget)

Services Eliminated

- Services
 - Book and materials budget may be reduced by \$10,000
 - Reduced staff on service desk (staff more during peak hours); FT staff shifted to 5/40 work week, FT staff working two nights/week.
 - Gale Hosting (Platform for Reference eBooks)
 - Local History research requests would be limited and have a delayed response time
 - Delay in processing/shelving of new materials
 - Computer updates/maintenance may be impacted (fewer working public computers at one time)
 - Outreach to schools and class visits reduced as staff will be needed for public desk coverage
 - Reduce Public Display Case from monthly to bi-monthly
 - Grant writing/implementation
 - Inter Library Loan

- Programs
 - Teen Docents – Training & Tours: shift to SMHPS
 - Titles to Go – Outreach to Stay at Home Seniors
 - Read Campaign
 - Harry Potter Program
 - Art & Essay Contest
 - Annual One Book One City Program
 - 1 Parenting Workshop
 - Eliminate 7-9 hours of public service per week
 - Mini-Rose Float Program
 - Library Open House
 - Eliminate evening story time per week