



2017 RIDES Delivery Evaluation: Report Summary

RIDES, Michigan's statewide delivery service, is now more than a decade old. Although some changes and improvements have been made to the system over the years, the Midwest Collaborative for Library Services (MCLS) determined that a comprehensive evaluation of the system's policies and procedures could provide an opportunity to improve the service. MCLS further determined that an external reviewer would offer the necessary fresh eye on all aspects of the delivery of library materials in Michigan.

A task force, comprised of 12 representatives from RIDES-participating libraries of all types and sizes, was formed in July 2017. The group was charged with assisting MCLS staff with the preparation of a request for quotation (RFQ), review and evaluation of the submitted proposals, and consultant selection.

MCLS engaged The Galecia Group, Lori Bowen Ayre, Principle Consultant.

A task force sub-group reviewed drafts of the consultant report and advised MCLS staff. The full task force reviewed and discussed the final consultant report in its entirety.

In May 2018, the 2017 RIDES Task Force advised MCLS of its recommendations.

GOALS of the 2017 RIDES Delivery Evaluation project

The consultant was charged with investigating and evaluating the current system and making recommendations for improvement, specifically considering the following:

- A review of existing RIDES policies, processes, and procedures to determine their effectiveness
- Identifying actions that will enhance coordination of delivery on a statewide level
- Identifying actions that can ensure fairness and equity throughout all statewide delivery services
- Laying a foundation for planning and implementing flexible delivery solutions

In addition, the scope of work called for including recommendations about:

- Equalizing delivery services on a fair and equitable basis, i.e., examining Direct Delivery, delivery to and from libraries within shared integrated library systems, delivery to multi-branch library systems, and regional delivery systems transferring materials to and from RIDES
- Potential alternatives for libraries with minimal delivery volume or other special needs
- Factors for incorporating volume into the pricing model, and for maintaining equitable pricing among libraries regardless of size or location
- The feasibility of adapting MeLCat to regional lending, so that libraries within the same delivery hub zone would be the primary source of requested MeLCat material
- Investigating the expectation of 4-day turnaround delivery service
- Standardizing performance expectations for individual libraries and for consortia with shared library systems
- Opportunities for the standardization of sorting practices at local libraries, delivery hubs, and throughout the system
- The development of best practices for protecting materials in transit, as well as labeling of both items/materials and delivery containers
- Training and communications
- The integration of statewide technology/software solutions whenever feasible
- Gathering statistics (e.g., defining statistics, standardizing counting and reporting methodologies related to items and/or containers)
- The development of performance standards for contracted couriers

PROCESS

MCLS provided the consultant with a large assortment of background material including, but not limited to, the current courier RFP and contract, several earlier surveys and studies, current and historical pricing formulas, volume estimates, invoices, reimbursement data for damaged and lost materials, and data from six months of RIDES helpdesk tickets. A detailed spreadsheet indicating the variations in how each library uses RIDES (e.g., number of days of service, Pack vs. No Pack; direct delivery vs. delivery to a central delivery site run by a library or cooperative; MeLCat participant or not) was also provided, along with contact information for a variety of types of RIDES users.

The consultant gathered additional information via three focus groups, 25 phone and in-person interviews, site visits and a survey sent to the contact people at all RIDES direct delivery sites. The RIDES Delivery Evaluation final report was submitted to MCLS on April 9, 2018.

FINDINGS

In the report, the consultant stated: “The overall impression of the RIDES delivery service is that it is a well-run operation that has effectively served Michigan libraries since 2004.” The report confirmed several concepts previously believed by MCLS staff:

- Libraries find the RIDES Lost/Missing process cumbersome
- The Upper Peninsula libraries feel strongly that they should not pay higher rates than libraries in the Lower Peninsula, despite the much higher cost of delivery in the UP
- Satisfaction with the RIDES service is highly correlated with satisfaction with the individual driver serving the library
- Libraries want more/better communication when a delivery will be missed or delayed

RECOMMENDATIONS

The consultant made 31 recommendations, grouped in 11 categories.

Category	#
Work with ProMed to deliver a Service Level Agreement	9
Work to expand RIDES participation	3
Do not offer RIDES service to individual sublibraries	1
Request libraries to log number of totes picked up and delivered	1
Delivery contract recommendations	3
Reduce request balancing priority for 2-day/week libraries	1
Make sure libraries sharing an ILS are on the same hub	1
Modify shipping labels	1
Modify Lost and Missing items policy and procedure	4
Modify pricing model	6
Facilitate development of Participant Service Level Agreements	1

The 2017 RIDES Task Force categorized each of the recommendations. The categories are:

- Completed or implementation is in process
- Include in next round of MCLS and courier contract negotiations
- Forward to the RIDES Advisory Committee for serious consideration
- Forward to the MeLCat Advisory Committee for serious consideration
- Do not fit with RIDES’ goals
- Not feasible or supported in the current RIDES environment and/or not supported by the task force

The task force expressed the greatest support for several of the recommendations related to the Lost and Missing items procedure and some of the suggested contractual changes. Although there was not support for the specific pricing model suggested by the consultant,

there was strong support for returning to a pricing formula that does not incorporate the library location as a factor.

Below is the categorized list of the 31 recommendations included in the report. Where needed, annotations are provided for clarity (noted with an asterisk).

Recommendations completed or implementation is in process

- Modify shipping labels
 - *The label maker and labels have been redesigned for ease of access and use. Labels now include a “from” address.
- Modify ticketing system
 - *Plans are being implemented to modify the RIDES Assistance Form to require less free-text in favor of drop menus. Some data in the form may be pre-populated to further ease the submission process.
- Initiate courier logging of number of totes picked-up and delivered
 - *The courier has always logged tote delivery, although not consistently. MCLS works continually with the courier to improve the process.
- Do not increase any library’s price increase beyond 12%
 - *MCLS is committed to keeping price increases as low as feasible. With the exception of libraries that increased their days of service or had a large increase in volume, no RIDES library received a Fiscal Year 2019 price increase greater than 5%.
- Explore offering on-demand delivery service
 - *On-demand service has been explored. The price is prohibitive.

Recommendations to include in next round of MCLS and courier contract negotiations

- Change payment and invoicing section
- Make changes to the Service Specifications
 - *Suggested changes include methods for delivery verification, need for backup drivers, shorter delivery window.
- Change contractor Service Performance Guarantees
- Require trucks or vans for deliveries
- Reduce delivery windows where possible
- Allow No Pack libraries to make claims for lost items

Recommendations to forward to the RIDES Advisory Committee for serious consideration

- Provide drivers with information needed to call or text libraries on their route
 - *To be used to report delays.
- Request libraries to log number totes picked up and delivered
- Items Lost/Missing for 90 days should be eligible for reimbursement
 - *Although 90 days was considered too short a time period, there was support for shortening the current process.
- MCLS should follow-up with lender at 90 days and arrange reimbursement

*For items confirmed lost while in transit with RIDES. The suggestion is that the borrowing library end involvement with the Lost and Missing Process after the 90 day mark, all later communication would involve MCLS staff and the lending library only. There are standard Interlibrary Loan policies to consider.

- Treat combined courier costs as one shared cost for both Upper and Lower Peninsula libraries
- Apply one “per stop” fee to all locations
 - *Regardless of location.

Recommendations to forward to the MeLCat Advisory Committee for serious consideration

- Reduce Request Balancing Priority for 2-Days per Week Libraries

Recommendations that do not fit with RIDES’ goals

- Encourage library groups with an internal delivery services to consider RIDES
- Phase out all non-RIDES totes and boxes used for delivery (except ROSEY)
- Consider offering discounted Year One pricing for new libraries

Recommendations that are not feasible or supported in the current RIDES environment and/or not supported by the task force

- Make sure libraries sharing an ILS are on the same hub
 - *Our environment and geography do not allow this suggestion, e.g., the PALnet shared system includes 11 Baker College locations spread across Michigan, and the UPROC shared system includes libraries in both peninsulas.
- Add \$10 processing fee to reimbursement cost for lost items
 - *Currently, any library that includes an administrative/processing charge to their requests for reimbursements are paid. As some libraries charge processing fees in excess of \$10, there was insufficient support for a \$10 cap.
- Do not offer RIDES service to individual sub-libraries
- Standardize on large tote for all RIDES material
- Implement different per-item fee for Direct Delivery and Central Delivery sites
- Work with ProMed to develop an app for drivers
 - *Development of an elaborate driver app was suggested. The app would have route information, library contact information, the Delivery Max Tote value (see below), logging functionality, automatic data export.
- Set Delivery Max Tote value for each library
 - *The report proposed the notion of a “Delivery Max Tote” value as a solution to several perceived problems.
 - It would permit the courier to anticipate the number of totes to be picked up at each delivery stop. The courier would be excused from picking up any totes in excess of the set value. The value assigned to each delivery stop would be stored in the proposed driver app.
 - Although the task force agreed that there are benefits to predictability, the ebb and flow of MeLCat requests makes this impractical. Moreover, a policy that would allow totes to be not picked up is highly problematic.

- Use Delivery Max Tote value to determine Per-Item Fee
 - *The report suggested that the Delivery Max Tote value be used for each library's volume estimates and charges.
 - The suggested formula:

$$\text{Volume charge} = \text{Delivery Max Tote Value} \times \text{Number of Stops} \times 35 \times \text{per item-fee (suggested to be .09/item or .18/item)}$$
 - This approach assumes that an "average number of items per tote" can be determined. However, there is too much variation in the volume to make this feasible.
- Proposed Pricing Model
 - *The consultant's proposed pricing model is based on a combination of elements:
 1. a flat per stop fee
 2. per item fees that distinguish between Direct Delivery and Central Delivery sites
 3. limiting rate increases to 12%
 - The report noted "It is estimated that 164 libraries would see a 12% increase in their delivery costs (limited by the formula) and 124 libraries would see a decrease in their cost (mostly low volume libraries). The remaining libraries would see an increase, but the increase would be less than 12%."
 - The model was rejected based on concerns about the method for determining item counts, the different per item fees, and the large number of libraries that would be subject to a 12% price increase.
- Facilitate development of Participant Service Level Agreements

CONCLUSIONS

The report states "The overwhelming impression is that RIDES is an excellent service that is managed well by MCLS and makes very good use of the public's investment. The courier contractors have demonstrated the ability to effectively work with MCLS and provide reliable service over several years."

MCLS will:

- Continue to consider changes to address the sense of unfairness in the current pricing model
- Continue to work with the courier to improve the consistency and reliability of scanned data used for volume measurement
- Consider the report recommendations during the next contract negotiations with the courier
- Review and improve the reimbursement process for items damaged and lost while in transit with RIDES

The RIDES Advisory Committee will continue discussion of the pertinent recommendations. The pertinent recommendation will be forwarded to the MeLCat Advisory Committee.