

CLEVELAND PUBLIC LIBRARY
Minutes of the Special Board Meeting
July 16, 2009
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Ms. Butts, Ms. Rodriguez, Mr. Seifullah, Mr. Hairston, Mr. Werner, Mr. Corrigan (arr. 12:22 p.m.)

Absent: None

Ms. Butts called the meeting to order at 12:12 p.m.

Presentation: Library Endowment Fund

Timothy McDonough, CFA, Allegiant Asset Management Company, presented a detailed review for the second quarter that included but was not limited to: (1) a market review that included economic review for the second quarter 2009, overview of the current equity market, fixed income market, economic market environment, fixed income summary and large and small cap summary; (2) investment guidelines review that included asset allocation, equities, and fixed income; and (3) an account review of overall asset allocations, portfolio performance, fixed income allocations and holdings.

After addressing many questions, Mr. McDonough stated that he would continue to monitor and manage the portfolio and prepare recommendations for the Board's consideration if needed.

Revised Change Order #1: New Rice Branch Library Project

(See page 628)

Mr. Corrigan moved approval of the following resolution. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

**PRESENTATION:
LIBRARY
ENDOWMENT
FUND**
Presented

**REVISED CHANGE
ORDER #1: NEW
RICE BRANCH
LIBRARY PROJECT**
Approved

WHEREAS, On September 18, 2008, the Board of Library Trustees awarded the General Trades contract for the New Rice Branch Project to East-West Construction Co. Inc.; and

WHEREAS, On December 18, 2008, the Board of Library Trustees awarded the Electrical contract for the New Rice Branch Project to Doan/Pyramid, LLC; and

WHEREAS, The Board of Library Trustees can in its discretion approve written change orders and subsequently amend the contract sum; and

WHEREAS, Bostwick Design Partnership has reviewed the necessity of the following and recommends acceptance as detailed in the attached:

<u>Contractor</u>	<u>Change</u>	<u>Amount</u>	<u>Description</u>
East-West Construction Co. Inc.	CO-1	\$+ 4,046.43	Labor and material to provide temporary power to the construction job trailer.
	TOTAL	<u>\$+ 4,046.43</u>	

BE IT RESOLVED, That Change Order #1: New Rice Branch Library Project with East-West Construction Co. Inc. be approved with the \$4,046.43 increase being charged to the Building and Repair Fund: 40177605-55300-10776.

Myron Scruggs, Facilities Administrator, stated that this provides for temporary power to East-West Construction Co., Inc.

Change Order #7: New Rice Branch Library Project

(See page 629)

Mr. Corrigan moved approval of the following resolution. Ms. Rodriguez seconded the motion, which passed unanimously by roll call vote.

**CHANGE ORDER
#7: NEW RICE
BRANCH LIBRARY
PROJECT**

Approved

WHEREAS, On September 18, 2008, the Board of Library Trustees awarded the General Trades contract for the New Rice Branch Project to East-West Construction Co. Inc., Plumbing to Harner Plumbing, HVAC to T. H. Martin, Inc. and Fire Suppression to R&M Heating and Air Conditioning; and

WHEREAS, On December 16, 2008, the Board of Library Trustees awarded the Technology contract to East-West Construction Co., Inc. and Electrical contract to Doan/Pyramid LLC; and

WHEREAS, The Board of Library Trustees can in its discretion approve written change orders and subsequently amend the contract sum; and

WHEREAS, Bostwick Design Partnership has reviewed the necessity of the following and recommends acceptance as detailed in the attached:

<u>Contractor</u>	<u>Change</u>	<u>Amount</u>	<u>Description</u>
East-West Construction Co., Inc. (Technology)	CO-1	\$ +21,527.15	Add thirteen additional security cameras.
East-West Construction Co., Inc. (General Trades)	CO-8	\$ + 5,538.57	To provide additional hardware to allow the Library to use existing keys.
East-West Construction Co., Inc. (General Trades)	CO-9	\$ + 12,995.50	To perform additional work of excavation & concrete for foundation and step footing.
Harner Plumbing, Inc.	CO-2	\$ + 1,097.79	To provide low consumption fixtures to be able to

get leed
points.

Total \$ + 41,159.01

BE IT RESOLVED, That Change Orders itemized above be approved with the \$41,159.01 increase being charged to the Building and Repair Fund: 40177605-55300-10776.

After addressing many queries regarding this resolution and the new Rice Branch Library project, Myron Scruggs, Facilities Administrator, stated that this change order was necessary to maintain the construction schedule without delay.

**UPDATE ON
INSURANCE
RENEWAL**
Presented

Update on Insurance Renewal

(See pages 630-631)

Sandy Kuban, Fiscal Officer, provided background on Cleveland Public Library's property insurance renewal including changes such as increases in property valuation and some changes in deductible amounts, which accounted for the renewal premium increasing by \$8,842 to \$406,536. She indicated that the 9/20/07 Resolution allowed for 4 one-year renewals provided terms, conditions and pricing remain comparable which is the case.

**RESOLUTION TO
ACCEPT THE
STATE LIBRARY
OF OHIO
FUNDING FOR
THE OHIO
LIBRARY FOR
THE BLIND AND
PHYSICALLY
DISABLED**
Approved

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

(See pages 632-636)

Mr. Corrigan moved approval of the following resolution. Ms. Rodriguez seconded the motion, which passed unanimously by roll call vote.

WHEREAS, Cleveland Public Library began its first organized service to visually disabled patrons as early as 1903; and

WHEREAS, Cleveland Public Library was designated a regional library for the blind for Northern Ohio counties under the federal Pratt-Smoot Act of 1931, and under the direction of the Library of Congress; and

WHEREAS, Cleveland Public Library has provided excellent library service to blind and physically disabled residents needing specialized materials and equipment and where individual libraries cannot provide such services; and

WHEREAS, As of July 1, 2009, the State Library of Ohio mandated Cleveland Public Library's newly renamed Ohio Library for the Blind and Physically Disabled, its agency to now provide complete statewide services for blind and disabled residents who are eligible for the service and reside in any of the 88 Ohio Counties; and now therefore be it

RESOLVED, That the Board of Library Trustees agrees to administer statewide library services to blind and physically disabled residents; and be it further

RESOLVED, That the President of the Board of Library Trustees or her assignee is authorized to execute any agreements or amendments necessary or appropriate to implement said services; and be it further

RESOLVED, That the Board of Library Trustees accepts the State Library of Ohio funding award of \$1,274,194.00 to be paid from the General State Revenue Fund, recognizing the uncertainty of State Fiscal Year 2010-2011 funding that may result in a different amount from the General State Revenue Fund listed above; and be it further

RESOLVED, That the Board of Library Trustees also accepts the State Library of Ohio award of \$200,000.00 to be paid from FFY 2008 LSTA carry over funds and \$23,892.00 to be paid from FFY 2009 LSTA funds, to assist with the transition to state-wide service delivery; and be it further

RESOLVED, That the Board of Library Trustees expresses its appreciation to the State Library of Ohio.

Holly Carroll, Deputy Director, gave background on this resolution and stated that the acceptance of LSTA funding provides the needed financial support to provide statewide services to the blind and physically disabled throughout Ohio.

Budget Discussion and Recommendations

**BUDGET DISCUSSION
AND
RECOMMENDATIONS**
Presented

Director Thomas commended the Board of Trustees, Holly Carroll, Sandy Kuban and the staff for their efforts to address the financial concerns resulting in reducing the budget by \$4 million. The budget still needs to be reduced by 3.2 million through the rest of 2009.

Director Thomas gave an overview of current cuts and recommended that the board consider closing Sundays at Main Library, Rockport and Glenville Branch Libraries during September-December 2009. Director Thomas stated that staff and communities share the sacrifice with the Sunday closing resulting in a savings of \$150,000 in addition to facilities expenses. Additional reductions were \$750,000 in staffing costs; \$1.2 million in materials; \$200,000 in purchasing and contracted services. Director Thomas spoke on the challenges of 2010 with a \$4.5 million reduction in state funding and a 2 million county reduction totaling \$6.5 million in funding reduction.

Sandy Kuban gave a very detailed historic budget presentation from 2008; including property devaluation and property tax reduction, PLF stream decreases, interest income reduction, CLEVNET revenue decrease, unencumbered carry-over usage, and 2009 expenditures.

Lengthy discussion continued to include but was not limited to: salaries and benefits, health insurance rate increase and renewal, and staff position freezes.

Responding to a query from Mr. Corrigan, Director Thomas agreed to provide a list of material items affected by funding reductions.

Mr. Corrigan stated that we have a duty to protect our materials and collections.

Ms. Kuban stated that if funding stream decreases continue, other alternatives to address this issue will have to be considered.

Resolution to Cancel Sunday Openings at Three Library Locations, September - December, 2009

Mr. Corrigan moved to table the following resolution based on a discussion to provide the opportunity for community outreach, education and input. Ms. Rodriguez seconded the motion, which passed unanimously by roll call vote.

WHEREAS, On September 11, 1987, the Board of Trustees of Cleveland Public Library ratified an interim agreement with District 925, Service Employees International Union, to implement Sunday hours in the Main Library as of September 13, 1987; and

WHEREAS, At the same meeting, the Trustees approved paying employees who work on Sundays at the rate of time and one half; and

WHEREAS, With a dedicated source of revenue from the State of Ohio and with the generous support of local property owners, the Library was able to maintain Sunday service hours during the school year at the Main Library and selected branches since September 1987; and

WHEREAS, The economies in both the State of Ohio and the city of Cleveland have experienced a down turn, so that Cleveland Public Library has already lost approximately 20% of its state revenue and approximately 13% of its local property tax revenue so far this year and future Library funding from both local and state revenue remains very uncertain at this time, and therefore, be it

RESOLVED, That the three Library locations, Main Library, Rockport Branch and Glenville Branch that have had Sunday schedules of 1:00p.m.-5:00p.m., during the

**RESOLUTION TO
CANCEL SUNDAY
OPENINGS AT
THREE LIBRARY
LOCATIONS,
SEPTEMBER -
DECEMBER, 2009**

Tabled

school year; will be closed on Sundays from September through December 2009. While the proposed Sunday closings are certainly unwelcome, the savings in salaries alone will be approximately \$150,000 for the period of September-December, 2009, and therefore, be it further

RESOLVED, The Library will continue its highly successful Sunday Writers and Readers programs. The venue will be changed from the Louis Stokes Wing Auditorium to the auditorium at the Lake Shore facility for two programs that are anticipated to draw large crowds and, be it further

RESOLVED, That Library management will be bringing a comprehensive proposal regarding open hours for the public service locations at Main and Branches to the Board of Trustees for review and approval and subsequently discussing it with the unions during the upcoming contract negotiations.

After lengthy discussion, Mr. Corrigan stated that prior community outreach and education is essential prior to considering this resolution and tabling this resolution until a Special Board meeting in August will allow for such outreach and input.

Director Thomas stated that the union has been informed about the possibility of Sunday closing and will develop a plan to solicit community input while educating the public on the shared sacrifices required to address budget concerns.

**DISCUSSION:
BOARD
RETREAT**

Discussion: Board Retreat

Alice Butts stated that the Board Retreat is scheduled for Saturday, September 19, 2009 and will be held at the Lake Shore Facility. Dr. Jacqueline McLemore was selected as retreat facilitator. Director Thomas and Alice Butts will work with Dr. McLemore to develop the agenda. Additional details will be provided to Trustees upon availability.

Ms. Butts adjourned the meeting at 1:55 p.m.

Alice G. Butts
President

Maritza Rodriguez
Secretary

CLEVELAND PUBLIC LIBRARY

Finance Committee
January 22, 2009

CHANGE ORDER #1: NEW RICE BRANCH LIBRARY PROJECT

WHEREAS, On September 18, 2008, the Board of Library Trustees awarded the General Trades contract for the New Rice Branch Project to East-West Construction Co. Inc.; and

WHEREAS, On December 18, 2008, the Board of Library Trustees awarded the Electrical contract for the New Rice Branch Project to Doan/Pyramid, LLC; and

WHEREAS, The Board of Library Trustees can in its discretion approve written change orders and subsequently amend the contract sum; and

WHEREAS, Bostwick Design Partnership has reviewed the necessity of the following and recommends acceptance as detailed in the attached:

<u>Contractor</u>	<u>Change</u>	<u>Amount</u>	<u>Description</u>
East-West Construction Co. Inc.	CO-1	\$+ 4,046.43	Labor and material to provide temporary power to the construction job trailer.
Doan/Pyramid, LLC	CO-1	- 4,046.43	
	TOTAL	\$ -0-	

BE IT RESOLVED, That Change Order #1: New Rice Branch Library Project with East-West Construction Co. Inc. be approved with the \$4,046.43 increase and Change Order #1: New Rice Branch Library Project with Doan/Pyramid, LLC be approved with the \$4,046.43 decrease both being charged to the Building and Repair Fund: 40177605-55300-10776.

Cleveland Public LibraryRECEIVED
FINANCIAL SERVICES

2009 JUL -9 AM 11:41

To Sandra Kuban
From Myron Scruggs
Date July 8, 2009
Subject Change Order #1 (Technology), #8, #9 and Allowance Expenditure
G1-001 (East-West Change) Order #2 (Harner Plumbing, Inc.)

Change Order #1 (Technology) (East-West)

This change order is needed to add 13 additional security cameras at a cost of \$21,527.15

Change Order #8 (East-West)

This change order is needed to provide additional hardware to allow the Library to use existing keys. The total amount due is \$5,538.57.

Change Order #9 (East-West)

This change order is needed to perform additional work of excavation and concrete for foundation and step footing. The total amount for this work is \$12,995.50.

Allowance Expenditure G1-001 (East-West)

This allowance expenditure is for the hardware from Cleveland Vicon Company. The total amount for this is \$30,000.00

Change Order #2 (Harner Plumbing, Inc.)

This change order is needed to provide low consumption fixtures to be able to get lead points. The total is cost for this is \$1,097.79.

2009 RENEWAL PREMIUM SUMMARY

Effective Date: August 1, 2009

<i>COVERAGE</i>	<i>2008-2009 EXPIRING</i>	<i>2009-2010 RENEWAL</i>
Property (Excluding Terrorism) *	\$282,949	\$291,652
Engineering Fee	\$10,000	\$10,000
General Liability (Excluding Terrorism)	\$51,533	\$51,443
Auto	\$16,336	\$16,126
Umbrella (Excluding Terrorism)	\$37,346	\$37,315
Total Annual Premium with Incumbent Carriers	\$397,694	\$406,536

* Same rate secured for Property renewal. Premium increase reflects higher property values of \$532,778,725 this year as compared to \$523,370,051 last year.

CLEVELAND PUBLIC LIBRARY

Finance Committee
September 20, 2007

**RESOLUTION TO RATIFY THE PURCHASE OF INSURANCE COVERAGE FOR
POLICIES EFFECTIVE AUGUST 1, 2007**

- WHEREAS, On June 21, 2007, the Board of Library Trustees authorized the Library's Director and Clerk-Treasurer to accept the insurance package that best met the objectives defined in the Library's May 2007 Specifications for Property, General Liability, Automotive, and Umbrella Liability for coverage effective August 1, 2007; and
- WHEREAS, Five (5) proposals were received, analyzed and reviewed by Crain, Langner & Co. as outlined in the attached report; and
- WHEREAS, The proposal presented by McGowan & Company, Inc. on behalf of Affiliated FM Insurance Company (Property), Philadelphia Indemnity Insurance Company (General Liability), Westfield Insurance Company (Automotive), and Ohio Casualty Company (Umbrella Liability) were recommended as providing coverage to meet the Library's risk needs at cost effective premiums; and
- WHEREAS, The Library's Director and Clerk-Treasurer authorized the purchase of the McGowan package for coverage effective August 1, 2007; and
- WHEREAS, The combined annual premiums yielded savings of approximately \$113,000 compared to the expiring program premiums; and
- WHEREAS, Crain Langner & Co. recommended that a long-term relationship be established and maintained with the Library's insurers when possible and appropriate, such that the coverage's offered in the recommended proposal should be considered for annual renewal for each of the next four (4) years, subject to material changes or amendments that may become appropriate; now therefore be it
- RESOLVED, That the Board of Library Trustees ratifies the decision to purchase Property, General Liability, Automotive and Umbrella Liability Insurance through McGowan & Company, Inc. for the period August 1, 2007 through August 1, 2008 for the first year's premium of \$383,839, together with an intention to renew the program for four, one-year renewal periods commencing August 1, 2008, provided terms, conditions, and pricing remain comparable to the current program and consistent with then current market conditions.

THE STATE LIBRARY OF OHIO
COLUMBUS, OHIO
43201

OHIO FFY 2009
LSTA
CFDA 45.310
PROJECT # VIII-9-09
SERVICES TO TARGETED
POPULATIONS PROJECT
FUNDED WITH FFY 2008
AND FFY 2009 FUNDS
IMLS

AGREEMENT

Ohio Library for the Blind and Physically Disabled

Fiscal Year 2010

THIS AGREEMENT, made and entered into this 25th day of June, 2009, between THE STATE LIBRARY OF OHIO, hereinafter referred to as the STATE LIBRARY, and the BOARD OF TRUSTEES OF THE CLEVELAND PUBLIC LIBRARY, hereinafter referred to as the LIBRARY, witnessed:

WHEREAS, it is the policy of the STATE LIBRARY to assure the provision of excellent library service to every resident of the State of Ohio; and

WHEREAS, due to the need for specialized materials and equipment to provide library services for blind and physically disabled residents, individual libraries cannot provide such services; and

WHEREAS, the LIBRARY has been designated by the Library of Congress as a Regional Library for the Blind and Physically Handicapped, and the STATE LIBRARY has concurred in this designation; and

WHEREAS, the STATE LIBRARY has designated the LIBRARY as its agency to provide services for those blind and physically disabled readers who are eligible for the service, and who reside in any of the 88 Ohio counties; and

WHEREAS, the services are necessary and valuable to the blind and physically disabled residents of Ohio, and

WHEREAS, such library service is one within the purposes of the law,

NOW THEREFORE, for and in consideration of the mutual undertaking and covenants of the parties as herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties do hereby agree and covenant as follows:

THAT the LIBRARY shall be administered in the following manner:

Part A

1. The CLEVELAND PUBLIC LIBRARY shall administer the program in accordance with the Annual Plan of Service (Appendix A) and the budget submitted to the STATE LIBRARY as outlined in Appendix B attached to this Agreement. The Cleveland Public Library will serve all 88 counties in Ohio.
2. The CLEVELAND PUBLIC LIBRARY will submit a quarterly narrative report to the STATE LIBRARY by the 15th day of the months of October 2009, January 2010, and April 2010. The narrative reports shall describe the activities carried out toward reaching the goals of the project.
3. Staff of the State Library shall visit the CLEVELAND PUBLIC LIBRARY during April 2010 to review the program with personnel of the CLEVELAND PUBLIC LIBRARY. This review shall be based upon the annual budget and plan of service. The STATE LIBRARY shall furnish a written report of this evaluation.
4. The CLEVELAND PUBLIC LIBRARY will work with the State Library by providing publicity, training, monitoring and evaluation of the CLEVELAND PUBLIC LIBRARY.

Part B

The STATE LIBRARY shall:

1. Pay the LIBRARY for expenses for the period of July 1, 2009 - June 30, 2010 an amount not to exceed \$1,498,086.00. \$200,000.00 shall be paid from FFY 2008 LSTA carryover funds, \$23,892.00 shall be paid from FFY 2009 LSTA funds, and \$1,274,194.00 shall be paid from Fund 5GB0 Funds from ALI 350-605.

Payment shall be made as follows:

FUND 5GB0	LSTA	
\$174,522.00	\$200,000.00	AS SOON AS POSSIBLE AFTER SIGNING OF THIS AGREEMENT BY BOTH PARTIES.
\$350,630.00	\$23,892.00	IN OCTOBER 2009. AS SOON AS POSSIBLE AFTER SUBMISSION AND ACCEPTANCE OF QUARTERLY FINANCIAL AND PROGRAM REPORTS FOR JULY 1, 2009 THROUGH SEPTEMBER 30, 2009.
\$374,521.00		IN JANUARY 2010. AS SOON AS POSSIBLE AFTER SUBMISSION AND ACCEPTANCE OF QUARTERLY FINANCIAL AND PROGRAM REPORTS FOR OCTOBER 1, 2009 THROUGH DECEMBER 31, 2009.
\$374,520.00		IN APRIL 2010. AS SOON AS POSSIBLE AFTER SUBMISSION AND ACCEPTANCE OF QUARTERLY FINANCIAL AND PROGRAM REPORTS FOR JANUARY 1, 2010 THROUGH MARCH 31, 2010.
		A QUARTERLY FINANCIAL REPORT FOR APRIL 1, 2010 THROUGH JUNE 30, 2010 WILL BE REQUIRED FOR REVIEW BY THE STATE LIBRARY. THIS FINAL REPORT IS DUE NO LATER THAN SEPTEMBER 1, 2010.

FFY 2008 federal funds will be obligated by September 30, 2009 and disbursed by October 31, 2009.

The State Librarian, at her discretion, may negotiate the percentage of state funds to be received each quarter by the LIBRARY.

Part C

The LIBRARY SHALL:

1. Make available services outlined under provisions of its annual plan of service for blind and physically disabled readers as approved by the STATE LIBRARY.
2. Provide to the STATE LIBRARY quarterly financial reports and three narrative reports against the approved plan of service and budget. Fiscal reports must be submitted in reporting format required by the State Library.
3. Provide to the STATE LIBRARY no later than September 1, 2010 a financial and narrative report of all receipts and expenditures incurred pursuant to the implementation of this agreement.
4. Recommend policy for the program to the STATE LIBRARY.

Part D

Conditions:

1. Any special grants or gifts from sources other than the STATE LIBRARY shall not be deducted from the LIBRARY's appropriation as set out in Part B, Section 1 and may be used to further the implementation of the annual plan of service.
2. Any changes either in the operating budget or in the service in general from the approved annual plan of service shall be approved in advance in writing by the STATE LIBRARY.
3. Funds received by the LIBRARY from the STATE LIBRARY under this agreement shall be designated for the LIBRARY and shall be expended pursuant to the provisions of the attached plan of service. FFY 2008 federal funds must be disbursed by October 31, 2009 and FFY 2009 federal funds and SFY 2010 funds must be expended by June 30, 2010. Any funds not expended shall be returned to the STATE LIBRARY. Said plan of service may be updated or otherwise amended by mutual agreement between the LIBRARY and the STATE LIBRARY to meet ongoing program needs.
4. All receipts and expenditure relating to this program shall be subject to audit. The CLEVELAND PUBLIC LIBRARY agrees to submit to the STATE Library within 30 days from the date the report is issued, one copy of its audit report for each fiscal year which includes any part of this project period.
5. This agreement is subject to annual review by the parties hereto.
6. It is expressly understood and agreed to by the parties that none of the rights, duties, and obligations herein shall be binding on either party, until all statutory provisions of the Ohio Revised Code, including but not limited to section 126.07, have been complied with and until such time as all necessary funds are available or encumbered.


In the event the state and/or federal funds included in this contract become unavailable to the State Library, the STATE LIBRARY shall modify or cease the terms of this agreement based upon the financial restrictions imposed by the State of Ohio or the federal government.

IN WITNESS WHEREOF, the respective parties hereto have caused this Agreement to be executed the day and year first above written.

CLEVELAND PUBLIC LIBRARY

THE STATE LIBRARY OF OHIO

President, Board of Trustees



State Librarian

Cleveland Public Library
Ohio Library for the Blind and Physically Disabled
FY 2010 Approved Budget

Appendix B

	STATE	FEDERAL	LOCAL	TOTAL
1. Salaries	\$600,679.00	\$223,892.00	\$53,168.00	\$877,739.00
2. Benefits	241,188.00	-0-	15,551.00	256,739.00
3. Computer costs	81,099.00	-0-	-0-	81,099.00
4. Space rental	288,102.00	-0-	-0-	288,102.00
5. Materials/Equipment/Telephone Services	33,746.00	-0-	-0-	33,746.00
6. Administrative Services	22,686.00	-0-	-0-	22,686.00
7. Travel	6,694.00	-0-	-0-	6,694.00
8. Volunteer program	-0-	-0-	-0-	-0-
TOTAL	<u>\$1,274,194.00</u>	<u>\$223,892.00</u>	<u>\$68,719.00</u>	<u>\$1,566,805.00</u>