

CLEVELAND PUBLIC LIBRARY

Finance Committee Meeting

October 18, 2016

Trustees Room Louis Stokes Wing

12:00 Noon

Present: Ms. Butts, Mr. Seifullah, Ms. Rodriguez, Mr. Hairston, Ms. Washington,
 Mr. Parker

Absent: Mr. Corrigan

Mr. Seifullah called the Finance Committee Meeting to order at 12:07 p.m.

FINANCE COMMITTEE MEETING (Mr. Seifullah, Chair)

Present: Alan Seifullah, Chair, John Hairston, Anthony Parker

Absent: Thomas D. Corrigan, Vice Chair

Eighth Amendment to the Year 2016 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that we are increasing our Certified Revenue fund and Special Revenue funds as follows: Special Revenue Funds: *Founders fund* - Increase in Other Sources by \$70,000 relating to the \$50,000 grant to be received from the State of Ohio Department of Education for the Family and Community Engagement pilot program; \$10,000 relating to the grant from the Cleveland Foundation to sponsor the Sunlight Foundation's Transparency camp; and the \$10,000 grant from PNC passed through the Friends for a new Kindergarten Club in 2017. The *CLEVNET fund* - Increase in Other Sources by \$70,890 to reflect the reimbursement to be received from Geauga County Public Library for the migration fees to join CLEVNET.

Mr. Seifullah asked what constitutes unclaimed funds.

Ms. Krenicky stated that the majority of unclaimed funds are like accounts payable checks to vendors. If they come back to us returned, we try to reissue them. If they come back once again, we are required to keep them for five years, and if not claimed, we can transfer them back into the General fund. Each month, we prepare bank reconciliations and we take outstanding checks that have not been cashed within a certain amount of time and move them into an agency fund. We are unable to touch those funds during that time. If they have not been claimed within five years, we move those funds back into the General fund.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Accept State of Ohio Department of Education Grant for Family and Community Engagement Pilot Project

Tracy Martin, Grants & Development Coordinator, stated that the Library was contacted by the State of Ohio Department of Education and was informed that the State of Ohio Department of Education Family and Community Engagement pilot program is being conducted as part of a Federal Early Learning Challenge Grant and is being conducted in 12 targeted communities.

The Library was selected based on the City of Cleveland having been shown to have the greatest need as measured by child outcomes including infant mortality, kindergarten readiness and Third Grade Reading Guarantee Scores. This grant has been offered as a way to help reach more families who need exposure to early learning opportunities and other community support systems with the ultimate goal being healthy children who are ready for kindergarten.

Ms. Martin stated that the State Department of Education identified eight libraries to participate and re-granted these federal funds accordingly. As a result, the State Department of Education agreed to grant the Library \$50,000 specifically to offer community outreach activities and four events. Because of low state testing scores, the Library was asked to partner with East Cleveland Public Library and focus their efforts on Cleveland's eastside.

Ms. Martin stated that half of the funds will be spent on four community events. The remainder will be utilized for community outreach programs. The Library will expand kindergarten clubs by adding a club at an eastside branch and another at East Cleveland Public Library.

In response to Ms. Washington's inquiry, Ms. Martin confirmed that the funds must be spent by March 20, 2017.

Mr. Seifullah asked if the grant includes East Cleveland Public Library or if they had been awarded grant dollars as well.

Director Thomas stated that the grant includes East Cleveland Public Library. Although the East Cleveland Public Library and community was identified to be a part of the engagement pilot, Cleveland Public Library was selected to be a fiscal agent for the grant funds. The \$50,000 was for Cleveland Public Library and East Cleveland Public Library combined.

Ms. Butts shared with the Board her experience with her parent child program and offered recommendations on how to effectively engage parents by visiting the homes of parents to help reach more families who need exposure to early learning opportunities and other community support systems.

Director Thomas explained that the requirements for the grant were very specific. The Library is required to partner with one faith-based organization, one housing authority and one food organization. Two of the community engagement events will be held in a church.

Director Thomas stated that he is anxious to learn from the outcomes of this process.

Ms. Butts stressed the importance of reaching this population.

Director Thomas stated that although there are many requirements for this grant, it is significant to note that this is the first time the State has recognized the Library as a respected venue for potential success in this effort. It is possible that additional state funding can be leveraged for the Library.

Ms. Washington stated that there is an opportunity for the Library to excel on the requirements of the grant that will position the Library to make a State Budget ask for additional funding as a result of the Library's success.

Director Thomas stated that in addition to Cleveland, library systems in Toledo and Columbus are the only other large libraries to receive this grant and noted that Cleveland Public Library will have a very creative plan for implementing the grant. The Library has valued its relationship with partners who have already been in place. This is an opportunity to spotlight the work that the Library has been involved in.

Mr. Hairston stated that he liked the idea that the Library is the organizational umbrella for this important work and that perhaps home visits as described by Ms. Butts would prove effective.

Ms. Butts stated that her parent child program got significant word of mouth exposure and grew from 15 families to over 60.

Ms. Rodriguez stated that although home visits could be an overwhelming responsibility for the Library, the four outreach programs will help build trust and hopefully parents feel comfortable and come to the Library. Churches and libraries are safe places as venues.

Mr. Seifullah asked if the State will bring the eight participating libraries together to discuss the results of the pilot program.

Director Thomas stated that all of the communities will be brought together to examine the successes such as how many people participate. The Library will look more closely at outcomes to determine what could be done in the future in support of future requests for funding.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Accept Cleveland Foundation Grant for Transparency Camp

Director Thomas stated that the Sunlight Foundation which is based in Washington, DC, works to ensure that government data is more transparent and accountable. After a conversation with the director of the Sunlight Foundation, the Cleveland Public Library applied for a grant for the Transparency Camp held at the Library on October 14 and 15, 2016. The Cleveland Foundation agreed to grant the Library \$10,000 so that additional attendees from Cleveland could participate.

Director Thomas shared highlights from the Transparency Camp and acknowledged Aaron Mason and the Outreach and Programming staff for their hard work to make the Transparency Camp a success.

In response to Ms. Rodriguez' inquiry, Director Thomas stated that there were over 100 attendees at the Transparency Camp.

Ms. Butts asked if we charged a fee for the use of the Learning Commons space where the Transparency Camp was held.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that in September the space could have been used 119 times although there were no overtime staffing requirements.

Director Thomas stated that the Hyatt at The Arcade has on occasion requested use of the space as their meeting room space is limited. Although the Library does collect some monies for the use of this space, the original intent was to make the space available for the community.

Director Thomas acknowledged and thanked Bob Turowski, AV Equipment Specialist, Outreach and Programming Services, for his valuable assistance at the Transparency Camp.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution To Ratify Agreement for Purchase of Natural Gas

Carrie Krenicky, Chief Financial Officer, stated that last month the Board gave authorization for the Library to enter into an agreement for natural gas either through a broker or directly with suppliers that provided the best fixed price for periods of time up to and including 36 months, provided the rates do not exceed the rates currently being paid by the Library for gas, which is \$3.14 per MCF.

On September 14, 2016, the lowest prices for a 12 month term ranged from \$2.950 to \$3.321 per MCF; for a 24 month term the lowest prices ranged from \$3.390 to \$3.459 per MCF; and for a 36 month term the lowest prices ranged from \$3.550 to \$3.665 per MCF depending upon the supplier. On September 16, 2016, the Library, through North Shore Energy Consulting, LLC, received a contract from VolunteerEnergy for a 12 month term at the rate of \$2.95 per MCF.

After noting that since two years ago, the price has decreased about 30%, Ms. Krenicky stated that this resolution ratifies the agreement entered into by the Library on September 16, 2016 for natural gas at the rate of \$2.95 per MCF for a 12 month term from November 2016 through October 2017.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution Announcing Construction Manager at Risk Determined to be Best Value and Authorizing Negotiation of Construction Manager Agreement for South Branch Renovation Project

Joyce Dodrill, Chief Legal Officer, stated that this process began in August when the Cleveland Public Library placed an ad in the Cleveland Plain Dealer requesting statements of qualifications for construction manager at risk services in connection with the South Branch Renovation Project. On September 19, 2016, statements of qualification were received by the following construction manager firms: The Albert M. Higley Co., LLC, Turner Construction Company, Panzica Construction Company, Regency Construction Services, Green Space Construction Services, and Dunlop & Johnston, Inc. Contractors.

An evaluation committee was established and reviewed the qualifications on September 23, 2016 and, utilizing evaluation criteria and a scoring method established prior to the announcement of the requests for qualifications, selected the following three construction manager firms as the most qualified for its short list: The Albert M. Higley Co., LLC, Panzica Construction Company, and Turner Construction Company.

As required by statute, on September 23, 2016 the Library issued a Request for Pricing and Technical Proposal to the three short-listed firms, requiring that proposals be submitted to the Library by October 5, 2016 at 12 noon.

After the proposals were received, the evaluation committee interviewed all three construction manager firms. The evaluation committee then met on October 11, 2016 to evaluate and score the technical qualifications. Price proposals were evaluated separately and then combined with the technical proposal to determine the best value based on a weighted comparison of qualifications to price.

Based upon the ratings obtained from combining qualifications and pricing scores, the evaluation committee has ranked the short-listed firms in the following order:

- 1) Albert M. Higley Co., LLC \$368,353.75
- 2) Turner Construction Company \$372,959.00
- 3) Panzica Construction Company \$381,891.00

The resolution requests that the Board accept the recommendation of the evaluation committee that the selection of the construction manager firm of The Albert M. Higley Co., LLC as the firm presenting the pricing and technical proposal which represents the best value.

Ms. Washington asked who comprised the Evaluation Committee.

Ms. Dodrill stated that the Evaluation Committee was comprised of Eric Herman, Tim Murdock, Oliver Reyes, Carol Hubler, and Bryan Szalewski, who are all Library staff.

In response to Ms. Washington's inquiry, Ms. Dodrill stated that it is not a state law that the evaluation committee be comprised of all staff of an organization. However, it is the Library's practice in to assign staff to the evaluation committee instead of members of the community

Ms. Washington asked if the Library used a standard evaluation criteria for scoring.

Ms. Dodrill stated that the evaluation criteria is established and is modified according to the type of project and the issues that may be unique to the respective project. For example, the South Branch requires a Construction Manager at Risk that has expertise with historical buildings. This was a part of the qualifications criteria.

In response to Ms. Butts' inquiry, Ms. Dodrill confirmed that the construction cost of this project is \$3.3 million.

Ms. Butts asked for clarification on the role of the Construction Manager at Risk.

Ms. Dodrill explained that the Construction Manager at Risk model is set up to allow for a certain amount of flexibility in terms of the selection of contractors. During the preconstruction period, the Construction Manager at Risk becomes a consultant who assists the architect in designing and estimating the project so that it comes in under budget. They are particularly qualified to do this as they have in-house estimators and connections to construction industry. They also conduct value engineering in the event that certain items in the design are over budget then alternatives can be considered. Once all of the designs are completed and final estimate is established, the Construction Manager at Risk goes out to bid. They have prequalified contractors that they can select to send bid specifications to and request bids. They can tailor the list of contractors and subcontractors to meet specific job requirements and qualifications. After three bids are received, they identify the best and usually the lowest value. The Library will see every aspect of the bids, qualifications and subcontractor bids. With the Library's approval, they put together a selection. They then put together a guaranteed maxim price for the job. The Board approves and they become the contractor and guarantee the price agreed upon. If there are any overages, they incur the expense.

Director Thomas stated that this has become the new and popular way of constructing as it takes away the financial risk from the Library and unanticipated expenses.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Agreement with Cleveland State University for America Reads Tutoring Services

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that for the past four years, the Cleveland Public Library has entered into agreements with Cleveland State University for America Reads tutoring services at various branches. The Library has applied to the Cleveland Foundation for grant funds to continue to provide tutoring services in 2016-2017.

Mr. Mason stated that The Cleveland Foundation has awarded the Library with grant monies to fund the tutoring services, and payment is expected by the end of 2016.

This resolution requests authorization to enter into an agreement with Cleveland State University to provide tutorial services from November 1, 2016 through June 30, 2017 at eleven (11) branches, Mondays through Thursdays, to be determined by the Library Administration, in the amount not to exceed \$57,963.00.

Mr. Mason provided the following list of America Reads tutoring services provided at Library branches: Collinwood, Fleet, Fulton, Glenville, Langston Hughes, Mt. Pleasant, Rice, Rockport, Sterling, Walz and Woodland.

Mr. Mason stated that Braxton Educational and Technology Consulting provides two types of tutoring: K-12 (funded by the Cleveland Foundation grant) at Hough, Mt. Pleasant, East 131 and Union and K-3 (that supports the third grade reading initiative) at Addison, Memorial Nottingham, Walz and Woodland.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Accept Grant Funds from PNC Bank for Kindergarten Club

Carrie Krenicky, Chief Financial Officer, stated that this is a \$10,000 grant that was given by PNC Bank to the Friends of the Cleveland Public Library and will be passed to the Library to host a new Kindergarten Club in the summer/fall of 2017.

Ms. Washington asked which branch would serve as the venue for the new Kindergarten Club.

Tracy Martin, Grants & Development Coordinator, stated that the location has not yet been determined.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that Kindergarten Club is an after school program that lasts for 10 weeks for parents and children and is co-facilitated by an adult and early childhood facilitator. After a group activity in the beginning, parents and children break out into separate sessions. While adults are taught early childhood learning skills, children spend time with an early childhood facilitator. The program concludes when the parents and children come together for a meal.

Mr. Mason stated that this Kindergarten readiness initiative will help prepare parents and children to start school in the fall and has an average class size of approximately 25-30 participants.

After discussion about the Kindergarten readiness initiative as a part of the Library's community engagement and their target audiences, Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Mr. Seifullah adjourned the meeting of the Finance Committee at 12:46 p.m.