

CLEVELAND PUBLIC LIBRARY
Joint Finance, Human Resources & Community Services Committee Meeting
June 17, 2014
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Ms. Rodriguez, Ms. Butts, Mr. Seifullah, Mr. Corrigan, Mr. Hairston,
 Mr. Werner, Mr. Parker (arrived 12:24 p.m.)

Absent: Mr. Hairston

Ms. Rodriguez called the Joint Finance, Human Resources & Community Services Committee Meeting to order at 12:03 p.m.

FINANCE COMMITTEE

Fifth Amendment to the Year 2014 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that this amendment reflects a decrease in Other Sources – Special Revenue by \$26,963.77 relating to the LSTA KnowItNow fund.

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

Resolution Regarding the Purchase of Electricity

Myron Scruggs, Director of Property Management, stated that the Library's agreement with First Energy Solutions Corporation for the purchase of electricity covering the Library's locations at a cost of \$.0532 per kWh expires in August 2014. He introduced Laura Sherman, a representative from North Shore Energy Consulting, LLC, who assisted in issuing an RFP for suppliers that would enable the Library to receive the best electricity price.

The lowest was Constellation 6.47 for 12 month, 6.76 for 24 months, 6.53 for 36 months. Mr. Scruggs asked that the Library lock in the lowest rate.

Ms. Sherman stated that the cost is subject to change again due to the constant fluctuating market and the rate and the last opportunity to sign the agreement is July 3, 2014.

Carrie Krenicky, Chief Financial Officer, stated that since the Library Board of Trustees is not scheduled to meet for regular business in August 2014, this resolution authorizes the Executive Director, CEO, or his designee, to make the final determination to enter into an agreement with the supplier that meets the best price. The successful lowest bid will be ratified at the next September Meeting of Library Board of Directors.

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

Resolution to Revise Capital Assets Policy

Carrie Krenicky, Chief Financial Officer, stated that the part of the Policy to be revised is to update the useful life for computing depreciation of Buildings and Building Improvements. Currently the useful life is 40-100 years. The revised policy will reflect useful life of 15-40 years. An example would be the deactivated old South Branch that has a new roof which is an improvement. The cost of the roof was approximately \$100,000 and has a 15 year life. This should be depreciated as an improvement as opposed to the current schedule.

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

Resolution Authorizing Purchase of Library Bags

Carrie Krenicky, Chief Financial Officer, stated that the Library currently has a good supply of bags. However, since the Board will not meet again until September and a 4-6 week lead time is necessary in securing new bags, it is recommended that the Library purchase 175,000 Foldover Die Cut Double Wall Handle Bags from the current vendor at the same cost of \$159.52 per 1,000 for a total cost not to exceed \$27,916.00.

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

Resolution Authorizing Change Orders for the Heat Conversion Construction Project at the Main Library

Myron Scruggs, Director of Property Management, stated that Marlin mechanical has presented a change order for \$14,981.40 to cover the cost of installing a new four inch gas line to service the new gas boilers installed, and a change order for \$5,082.00 to cover the cost of installation of a new header and distribution tubes to address unexpected condensation dripping from the duct work. There will be no labor costs involved.

Ms. Rodriguez asked if these change orders were anticipated and if this would be the last.

Mr. Scruggs stated that initially the conversion was going to be with steam. Then the scope of the job changed as it was recommended to convert to gas because of decreasing gas prices. As a result of this change, additional costs were incurred for lines.

Mr. Corrigan stated that when change orders get to 20% of the project cost, then one could question the Library's decision to convert to gas instead of steam.

Mr. Scruggs says that the Library has more flexibility by using gas because of the ability to shop for gas for multiple suppliers and compare costs.

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

Resolution to Renew OCLC Cataloging, Worldshare ILL and Access Subscription Services

Carrie Krenicky, Chief Financial Officer, stated that this resolution is a renewal.

Tish Lowery, Director of Technical Services, stated that there was a smaller competitor who did not meet the Library's cataloging records and resource sharing services needs. Therefore, OCLC was preferred.

Mr. Corrigan stated that although that Library has been with OCLC for numerous years and it is a sole source provider, the Library should remain open for options.

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

Resolution Authorizing Fifth Amendment to a Contract with Strategy Design Partners LLC

Joyce Dodrill, Chief Legal Officer, stated that Strategy Design Partners is the Library's marketing, communications, social media consultant. The Board is being asked to consider extending the Strategy Design Partners contract to the end of the year at the rate of \$4,000 per month. The Library would also like to include crisis management services in the scope of services provided by Strategy Design Partners on an as needed basis for \$150.00 per hour, at a cost not to exceed \$10,000.

Cathy Poilpré, Marketing & Communications, stated that although crisis management was not in their contract scope of work, Strategy Design Partners assisted with communications regarding the Library's Labor Management on negotiations.

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

Resolution Accepting Bids and Awarding Contract for the Digital Hub Construction Project

Joyce Dodrill, Chief Legal Officer, stated that the Library solicited competitive bids for the Digital Hub Construction Project in the Main Library on May 27, 2014 and June 3, 2014. Four bids were received. Bostwick Design Partnership tabulated and evaluated the bids as to compliance with the specifications, responsiveness and responsibility of the lowest bidder. It is recommended by Bostwick Design Partnership that the Library award the bid contract to R.L. Hill Management, Inc. who provided the lowest bid of \$606,000.

Ms. Dodrill stated that recommendations, references, financials were reviewed and stated that they were a small operation.

Carrie Krenicky, Chief Financial Officer, stated that R.L. Hill Management seems to be able to meet short term financial obligations and they may have a small cash flow issue; they appear to subcontract much of their work to subcontractors; and are a certified Minority Business Enterprise. R.L. Hill Management is based in northeast, Ohio and is owned by Ralphael Hill.

Mr. Corrigan stated that sometimes MBE firms contract with majority firms, and asked if a list of subcontractors were reviewed.

Myron Scruggs, Director of Property Management, reviewed the list and identified minority subcontractors with whom the Library has done business in the past.

Mr. Corrigan thanked staff and requested that they continue due diligence on the subcontractors and was delighted that an MBE was approved and recommended for this contract as the qualified and lowest bidder.

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

Resolution Authorizing Agreement with KONE, Inc. to Provide Maintenance for Elevators in Main Building and Louis Stokes Wing

Myron Scruggs, Director of Property Management, stated that bids were solicited for full maintenance service agreements and four elevator companies responded. Two proposals were received for full maintenance services. Two proposals included full maintenance services except for major components. KONE Inc. responded in the amount of \$4,347 per month, \$52,164 annually, and was the lowest proposal for full maintenance service.

Mr. Corrigan asked about the level of satisfaction with KONE over the past year.

Mr. Scruggs stated that satisfaction has improved. As concerns and issues have been brought to the attention of new management; they have been addressed satisfactorily. Service calls have decreased.

Ms. Krenicky stated that the last agreement with KONE was for three years at \$61,000 annually. This agreement reflects and reduction to \$52,164 annually.

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

Resolution Authorizing Cleveland Public Library to Enter Into an Agreement with Benefit Administrative Services International Corporation

Ronelle Miller-Hood, Payroll & Benefits Supervisor, stated that the Library currently receives services from Ogletree Deakins in connection with the processing of claims filed under the Family Medical Leave Act ("FMLA"). It has been determined that the Library would benefit from Benefits Administrative Services International Corporation (BASIC) by providing a more comprehensive assistance with FMLA administration to better track and manage FMLA claims as well as absence management significantly reducing the Library's administrative costs. NEO Administration, which provided FMLA services and absence management, is a partner of BASIC.

Ms. Miller-Hood introduced Dan Csaky NEO Administration who gave an overview about NEO and the FMLA services they provide. The presentation included an Interactive Voice Response

Technology which will direct employees to a 24/7 toll free call-in number for all unplanned absences with automatic notifications to supervisors.

Ms. Rodriguez asked what was the benefit to the Library and how BASIC verifies claims which are highly confidential.

Mr. Csaky stated that because BASIC certifies and directly manages FMLA claims, Library front line supervisors and management are alleviated from dealing with HIPPA regulations and confidentiality issues. Many companies, after contracting with BASIC, see a 30% reduction in staff call offs and overtime needs.

Staff on BASIC can review claims in coordination with medical professionals to assist in verifying legitimate claims, and tracks days of absence as well as trends.

Mr. Corrigan asked how much the Library pays Ogletree Deakins for FMLA claims management.

Carrie Krenicky, Chief Financial Officer, state that the Library is invoiced separately by Ogletree Deakins specifically for FMLA claims. In 2013, the Library paid Ogletree Deakins approximately \$37,117 for FMLA services. This amount does not include Library staff time.

Madeline Corchado, Director of Human Resources, stated that Ogletree Deakins' services are limited to FMLA compliance. BASIC services include compliance, tracking and managing claims and absences.

Mr. Werner stated that tracking intermittent FMLA can be a challenge.

Mr. Csaky stated that with the BASIC system, intermittent leave is tracked in real time. When the employee calls off, the supervisor is immediately notified and that time is tracked.

In response to Mr. Corrigan's inquiry, Madeline Corchado, Director of Human Resources, stated that currently, there was nothing in labor management negotiations that would suggest a problem utilizing the BASIC system.

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

Resolution Correcting Prior Resolutions Engaging L.A.N.D. Studio, Inc. to Organize Literature and Visual Arts Programs

Joyce Dodrill, Chief Legal Officer, stated that this resolution reconciles the discrepancies in proposals submitted by L.A.N.D. Studio to organize literature and visual arts programs with corrected dates that should have been initially reflected on the resolutions to match the contracts and purchase orders. This resolution corrects resolutions with the correct dates to match the contracts and purchase orders respectively. This will allow the Library to enter into the next contract with L.A.N.D. Studio for 2014.

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

Resolution to Purchase Filters for Main and Louis Stokes Wing Buildings HVAC Equipment from Ketchum & Walton Co

Myron Scruggs, Director of Property Management, stated that it is time to replace the prefilters, secondary filters and final carbon filters in the air handling units in the Main and Louis Stokes Wings buildings in order to preserve the quality of air for the protection of the patrons, staff and the library materials. The Property Management department requested quotes from (3) vendors. Property Management recommends the purchase of the filters from Ketchum & Walton Co., for a total cost not to exceed \$130,325.48; as they are the lowest quote meeting the specifications and they have supplied the filters since the Louis Stokes Wing opened.

Tim Murdock, Assistant Director of Property Management, discussed the life expectancy of the prefilters, secondary filters and final carbon filters.

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

HUMAN RESOURCES COMMITTEE MEETING (Mr. Seifullah, Chair)

Resolution to Authorize Flexibility within the Hay Group Classification/Compensation Schedule for Staff not Covered by Collective Bargaining Agreements (HOLD)

Joyce Dodrill, Chief Legal Officer, stated that this resolution will not be considered in Human Resources Committee today allowing time for further discussion by administrative staff.

COMMUNITY SERVICES COMMITTEE MEETING (Mr. Werner, Chair)

Resolution to Revise Policy on Patron Conduct

Timothy Diamond, Chief Knowledge Officer, stated that Safety & Protective Services are encountering more patrons who are using electronic cigarettes around library facilities. Although the cigarettes are electronic, the vapor that they emit gives the appearance of smoke creating a disruption for library patrons. This resolution revises the Policy on Patron Conduct to include a new provision prohibiting the use of electronic nicotine delivery systems such as e-cigarettes where smoking is prohibited by law or by library policy.

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

Resolution to Revise Circulation Policy

Anastasia Diamond-Ortiz, Knowledge Manager, stated that this revision provides for a new library card for youth whose library cards have been suspended so that they may continue to borrow print materials.

This allows children, whose cards are blocked, to be able to check out print materials necessary to complete homework assignments.

Ms. Rodriguez asked if the materials that children are allowed to check out were restricted to age appropriate materials.

Mr. Werner stated that the only restriction was that children were only permitted to check out print materials such as books and magazines.

Ms. Diamond-Ortiz, Knowledge Manager, stated that a similar policy was adopted by Euclid Public Library and has worked well. This policy will be effective June 19, 2014.

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

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