

**LSSI Cost Proposal  
Nevada County  
Library Operations**

**Nevada County, California**



**Proposal in Response to:**

**Nevada County RFP: Library Operations  
Dated October 19, 2009**

**Due Date: November 19, 2009, 2:00 p.m. PST**

**Submitted to:**

**Nevada County Purchasing Division  
Eric Rood Administrative Center  
950 Maidu Avenue  
Nevada City, California 95959**

**Submitted by:**

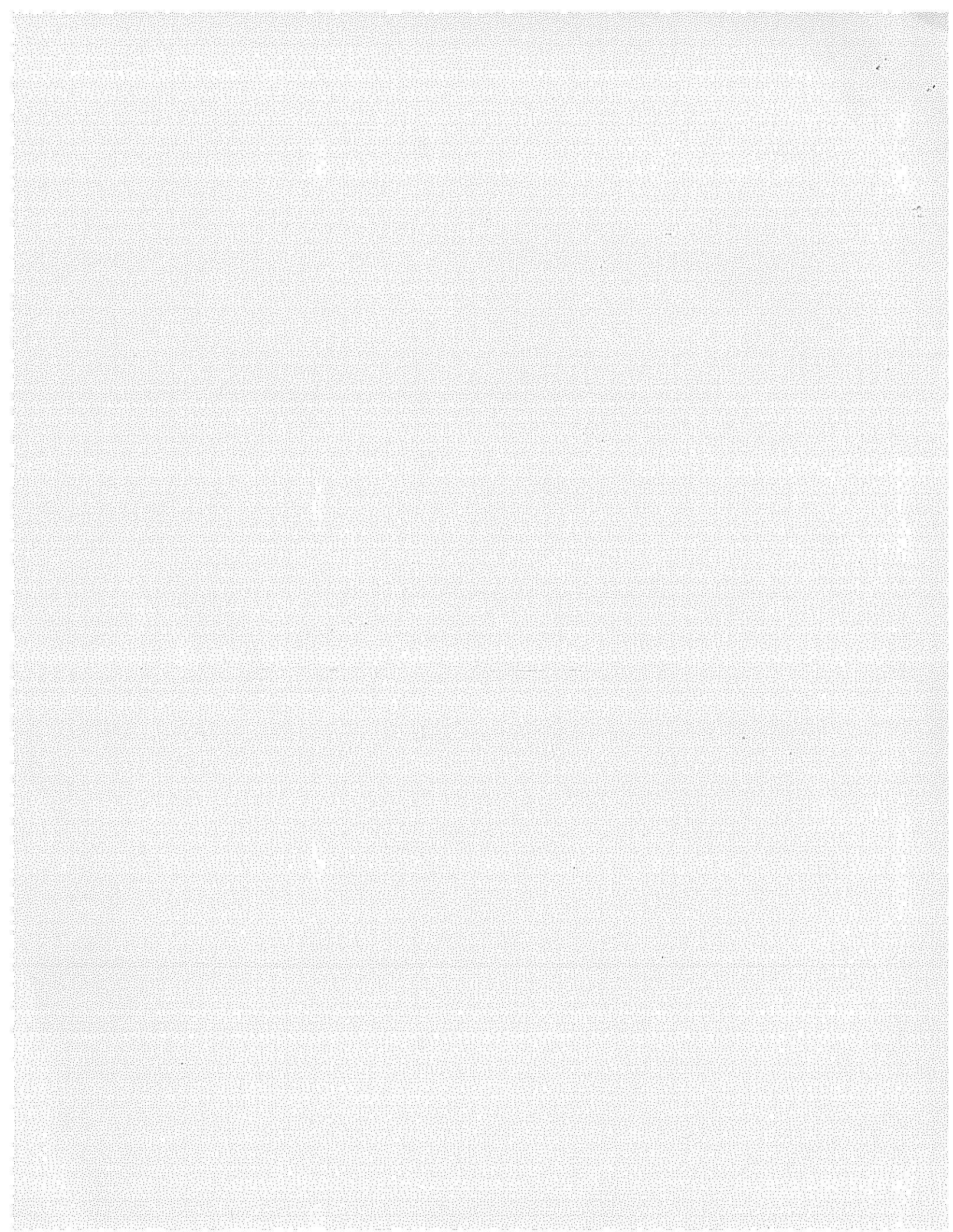


**Library Systems & Services, LLC  
12850 Middlebrook Road, Suite 400  
Germantown, MD 20874-5244  
[www.lssi.com](http://www.lssi.com)**

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*LSSI is an Equal Opportunity Employer*

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**ATTACHMENT A**  
**COVER SHEET**

**Applicant Agency:** Library Systems & Services, LLC

**Contact Person**

**Name and Title:**

Frank A. Pezzanite, CEO

**Address:** 12850 Middlebrook Rd., Suite 400, Germantown, MD 20874-5244

**Phone:** 301-540-5100, X 233

**Fax:** 301-540-5122

**E-mail:** frank.pezzanite@lssi.com

**Type of entity:** Limited Liability Corporation  
(e.g., corporation, sole-proprietorship, non-profit organization, public agency, etc.)

**Federal Tax ID:** 52-2003416



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Signature of Authorized Representative

November 17, 2009

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Date

# **NEVADA COUNTY LIBRARY OPERATIONS COST PROPOSAL**

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LIBRARY SYSTEMS  
& SERVICES, LLC

● ● ● ●  
*Partnering with Communities  
to Build Better Libraries*

November 19, 2009

Mr. Gerry Benson  
Purchasing Division, County of Nevada  
950 Maidu Avenue  
Nevada City, California 95959

RE: Proposal in response to Nevada County RFP for Nevada County Library Operations

Dear Mr. Benson:

LSSI welcomes the opportunity to offer the residents of Nevada County, California a cost-effective alternative for the provision of their library services. Our attached proposal describes how LSSI can work with Nevada County to improve services and efficiency in your six library locations by keeping them open for 14% more hours, including Sunday, and for a cost that is nearly 7% less than the current budget proposed by the County. LSSI proposes to manage and operate the Nevada County public libraries for a minimum of 179 hours per week, which is an increase of 21.5 hours a week more than the current hours of operation. In addition, LSSI will increase the annual budget for materials. LSSI will interview and hire, at their current salaries, all incumbent staff members who wish to remain with the library system. The improvements we offer come from our extensive experience in sixty-three diverse libraries nationwide, including many similar in demographics and library usage to those in Nevada County.

In addition, during the early months of the contract LSSI proposes to invest corporate resources totaling more than \$130,000 for capital improvements according to a plan to be discussed with Nevada County. Immediate needs to be addressed include a variety of upgrades such as additional or replacement computers and computer stations, software for self-service computer scheduling and printing, improved self-check-out equipment, new receipt printers, furniture such as comfortable chairs and new book display units, buildings and facilities upgrades such as improved lighting, and a courier service to transport materials between library locations. LSSI's plan for operating Nevada County's Library System also provides for more substantial investments to be made later, on a mutually agreed upon timeline, to establish and operate best-practice patron service add-ons such as the use of RFID technology.

We are able to achieve operational efficiencies because for the past 27 years, LSSI's sole business has been providing innovative services and products to libraries, a specialization that focuses all of our corporate resources on this single operational area. During this time, LSSI has become recognized as the leader in the provision of outsourced library management and operation services. We partner with communities of all types and sizes, ranging from the City of Red Oak, Texas with a population of 10,000, to Riverside County, California with nearly two million residents. LSSI's corporate philosophy is to work as a team with our customers, adding our expertise to the expertise of the local authorities, community library groups, and local library staff members to ensure the best possible service levels are achieved.

LSSI Headquarters Office  
12850 Middlebrook Road, Suite 400 . Germantown, MD 20874 . 301/540-5100 . 301/540-5522 fax  
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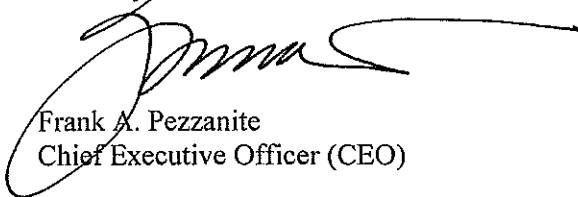
Since 1997, LSSI has operated the Riverside County Library System, which has expanded under LSSI's management from twenty-four to thirty-three branches and two bookmobiles. Other California libraries LSSI operates include the Moorpark Library and the three-branch Shasta Public Libraries. LSSI also staffs and operates the fifteen-branch Jackson County, Oregon Library Services. In Texas, LSSI operates libraries for the cities of Red Oak, Leander, and San Juan. LSSI also operates seven public libraries for five cities in Tennessee and one county in Kansas. In each case, under LSSI's leadership the hours of operation, programming for the communities, and materials spending have all increased substantially. In Riverside County alone, LSSI has helped to raise more than \$5 million in supplemental funding to improve library services. Perhaps most importantly, each library has become a visible cornerstone of its community and a destination enjoyed by everyone.

Under our management contracts, LSSI provides highly-qualified staff with directly relevant experience, as well as any necessary back-up staff or staffing replacements. LSSI currently has a total staff of nearly 750 employees, more than 90 of whom are professional librarians with MLS degrees from ALA-accredited MLS programs. After each contract begins, the LSSI Management Team closely monitors library functions and makes changes or modifications to the staffing and management plans as necessary. LSSI's staff members carefully adhere to all local operating standards and policies, and are flexible in providing whatever services are needed.

In summary, in Nevada County, LSSI will increase the libraries' hours of operation by more than 14%, reduce the operating budget by nearly 7% annually and increase the materials spending budget. We guarantee a smooth and quick transition with no disruption of library services. The County will also benefit from LSSI's contribution of corporate financial resources to improve technology, facilities, and services both immediately, and over the longer term. During the hours of library operations, LSSI will ensure an array of adult and children's programming, effective outreach services, and excellent customer service for which we are known in our client libraries nationwide. It is important to note that LSSI does not acquire ownership of any library assets, make any policy decisions, or charge any additional user fees. Simply stated, your public library remains publically owned and operated while you contract with LSSI to manage the Library System to fully serve the needs of the residents of Nevada County.

If you have any questions about this proposal, please call me on (301) 540-5100, extension 233. We look forward to partnering with Nevada County to provide innovative, progressive management services to support improved customer service and efficiency in the management of the County's libraries.

Cordially,



Frank A. Pezzanite  
Chief Executive Officer (CEO)



**6.4 Cost Proposal**

**6.4.1 Base Fees**

**Year 1 - Monthly budget**

|                           | 1 <sup>st</sup> Month | 2 <sup>nd</sup> Month | 3 <sup>rd</sup> Month | 4 <sup>th</sup> Month | 5 <sup>th</sup> Month | 6 <sup>th</sup> Month | 7 <sup>th</sup> Month | 8 <sup>th</sup> Month | 9 <sup>th</sup> Month | 10 <sup>th</sup> Month | 11 <sup>th</sup> Month | 12 <sup>th</sup> Month | Total     |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|------------------------|-----------|
| <b>Staffing</b>           | 120,294               | 120,294               | 120,294               | 120,294               | 120,294               | 120,294               | 120,294               | 120,294               | 120,294               | 120,294                | 120,294                | 120,294                | 1,443,529 |
| <b>Other Direct Costs</b> | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                | 14,932                 | 14,931                 | 14,931                 | 179,182   |
| <b>Materials</b>          | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                 | 8,333                  | 8,334                  | 8,334                  | 100,000*  |
| <b>Total</b>              | 143,559               | 143,559               | 143,559               | 143,559               | 143,559               | 143,559               | 143,559               | 143,559               | 143,559               | 143,559                | 143,559                | 143,559                | 1,722,711 |

\*rounded

**Years 2 – 5 Annual Budget**

| <b>Year 2</b> | <b>Year 3</b> | <b>Year 4</b> | <b>Year 5</b> |
|---------------|---------------|---------------|---------------|
| \$1,722,711   | \$1,747,352   | \$1,772,362   | \$1,797,747   |

6.4.2 Cost Breakdown for Year 1

|                                   |                    | Nevada County Costs Not Included in LSSI Budget |
|-----------------------------------|--------------------|-------------------------------------------------|
| <b>Staffing</b>                   |                    |                                                 |
| Administration                    | \$ 216,039         |                                                 |
| Operations                        | \$1,227,490        | County Librarian                                |
| <b>Total Staffing</b>             | <b>\$1,443,529</b> | Insurance                                       |
|                                   |                    | Intra-fund allocation                           |
| <b>Other Direct Costs</b>         |                    | Maintenance & Building Improvements             |
| Custodial Services                | \$ 28,321          | Snow Removal                                    |
| Telephone & Data Communication    | \$ 13,533          | Utilities                                       |
| All Other Expenses                | \$ 137,328         | Rent & Leases                                   |
| <b>Total ODCs</b>                 | <b>\$ 179,182</b>  |                                                 |
| <b>Materials (Books &amp; AV)</b> | <b>\$ 100,000</b>  |                                                 |
| <b>Total Year 1</b>               | <b>\$1,722,711</b> |                                                 |

6.4.3 Costs Breakdown by Library Site for Year 1

|                                |                    |
|--------------------------------|--------------------|
| Madelyn Helling Library        | \$ 420,025         |
| Truckee Library                | \$323,857          |
| Grass Valley-Royce Branch      | \$405,496          |
| Bear River Station             | \$ 10,153          |
| Penn Valley Station            | \$53,301           |
| Doris Foley Historical Library | \$14,657           |
| <b>Total</b>                   | <b>\$1,227,490</b> |

**6.4.4 Menu of Additional Services with Costs**

LSSI has no additional services built into its proposal which require any additional costs by Nevada County.

**6.4.5 Cost Matrix by Branch for Additional Hours of Services**

| <b>Library</b>                 | <b>Cost/Hour</b> |
|--------------------------------|------------------|
| Madelyn Helling Library        | \$175.00         |
| Truckee Library                | \$150.00         |
| Grass Valley-Royce Branch      | \$175.00         |
| Bear River Station             | \$50.00          |
| Penn Valley Station            | \$50.00          |
| Doris Foley Historical Library | \$50.00          |

