

Delivery Report for SCLS Board of Trustees

March, 2022

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Sourcing Concerns:

Over the past month, our staff has observed some concerning trends in some key areas: fuel and other supplies for day-to-day operation.

Fuel: Coupled with an increase in mileage (due to expanding our miles driven in service to an extra day of intersystem delivery) and price spikes in the cost at the pump, we are observing monthly invoices in excess of \$10,000 for the first time in many years. Our February invoice was actually less than January despite higher pump prices. This was due to a pair of weather-induced closures. These closures account for 10% of our monthly operating days, so they were significant in muting the impact of fuel prices. We continue to monitor the conditions and we will look for other strategies to keep our costs as low as possible. This will be a key consideration for 2023 budget formulation.

Late in 2021, we purchased a very efficient “mini” cargo van to handle our longest traveled route and we are realizing significant mileage savings over the first 3 months of use.

Motor Oil: Our use of fresh motor oil is a key function of maintaining our 19 vehicle fleet. This item is purchased in bulk from a public source about 3 times a year. Unfortunately, the cost of this has nearly DOUBLED since our last purchase in late 2021.

New vehicles: As we attempted to bolster our fleet and retire out high mileage vehicles, sourcing our standard models was a non-starter. There simply were none of our models in stock in our area. Jesse Stewart ventured further out to find our two trucks (one was the mini) and another similar functioning Dodge model. We had to travel to La Crosse and Platteville respectively to obtain these units. The mini was a lightly “used” model while the Dodge was new. We were not availed any incentives and we paid approximately 30% higher prices than we would have with our typical purchases.

On the flip side of that was when we auctioned off our old vehicles, we saw a substantial increase in the return (from about \$6000 to \$10,000 per unit).

Post-Its: One key function for our sorting operation is observing post-it notes affixed to materials that are holds for our other member libraries. The library staff will attach the 3-letter code of our members to these holds as a courtesy “visual” for our staff to read and sort appropriately into a dedicated holds bin for most of our library locations. The

post-its (smallest version of the common 3M “Post-it”) are supplied by SCLS to our member libraries as a preferred supply to assist in this function.

A pack of 12 packets (or 1200 individual stickies) was \$1.10 per pack earlier this year. Those have now risen to \$1.48. Worse than that is that they are currently out of stock either due to a sourcing or manufacturing issue or a demand pressure. Either way, it is causing us concern because we will run out of these items by the end of April. At that time, we will have to buy even more expensive versions.

These issues are just some of the most evident pressures that we are seeing very early in 2022.

Staff update:

In February, we proceeded with the promotion of Jeff Grandt-Turke. He is effectively filling the vacancy created by the transfer of Tim Drexler over to the Data Analysis position at Headquarters.

Jeff has been with SCLS for over 20 years and brings a wealth of energy and knowledge to the position. He will be assuming a number of new responsibilities as we re-aligned several critical tasks that Tim was assigned. Part of this re-alignment was having Brad Guenther expand his managerial role concurrently with Tim’s departure.

Recently, we have also been fortunate to add a new part-time staff member who is filling a critical local delivery role for us while bolstering our coverage of daily sorting tasks. Tim Trumble started with us in early February.