

CLEVELAND PUBLIC LIBRARY
Joint Finance & Human Resources Committee Meeting
December 15, 2015
Trustees Room Louis Stokes Wing
12:00 Noon

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

Absent: Mr. Corrigan, Mr. Hairston

Mr. Seifullah called the Joint Finance & Human Resources Committee Meeting to order at 12:07 p.m.

Because there was no quorum of Finance Committee Members, this meeting was held for informational purposes only. Items for discussion will be considered at the Regular Board Meeting.

FINANCE COMMITTEE MEETING (Mr. Seifullah, Chair)

Resolution to Enter into an Agreement with Bluespark, LLC for Website Redesign

Anastasia Diamond-Ortiz, Director of Strategy and Innovation, stated that Shark & Minnow was originally engaged to assist with the development of a landing page on cpl.org to support The People's University. After further consideration and research, the Library decided that a full redesign of the Library's website was necessary to provide a more dynamic and engaging platform for The People's University. Considering that the work involved is beyond the scope of Shark & Minnow's contract, the Library asked Shark & Minnow to solicit and review proposals and recommend a vendor to complete the full redesign. After evaluating several firms Shark & Minnow recommended Bluespark, LLC, who will be in attendance at the regular Board Meeting to answer any questions the Board may have.

Mr. Seifullah asked when the website would be operational.

Ms. Diamond-Ortiz stated that the website should be live and fully operational starting in June.

Resolution Amending Agreement for Consulting Services with Shark & Minnow, Inc.

Anastasia Diamond-Ortiz, Director of Strategy and Innovation, stated that as a result of the Library's decision to enter into a direct contract with a vendor for the creation of a new Cleveland Public Library website, it is recommended to remove the line item for a technology platform and reduce Shark & Minnow's Agreement by \$100,000.00. In addition, Shark & Minnow's services for designing course architecture are no longer necessary, and the Library

desires to further reduce Shark & Minnow's Agreement by \$25,000.00. In addition, it is recommended that the Library extend Shark & Minnow's engagement from the end of February through October for the launch of The People's University.

Because of the investment in the strategy, planning and website, the Director recognizes the importance of marketing and public relations of The People's University.

Hallie Kogleschatz, Shark & Minnow, stated that this was not an overall marketing campaign. There will be four to six events to launch The People's University.

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

Carrie Krenicky, Chief Financial Officer, stated that this resolution authorizes an advance from the Library's General Fund to the Starting Point MyCom special revenue fund for grants that the library had last year. Currently, \$29,160 remains unreimbursed for the third grade reading guarantee tutoring as well as the full \$25,000 remains unreimbursed for the kindergarten clubs for MyCom. Therefore, the General Fund needs to advance the MyCom Special Revenue Fund a total of \$54,160 to avoid a negative fund balance.

Ms. Washington asked why the unpaid balances exist.

Ms. Krenicky stated that although the Library processes reimbursement requests monthly, MyCom is slow on payments. Tracy Martin, Grants & Development Coordinator, will be following up with MyCom on invoices unpaid since September 2015.

Ms. Washington asked if the delay was a processing issue rather than negligence.

Ms. Krenicky agreed that it was a processing issue.

Ms. Butts referred to the Woodland Branch Wonderland Stay and Play Room and asked if a kindergarten club would be held there as well.

Director Thomas stated that the Woodland Wonderland and kindergarten clubs were separate initiatives.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that sessions were recently completed at Collinwood and Sterling Branches. We are considering locations for 2016. The idea is to couple the sessions at locations that currently offer services to this target population (e.g. caregivers and children of kindergarten age).

Ms. Butts asked Mr. Mason to explain the purpose of the clubs.

Mr. Mason stated that the kindergarten clubs were designed to prepare families with children who are entering kindergarten. Starting Point funding was contingent upon finding children who were not currently enrolled in quality daycare. Although identifying that particular audience is

challenging, a larger audience may benefit from kindergarten clubs. Discussions continue with the Director Thomas and potential partners to determine if the library could create a more inclusive program. This is a good opportunity for soft skills development, exposure to school bureaucracies and literacy programming for young children.

Director Thomas stated that there is a push by CMSD for PRE4CLE. The County has identified \$10 million to encourage children to be enrolled in preschools. However, there are some families who are more comfortable with family members caring for their preschool children. For those children, preschool is not an option. As a result, the library began to work with Starting Point to pilot kindergarten clubs; places where parents and family members could learn skills to effectively work with preschool aged children so that they are prepared for school.

Ms. Butts shared her experience working through schools and medical clinics to identify mothers and parents who could benefit from such programs.

Director Thomas stated that although Starting Point's reimbursement schedule can be delayed, the Library does receive the reimbursement payments.

Seventh Amendment to the Year 2015 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that this is the final amendment to the Year 2015 Appropriation. The Certificate of Estimated Resources was updated for a net increase of about \$2 million for the General Fund; approximately \$1.3 million increase in property tax; and a little over \$780,000 increase in PLF. The General Fund Appropriation will not be amended as it is currently appropriated at \$53.9. The General Fund is appropriated at about \$647,000 over the revenues coming in. We expect not to expend up to our appropriation and hope to not use any unencumbered funds this year.

In the Special Revenue and the Permanent Funds, we decreased the revenues on the Certificate of Estimated Resources because of the decrease in projections in the Endowment income this year. We decreased the appropriation accordingly in both the Special Revenue Funds and Permanent Funds.

Ms. Krenicky stated that the Library was certified at 79.68% for property tax. However, with the increase in collection, the Library actually collected 86.89%. Therefore, the Library's collection rate was actually at 86.89%.

In response to Ms. Washington's inquiry about the decrease in the Endowment Fund, Ms. Krenicky concurred that it was a result of the decrease in the market.

Year 2016 Annual Appropriation Measure

Carrie Krenicky, Chief Financial Officer, stated that the Year 2016 Appropriation Measure for the General Fund will be in the amount of \$54,918,752.76. We have not received an updated certificate from the Budget Commission to provide the latest certification numbers for property

tax and PLF monies. We are currently estimating where the Ohio Department of Taxation last gave an estimate in July. We are also using our own estimate for property tax based on a small amount of growth and assessed values at the collection rate where we were certified at last year. The amount of revenues for the General Fund totals \$50,677,105 and the appropriation is \$54,918,752.76. The other funds are listed on the schedule as well.

Resolution to Authorize Payment of Fees to the CLEVNET Special Revenue Fund Covering the Period February 1, 2016 through January 31, 2017

Carrie Krenicky, Chief Financial Officer, stated that resolution authorizes payment of Cleveland Public Library's portion of the CLEVNET contract cost for next year from the General Fund to the Special Revenue Fund effective January 1, 2016 totaling \$1,792,648.52 in order for the Special Revenue Fund to make expenditures immediately in January.

Mr. Seifullah asked for an explanation of these funds.

Ms. Krenicky stated that these are the Library's portion of the contract costs. Each CLEVNET library pays a portion of the contract cost. The total cost of CLEVNET is almost \$5,000,000. Cleveland Public Library's portion is about \$1.8 million of that cost.

Last year, the CLEVNET Special Revenue Fund was created where all CLEVNET revenues and expenditures are in this Special Revenue Fund.

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

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to renew its agreement with Timothy Cosgrove, Squires Patton Boggs, to provide legislative lobbying services and executive agency representation for the period commencing January 1, 2016 through December 31, 2016 in an amount not-to-exceed \$4,000 per month and \$48,000 per year.

Mr. Seifullah asked if Mr. Cosgrove has a current update report to share with the Board.

Director Thomas stated that Mr. Cosgrove provided a recent report regarding an update that included information on the Capital Budget and other issues not related to libraries such as the Corrections Bill.

Ms. Washington asked if the contract with Squires Patton Boggs specified expected deliverables or goals as a result of that engagement.

Ms. Dodrill stated that Mr. Cosgrove is the Library's representative and no deliverables or goals are noted in that agreement.

Ms. Washington asked for clarification on Mr. Cosgrove's work and the Friends advocacy coordinator were related.

After stating that the advocacy position supplements Mr. Cosgrove's work, Director Thomas requested that Ms. Rodriguez create a task force to evaluate the library's advocacy efforts with Mr. Cosgrove, The Friends and provide recommendations on moving forward in 2017.

Ms. Washington stated that she would be delighted to serve on the task force.

Resolution Extending Agreement with G4S Secure Solutions, Inc. (USA)

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to extend the existing agreement with G4S Secure Solutions, Inc. for another six months. G4S has provided branch security services for four years and has agreed to extend the existing agreement at the same rate of \$13.71 per hour for an unarmed security guard, \$20.24 per hour for a dispatcher, but has increased the cost of the Account Manager to \$25.93, an increase of \$.71 per hour or \$1,476.80 per year. Once branch security needs are determined, Safety & Protective Services will send out an RFP for new bids.

Myron Scruggs, Director of Property Management, stated that this extension will allow the new manager of the Safety & Protective Services Department more time to time to implement staffing changes. The process of implementing staffing changes to the Department of Safety and Protective Services has been slower than expected because of loss of experienced officers and the challenges in finding qualified candidates to hire.

Ms. Washington asked how long the newly hired manager has been in place.

Mr. Scruggs announced that Lindsey Duncan, who had previously served in the position in an acting role, was the successful candidate for the position.

Resolution to Enter into New Agreement for Material and Cash Recovery Services with Unique Management Services, Inc.

Carrie Krenicky, Chief Financial Officer, stated that this resolution authorizes the Library to enter into a new agreement with Unique Management Services, Inc. from January 1, 2016 through December 31, 2016 in an amount not-to-exceed \$90,000.00. This agreement also includes the budget neutrality guarantee whereby the Library will not be charged for more than the amount of money recovered plus amounts waived.

If anything is received in additional, those funds would go into a pool for when we did not receive that amount since Unique charges \$8.95 per account.

Mr. Seifullah asked if we generally received more than \$90,000.00.

In response, Ms. Krenicky stated that we pay more. This year, with cash and waives combined total \$97,500.00 and we have paid out to Unique \$80,317.00. Last year the contract amount was not to exceed \$110,000 but this year the contract amount was reduced to \$90,000 because we expended \$80,300 with one more month remaining.

To date, Unique has \$2.8 million recovery in cash, waives and materials.

Mr. Thomas stated that Unique's services are specific to libraries and have a very soft approach. It is important that the Library recover materials and maintain a good reputation in the community.

Resolution Renewing An Agreement with the Friends of Cleveland Public Library for Advocacy and Volunteer Coordination Services

Joyce Dodrill, Chief Legal Officer, stated that this resolution authorizes the Library to renew its agreement with the Friends pursuant to which the Friends would continue to provide government funding advocacy and volunteer coordination services for the Library for the year 2016 at the cost of up to \$3,750.00 per month for a total amount not-to-exceed \$45,000.00.

In response to Mr. Seifullah's inquiry, Ms. Dodrill confirmed that last year was the initial agreement.

Resolution Amending Agreement with Kent State University Cleveland Urban Design Collaborative for Neighborhood Planning Services

Timothy Diamond, Chief Knowledge Officer, stated that Library has been working with Kent State University Cleveland Urban Design Collaborative (CUDC) for the last 18 months on the branches that fall under the CPL150 Community Vision Plan. Originally there were 14 branches but Martin Luther King, Jr. Branch has since been removed from the list due to the special circumstances surrounding University Circle. The remaining 13 branches were divided into 3 groups.

CUDC has completed their work with Group 1 branches and issued their report. Work has begun work with Group 2 branches. This resolution authorizes an amendment to the agreement allowing CUDC to continue their work with Group 3 branches: Union, Hough, West Park, Eastman, and Walz.

David Jurca, Associate Director, Kent State University Cleveland Urban Design Collaborative, was available to answer any questions the Board may have had.

Ms. Butts asked for an update.

Mr. Jurca stated that the first advisory committee meeting for the South Brooklyn branch was scheduled for this Thursday. The remaining 3 branches will follow. The schedule for the Group 2 process will be wrapped up by April. Branch managers, staff and community representatives have provided useful feedback. The collaboration with Peter Whitt continues. The objective is to begin the Group 3 process in June. The scope of work is to create a report on the 5 branches in Group 3, including an executive summary that will document the work.

Mr. Seifullah thanked Mr. Jurca for his update.

Resolution Approving Agreement Between the Northeast Ohio Regional Sewer District and Cleveland Public Library for Installation of Green Infrastructure Projects at Langston Hughes and Glenville Branches

Joyce Dodrill, Chief Legal Officer, stated that this resolution will allow authorize the Library to enter into an agreement with the Northeast Ohio Regional Sewer District to construct rain gardens at the Langston Hughes and Glenville Branches. This work will be completely funded by the Northeast Ohio Regional Sewer District. All of the work will be done by Northeast Ohio Regional Sewer District contractors.

Rain garden designs have submitted the designs for approval. Although the District estimates the rain garden at the Glenville Branch will cost \$15,237.75 and the rain garden at Langston Hughes will cost \$16,241.50, the Library has no financial obligation for the installation. The Library's only obligation would be to maintain the rain gardens for a period of 10 years. This is a part of the Good Neighbor Ambassador Program.

Myron Scruggs, Director of Property Management, gave a brief description of the rain garden installations proposed for Langston Hughes and Glenville Branches.

After some discussion, Mr. Scruggs indicated that the rain gardens would be located close to the buildings and will be easy to maintain.

Director Thomas stated that the Northeast Ohio Regional Sewer District has also considered a rain garden installation at Woodland Branch. The Good Neighbor Ambassador Program will involve community members to assist with constructing installations at each branch location.

Finally, Director Thomas stated that Mr. Scruggs will evaluate the opportunity for an installation at the Woodland Branch and provide a recommendation for the Board to consider.

Amendment to Resolution Amending Guaranteed Maximum Price Amendment to Agreement with Albert M. Higley for Main Library Phase 2 Construction Project

Joyce Dodrill, Chief Legal Officer, stated that on November 19, 2015, the Board authorized the Library to establish an Owner's Contingency Fund in the amount of \$500,000 to pay the costs resulting from changes and additions to the Main Library Renovation Project.

This resolution authorizes the Library to increase the GMP by expending up to \$250,000 of the \$500,000 Owner's Contingency Fund on additional work into Higley's Guaranteed Maximum Price agreement but will do that by issuing change orders up to \$50,000 each for work that could be done by contractors identified and hired by Higley. These would include changes to the design that the Library has identified.

The initial resolution stated that the Library would have to pay from the \$500,000 directly and hire contractors to do any additional work that the Library wanted. This resolution asks that

\$250,000 be put into their GMP by issuing changes orders on an as needed basis up to \$50,000 each up to a total of \$250,000 so that Higley can do the work.

Carrie Krenicky, Chief Financial Officer, state that each additional change order would increase the GMP and would be reported to the Board on a monthly basis.

Any change order in excess of \$50,000 would be submitted to the Board for approval.

Resolution to Amend Design Services Agreement with Bostwick Design Partnership for Main Library Consolidation Project Redefined Phase 2

Joyce Dodrill, Chief Legal Officer, stated that this resolution would approve an amendment to the Agreement with Bostwick Design Partnership to increase the Architectural Design fees by \$29,940.00 to compensate Bostwick for designing the changes that the Library has requested to the project since the initial budget. We are also asking that the fee be adjusted to reflect the following changes:

Karen Skunta and Associates, who is subcontracted to Bostwick, is designing exhibitry and signage. Ms. Skunta will be designing special exhibitry for the Louis Stokes Legacy Room where she will be designing panels and performing research for text and history on the life of Louis Stokes. The fee for that work is \$65,000. Ms. Skunta is crediting the Library back \$48,000 total for work that the Library took out of her scope for the multimedia programming and for AV oversight project management. This increases her design work in the amount of \$17,000 that will be taken out of the contingency fund. This increases the design fee by \$46,940 for a total of \$764,920.25.

Ms. Rodriguez asked if this includes exhibitry requested for Brett Hall.

Ms. Dodrill explained that the Library will get that separately.

Brian Wahl, Bostwick Design Partnership, was available to answer any questions the Board may have had.

Director Thomas stated that the Library has received proposals from Dennis and Kathy Barrie of Barrie Projects, to design the Superman exhibit space in Brett Hall pending that Mike Curtis signs the deed of gift.

Ms. Dodrill stated that although Mr. Curtis has not yet signed the deed of gift, he is conceptually agreeable to donate over 17,000 Superman exhibit pieces to the Library. Upon receipt, the items will need to be catalogued and curated.

Director Thomas stated that the Barrie's proposal was fairly reasonable and he would continue to provide updates to the Board.

Resolution to Purchase Insurance Coverage for Cyber Liability

Carrie Krenicky, Chief Financial Officer, stated that last month the Board tabled a resolution regarding the purchase of insurance coverage for cyber liability as staff received more information on patron coverage specifically through CLEVNET.

Ms. Krenicky introduced Kevin Milligan, McGowan Insurance, who was present to answer any questions and confirm that the Library would have coverage that included CLEVNET.

Ms. Krenicky stated that Library Administration recommends adding the Technology Errors and Omissions Liability coverage along with the Vicarious Liability Endorsement that would address concerns and eliminate any gray areas that might arise in the event of a breach involving personal data collected by the CLEVNET libraries.

Mr. Milligan stated that the potential need for cyber liability insurance has increasingly become more prevalent. If information is compromised, the Library could be held liable and potentially sued by patrons for negligence. This insurance provides coverage for cost related to specialists providing services to work with the Library's IT Department and Legal Department regarding technical and legal notifications if it becomes necessary. Because the Library is a public organization and large amounts of information it manages, this coverage is recommended.

Director Thomas stated that libraries are beginning to have this discussion regarding data breaches. Cyber liability insurance is essential in making libraries safe.

Ms. Krenicky stated that the Library received two quotes. Library Administration desires to negotiate a policy that coincides with the Library's other insurance policies currently in effect that expire on August 1, 2016. This resolution authorizes the Library to purchase Cyber Liability Insurance through McGowan & Co., Inc. and enter into an agreement with Ironshore Speciality effective January 1, 2016 in the amount of \$16,710.75 for a maximum of a one-year period.

This cyber liability insurance will be renewed, for one, one-year renewal period commencing either on August 1, 2016 or January 1, 2017, depending upon whether the Library is successful at negotiating a policy that coincides with other insurance policies currently set to expire on August 1, 2016, and also provided terms and conditions remain comparable and the pricing is consistent with then current market conditions and the Library's history.

Mr. Seifullah asked if any of the CLEVNET member libraries participate in the cost of the insurance.

Ms. Krenicky stated that CLEVNET would have to get separate policies for their employees and vender data.

Mr. Milligan stated that this policy is to protect Cleveland Public Library and not CLEVNET member libraries. Because of the varying sizes of CLEVNET member libraries, each library must be separately evaluated.

HUMAN RESOURCES COMMITTEE (Ms. Rodriguez on behalf of Mr. Hairston, Chair)

Resolution for Special Closings and Holidays in 2016

Director Thomas stated that this resolution is annual and reflects the Library's special closings and holidays in 2016.

Ms. Rodriguez adjourned the meeting of the Joint Finance & Human Resources Committee at 1:04 p.m.