

CLEVELAND PUBLIC LIBRARY
Joint Finance & Human Resources Committee Meeting
September 14, 2021
Learning Commons Louis Stokes Wing
12:00 Noon

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

Absent: Mr. Corrigan, Ms. Thomas

Mr. Seifullah called the Joint Finance & Human Resources Committee Meeting to order at 12:14 p.m.

Finance Committee Members (Mr. Seifullah, Chair)

Present: Alan Seifullah, John Hairston, Anthony Parker

Absent: Thomas Corrigan

Resolution to Accept Gifts for the Months of June, July, August

Mr. Seifullah referenced the Resolution to Accept Gifts for the Months of June, July, August and Carrie Krenicky, Chief Financial Officer, was available for any questions the Board may have had.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Eighth Amendment to the Year 2021 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that in this amendment to Year 2021 Appropriation we will be increasing our Estimated Resources in the General Fund to just over \$1.7 million for the PLF entitlement that was updated by the Ohio Department of Taxation in June 2021; increasing the Revenue in our Special Revenue funds by \$96,404.71; appropriating \$14,853.09 in our Special Revenue funds; and appropriating \$14,496,867 in our Construction Tax Exempt fund for the MLK GMP and for the Resolution Authorizing Amendment to Agreement with Vocon Partners, LLC for Design Services for the Sterling Branch that will be going before the Board.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Ratify and Approve the Purchase of Insurance Coverage for Policies Effective August 1, 2021

Carrie Krenicky, Chief Financial Officer, stated that on June 17, 2021, the Board gave authority for the Executive Director to make the final determination to accept the insurance package that provides the best coverage for the lowest overall cost, for a total annual premium for all policies not to exceed \$590,000, and the coverage purchased would be presented for ratification by the Board at their next regularly scheduled meeting.

For coverage effective August 1, 2021, the total cost that we have entered in to is \$498,685.50. This is an increase of 5% over our expired premiums which is about a little over \$25,000.

In response to Ms. Rodriguez' inquiry, Ms. Krenicky stated that this is actually a low increase. Our broker confirmed that the average increases were 12%. Initially, there were expecting us to have close to a 20% increase.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Ratify Acceptance of Grant from the Clubhouse Network for the Rockport Teen Tech Center

Dr. Shenise Johnson Thomas, Chief of External Relations & Development, stated that this funding is to hire personnel to develop a program where youth will be exposed to technology and career opportunities in addition to academic opportunities in the technology sector. This work will build on the work that has already been commenced by the Teen Tech Center at the Rockport Branch.

Dr. Johnson Thomas stated that the individual hired will create mentorship programs, co-op programs and internship programs to build awareness about technology jobs and the academic paths that youth can take to acquire technology jobs.

In response to Mr. Seifullah's inquiry, Dr. Johnson Thomas stated that the Teen Tech Center has been in operation for almost 4 years.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Agreement for Investment Advisor Services

Carrie Krenicky, Chief Financial Officer, stated that the Library is currently under a month to month agreement with Meeder Public Funds, Inc. On June 1, 2021, we sent out a request for proposal and received 11 proposals back in response. We had an Evaluation Committee that reviewed the 11 proposals. We selected the 3 most responsive proposals and ranked them based on criteria that we had in the RFP.

Ms. Krenicky stated that we are recommending to move forward with our current incumbent Meeder Public Funds, Inc. for investment advisory services at a fixed monthly fee of \$1,500 for the Operating Portfolio and a fee of three basis points (0.03%) for the Bond Proceeds Portfolios.

In response to Ms. Rodriguez' inquiry, Ms. Krenicky confirmed that the Library had UACC and Meeder acquired them in 2018 and they transitioned us over.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution to Purchase Real Property from the City of Cleveland Land Bank for the New Woodland Branch

John Lang, Chief Operations Officer, stated that there are 13 parcels that the Library is trying to acquire to realize the Central Distribution Facility and new Woodland Branch. Four of those parcels are being transferred from the City proper at no cost. The other nine parcels are under control of the City of Cleveland Land Bank and they are asking fair market value. The Library's appraiser determined the fair market value to be \$92,000, and the Land Bank has accepted that valuation and is charging the Library the full price. This is to acquire the property for fair market value.

Ms. Rodriguez requested an explanation of why the Library was being charged fair market value when in the past the Library was sold property from the Land Bank for \$1.

In response to Ms. Rodriguez' inquiry, Mr. Lang stated that we formally asked by demonstrating the Library's public purpose for no fee or nominal fee transfer that was disproved. The Director and Mr. Lang spoke with the City Chief Operating Officer and City Planning Officer to explain where we were and requested additional consideration for a reduced cost, but the determination from the Land Bank was to charge us fair market value.

Ms. Rodriguez requested additional clarification.

Mr. Hairston stated that working with the County Land Bank is not easy. Mr. Hairston stated that he was told that there was a full plan to expand the City out to the communities moving from downtown towards Central Avenue and extending to where we are wanting to acquire, they are no longer willing to sell \$1 but rather make money off of that land. They either want more money or they are keeping that land for future development. That seems to be the philosophy that the City is exhibiting at this point in time.

In response to Ms. Rodriguez inquiry, Mr. Lang stated that he fully expects the Land Bank to follow the same process with the Hough project. The Hough project is already before the Land Bank and we have a brokered opinion of the value rather than a formal appraisal.

In response to Ms. Rodriguez' inquiry, Mr. Lang stated that his concern was not the valuation which was fair, but that the Land Bank wanted to extract the full valuation rather than to give it to the Library at a nominal cost.

Director Thomas stated that there was a difference between the City and the Land Bank. The property that the City had was given to the Library for \$1. The Land Bank is selling for fair market value. We met with the City to request that they help us with the Land Bank. Although they tried, they were unable to help us.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution Modifying Buildings to be Included in Group 1B of the Facilities Master Plan

John Lang, Chief Operations Officer, stated that the language in the resolution speaks to the projects that are in Group 1A and 1B. We are seeking to pause the Sterling Branch project and defer it to Group 2 as it is currently a 1B project. We are early in development and we are through concept design and schematic design on the Sterling Branch project which was to be a renovation with a small expansion similar to what we are doing a Jefferson Branch.

Mr. Lang stated that when the Library became aware that CMHA is implementing a neighborhood development plan very similar to our Facilities Master Plan, for the Cedar Estates and for the Campus District, earlier iterations of the Library's vision for the Sterling Branch potentially including acquiring the abutting property which is currently under control by CMHA under a covenant by HUD. It became apparent in early dialogue with CMHA that there may be possibilities that could be uncovered by the CMHA process and that by executing our process now would be forestalling potentially taking advantage.

Mr. Lang stated that although there is no guarantee and there is no certainty, we would like to pause the Sterling project and allow this to play out to see if opportunities present to which we can take advantage. If they do not, we have lost nothing except for the time. However, we are still committed to doing the Sterling project.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Amendment to Agreement with Vocon Partners, LLC for Design Services for the Sterling Branch

John Lang, Chief Operations Officer, stated that Vocon is the architect of record on the West Park Branch and Brooklyn Branch projects. However, this is an amendment to the agreement between the Library and Vocon for the Sterling Branch FMP project. This small amendment will allow us to task Vocon to tend with and represent the Library during the CMHA neighborhood development plan to conduct community engagement and meetings with and for the Library while CMHA is going through their neighborhood planning process and then to explore avenues that the developments of CMHA could influence the developments of the Library project.

Mr. Lang stated that the Library's intention is to retain Vocon as the architect of record when the Sterling Branch project kicks off again in whatever form that is. This is a type of place holder to keep them moving and engaged in the CMHA process while it plays out.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Extension of Agreement with Cleveland State University for America Reads Tutoring Services

Dr. Sadie Winlock, Chief Equity, Education, and Engagement Officer, stated that this resolution seeks authorization for the Library to continue to utilize the funds on the initial contract that we did not utilize because of COVID. Currently, we have 27 tutors signed up to support us and they will cover 10-12 of our branches. Cleveland State University is continuing to recruit tutors. We feel very comfortable with this program moving forward.

In response to Mr. Seifullah's inquiry, Dr. Winlock confirmed that the Library has this agreement with Cleveland State University for America Reads Tutoring Services since 2012.

In response to Mr. Hairston's inquiry, Dr. Winlock stated that we feel very confident that with the students lined up so far to tutor. Because of the funding that CMSD has received, they are also providing after-school tutoring as well and all of our students will be covered. Discussions have been held with Cleveland State to determine how many students each tutor can be effectively tutor. It comes to anywhere between 5-7 students per tutor. We feel very confident, based on the students that enrolled and actually participate, that we will have enough coverage.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Expenditure for Elevator Maintenance Agreement with KONE Inc. for Maintenance Services to the Elevators Located in the Main Library, Louis Stokes Wing, Carnegie West, Eastman, Martin Luther King, Jr., and South Brooklyn Branches and the Lakeshore Facility

John Lang, Chief Operating Officer, explained that this is a multi-year contract that is already in place. The resolution is seeking authorization to enter into the next year of maintenance.

Mr. Lang gave an elevator update and stated that staff elevator #4 had a motor replacement that was completed under this contract. After the motor was replaced, we had the City Inspector to come in and inspect the elevator and requested that we change some of the ropes. That work is going on now and is the reason that some of the elevators are down.

Mr. Lang stated that we have been pleased with the level of service and maintenance received by Kone. This resolution is authorizing the next year under the multi-year contract.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Resolution to Accept Gift from the Estate of James R. Brunckhart

Carrie Krenicky, Chief Financial Officer, stated that this resolution is to accept a gift of \$71,551.62 from the Estate of James R. Brunckhart. Mr Brunckhart passed away on November 16, 2020 and his wife was a patron of the Ohio Library for the Blind and Physically Disabled until her death in December 2005.

Ms. Krenicky stated that this resolution will accept the gift from the Estate of James R. Brunckhart and will also allow this gift to be deposited into the Kaiser fund that the Board established in 1981 because both of the restrictions are very similar. This gift is restricted to the purchase books on tape for the vision impaired and the Kaiser fund is restricted to the purpose of equipment and supplies for blind and handicapped individuals. We would like to add this gift to the Kaiser fund and the Endowment fund and update the name to the Kaiser/Brunckhart fund.

In response to Ms. Butts' inquiry regarding the use of books on tape as opposed to audible, Ms. Krenicky stated that she believed that we could use whatever media is available now.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Amendment to Development Agreement and Authorizing Reciprocal Easement and Use Agreement for New Martin Luther King, Jr. Branch

John Lang, Chief Operating Officer, stated that in 2016, the Board approved a development agreement for the construction of the new Martin Luther King, Jr. Branch. Over the ensuing five years, there have been developments that have necessitated an amendment to the agreement.

Mr. Lang introduced Lee Chilcote, Chilcote & Wright LLP, who is the Library's outside counsel and has been working tirelessly with the Library and the development team on this agreement that is being presented today.

Director Thomas stated that through this five year process of developments, it has been important to make sure the Library has been treated fairly.

Mr. Chilcote stated that since January 2021, we have moved from a position whereby the Developer was suggesting that it would have in effect an option to build if it could get financing to a situation where, upon approval of the Amendment, both parties will be required to build and we negotiated a fair and complete agreement with all the necessary provisions and protections. The important aspects of that agreement include that there are covenants to build the new MLK library, the Lofts and the parking garage all in a single project and continuous fashion by the Developer. Beginning with the superstructure and substructure that are necessary prior to starting in on the new library itself. This has been one of the key contention areas.

Mr. Chilcote explained that we have full agreement on the process of allocation on the construction costs between the two parts of the project including all shared spaces. It is always difficult in a mixed use project to achieve those things. Mr. Chilcote acknowledged John Lang and Peter McEwan for their outstanding work in this process.

As he continued, Mr. Chilcote stated that the Developer's full financing will be a capital lease transaction that is being done with the Port Authority and Huntington Bank. We have not seen evidence of their financing yet but they indicate that excellent progress is being made as financing is scheduled to close as early as October 2021.

Mr. Chilcote shared that the Library will be asked to transfer the rear portion of the existing branch which is the parking lot (referred to as "CPL-2" in the Agreement) on February 1, 2022. To protect the Library in regards to that, they will convey the parcel that the Library will ultimately own as the new Martin Luther King, Jr. Branch and we will have mortgage on it until the new branch is actually complete.

In response to Ms. Butts' inquiry, Mr. Chilcote confirmed that only the branch parking lot of the existing library will be transferred on February 1, 2022 so that new parking garage can be built on it which is an advantage to the Library.

Mr. Chilcote reviewed a few protections. We have a deposit of funds as payment for the existing library exchange purchase price. We have a deposit of funds to the lender which is Huntington Bank for the construction of the substructure. We have a completion guarantee from 540 Investments which is Elie Weiss' personal entity with considerable net worth. We have extensive indemnities with breach of contract provisions payment performance bonds from Panzica which provides the Library as expressed beneficiary so that we can ensure completion and other lesser protections. To the extent possible, we have the final documents in place and are on file with the Carrie Krenicky, Fiscal Officer, Board of Library Trustees. We expect to sign sometime between Board approval and October 1, 2021.

In response to Mr. Seifullah's inquiry, Mr. Chilcote explained that the current construction is on the Artisan Building on Stokes Boulevard and Chester Avenue and is a part of the overall project in terms of the city but not of our project which is the new library and the Lofts. That project is well underway is about \$125 million and will provide an anchor to the whole block. When the new Martin Luther King, Jr. Branch is there, we will have company with the Artisan Building. This is a wonderful project and it is preceding at pace.

Director Thomas recognized Lee Chilcote, Christina Tizzano, Joyce Dodrill, John Lang and others for their hard work on this and making sure that all of the protections were there.

After thanking Mr. Chilcote for his update, Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution Authorizing Amended Construction Agency Agreement, Amended Construction Manager At Risk Agreement, and Guaranteed Maximum Price Amendment for the New Martin Luther King, Jr. Branch

John Lang, Chief Operating Officer, introduced Adam Parker, Project Manager, Panzica Construction and stated that Panzica is the Construction Manager At Risk on the MLK project. Mr. Parker has joined the meeting to address concerns regarding diversity and inclusion for contractual economic involvement and participation on the project.

As a background overview, Mr. Lang stated that previously, the GMP amendments for the other Facilities Masterplan Group 1A projects were previously brought to the Board for approval last spring, and this item is similar. As Mr. Chilcote stated there are three construction activities going on with the combined Lofts project: (1) The Lofts fit out which is the apartment construction of which we are an interested party not a contractual participant; (2) the shared costs between the Developer and the Library associated with the foundation and superstructure of the library of which the Library owns a portion of and those are included in the appendixes of the agreement that was just referred to the Board; and (3) the Library's GMP which includes everything inside of the library and the building envelope .

Mr. Lang stated that the process that Panzica arrived at to get to the Guaranteed Maximum Price amendment is very similar to what Gilbane did and were presented to the Board last year. Mr. Lang noted that the value of the GMP is \$14,486,867 and does not include every aspect of the project to the Library. If this item is approved, we will return to the Board next month to share our overall building owner prices including furniture and equipment, architectural fees, and owner direct costs and contingency funds. This is similar to what was done with the other 1A projects.

Mr. Lang referred the Board to the following items in the attachment including the GMP price; value management items that are still under consideration between the Library, the Architect and the Construction Manager; comparison between the design cost estimates and actual bid numbers; and preliminary diversity and inclusion contractual which is workforce participation that is tracked in the field.

Mr. Lang stated that today, we are here to discuss the economic participation which is the value of the contracts and subcontracts in the GMP that are being awarded to minority, women owned and small businesses.

Mr. Parker introduced Bill Davis, Project Executive, Panzica, who is also joining today's meeting.

Mr. Parker stated at the start of the GMP process, he, Mr. Davis and Ken Flesse, Panzica's Chief Estimator, worked closely with the Library to utilize the CoUrbanize website as a diversity and inclusion portal to extend project interest to any individuals who would like to bid on a job. We also worked with The Builders Exchange in Cleveland to keep up to date on BX and who received multiple phone calls from individuals who were very interested in either submitting a bid on the process or being involved in general conditions such as field office trailer, dumpsters, etc.

Mr. Parker stated that he worked a lot with subcontractors to gain their interest that would then become a trickledown effect back to the second tier subcontractors. For example, an HVAC contractor gained the interest of many HVAC subcontractors in piping subcontractors or duct work subcontractors and second tier individuals who have contact with them. This opens the doors to smaller businesses, MBE's and FBE's to be involved with our process. We have gained great interest in this job and had a lot of good contractors provide numbers on this job. We have been in contact with many of them and their second tier contractors are on board as well. We have been pushing and have increased our level of diversity participation to a minimum of 18% in the GMP, which meets CPL's project goals, and currently our FBE participation is at 12%; SBE is at 29% and we will continue to work with the Library to see if we can keep increasing those goals through the workforce participation and the bid process.

Mr. Hairston expressed his concern that today we are discussing the MBE component when we began this discussion in February 2019. In referencing the minutes of the Joint Finance, Human Resources & Capital Committee Meeting of February 19, 2019, Mr. Hairston read the following:

Mr. Hairston shared his concern about MBE's and the Library's role to support and help build capacity for minority contractors. MBE's are struggling to get contracts in the City of Cleveland as contractors such as Panzica are more likely to be in a position to submit lower pricing bid proposals than MBE's.

Mr. Hairston stated that we as a Board should be focused on how we are going to meet our goals regarding diversity and noted that he will not be pleased when Panzica submits its first Change Order to the Board for this project.

Mr. Hairston stated that as the Library moves towards strengthening diversity goals, we should look at the circumstances regarding capacity building.

Mr. Hairston recommended that the Library research the diversity goals for the City of Cleveland according to the Community Benefits Agreement signed by Mayor Jackson, Greater Cleveland Partnership and others, to find out what the Library is required to do to be in compliance.

Ms. Washington asked if in Panzica's response, there was any mention of the desire to partner or subcontract with MBE's on this project.

Mr. Hairston stated that in 2019, Jeremiah Swetel was the Library's Chief Operating Officer and Alesha Washington was a member of the Library Board of Trustees. Mr. Hairston referenced the minutes of the Regular Board Meeting of February 21, 2019 and read the following:

Mr. Swetel stated that Panzica is meeting, and in some cases, exceeding workforce goals for the City of Cleveland requirements. We are confident that as we begin the process we will establish a schedule for the outreach program for getting subcontractors and Minority Owned Businesses involved, we will exceed City requirements. Also during that process, with the Capital Committee, we

hope to establish our own policies and procedures for MBE, FBE and SBE workforce and contracting requirements.

Mr. Swetel stated that we are excited about the leverage that Panzica Construction has in Northeast Ohio as they know everyone. While working in concert with Panzica and the Capital Committee, we will be able to establish a well thought out and mindful approach to diversity inclusion at Cleveland Public Library.

Ms. Washington acknowledged Panzica's commitment to meet City MBE and FBE goals and ask for clarification on the company's personal commitment on how to achieve those goals.

Mr. Davis stated that diversity and inclusion is not just a requirement; it is a mindset which is applied to almost every project. Panzica looks for opportunities for subcontractors to partner, grow and succeed with.

After Mr. Davis shared two examples of current mentor/protégé relationships that Panzica is undertaking: (1) AKA Contracting; an MBE/FBE contracting firm who is working on projects at Tri-C and Cleveland Public Schools where she is working as a part of Panzica's CM staff; and (2) Adrian Maldonado & Associates, a Hispanic organization who is working with Panzica out of Berea.

Mr. Hairston stated that he was perplexed and disappointed that it has taken two years and five months to have this same conversation that was initially held in 2019.

Mr. Hairston congratulated that leadership of Director Thomas for assembling a Leadership Team that ensures what the Board has put forth in policies and procedures comes to fruition. The Leadership Team with the addition of Mr. Lang and the office overseen by Dr. Sadie Winlock, Chief Equity, Education & Engagement Officer, we are moving forward on what we say we are going to do.

Director Thomas stated that what we do know is that a few days ago Mr. Lang mentioned that Panzica had not yet met the Library's diversity goals. Although Panzica was working towards those goal, they had not yet been met. The Board wants to know why there was such a commitment two years and several months ago and have not met those goals.

Director Thomas stated that the Board would like an explanation from Panzica regarding the failure to meet those goals and as well as expectations for efforts to ensure that these goals are met. Director Thomas stated that we need a commitment that were mentioned in the minutes that your organization said that "it's a mindset". For two years and several months, it has not appeared to be the mindset. The Board wants assurance that this is in fact the mindset going forward.

Ms. Butts asked for an explanation of what Panzica's efforts made to accomplish those goals within the last two years and five months.

Mr. Parker stated that Panzica has been working with Building Exchange, calling subcontractors to continue to gain interest in the community as well as working with the Library's diversity and inclusion program on the CoUrbanize website. Mr. Parker stated that it goes hand in hand with the documents to development to make sure that if there is information as we continue to development that we are able to help those individuals understand these specific scopes of work that we want to bring them in and gain their interest on this program. The uniqueness of this building and the different iterations that we have gone into, we had to bring in unique subcontractors who understand the requirements outlined by the City of Cleveland and the Library to make sure that we are achieving these goals.

Mr. Parker stated that last week, although Mr. Lang represented that we were short, we are still in the process of really vetting those second tier subs with certain contractors to make sure that all of the information outlined in the bid package documents has been met. Those that we have reached out to regarding larger bid packages will have second tier subs have the 18% MBE, 12% SBE and CSBE as outlined in the bid packages. If modifications need to be made because they have not met the goals, we can advise them to reach out to other subcontractors in order to meet these goals.

Mr. Parker stated that it is very important that we meet and exceed these goals. After reaffirming Panzica's intent to meet and achieve these goals, Mr. Parker stated that the new Martin Luther King, Jr. Branch will be a great new facility.

Mr. Davis added that what we have packaged and presented is what we see as our minimum participating meaning that the benchmark is where we have set it based on the initial bid information. Mr. Davis stated that he fully expects that the percentages are going to increase as we move through the process and award subcontractors.

Mr. Parker stated that he appreciated the last part Mr. Davis' statement that Panzica expects increase. Mr. Parker stated that although he is happy to hear that, he is saddened that in 2021 we are still trying to fight for inclusion. It is a necessary fight that we will do and we are all in agreement that we need to get there.

Mr. Parker stated that he understands that Panzica will continue to work with the Library to continue to get to the standard but asks how that would be communicated much sooner.

Mr. Parker explained that he is very passionate about this project as it represents Dr. Martin Luther King, Jr. and what we are trying to show for the future and insisted that change must be made. It must be a mindset as we have got to show that for other projects that are going to happen in the city that this is a serious issue. This can be one of those projects that proves that it can be done.

Mr. Hairston stated that the Board and Library Leadership has spent a lot of time thinking these things through to the point that a Social Justice Center to be placed at the new Dr. Martin Luther King, Jr. Branch. It makes no sense not to see minorities working on the MLK building project. We have held community outreach meetings where the community has asked for this. We are doing what the community asked when they gave us money to give to the contractors.

Mr. Hairston continued and state that it makes absolutely no sense that when a man dies in Memphis trying to get wages for sanitary workers and we come back to the city of Cleveland and we do not acknowledge the relevance of what we have been saying on this Board regarding diversity, equity and inclusion.

Mr. Hairston thanked Mr. Parker, Chair, Capital Committee, Mr. Lang and Dr. Winlock who work together to make sure that the Library is moving forward on issues that most libraries do not pay much attention to. Mr. Hairston continued to express his frustration and stated that the word was given to us on February 19, 2019. Two years have passed with little progress has been made which causes him to now question the trust level of the commitment.

Mr. Hairston stated that according to Panzica there are available minority contractors available to do this work.

In conclusion, Mr. Hairston stated that he hoped that Panzica understood the relevance of this icon.

Director Thomas stated that he had a conversation with Mr. Lang and Dr. Winlock on how we could move forward and asked Dr. Winlock to share her recommendation with the Board.

Dr. Sadie Winlock, Chief Equity, Education, and Engagement Officer, stated that she agreed with Mr. Hairston and Mr. Parker on the importance of what we are trying to accomplish as a library and acknowledged that for any organization including Panzica we are asking for a change in behavior. It is not a normal practice for most organizations that are not minority led to be inclusive. However, there is a sincerity from the Library around this.

Dr. Winlock stated that one of the things that we are working on is engaging our DEI unit in supporting organizations in getting ahead of identifying a diverse workforce to be included in your contractual work with the Library. Although we are building that process, we need to be engaged earlier to make sure that we are supporting you in identifying minority workers because we want to remove that as a barrier. As both Trustees have said, there are qualified diverse workers out there. We are working on that process and we want to get that to you as soon as possible if you are challenged in this area.

Dr. Winlock stated that she wants to create an awareness around the SBE certification as 29% of Panzica's goal is around SBE's. The IRS determines that a person is certified as an SBE. They could have one employee and \$100,000 in revenue or they could have 3,000 employees and \$30 million in revenue. We do not have the opportunity to really zero in on a diverse workgroup because of that designation. Dr. Winlock recommended that Panzica review the Library's DEI Policy and how we define diversity and try to be as inclusive of that group in their numbers.

Dr. Winlock stated that by working with Mr. Lang and her team, we can help but must be included early in the process.

Mr. Lang shared responsibility and stated that he should have brought Panzica before the Board earlier to talk about the efforts that have been ongoing in the pre-construction phase and offer

Mr. Parker and Mr. Davis the opportunity in the future to talk about where they are in their subcontract buyout process. Mr. Lang stated that it is with optimism that he believes that MBE participation will increase as the lower tier contracts are awarded. As the buyout process concludes and we move forward to construction, perhaps there will be an opportunity to bring Panzica back to discuss where the final numbers came in for economic inclusion and efforts to ensure that we make our work goals on the construction project.

Mr. Hairston stated that he supported Dr. Winlock's remedy and thanked her for staying on task.

In addition to thanking Director Thomas and the Executive Leadership Team, Mr. Parker expressed his appreciation to Dr. Winlock for mapping out a path to move forward.

In response to Ms. Rodriguez' inquiry, Dr. Winlock stated that we are reaching out to members of organizations who can provide us with a diverse group of workers. We are building our capacity in terms of identifying individuals could align with the work. Working with Mr. Lang, we will be included in the process that once we identify a contractor and that contractor agrees to a certain level or percentage of a diverse workforce, we need to be engaged immediately with that organization to ask the right questions and providing them with support early in the process.

Dr. Winlock stated that there may be no guarantees as there may be opportunities where there are no diverse workers and we understand that. Although we are going to be reasonable, we are going to be very directive in terms of achieving our goals; reminding our organizations what our policy is and how we can achieve it together.

Dr. Winlock stated that we are on a strong path to becoming parts of organizations that can provide some of the workers that we believe we need on all of our projects. This includes procurement as well. We are building an internal process to support that.

Dr. Winlock reported that we just held "Learning How To Do Business With CPL" which was a vendor conference attended by 53 vendors on the procurement side. This should be expanded to our contractors as well that would include how to achieve those minority goals.

Ms. Rodriguez thanked Dr. Winlock for her explanation and stated that this is a learned lesson for us all. As a Board, we must make sure that we are following up by asking the right questions.

Director Thomas stated that ultimately there will be accountability. We have put the guardrails in place so that the Board is informed in a timely manner so that issues are not brought to the Board once they have become a problem. In this instance, it is ultimately the Board's decision on moving forward.

Director Thomas stated that in 2019, we did not have the advantage of Dr. Winlock or Twyla Turner, Director of Inclusion & Leadership Education as a part of the Library's team. However, as a leader we will not move forward without our DEI goals put in place and met.

Mr. Hairston stated that as a Board, we have all committed to move forward on DEI in everything that we do and that the Board stands available to assist in any capacity.

Director Thomas reemphasized it is the Board's decision regarding Panzica but this is ultimately this is about accountability along the way and we must continually check to make sure that things are working in that way. Director Thomas stated that he is pleased that we have Dr. Winlock and Mr. Lang to work on this process.

Mr. Hairston requested a timeline from Panzica to meet DEI goals.

Mr. Lang stated that the major milestones are included in the Resolution Authorizing Amendment to Development Agreement and Authorizing Reciprocal Easement and Use Agreement for New Martin Luther King, Jr. Branch (Exhibit 12). The full construction manager schedule is included as an appendix in the Resolution Authorizing Amended Construction Agency Agreement, Amended Construction Manager At Risk Agreement, and Guaranteed Maximum Price Amendment for the New Martin Luther King, Jr. Branch (Exhibit 13).

Mr. Lang stated that the project will break ground in October and the Developer side is leading with the substructure and superstructure. Working with Panzica, the library fit out will commence in February or March in 2022 with the final project completion in August 2023.

Mr. Hairston clarified that he is asking for a timeline around the diversity issues that are being discussed and requested that this process be monitored and the Board provided with an update within 30 days.

In response to Mr. Hairston's inquiry, Mr. Lang stated that conversations will continue with Panzica regarding the DEI issues and we will see where the final subcontract packages come in. Although he was unable to promise on Panzica's behalf, Mr. Lang stated that he agrees with their optimism that it is likely to move the MBE participation numbers up. They will track that through the life of the project in terms of expenditures. However, the early work on the combined project is being performed under the Developer's contracts, so the construction that Panzica performs directly for the Library will not commence until February, 2022; at that point we will be able to bring construction spending and workforce diversity data to the Board. We will also track where the actual dollars are spent and a report will be submitted to the Board monthly.

Mr. Hairston further clarified that there are MBE's asking where they fit in the MLK project.

In response to Mr. Hairston's inquiry, Dr. Winlock suggested that she and Mr. Lang meet with Panzica to understand their process of how they identify and recruit a diverse workforce for the various tiers and bring that information back to the Board.

Mr. Davis stated we are talking two different things here. First is the contractual obligation which Panzica begins once given the green light to go. We begin the awards of contracts at the same time we review the scope of work for each subcontract. We review the diversity requirements and that information is updated on a constant basis. Mr. Davis stated that he

expects to deliver a detailed monthly report on where Panzica stands on both contractual obligations as well as the onsite workforce goal.

Mr. Davis stated the he would be glad to meet with Mr. Lang and Dr. Winlock to review their process to make sure that it is consistent to what the Library expects.

In response to Mr. Seifullah's inquiry, Mr. Davis stated that what the Library is asking is not difficult.

Mr. Davis stated that over a two year period of time, he did not know that he was expected to meet with the Board to provide monthly updates. We have never lost focus on what our expectations are for meeting the Library's goals. It has always been our intent and we do not expect to fail there. The information that has been provided at this point has been based on our first pass on a GMP based on initial bid results. That initial pass indicates that not only will we hit the goal, we are going to exceed the goal. To have that much participation as a first pass with the low bidders is excellent and will only improve from here.

Dr. Winlock stated that for Cleveland Public Library moving forward, when we get that type of commitment from an organization, we should request that they provide a timeline so that we can understand what their process is and how they will achieve the goals.

In response to Director Thomas' inquiry, Mr. Parker and Mr. Davis stated that they are willing to meet with Mr. Lang and Dr. Winlock to understand our needs and the needs of our Board.

After Ms. Rodriguez thanked Mr. Parker and Mr. Davis for joining today's meeting, Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston seconded the motion, which passed unanimously by roll call vote.

Human Resources Committee Members (Mr. Hairston, Chair)

Present: John Hairston, Alice Butts, Anthony Parker

Absent: Thomas Corrigan

Regular Employment Reports, June, July, August

After he gave a brief overview of the Regular Employment Report, Mr. Hairston motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Retirement Recognition Citation

Mr. Hairston stated that the following retirees will be recognized at the upcoming Regular Board Meeting: Robert Guder, Veronica Rucker, Pamela Eyerdam, and Timothy Diamond.

Mr. Hairston motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote

Ms. Butts stated that she enjoyed the retirement party for Timothy Diamond held in the Eastman Reading Garden.

Mr. Hairston added that there was good representation by the Board at the celebration for Mr. Diamond.

Resolution to Revise the Human Resources Manual

Lynn Sargi, Chief Talent Officer, stated that this item is a revised vacation policy. The Board first adopted this policy in 2019 and this minor revision references Pay Grade H. Now that the Board has adopted a new pay grade structure that uses numbers rather than letters as part of the new compensation program, this policy simply changes “H” to the number “4” to reflect that at what point a certain accrual level begins for vacation time.

Mr. Hairston motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Ms. Rodriguez adjourned the Joint Finance & Human Resources Committee Meeting at 1:30 p.m.