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## Library Governance Options Study – Recommendations to Waukesha County Cooperation Council Subcommittee on Library Governance Options - April 2005

### Summary and Background

Dane, Milwaukee and Waukesha Counties seek a consultant study of options for library services in the respective counties. The consulting firm must also quote costs to add the specific information for Dane and Milwaukee as incremental costs. The study will consist of distinct sections with separate time frames, consideration of :

1. legal parameters and governance structures
2. tax consequences and library service issues
3. comparison of federated and consolidated forms nationally

The partner counties submitted a grant to the Institute of Museums and Library Services (IMLS), a federal grant agency. It had a February 1, 2005 deadline for grant application, and a September 1 announcement date. It is anticipated that the partners will have sufficient funds for phases 1 and 2 of the project but not phase 3 without the IMLS grant money. We should ask consultants to structure their bids accordingly. The fiscal agent for the IMLS grant project is the South Central Library System, a multi-county federated library system based in Madison, Wisconsin.

### Suggestions for Scope of Work

The consulting firm should be asked to outline the intended process and timeline for dealing with these issues.

1. **Organizational Options.** There are four current and one proposed statutory options for how to consolidate. There is also the federated model. The reports should include detailed spreadsheets for the costs and benefits of each option for each county. (*See page 3 for details on organizational options.*)
2. **Buildings.** The transfer of ownership of existing library buildings and capital assets for a countywide operation must be defined. Several libraries are in municipal buildings rather than stand alone facilities. Some library buildings are already paid for while others have existing bonded indebtedness. Such factors complicate planning, but the consultants must speak to them in **each** potential configuration. The consulting reports should also provide information on how to plan for future capital improvements in each configuration.
3. **Capital Fund Development.** National library experience suggests that private donations for buildings are far less likely to be made to a branch of a consolidated county than to an independent municipal library. The potential impact of this consideration must be included in the consultant report.
4. **Exemption from County Library Levy.** Under current Wisconsin law cities and villages can exempt from a consolidated library levy just as they do for a federated levy. Any plan must consider the possibility of partial results only and list the most likely participants and the resulting tax and service implications for each configuration.
5. **Crossover Borrowing.** State law does not require either a federated or a consolidated library to compensate independent libraries for what is commonly called crossover borrowing. This must be explicitly dealt with in all scenarios for consolidation.
6. **Personnel Issues.** Integrating staff into a single work force requires major adjustments to salaries, compensation, and benefits to provide equity. Such issues must be dealt with explicitly and in detail in the reports.

# Dane, Milwaukee, Waukesha Library Consolidation Request for Proposal – SUMMARY DRAFT

## Project Stakeholders

Waukesha	Dane	Milwaukee
WCCC (Mayors and municipal executives group)	Elected officials	ICC (Mayors and municipal executives group)
Federated Library System Board	Federated Library System Board	Federated Library System Board
16 member libraries	35 Member Libraries	15 Member libraries
County Board	County Board	County Board
19 Library Municipal councils	35 Library Municipal councils	15 Library Municipal councils
18 Non-library Municipal councils	39 Non-library Municipal councils	1 Non-library Municipal council
Public at large	Public at large	Public at large

## Project Steering Committee Considerations

Once the Request for Proposal has been issued, a steering committee for the project will be needed. Consultants need to discuss the project needs with a designated group. In a three county project, even five members per county results in a committee of 15. Each county could appoint five members that are as representative as possible of all the stakeholders. All meetings should be open and announced to all stakeholders, including librarians, trustees, and elected officials.

## Considerations for Evaluation of Proposals

Planning consultants with little or no library background will probably apply for this consulting project. They should be required to demonstrate that they have a broad ranging and thorough understanding of Wisconsin library law and its intricacies, as well as modern library best practices. Failing that, they should include an expert on their team with such an understanding. The project is not about coming to consensus by a group of stakeholders but rather about considering a set of options and strategies. The study should make specific recommendations for action in separate reports for each of the three counties. The proposal evaluation should seek proof that the consultants can evaluate legal, political, and funding issues for presentation to decision makers

## Suggested Timeline

January 31	Waukesha County Cooperation Council, Milwaukee Intergovernmental Council, Dane County municipal executives, endorse project
February 1.	Application submitted to Institute for Museums and Library Services
March 14	Applications submitted to Greater Milwaukee Foundation.
April 30	RFP Issued
May 15	Consultant's "Intent to Apply" received
May 30	Consultant bids received
June 15	Bid awarded
September 1	IMLS grant announced, award of phase three if possible
December 30	Project preliminary report on phase one
February 15, '06	Project preliminary report on phase two
April 1, '06	Final report if phase three is dropped
July 15, '06	Project preliminary report on phase three
Sept. 30, '06	Final report for entire project.

# Dane, Milwaukee, Waukesha Library Consolidation Request for Proposal – SUMMARY DRAFT

## Types of County Libraries and Wider Units in Wisconsin

Type	Wisconsin Statute	Examples and comments
1. <b>Federated Library Systems.</b> Milwaukee and Waukesha are single county federated library systems receiving state funding. Dane County Library Service is a county library service as presented in 4 below and a member of a multi-county federated system, South Central Library System.	<i>Section 43.24</i>	All 72 counties in the State belong to one of the 17 federated library systems. Participating communities must open their doors to all members of the system at no direct charge to the user. This requirement places a burden on libraries that are heavily used by other communities in the system (Crossover Borrowing) has led to major problems and is one of the precipitating factors in the call for reorganizations in Project E3.
2. A <b>consolidated county library</b> generally operates all library facilities in a county and may be a member of a multi-county federated library system. <i>See footnote 1.</i>	<i>Section 43.57(1)</i>	Adams, Brown, Door, Florence, Marathon, Marinette, and Portage have consolidated county libraries. In Brown and Portage there are municipalities that exempt from the county levy and operate independent libraries. <i>See footnote 1.</i>
3. <b>Consolidated county library systems</b> receive state funding to public library systems and would be the likely form for a county such as Waukesha that is large enough to become a single county consolidated system. <i>See footnote 1.</i>	<i>Section 43.21</i>	There are no consolidated county systems in Wisconsin.
4. A <b>county library service</b> is formed to serve county residents who do not live in a library municipality, or to improve municipal libraries in the county.	<i>Section 43.57(3)</i>	La Crosse and Dane County run county library services. La Crosse provides library branches while Dane provides bookmobile services and reimburses libraries in the county for residents taxed by the county.
5. <b>Joint City-County Libraries</b> may be established by a county and one or more municipalities located in the county. They are governed by a library board appointed by the participants in the joint library, representative of the populations of the participants. Further information on the web at: <a href="http://www.srlaaw.org/documents/JointLibrary.pdf">http://www.srlaaw.org/documents/JointLibrary.pdf</a>	<i>Section 43.57(3)</i>	Shawano and Rusk Counties have joint city-county library operations.
6. <b>Public library districts</b> are independent districts with elected boards and taxing authority that encompass municipalities in a county or the entire county. The Wisconsin Library Association is planning to see a bill for this type of organization introduced in the 2005 session of the legislature. Further information on the web at: <a href="http://www.wla.lib.wi.us/legis/districts.htm">http://www.wla.lib.wi.us/legis/districts.htm</a>	<i>LRB-0160/2</i>	There are no library districts in Wisconsin, but Racine County, Rock County, Menominee, Greenfield, and Greendale are exploring the options.

<sup>1</sup> Library communities are allowed by law to qualify for exemption from the county library levy and remain independent if their governing body chooses. However, the county would not be required to compensate those libraries for use made of them by other library communities as it does at present.

# Dane, Milwaukee, Waukesha Library Consolidation Request for Proposal – SUMMARY DRAFT

## Suggested Deliverables

Consultants should be required to project costs in three categories and indicate increments for each county. A very comparable study for Scott County Iowa with 4 libraries and a population of 180,000 but without the addition of a comparative nationwide study was recently awarded to a consulting consortium for \$110,000. It is estimated that this project will cost over \$400,000 for all three counties. Steps 3 to 6 are likely to be the highest cost phase and it is hoped that the IMLS grant will cover \$300,000 of the costs. Requiring the consultants to bid the entire project in increments by county and by phase will allow for maximum flexibility. Allowing phases one and two as separate components of the project will allow the project to begin earlier than the September 2005 grant announcement date.

Summary of Activity for Each Step
<b>Step 1: Preliminaries</b>
Establish steering committee
Issue RFP for Consultant/LTE assistance
<b>Step 2: Legal and Financial</b>
Review written materials about each county and its libraries
Research state library law and local ordinances
Conduct interviews with key stakeholders
Conduct phone interviews with additional stakeholders
<b>Deliverable:</b> Interim report on the <u>current</u> situation facing libraries in each county.
<b>Step 3: Study of Operational improvement/cost saving options short of consolidation</b>
Develop list of data to be compiled by libraries
Conduct research on best practices in collaboration
Meet with directors and staff members to review opportunities for collaboration & internal efficiencies
Analyze data from libraries and identify cost savings and potential improvements
<b>Deliverable:</b> Interim report on potential improvements to internal operations and cost savings through collaboration
<b>Step Four: Study of Library Organizational Options</b>
Conduct phone interviews with library directors and elected officials
Conduct interviews with key stakeholders
Develop Spreadsheet model for costs and tax consequences of each option
Identify peer counties for use in comparison of outcomes
Develop a rough budget and administrative and governance structure for each type of consolidated library and districts. Include data on building ownership, staff sizes, and related issues
Conduct patron satisfaction survey to determine what patrons value and what they're willing to pay
Analyze data from patron satisfaction surveys of partner and peer counties
<b>Deliverable:</b> Interim report on the potential impact of consolidation
<b>Step Five: Public Judgment</b>
Develop discussion guide for public meetings
Conduct site visit to hold planning session with library directors and other key stakeholders
Consultants conduct two to three week intensive site visits, during which nine, 40-person forums would be held with the public, the Steering Committee, and others
Analyze results of forums and surveys
<b>Deliverable:</b> Interim report on the results of forums and surveys with handbook on implementing possible options
<b>Step Six: Final Report</b>
Synthesize the results of all five steps into a report that includes options for action, the likely response by library leaders, elected officials, the public, and others, as well as independent consultant's recommendation for the best options for each county
Consultant presentations to each county on results of the report
<b>Deliverable:</b> Final report in PDF format.

Dane, Milwaukee, Waukesha Library Consolidation Request for Proposal –  
SUMMARY DRAFT

<b>Suggested Bid Budget Document</b>
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Category	Waukesha	Milwaukee	Dane
<b>Step 1: Preliminaries</b>			
1. Consultant time			
2. Subcontracts			
3. Materials			
4. Travel & Lodging			
5. Other			
Step 1 Deliverable: RFP for project.			
<b>Step 2: Legal and Financial</b>			
6. Consultant time			
7. Subcontracts			
8. Materials			
9. Travel & Lodging			
10. Other			
Step 2 Deliverable: Interim report on the current situation facing libraries in each county.			
<b>Step 3: Study of Operational improvement/cost saving options short of consolidation</b>			
11. Consultant time			
12. Subcontracts			
13. Materials			
14. Travel & Lodging			
15. Other			
Step 3 Deliverable: Interim report on potential improvements to internal operations and cost savings through collaboration			
<b>Step Four: Study of Library Organizational Options</b>			
16. Consultant time			
17. Subcontracts			
18. Materials			
19. Travel & Lodging			
20. Other			
Step 4 Deliverable: Interim report on the potential impact of consolidation			
<b>Step Five: Public Judgment</b>			
21. Consultant time			
22. Subcontracts			
23. Materials			
24. Travel & Lodging			
25. Other			
Step 5 Deliverable: Interim report on the results of forums and surveys with handbook on implementing possible options			
26. Consultant time			
27. Subcontracts			
28. Materials			
29. Travel & Lodging			
30. Other			
Step 6 Deliverable: Final report in PDF format.			

Dane, Milwaukee, Waukesha Library Consolidation Request for Proposal –  
SUMMARY DRAFT

## **Outline of Request for Proposal**

- 1. Executive Summary**
- 2. Descriptions of Each County and its Libraries –**
  - Narrative one page description of each county and its libraries.
- 3. Statistical and Financial Data for Each County and its Libraries**
  - Latest statistical and financial data from Wisconsin Library Service Record to indicate size, number, and use of libraries in the three counties.
- 4. Statement on Scope of the Project**
  - Statement by us indicating the outline of the scope of the project and what is expected of the consulting firm
- 5. Project Participants**
  - List of the stakeholders in each county, including WCCC, libraries, municipalities, and so forth.
- 6. Proposal Contents – Bidder**
  - Understanding of the Project – bidders indicate their understanding of, and ability to respond to project scope.
  - Statement of Work. Bidders provide statements on how they will proceed to answer the questions and provide the information required of them.
  - Experience and Credentials- Bidders must provide full credentials for all consultants on the project.
  - Project Cost
  - Qualifications of Consultant(s)
- 7. Support Required of Library System**
  - Bidders list any items that they will require of the library system/WCCC in terms of printing, mailing costs, meeting arrangements, etc.
- 8. Criteria for Evaluation of Proposals –**
  - we will list the criteria that we will use for project evaluation, including price, experience, project design, and other criteria.
- 9. Bidder Submission Procedures**
  - Details on the number of copies, where and when to submit the proposal, etc.
- 10. Bidder Question Contact and Procedure**
  - If bidders have questions, there must be an orderly process for answering them as well as a process for informing all other bidders of the answers to all questions. This requires a single contact for questions and distributed answers.
- 11. Notice of Intent to Respond**
  - We will ask firms to indicate their intent to apply so we know what the size of the field is. The actual deadline for application would be some time (probably several weeks to a month after). This allows firms time to develop the proposal.