

CLEVELAND PUBLIC LIBRARY  
Joint Finance & Human Resources Committee Meeting  
December 16, 2014  
Trustees Room                      Louis Stokes Wing  
12:00 Noon

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

Absent:        Ms. Rodriguez, Mr. Werner

Mr. Corrigan, in the absence of Ms. Rodriguez, called the Joint Finance & Human Resources Committee Meeting to order at 12:07 p.m.

**FINANCE COMMITTEE**

Resolution to Advance Cash from the General Fund to the MyCom Fund

Carrie Krenicky, Chief Financial Officer, stated that the Library entered into an agreement with the Child Care Resource Center of Cuyahoga County Inc. (dba Starting Point) for MyCom out-of-school time transitions program on December 1, 2014 on a monthly reimbursement basis in a total amount not to exceed \$95,000. A cash advance from the Library's General Fund to the MyCom Fund is a needed to provide the necessary "seed" money for grants, like this, that are allocated on a reimbursement basis.

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

Eighth Amendment to the Year 2014 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that this was the final appropriation and noted that the Amended Certificate of Estimated Resources reflects the repayment of the cash advance from the Special Revenue Fund – Friends Fund – to the General Fund in the amount of \$24,500; an increase in Other Sources – Special Revenue by \$500,000 relating to the Grace Brody Trust distribution; and to reflect the resolution going before the Board for approval on December 18, 2014, to advance cash from the General Fund to the Special Revenue Fund – MyCom Fund – in the amount of \$95,000, for which repayment is to be made in 2015.

The General Fund Appropriation is amended by transfers between categories: an increase of \$286,000 in Salaries/Benefits and a decrease in Supplies and Capital Outlay by \$100,000 respectively; and a decrease of \$86,000 in Purchased/Contracted Services. This accommodates the salary increases and sick time payouts in 2014.

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

Year 2015 Annual Appropriation Measure

Carrie Krenicky, Chief Financial Officer, stated that the Cuyahoga County Budget Commission issued a Certificate of Estimated Resources for the Year 2015 for the Cleveland Public Library in the amount of \$50,015,938.56 for the General Fund. She stated that the General Property tax revenues will be certified at \$25,678,232.17 and noted that the collection rate decreased from 82.09% to 79.68%. Although the Assessed values have increased slightly, the collection rate has decreased, thus certifying us lower than 2014.

Ms. Krenicky stated that the Public Library Fund is still certified at \$20,544,751.45 which is the amount at which it was certified by the Ohio Department of Taxation in August. However, a recertification is expected in December.

Director Thomas stated that a possible decrease in recertification may occur.

Ms. Krenicky stated the General Fund Other Sources revenue is certified at \$3,792,954.94. The General Fund appropriation will be the General Fund Revenues not including any unencumbered balances at this point.

Mr. Corrigan asked how this differed from last year.

Ms. Krenicky stated that the General Fund is currently appropriated at \$54.3 million in 2014. The General Fund Revenues are certified at \$52.4 million. We are appropriating slightly higher than the General Fund Certified Revenues in 2014. In 2015, the original appropriation is set where the revenues are certified.

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

Resolution to Authorize Payment of Fees to the CLEVNET Special Revenue Fund covering the period February 1, 2015 through January 31, 2016

Timothy Diamond, Chief Knowledge Officer, stated that during CLEVNET's strategic planning process, the CLEVNET Directors' Panel asked Cleveland Public Library to investigate ways to move CLEVNET revenue out of the General Fund to improve how the financial information is captured. The CLEVNET Special Revenue Fund will start effective January 1, 2015 with a zero fund balance with expenditures occurring immediately making it necessary for Cleveland Public Library to make its contract cost payment of \$1,597,071.73 up-front to cover expenditures until revenues from the CLEVNET contract libraries come in steadily.

Mr. Corrigan asked what is the estimated amount for the yearly CLEVNET budget.

Carrie Krenicky, Chief Financial Officer, stated that the revenues estimated to come in 2015 for CLEVNET total approximately \$4.4 million.

Mr. Corrigan asked if these revenues include the libraries payment of \$1,597,071.73.

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

Resolution to Purchase PCs from Business Smarts

Timothy Diamond, Chief Knowledge Officer, stated that this resolution is a normal replacement process for staff and patron PC's. It provides for the purchase of one-hundred (100) HP EliteDesk 800 G1 computers for staff at a cost of \$626.04 each, and one-hundred (100) HP ProOne 400 G1 All-in-One computers for the public at a cost of \$765.63 each from Business Smarts for a total cost of \$139,167.00

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

Resolution to Purchase MyCloud Server Blades from Business Smarts

Timothy Diamond, Chief Knowledge Officer, stated that this resolution allows for the purchase of MyCloud server blades which is a more efficient and sustainable. Server blades for the MyCloud solution are designed to minimize the use of physical space and energy. This cutting edge service helps to fulfill part of the Library's strategic priorities. This purchase will include five (5) HP ProLiant BL460c server blades at a cost of \$5,312.34 each; forty (40) HP 16GB dual rank memory kits at a cost of \$247.50 each; and ten (10) HP 600GB Smart Carrier hard drives at a cost of \$359.70 each; for a total cost of \$40,058.70 from Business Smarts.

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

Resolution Authorizing the Cleveland Public Library to Enter into an Agreement with Timothy J. Cosgrove, Esq. for Agent and Lobbyist Services

Mr. Corrigan noted that the name of the law firm for which Mr. Cosgrove is employed has been changed from Squire Sanders to Squire Patton Boggs and that the resolution should be amended accordingly.

Mr. Corrigan highlighted Mr. Cosgroves' experience as director of policy and legislation for former Ohio Governor George V. Voinovich and noted that his training and experience as a lawyer practicing in the legislative counseling, public finance and administrative law areas have served the needs of corporate, nonprofit and trade association clients in Ohio. This resolution authorizes the Library to enter into an agreement with Timothy J. Cosgrove of Squire Patton Boggs for the period commencing January 1, 2015 through December 31, 2015 in an amount not-to-exceed \$4,000 per month and \$48,000 per year,

After some discussion about the advantages of engaging Mr. Cosgroves' lobbying services, Mr. Corrigan stated that this item would go to the full Board approval.

Resolution Ratifying Purchase of Furniture for Cleveland Digital Public Library

Myron Scruggs, Director of Property Management, stated that Board of Trustees, authorized the Librarian to negotiate and enter into agreements for the purchase of furniture for the Cleveland

Digital Public Library directly from furniture vendors without competitive bidding. The Department of Property Management, with the assistance of Bostwick Design Partnership, solicited proposals from three different vendors for the furniture for the Cleveland Digital Public Library and determined that Library Design Associates, Inc.'s proposal was selected as the lowest and best proposal. This resolution authorizes the Library enter into an agreement to purchase the furniture for \$62,367.72.

After brief discussion about Library Design Associates, Inc.'s base location and business history with the Library, Mr. Corrigan stated that this item would go to the full Board for approval.

#### Resolution Ratifying Replacement of Water Line at Lakeshore Facility

Myron Scruggs, Director of Property Management, gave history on the Lakeshore Facility and stated that the Property Management Department became aware this Fall that the main water line connected to the fire hydrants and fire sprinklers at the Lakeshore Facility of the Cleveland Public Library was leaking. The leak was located, excavated and 100 feet of an eight inch fire main was replaced. Emergency repairs were performed by V.A. Conkey in the amount of \$28,965.09. This resolution ratifies the emergency services performed.

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

#### Resolution Authorizing Agreement with Enterprise FM Trust for Lease of Vehicles

Myron Scruggs, Director of Property Management, stated that this resolution is to authorize the Library to enter into a sixty (60) month lease and maintenance package for twelve (12) vehicles with Enterprise Fleet Management. The Library needs to replace a number of its older vehicles that have high mileage, and also needs to add several vehicles to the vehicle pool used by the Department of Safety and Protective Services to support the Department's plan to expand mobile services and one to TechCentral. Enterprise Fleet Management has submitted a proposal to lease, maintain and manage twelve (12) vehicles for a period of sixty (60) months and has compared the cost of leasing to the cost of purchasing new vehicles.

Joyce Dodrill, Chief Legal Officer, stated that the cost of leasing twelve (12) vehicles includes full maintenance and fleet management.

Carrie Krenicky, Chief Financial Officer, noted that taking into account the approximate trade-in values of the Library vehicles that are being replaced, the cost is estimated at \$59,899 per year. The cost to purchase new vehicles with full maintenance and fleet management is approximately \$63,906 per year; and the cost to purchase new vehicles without full maintenance and fleet management is approximately \$56,443 per year.

Representatives from Enterprise were present to answer any questions the Board may have had.

After some discussion about the vehicles and their specific design and uses, Mr. Corrigan stated that this item would go to the full Board for approval.

Resolution Authorizing Agreement with Integrated Precision Systems, Inc. for Maintenance of Access Control System

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to enter into a one year maintenance agreement with Integrated Precision Systems Inc. for maintenance services for the Library's access control system in the Main Library and Lakeshore Facility, in the amount of \$34,992.98. The maintenance agreement is for the period January 1, 2015 through December 31, 2015.

Mr. Corrigan asked if a maintenance agreement came with the access control system when we entered into the initially installed.

Ms. Dodrill stated that a maintenance agreement accompanied the installation. The installation was staggered and occurred over a two year period. Because some of the warranties expired, the Library negotiated with IPS for the maintenance to start on January 1, 2015.

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

Resolution Authorizing Change Order #007 for the Cleveland Digital Public Library Project

Joyce Dodrill, Chief Legal Officer, stated that this change order extends the contract substantial completion date to December 23, 2014, and requires the contractor to replace defective carpet tile. Bostwick Design Partnership, the Library's architect on the Cleveland Digital Public Library Project, recommends acceptance of this change order that will have a net total increase of \$-0- to the contract with R.L Hill Management Group, with a total contract amount of \$633,040.86.

Mr. Corrigan asked if this extension of time would result in additional change orders.

Mr. Scruggs stated that the defects in the carpet were from the manufacturer not the installer. No additional expenses are anticipated.

Following a discussion about the difference between R.L. Hill Management, Inc. and Hill International as two distinct entities, Mr. Corrigan stated that this item would go to the full Board for approval.

Resolution Authorizing An Agreement with The Friends of Cleveland Public Library for Advocacy and Volunteer Coordination Services

Mr. Corrigan stated that this resolution reflects the vision from Mr. Jason's presentation at last month's board meeting.

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to enter into an agreement with the Friends of the Cleveland Public Library Inc. for government funding advocacy and volunteer coordination services for the Cleveland Public Library in 2015 at the cost of \$4,100.00 per month, in a total amount not-to-exceed \$49,200.00.

Ms. Dodrill noted that the Library's mission and Friends' mission are similar. Because the new employees of the Friends will be providing services that benefit the Friends and the Library, under certain federal laws, the Library may be considered a joint employer. After research and consultation with Ogletree Deakins, this issue will be addressed by placing an indemnification clause in the agreement with the Friends requiring that the Friends will take responsibility for payroll taxes and claims under federal law.

Responding to Mr. Corrigan's inquiry, Mr. Dodrill stated that neither of the positions would be recognized under state collective bargaining units.

Ms. Butts asked what was the distinction between the services provided by Tim Cosgrove and the advocacy position with the Friends.

Jason Jaffery, Executive Director, Friends of the Cleveland Public Library, stated that to make lobbying efforts successful, the Friends would cultivate, maintain and manage relationships with policymakers.

Mr. Jaffery discussed the benefits for a Development Coordinator to act as a volunteer coordinator for the Friends that would expand the support and engage the public on a grassroots level. These positions will be full time and the Library's contribution is partial.

Mr. Corrigan stated that as the Friends' financial situation improves, it is Mr. Jaffery's intent that the Library's contribution will no longer be required.

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

## **HUMAN RESOURCES COMMITTEE MEETING**

### **Resolution for Special Closings and Holidays in 2015**

Mr. Seifullah stated that this resolution was standard and reflects dates the Library will be closed in 2015 in observance of holidays and special closings.

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

### **Resolution Amending Cleveland Public Library's Medical Cost Program**

Joyce Dodrill, Chief Legal Officer, stated that this resolution amends the Medical Cost Plan adopted in 2013 to increase the maximum allowable deduction for its Health Care Reimbursement Plan in 2015 to \$2,550.00, or such higher amount as may be permitted by the Internal Revenue Service in the future.

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

Mr. Corrigan adjourned the meeting of the Joint Finance & Human Resources Committee at 12:45 p.m.