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Exhibit No. 11  
Date 2-19-11  
Bill No. HB 2

## MONTANA LIBRARY COURIER PILOT

The Montana Library Association's priority is maintaining funding for our Montana State Library and we stand in support of the Governor's Budget for the Montana State Library. We urge you to consider the direct impact any budget reductions will have on Montanans and ask that you consider restoration of the 5% base budget reduction for the Montana State Library.

The Montana Library Association is requesting funding for the Statewide Courier Delivery Service for the 2013 biennium and emphasizes that this request is above and beyond that of the proposed budget for the Montana State Library.

### Montana Library Courier Pilot

#### Definition

"A dependable, reliable and predictable delivery service that, with a desired level of frequency and security, physically moves library materials from one library to another or from a library to a library patron."

#### How the Courier Pilot Works

The routes for the Courier Pilot include drop sites (distribution hubs). Participating local libraries served by these drop sites independently determine the frequency and the method of delivery between them and their assigned drop sites.\*

Items can be checked out and returned at any library most convenient for the user. The delivery and return of the item is reliable, often faster than traditional mail, and more cost effective for both libraries involved.

#### Accomplishments of the Courier Pilot So Far

Volume has grown from the initial April, 2010 total of 8 libraries moving 110 items, to a total of 38 libraries moving 3,038 items in February 2011.

Cost savings to the libraries including postage, mailing supplies and interlibrary loan staff time have grown from \$330 in the first month of the pilot to \$48,843 through February, 2011. During the first 10 months of the pilot, libraries saved \$162,660 in resource sharing costs.

The planned 12 dropsites have been implemented, enabling service to all areas of Montana.

A total of 16,266 items were moved between participating libraries between the beginning of the pilot (late April, 2010) and February, 2011. The pilot is funded until the end of FY2011.

A contracted courier has successfully met the definition of a library courier service, demonstrating the ability to expand services when required and providing services safely and on time.

Some dropsite libraries have creatively assisted served libraries with the cost of their local courier, demonstrating the willingness on the part of Montana libraries to help make a library courier system a reality in Montana for all libraries, even those in rural areas.

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\* A statewide courier pilot in Montana will by necessity include some amount of movement of materials by mail.

Participating libraries have been able to share other types of material via the courier, including shared trunks of resources for local story times and activities and a statewide traveling laptop lab.

### **Continued Need for a Library Courier System in Montana**

The most recent figures collected show that in 2009, over 170,000 individual items moved between Montana libraries, compared to 36,000 in 1990. Interlibrary loans continue to increase each year, as the patron's ability to discover materials online increases and local libraries struggle to provide materials on their own.

The Courier Pilot has demonstrated the same kind of cost savings as seen in surrounding states that have long established library courier systems. Libraries using the courier system have seen a per item cost, including postage, mailing supplies and staff time, drop from \$10.00-\$12.00/item to between \$1.00-\$2.00/item.

The number of libraries participating in the Courier Pilot will continue to grow, if funding assistance is continued. A layer of second tier dropsites that could serve libraries within closer geographic areas would enable extremely rural communities in Montana to participate. These second tier dropsites would feed into the established, larger dropsites.

### **Benefits**

The Courier Pilot has promoted more library resource sharing across the state and leveraged local dollars by lowering the overall costs of resource sharing among libraries.

Libraries lacking sufficient budgets to adequately build their local collections have benefitted substantially from an easier method of sharing materials, giving their users a substantially larger pool of resources.

The Courier Pilot has enhanced the Montana patron's library experience, enabling patrons to get more for less.

### **Cost of Continuing the Courier Pilot**

The \$200,000 per year cost is based on current and anticipated demand, population served, delivery alternatives, and information obtained from research of library courier systems operating in other states.

### **Sustainability**

Montana libraries of all types currently participate in several statewide projects that are sustained by successful, shared cost formulas. The current Courier Pilot has begun to identify a similar cost structure, with the aim of making courier services affordable to any library desiring those services.

Revised to include statistics through February 2011

## Montana Courier Delivery Service - Annual Estimates for Expansion of Project

<b>Total Funding 2011 Biennium - \$160,000</b>			
Courier Services: Cost Scenarios #1: Based on current Montana Pilot Costs: 5 day dropsites are \$14100 annually. 2 day dropsites are \$5640 annually. 5 Day dropsites: \$1175/month. 2 day dropsites: \$470/month			
5 day/week dropsites: Annual Costs	9	Missoula Helena Bozeman Whitehall Great Falls Miles City Kalispell Billings Butte	\$ 126,900
2 day/week dropsites: Annual Costs	3	Sidney Havre Lewistown	\$ 16,920
<b>Total Annual Cost for Funded Dropsites</b>			<b>\$ 143,820</b>
<b>Add 3 2nd Tier Drop sites @ 5 day/week (sorting included)</b>			<b>\$ 42,300</b>
<b>Add 6 smaller participating libraries @ 5 day/week</b>			<b>\$ 23,400</b>
<b>Supplies, totes</b>			<b>\$ 500</b>
<b>Delivery by Mail / Rural, remote libraries</b>			<b>\$ 10,000</b>
<b>Vendor - 3% wage increase estimate for drivers at 12 months - 12 hubs only</b>			<b>\$ 3,000</b>
<b>TOTAL ANNUAL COSTS</b>			<b>\$ 223,020</b>
A second option would be to fund the 2nd tier dropsites at 2 day/week service and provide funding for participating libraries who would be paying \$2,080/year for 2 day/week service and \$3,900/year for 5 day/week service or required to pay for alternative pick up and delivery options.			
Submitted by Judy Hart, Montana Library Association 1/27/2011			