

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

Present:        Ms. Rodriguez, Ms. Butts, Mr. Seifullah, Mr. Hairston, Mr. Parker,  
                    Mr. Corrigan (arrived, 12:13 p.m.)

Absent:         Mr. Werner

Ms. Rodriguez called the Joint Finance & Human Resources Committee Meeting to order at 12:10 p.m.

**FINANCE COMMITTEE MEETING** (Ms. Rodriguez, Chair)

Sixth Amendment to the Year 2014 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that the certificate of Estimated Resources was updated to reflect an increase in Other Sources – General fund by \$812,989.88 relating to the Commercial Activity Tax and a decrease in Other Sources – Special Revenue by \$72,932.78 relating to the LSTA KnowItNow fund and an increase in Other Sources – Special Revenue by \$1,000 relating to the Library fund.

Ms. Rodriguez asked if the new construction downtown would affect library revenue.

Ms. Krenicky stated that although there is much construction, the construction is tax exempt. For the next five years, revenue projections for the library are projected to be flat.

Director Thomas stated that the Budget Commission Office projected that tax evaluations are going to remain flat for appraisals. The only positive change may be the tax collection rate. Over the last two years, Cleveland’s collection rate has increased to 82%. Collection rate for the entire county is 95%. In 2006, the collection rate was 96%.

Resolution to Ratify and Approve the Purchase of Insurance Coverage for Policies Effective August 1, 2014 and September 18, 2014

Carrie Krenicky, Chief Financial Officer, stated that this resolution is to ratify the purchase of insurance coverage policies for Property, General Liability, Automotive Coverage, Umbrella Liability, Crime, and Public Officials and Employment Practices Liability effective August 1, 2014 and September 18, 2014. The Board authorized the purchase of insurance coverage provided terms, conditions, and pricing remain comparable to the current programs and consistent with then current market conditions.

Ms. Krenicky noted the following 2014 premiums: Property Insurance through The Hylant Group for the third year's premium of \$228,084 and General Liability, Automotive, Umbrella Liability and Crime Insurance through McGowan & Co., Inc. for the third year's premium of \$137,210 for the period August 1, 2014 through August 1, 2015.

In addition it is recommended that the Board ratifies and approves the decision to purchase Public Officials Liability and Employment Practices Liability Insurance with Illinois National Insurance Company through McGowan & Co., Inc. for the third year's premium of \$34,278 for the period September 18, 2014 through September 18, 2015.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution to Accept the State Library of Ohio Funding for the Ohio Library for the Blind and Physically Disabled (OLBPD)

Carrie Krenicky, Chief Financial Officer, stated that on June 19, 2014, the State Library of Ohio agreed to pay the Cleveland Public Library for expenses for the period of July 1, 2014 through June 30, 2015 to continue to administer statewide library services to blind and physically disabled residents in an amount \$1,274,194.00 that is to be paid from the General State Revenue Fund and \$200,000.00 to be paid from FFY 2013 LSTA carryover funds and \$34,000.00 to be paid from FFY 2014 LSTA funds.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution to Purchase Carpet for Fleet and Harvard-Lee Branches

Myron Scruggs, Director of Property Management, stated that carpet in the Fleet and Harvard-Lee Branches has not been changed for several years and it is overdue.

After reviewing the quotes provided for the purchase of carpets for Fleet and Harvard-Lee, Mr. Scruggs recommends the purchase of carpeting for the Fleet Branch from Northern Flooring Specialists in the amount of \$28,300.00, and for the Harvard-Lee Branch from Regal Carpet Center in the amount of \$27,130.00.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution to Purchase PC Workstations for Children's Areas In Branch Libraries from Business Smarts

Larry Finnegan, Director of IT, stated that when the Library purchased the early literacy stations in children's areas at 25 neighborhood libraries, the library deployed two PCs for a table seating four, at each branch leaving two open PC stations. This resolution recommends the purchase of fifty (50) HP ProOne 400 G1 All-in-One computers with Microsoft Windows Server 2012 licenses and WinPro 8.1 upgrade licenses at a cost of \$838.72 each for a total cost of \$41,936.00 from Business Smarts.

After some discussion about the PC stations, their color and physical locations at the branches, Ms. Rodriguez stated that this item would go to the full Board for approval.

#### Resolution Regarding the Purchase of Natural Gas

Myron Scruggs, Director of Property Management, stated that last year the Library entered into an agreement with the State of Ohio Department of Administrative Services (“OhioDAS”), through Schneider Electric/Summit Energy, for the supply of natural gas on a variable basis. The average cost to the Library of gas has been \$5.22 per Mcf per month, and the estimated rate from October 2014 through March 2015 is \$4.557 per Mcf.

Mr. Scruggs stated that after the review of quotes for a fixed price natural gas contract, it is recommended that the Library enter into an agreement for natural gas through North Shore Energy Consulting, LLC with the supplier that has the best fixed rates at the expiration of the existing agreement with OhioDAS. The cost would be approximately \$4.360 per Mcf for a 12 month term..

After some discussion about North Shore Energy Consulting, LLC, Ms. Rodriguez stated that this item would go to the full Board for approval.

#### Resolution Authorizing Change Orders #001, #002 and #003 for the Cleveland Digital Public Library Project

Mr. Scruggs, Director of Property Management, stated that these change orders to the contract with R.L. Hill Management Group for the Cleveland Digital Public Library were necessary. Change Oder #001 provides a credit in the amount of \$1,028.50 for installing aluminum handrails at a lower cost instead of stainless steel handrails. Change Order #002, in the amount of \$4,620.00 is needed to add filters and fans to existing preservation equipment eliminating potential odors from equipment operations and exhausts. Change Order #3, in the amount of \$9,530.90, is needed to add a sprinkler head into the new office in the North/Special Collections workroom in order to comply with building code requirements.

These change orders total a net increase of \$13,121.90 to the contract with R.L Hill Management Group, with a total contract amount of \$619,121.90.

Mr. Corrigan asked how many additional feet was needed for the relocation and extension of the sprinkler line and head to the outside of the office.

Rick Ortmeyer, Principal, Bostwick Design Partnership, was available to discuss the sprinkler line, head and piping, fitting, repair finishes, as well as sprinkler design and permit plans.

Director Thomas stated that additional information would be provided prior to the next regular Board meeting.

After discussion further discussion, Ms. Rodriguez stated that this item would go to the full Board for approval.

### Resolution Amending Agreement with Strategy Design Partners

Carrie Krenicky, Chief Financial Officer, stated that on June 19, 2014, the Board approved a fifth (5<sup>th</sup>) amendment to the Agreement extending the term from July 1, 2014 through December 31, 2014 at the cost of \$4,000 per month plus crisis management services at the rate of \$150.00 per hour in an amount not-to-exceed \$10,000. Strategy Design Partners, LLC (“SDP”) performed 6.95 hours of crisis management services during the month of June 2014, prior to the commencement of the July 1, 2014 contract extension, and the Director is requesting the authority to pay SDP for these services. This resolution authorizes payment for 6.95 hours of crisis management services rendered during June of 2014 in the amount of \$1,042.50.

Ms. Rodriguez stated that this item would go to the full Board for approval.

### Resolution Authorizing a Three Month Extension of Contract with Medical Mutual of Ohio

Carrie Krenicky, Chief Financial Officer, stated the Library’s current contract with Medical Mutual of Ohio for health care benefits for the Library’s employees expires on September 30, 2014. This resolution will allow the Library to extend its contract with Medical Mutual for an additional three months while the Library continues negotiations with both of its unions SEIU Local 1199 and Teamsters Local 244, as well as Fact Finding with SEIU Local 1199, concerning health care benefits and other issues. Medical Mutual has agreed to extend the plan for three months, and to renew the Library’s health insurance plan for one year from October 1, 2014 through September 30, 2015 at a rate increase of 16.01%, although the Library will need to renegotiate rates in January if we wish to extend it through December 31, 2015/

Ms. Butts asked when Fact Finding was scheduled.

Director Thomas stated that Fact Finding is scheduled for tomorrow and it is binding.

Ms. Rodriguez stated that this item would go to the full Board for approval.

### Resolution Authorizing Purchase of Signage and Wayfinding Materials for Digital Hub Project

Carrie Krenicky, Chief Financial Officer, stated that the Library’s architect for the Digital Hub Project, Bostwick Design Partnership, through its subcontractor Karen Skunta, completed the design of the signage and wayfinding for the project, and the Library now desires to purchase the signage and wayfinding materials directly from the fabricators. The purchase in the amount of \$46,121.00 is from three different vendors: FastSigns in the amount of \$5,525.00; Morgan Litho in the amount of \$3,921.00; and CEI in the amount of \$36,675.00.

Since the purchase from CEI exceeds \$25,000 threshold that requires Board authority it is recommended that the Board authorize to purchase signage and wayfinding materials from CEI in the amount of \$36,675.00 for the Cleveland Digital Public Library Project.

Rick Ortmeyer, Principal, Bostwick Design Partnership, was available to discuss the CEI portion of the project. CEI has a history with the Library and provided a competitive quote for graphics that will be displayed in front window entrances, vitrines, and similar graphics designs as seen in TechCentral; lobby and interior signage, and banner stands.

After additional discussion about vitrines, content and lighting technology, Ms. Rodriguez stated that this item would go to the full Board for approval.

#### Resolution Authorizing Competitive Bidding for Furniture Package for Digital Hub Project

Carrie Krenicky, Chief Financial Officer, stated that this resolution will allow the Library to proceed with the soliciting of competitive bids for the furniture package for the Digital Hub Project.

Mr. Ortmeyer stated that estimates are being finalized and hopes to have a recommendation for the Board's consideration at the next regular Board Meeting.

Ms. Rodriguez stated that this item would go to the full Board for approval.

#### Resolution Ratifying Agreement for Purchase of Electricity

Carrie Krenicky, Chief Financial Officer, stated that the Library entered into an agreement with Direct Energy Business LLC at the rate of 6.260 per kWh from August 2014 through August 2015. In June 2014, the prices for a fixed 12 month term ranged from 6.50 per kWh to 7.24 per kWh depending upon the supplier. The Library has secured a cheaper rate at 6.260 per kWh for a 12 month term..

Ms. Rodriguez stated that this item would go to the full Board for approval.

### **HUMAN RESOURCES COMMITTEE REPORT** (Mr. Seifullah, Chair)

#### Resolution Ratifying Off-Step Salary for the Chief Technology Officer

Carrie Krenicky, Chief Financial Officer, stated that this resolution is to ratify the salary of the Chief Technology Officer Rod Houpe. Mr. Houpe was hired as the Chief Technology Officer on April 8, 2013, after a national search at the annual salary of \$140,000, Grade O of the Hay Group classification/compensation schedule. This salary did not fit into any of the existing steps for grade O, Step 7 being \$138,629.92 and Step 8 being \$141,403.08.

In order to comply with auditing standards, it is necessary that this Board ratify and approve the off-step salary of Mr. Houpe for the time period during which he was employed, from April 8, 2013 through August 1, 2014.

Mr. Werner asked if the Library would normally offer the successful candidate the correct Step Grade appropriately determined for the position.

Director Thomas stated that the final salary was a result of the negotiations.

Ms. Butts asked if a search was in progress to fill the vacant IT position.

Director Thomas announced that Larry Finnegan will assume the position as Director of IT and Hilary Prisbylla will assume the position of Director of CLEVNET. Timothy Diamond will be introduced as Chief Information Officer.

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

Resolution for Ratification of Agreement with City, County, Waste Paper Drivers Union Local 244

Mr. Corrigan stated that this item has not finalized for discussion at this time.

Mr. Corrigan announced that he has been invited by Ms. Huo Ruijuan, Secretary General, Library Society of China, to participate in the 2014 Library Society of China Annual Conference, October 10-12, 2014 in Dongcheng, Beijing, China. The theme of the conference is “Power of Librarians: Reform, Development, Progress”.

Ms. Rodriguez adjourned the meeting of the Joint Finance & Human Resources Committee at 12:53 p.m.