

SUPERIORLAND LIBRARY COOPERATIVE  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
June 6, 2016

**CALL TO ORDER:** A special meeting of the Superiorland Library Cooperative Board of Directors was held at the Superiorland Library Cooperative. The public was invited to participate at the Superiorland Library Cooperative headquarters (1615 Presque Isle Avenue, Marquette). Participants were also invited to join the meeting via ReadyTalk audio conferencing service. The Chair, John Schaeffer, called the meeting to order at 10:02 a.m. eastern.

**SLC BOARD MEMBERS PRESENT:** (\*denotes voting member) John Schaeffer\*, Chair; Caroline Jordan\*, Secretary; Sara Basso\*, Tina Graber\*, Pat Houle\*, Debra Friedman\*, and Pam Christensen (SLC Director)

**SLC STAFF PRESENT:** Pamela Malmsten (Recorder), Jean Montgomery, and Shawn Andary

**PUBLIC PRESENT:** Suzanne Dees

**LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT:** Bruce MacDonald (Peter White Public Library), Barb Bartel (West Iron District Library), Jessica Holman (Negaunee Public Library), Denise Engel (Wakefield Public Library), Megan Buck (Dickinson County Library), Dion Mindykowski (Tahquamenon Area Public Library), Cheryl Hoffman (Spies Public Library), Dillon Geschel (Portage Lake District Library), Debbie Paavola (Portage Lake District Library), Connie Meyer (Devereaux Memorial Library), Lori Wells (Gladstone Area School Public Library), Lisa Cromell (Munising School Public Library), Elaine Erickson (Ironwood Carnegie Public Library, and Carolyn Stacey (Escanaba Public Library)

**VOTING BOARD MEMBERS ABSENT:** Sharon Scholke, Sandra Kraai, and Kim Nowack

**STATEMENT OF THE SINGLE PURPOSE OF THE MEETING AND APPROVAL OF THE AGENDA:** A Special Meeting of the SLC Board of Directors was held to discuss SLC member library RIDES delivery cost increases which will begin July 1, 2016. The Board will consider the possibility of subsidizing a portion of the increased delivery costs for SLC member libraries beginning July 1, 2016.

**DISCUSSION AND POSSIBLE RESOLUTION APPROVING SLC RIDES DELIVERY SUBSIDY FOR ALL SLC MEMBERS THAT ARE CURRENTLY ON THE RIDES DELIVERY SERVICE ABOVE TWO DELIVERY DAYS PER WEEK FOR JULY 1 – SEPTEMBER 30, 2016:**

Pam Christensen presented background information on the issue; she had distributed a detailed [explanation of the RIDES situation](#) to the Board and member libraries prior to the meeting. RIDES is the Michigan Statewide resource and information sharing system. MCLS negotiated a new contract for RIDES delivery services beginning July 1, 2016, and costs for

SLC member libraries increased substantially. The delivery service is complicated by the fact that the vendor that serves the Lower Peninsula—ProMed, does not operate in the U.P. The U.P. vendor, Waltco, is charging substantially higher delivery costs for U.P. libraries than L.P. libraries will be paying; in addition, with only a couple of exceptions, Waltco is requiring U.P. libraries to pay for at least 3 deliveries per week. In past years, the Library of Michigan had subsidized a portion of delivery costs with LSTA funds and the total cost of the program was spread out among all participating libraries; beginning in July 2016, LM subsidies will be discontinued. Pam C. said that she was concerned that the price increase in the Upper Peninsula could have doomed the entire delivery system. To mitigate the impact to SLC member libraries, she therefore recommended that SLC subsidize delivery for U.P. libraries above two delivery days per week. She added that the next year should be spent looking at ways to resolve the statewide delivery inequality issues and look at the possibility of setting up an alternate system that would be more cost effective. Prior to the meeting, Pam C. had distributed a [spreadsheet detailing delivery costs and proposed subsidies](#) for each member library.

Suzanne Dees, the former director of the Superiorland Library Cooperative, presented a historical perspective on the delivery situation. She noted that resource sharing has always been a part of SLC's mission. She said that, for the coming year, there are no viable alternatives to the current delivery contract: there is not enough time to find another vendor or establish another delivery system. Suzanne also pointed out that SLC is not the only state cooperative to subsidize delivery and that SLC currently has the resources to subsidize the delivery service. If SLC does not subsidize, the cost of the extra delivery day would have a significant detrimental financial impact on some libraries, and many of the smaller libraries would probably drop out. If libraries drop out, Waltco will likely increase costs for everyone, and the libraries remaining on the system would incur extra staffing and postage costs because they would have to package some items for postal delivery.

Prior to the meeting, the Dickinson County Library Board had submitted a letter (Note: the letter is attached to the end of these minutes) to the SLC Board expressing concerns about the proposed RIDES subsidies. SLC Board Chair John Schaeffer stated that items in the letter warranted discussion. Megan Buck, director of the Dickinson County Library, asked why a few libraries—Copper Country ISD, Alpena, Peter White, Portage Lake, and Crawford—were receiving a higher stipend percentage than the rest of the libraries. Pam Christensen replied that the Copper County ISD is receiving a higher percentage because it is a hub for three SLC members: Ontonagon Township Library, Hancock School Public Library, and Lake Linden School Public Library; Pam C. said she thought it would be more costly for SLC to subsidize separate delivery service for the three libraries rather than subsidize CCISD. Alpena, Crawford, Portage Lake, and Peter White are receiving higher subsidies because they have additional delivery days beyond the minimum required 3 day level. Pam C. added that she did not think it was fair for SLC to subsidize only U.P. member libraries, so she developed a plan that includes subsidies for all SLC libraries with three or more delivery days. Megan Buck suggested that perhaps it would have been better to subsidize a straight percentage of delivery costs regardless of days. Pam C. responded that libraries with more delivery days are usually net lenders and they support the system with their resources. Pam also noted that L.P. libraries are required to pay for a certain number of delivery days based on volume; however U.P. libraries have been exempted from this requirement. Megan also expressed concern about the delivery costs in future years and wondered if the cooperative could afford to

continue subsidizing at the current levels in coming years. After considerable discussion, board members agreed that Pam C. has worked out the best solution for this year, that SLC could afford to subsidize delivery through June 30, 2017, and that a delivery committee should be formed that would look at more cost effective delivery system alternatives beginning July 1, 2017. Pam Christensen said that anyone interested in serving on the Delivery Committee should let her know. [Note: in a follow-up e-mail Pam C. indicated that the Delivery Committee would probably begin meeting in August 2016.] It was also noted that at least one additional library may be interested in joining the delivery service; Pam C. said that SLC would subsidize any additional libraries using the same formula as libraries currently in the system.

A MOTION was made THAT SLC SUBSIDIZE RIDES DELIVERY ABOVE TWO DELIVERY DAYS PER WEEK [as detailed in the spreadsheet developed by Pam Christensen] FOR ALL SLC MEMBERS THAT ARE ON THE RIDES DELIVERY SERVICE FOR THE PERIOD JULY 1, 2016 TO SEPTEMBER 30, 2016 (MSC Tina Graber/Debbie Friedman). Roll call: Ayes: 1. Caroline Jordan (aye). 2. Tina Graber (aye), 3. Sara Basso (aye), 4. Debbie Friedman (aye), 5. Pat Houle (aye); Nays: none. Motion carried unanimously.

**ADJOURNMENT:** There being no further business the Chair declared the meeting adjourned at 10:45 a.m.

Caroline Jordan, Secretary

Pamela Malmsten, Recorder

# Dickinson County Library

## SOLOMONSON BRANCH

620 Section Street  
Norway, MI 49870  
(906) 563-8617

## MAIN LIBRARY

401 Iron Mountain Street  
Iron Mountain, MI 49801  
(906) 774-1218

## NORTH DICKINSON BRANCH

W6588 M-69  
Felch, MI 49831  
(906) 542-7230

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June 3, 2016

Mr. John Schaeffer  
Superiorland Library Cooperative Board Chairman  
1615 Presque Isle Avenue  
Marquette, MI 49855

Dear Mr. Schaeffer and the Superiorland Library Cooperative Board,

At the Dickinson County Library we appreciate the services and assistance we receive from the Superiorland Library Cooperative. We are in a fortunate position to pay the increase in the RIDES contract but have concerns about the subsidy program proposed. While there is no argument that the delivery system is a necessary tool for our resource sharing capabilities, we are concerned that no contact was made to ask whether the recent contract increase was cost prohibitive and whether or not we had concerns or suggestions regarding a subsidy from the cooperative.

The subsidies as proposed in the email sent June 2<sup>nd</sup> are not equitable and the cost is considerable. How are other cooperatives subsidizing their libraries? Are they all paying the full amount, or do some pay a percentage of the amount? Do all of their libraries participate in the delivery system and, if so, would they all participate without a stipend? For those cooperatives without 100% participation do they offer anything in return for the libraries who do not participate? This information would be crucial when considering a program of this kind.

A contingency fund balance is a necessary asset to weather uncertain times. With the additional money recently budgeted for OverDrive and travel, is there really enough to support this subsidy? What about the future? If the subsidy program were to continue into the 2017-18 RIDES contract, next year's budget would need to accommodate the full amount of approximately \$20,000 to pay the October 2016-June 2017 and July 2017-September 2018 stipends. If the cooperative is unable to make a long term commitment it may be best to explore a smaller stipend for this year. The fact that many libraries were receiving a stipend from the state last year was considered when determining the stipends for this year. If the stipend from the cooperative remains high now and the program cannot continue, libraries will face budgeting higher costs again next year.

Does the budget for the 32 libraries listed on the spreadsheet allow them to continue with the increases as billed for 2016/17? If so, it may be in the best interest of the cooperative to table discussion of these stipends until more research can be done and additional suggestions explored. Perhaps a committee of member directors could be formed to explore the options and a proposal could be presented to the Board with additional time for consideration.

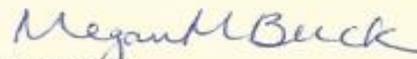
Ultimately the Dickinson County Library will be participating in RIDES regardless of the decision made today, and if a majority of libraries feel the same way it may be in the best interest of the cooperative to allow libraries to absorb this increase and look forward to a potential decrease in costs with a more developed subsidized plan in the future.

The goal of this letter is to ensure that all libraries in the cooperative have an opportunity to provide feedback on an expenditure of this magnitude. Finding an equitable, reasonable, and affordable way to subsidize the RIDES delivery system is not something we are opposed to; we just feel that more time may be needed to develop such a program. We apologize for the length of this letter, but thank you for considering these comments as our Board appointed representative was unable to attend this special meeting.

Sincerely,



William Cummings  
Dickinson County Library Board Chairman



Megan Buck  
Director