

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
May 19, 2015
Trustees Room Louis Stokes Wing
12:00 Noon

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

Absent: Mr. Corrigan

Mr. Seifullah called the Finance Committee Meeting to order at 12:19 p.m.

FINANCE COMMITTEE MEETING (Mr. Seifullah, Chair)

Resolution to Accept Gift from New York Community Bank Through The Friends of The Cleveland Public Library

Carrie Krenicky, Chief Financial Officer, stated that The Friends of the Cleveland Public Library submitted a proposal to New York Community Bank for a \$40,000 grant to create early literacy spaces and interactive learning spaces for children and parents at the Woodland and Carnegie West branches. The New York Community Bank approved the grant request and issued a check to the Friends of the Cleveland Public Library, which in turn issued a check to the Cleveland Public Library.

The grant funds will allow the Library to purchase for each branch 10-12 interactive learning panels created by the Burgeon Group, a Portland-based company that specializes in creating interactive learning spaces, as well as new furniture, new paint, and possibly new rugs.

Ms. Rodriguez asked if this was initiated by The Friends.

Ms. Krenicky stated that this was initiated by The Friends with the support of library staff.

Director Thomas stated that since conversations with the New York Community Bank regarding this grant request, Samantha Joseph, Junior Vice President, has been added to The Friends Board.

Mr. Seifullah stated that this item would go to the full Board for approval.

Third Amendment to the Year 2015 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that this Amended Certificate of Estimated Resources reflects an increase in Other Sources – Special Revenue by \$45,072.96 relating to the Founders fund (New York Community Bank/Friends) - \$40,000 and the Young fund – \$5,072.96.

Mr. Seifullah stated that this item would go to the full Board for approval.

Year 2016 Tax Budget

Carrie Krenicky, Chief Financial Officer, stated that this item serves as a wish list that indicates the financial needs of Cleveland Public Library from Tax Sources for Fiscal Year 2016 which have been determined to be at least \$54,300,000.

Ohio Revised Code requires the Board of the Cleveland Metropolitan School District to adopt and submit the Library's Year 2016 Tax Budget to the County Fiscal Officer on or before July 20, 2015.

Mr. Hairston asked if the School Board asks questions about the Tax Budget request.

Director Thomas stated that although the School Board does not have the ability to change the library's budget request, they have the occasionally inquired about budget decreases.

Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution to Establish an Agency Fund for the Collection of the CLEVNET Fines & Fees

Carrie Krenicky, Chief Financial Officer, stated that this resolution will establish an agency fund to be known as the CLEVNET Fines & Fees and will account for the collection of online payments of fines and fees until they are forwarded to the proper organization.

In response to Ms. Rodriguez' request for further clarification, Ms. Krenicky stated that when patrons pay fines and fees online, monies are collected centrally by Cleveland Public Library and deposited into the Library's account. CLEVNET member libraries receive daily reports of the collections. Monthly, these fines and fees are totaled and checks are issued and forwarded to respective CLEVNET member libraries. The IT Department determines which library receives the respective funds.

After additional discussion, Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution to Purchase Radio Systems for Cleveland Public Library Safety & Protective Services

Carrie Krenicky, Chief Financial Officer, stated that the Department of Safety and Protective Services has added additional staff to the Department and it is in need of eleven (11) additional

radios. The Property Management department received quotes from (3) vendors and recommends the purchase of the radios directly from Motorola Solutions in the amount of \$35,252.25.

Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution to Enter Into Agreement With Family Connections of Northeast Ohio for Literacy Playroom at Woodland Branch

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to enter into an agreement with Family Connections of Northeast Ohio in the amount of \$36,163.76 to establish and operate a literacy playroom at the Woodland for a period of one year. The money will be used towards the salary of a part-time coordinator, supplies and other expenses. This playroom will be operated two times per week.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that New York Community Bank approved the \$40,000 grant request for Carnegie West and Woodland branches. At the Woodland branch, these funds will be used for furniture, equipment and materials for the playroom.

Mr. Mason explained more about the playroom and the Library's mission of providing quality early childhood literacy programming to urban communities.

After discussion about the need for the playroom, the purchase of furniture items, Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution Authorizing Committee to Rank Proposals from Construction Managers at Risk and to Recommend Selection to Board of Trustees for Phase 2 Main Consolidation Project

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the selection process for the construction manager at risk services in connection with the Phase 2, Main Consolidation Project. Specific steps are delineated in the Ohio Revised Code that governs the selection of a construction manager at risk, and requires the public authority planning to contract with a construction manager at risk to evaluate the statement of qualifications submitted and select not fewer than three most qualified. It further requires that the public authority request pricing proposals and technical proposals from the three selected construction managers at risk, and that after evaluating proposals and interviewing the top-ranked construction managers, the public authority is to rank the three top-ranked construction managers on the basis of best value.

Cleveland Public Library placed an ad in the Cleveland Plain Dealer on May 2, 2015 requesting statements of qualifications for construction manager at risk services in connection with the Phase 2, Main Consolidation Project. Statements of Qualification will be submitted to the Library by June 2, 2015.

An Evaluation Committee has been established and consists of the Deputy Director, the Director of Property Management, the Assistant Director of Property Management, and the Chief

Financial Officer, has been established in accordance with the legal requirement that such a committee be convened prior to the release of the request for qualifications.

The Evaluation Committee will evaluate the statements of qualifications and will select three firms which it considers most qualified. The three firms will be requested to submit pricing proposals and technical proposals. The Evaluation Committee will interview each construction manager at risk firm and rank them based upon the final evaluation of each proposal to determine the best value. The top ranked firm will be presented to the Board of Trustees at the June meeting for consideration.

Ms. Rodriguez asked from where the Library received information to determine qualifications.

Ms. Dodrill stated that the statutes in the Ohio Administrative Code provides information on what requirements can be asked such as experience, financial responsibility, team composition, references. Mr. Paul Creighton, consultant on this project will provide insight and advice as well. Cost proposals will be requested for the RFP portion.

Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution to Amend the Resolution Approving Amendment to the Agreement with Cintas Corporation for Uniform Rental Services

Carrie Krenicky, Chief Financial Officer, stated that the Library has learned that the quote from Cintas Corporation upon which the Resolution was adopted contained an incorrect price for the buyback rate for Security shirts, which the Library must purchase since it will be altering the uniforms by affixing a patch to the sleeves. Instead of \$12.00 a shirt, the buyback charge is actually \$17.50 per shirt. The Library must buy back 374 shirts at the end of the rental period.

Under normal circumstances, the Library only buys back damaged shirts for custodians and maintenance mechanics. Because patches have been applied to shirts worn by Safety and Protective Services staff, these shirts must be bought back at the end of the agreement in April 2016 as well. That adds up to an additional \$6,545.

Ms. Rodriguez asked that since Cintas made this error, if Library staff could do due diligence and inquire if any financial consideration could be provided to the Library.

Ms. Dodrill stated that we will attempt to negotiate with Cintas for a reduction.

Ms. Krenicky stated that for the record, this is a savings as this is cheaper than purchasing the uniforms and laundering them.

Ms. Rodriguez recommended that documentation be provided for the record regarding the Library's attempt to renegotiate as a result of the error.

Mr. Seifullah stated that following additional dialogue with Cintas, this item would go to the full Board for approval.

Resolution to Renew OCLC Cataloging Worldshare ILL and Access Subscription Services

Joyce Dodrill, Chief Legal Officer, stated that this resolution approves the subscription renewal for the period of July 1, 2015 through June 30, 2016 for OCLC Cataloging, OCLC WorldShare ILL and Access Services at an amount not to exceed \$229,805.88.

Tish Lowrey, Director of Technical Services, stated that this is a longstanding contract with OCLC Cataloging Worldshare ILL and Access Subscription Services.

Carrie Krenicky, Chief Financial Officer, stated that this represents a 30% increase from last year subscription renewal.

Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution to Authorize Freight Charges for Filters Purchased for Main and Louis Stokes Wing Building HVAC Equipment from Ketchum & Walton Co.

Carrie Krenicky, Chief Financial Officer, stated that on June 19, 2014, the Board of Trustees of the Cleveland Public Library authorized the purchase of prefilters, secondary filters and final carbon filters from Ketchum & Walton Co., for a total cost not to exceed \$130,325.48. The quote received from Ketchum & Walton Co. included Freight as “*Prepaid and Add*”; however, because this amount was not in the quote it was not estimated at the time the quotes were tallied nor included in the total cost. The filters have been received, and on March 6, 2015, Ketchum & Walton Co. invoiced freight charges in the amount of \$5,207.00.

This resolution authorizes freight charges for the purchase of prefilters, secondary filters and final carbon filters from Ketchum & Walton Co., in the amount of \$5,207.00, for a total cost of \$135,532.48.

Ms. Rodriguez asked if these charges were normal.

Ms. Krenicky stated that she reviewed previous invoices and these costs are normal. There are two types of filters. One is shipped from Georgia and the other from Chicago.

Mr. Seifullah stated that this item would go to the full Board for approval.

Resolution Authorizing Director to Negotiate and Enter into Gas and Electric Contracts to Take Effect After Expiration of Current Contracts

Joyce Dodrill, Chief Legal Officer, stated that the Library Administration has been meeting with energy brokers and consultants who have been watching the market fluctuations and have recommended that the Library enter into gas and electric contracts soon to be effective after the Library’s current contracts expire in order to lock in rates before they rise. The Library currently has a contract with Direct Energy Business, LLC for the supply of electricity through August 2015 at the rate of \$6.260 per kWh and a contract with Interstate Gas Supply, Inc. through October 31, 2015 at the rate of \$4.14 per MCF.

The existing gas contract expires at the end of October and the electric contract expires in August.

This resolution requests prior approval from the Board to enter into gas and electric contracts since the rates change daily and the Library needs to have the flexibility to enter into a contract at a moment's notice, provided the rates do not exceed the rates the Library is currently paying under its existing gas and electric contracts. The contracts entered into will be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting.

Mr. Harrison asked how it is determined that rates are legitimate.

Ms. Dodrill stated that the Library relies on brokers for advice.

After discussion about market rates for electricity and gas, Mr. Seifullah stated that this item would go to the full Board for approval.

Mr. Seifullah adjourned the meeting of the Finance Committee at 12:51 p.m.