

OFFICIAL MINUTES
THE COOPERATIVE COUNCIL OF GOVERNMENTS BOARD MEETING

DATE: July 10, 2024

LOCATION: Meeting in Person: 6001 Cochran Road, Suite 333, Solon, Ohio 44139
Meeting via Zoom: <https://zoom.us/j/6210017133>
Zoom Meeting ID: 621 001 7133

Call to Order:

Mr. Corlett called the meeting to order at 12:03 P.M.

Roll Call:

Present: Seth Cales (Zoom), Frank Corlett, Bob Dolan, Jeff Mori, Steve Sayers (Zoom)

Others: David J. Akers, Josh Fitzgerald (Zoom), Stephen Hull (Zoom), Keith McDevitt, David Robbins

Motion to Approve Minutes from 2024.05.08 CCOG Meeting:

Motion: Mr. Dolan

Second: Mr. Mori

Discussion: None.

Ayes: 5

Nays: 0

Discussion – CCOG Financials:

The Board reviewed the June 30, 2024 Statement of Financial Position and Statement of Activity. CCOG's cash position as of June 30, 2024 was \$50,279.70 vs. \$16,412.67 on June 30, 2023. CCOG's 2024 year-to-date (YTD) revenue totaled \$130,826.77, representing a negative variance of \$(3,530.23) from the \$134,357 YTD 2024 budgeted revenue. 2024 YTD expenditures of \$109,254.51 represent a positive variance of \$27,414.49 versus the budgeted 2024 YTD expenses of \$136,669. 2024 YTD net operating revenue of \$21,572.26 represents a positive variance of \$23,884.26 vs. the 2024 YTD net operating revenue budget of \$(2,312).

Note: the City of Solon's May Voting Member Distribution of \$19,000 has not been received or deposited by the City and those funds remain in CCOG's bank balance. Therefore, CCOG's June 30, 2024 YTD expenses are deflated by \$19,000 and the YTD net operating revenue is inflated by \$19,000.

Mr. McDevitt reported the Ameresco, ComDoc, Garland, Gordian, and Waibel contracts are performing well and revenue from construction services contracts overall is increasing. Mr Akers discussed the delay in receipt of the Office Depot retention bonus, which was paid late and will be reflected in the next quarterly administrative

fee report to CCOG. He also reviewed YTD expenses: the Bonfire computer software expense should hit later this month, as will the next round of publication expenses.

Mr. Corlett asked about the balance of public sector vs. private sector contract usage. Mr. Hull replied that overall utilization is approximately 95% public sector vs. 5% private sector and the public sector is Equalis Group's focus. Mr. McDevitt noted there are some law firm members and associations of private sector entities utilizing Equalis contracts. Office Depot recently added a Tier One disadvantaged business enterprise in Michigan selling to private sector companies and Xavier University. Mr. Robbins stated some suppliers make their Equalis Group contracts available to private companies, others do not.

Discussion – Voting Member Check-in & Utilization of Equalis Group Programs:

- ***Cuyahoga County Public Library.***
 - The unions voted to accept their contract offers and the Board of Directors votes on the contracts at the end of the month.
 - The Library's audit is finished and the Library is waiting on the State to release it. It is a clean audit and Mr. Dolan has one more audit left to complete before he retires.
 - Garland completed the second roof at the Brookpark branch.
 - The Library is working on a new lease for the Strongsville branch and will then replace the roof.
 - The second portion of the MeTEOR installation at the Brecksville branch went well and Mr. Mori is including MeTEOR in the discussion for the Library's larger building projects going forward to see if the company is interested in pursuing those opportunities. MeTEOR declined to participate in the last large project due to the architect's design.
 - Construction is beginning on the new Brooklyn branch.
 - The Solon branch renovation is in progress and the Library and City of Solon are working on an amendment to their agreement that will lead to the release of additional funds.
 - Groundbreaking at the new Parma Heights branch, an \$11.5 million project, is scheduled for October.
 - Once the design and construction of the new Beachwood branch, scheduled to break ground next year, is completed, Phase I of the facilities master plan will be completed. The Library will then reassess its facilities and identify the next big projects pending continued funding availability.
- ***City of Solon.***
 - NAPA's inventory management services will be implemented in the near future. There are numerous moving parts and employees are worried they will lose their jobs; they won't. This project is a win-win for both the City and the staff.
 - The Mammoth project continues.
 - The City lost its ERP implementation consultant at Tyler a month ago and two new consultants were assigned to the City's project. The go live date for the human capital management module has shifted from January to April 2025.
 - There are ongoing roadwork projects in the City that are negatively impacting traffic flow.
- ***Kenston Local Schools.***
 - Kenston is working on the building consolidation plan and moving both equipment and resources to the appropriate locations.
 - Mr. Cales is closing the books for the school year that just ended and is working on budgeting.

- o Kenston has placed a permanent improvement levy on the upcoming November ballot. The levy failed last November by a slim margin. There is a backlog of projects to complete and the administration is prioritizing and triaging projects based on available funds.
- o Agreements with both unions were finalized and approved in June for the next three years.
- o The new Superintendent, Dr. Bruce Willingham, joins Kenston full time at the end of July.
- o Mr. Sayers and his wife purchased and moved into a condo on the west side and will also be spending time in North Carolina. Mr. Sayers is contemplating part-time consulting work as well.

General Discussion & Strategic Priorities:

Procurement

- Mr. Robbins discussed the most recent solicitation wave. CCOG awarded a total of seven contracts in three categories – there were no responses to the Electrical Equipment RFP.
 - o Region 10 has two under-performing awarded suppliers in the CMMS space. CCOG awarded OperationsHero, a company whose services were adopted statewide in Arkansas with 280 participating school districts.
 - o There are four awardees in the parking category to support the growing trend of cities transitioning from parking meters to app-based parking management. Each of the awarded suppliers has a national footprint with specific geographic strengths.
 - o There are two contract awards in the Rideshare and Transportation category. SP Plus primarily provides shuttle services for airports and events. Uber for Business provides a wide range of rideshare and transportation solutions. Between the Region 10 catering award and CCOG transportation award, all of Uber for Business’ capabilities are available through Equalis Group contracts. Uber intends Equalis Group to be its sole national cooperative.

7 total contract awards

| Category Name | Contract Awards | Supplier Insights |
|---|--|---|
| CMMS and Facility Management Software <i>Total Responses: 12</i> | 1: OperationsHERO | <i>OperationsHERO</i> was formed by key employees from Dude Solutions/Brightly (market leader). 100% focused on education, government in 2025. They are positioned to steal a large volume of expiring contracts that were entered into during Covid with Dude Solutions/Brightly. |
| Mobile Parking Payment and Management Solutions <i>Total responses: 13</i> | 4: HotSpot, ParkHub, ParkMobile, Premium Parking | <i>HotSpot</i> intends to lead with Equalis Group. <i>ParkHub</i> intends to lead with Equalis and move \$900K in annual recurring sales from SHI contract. They do not have any other cooperative contracts. <i>ParkMobile</i> is the market leader. They want a more strategic cooperative partner and a contract tailored toward mobile parking payment. <i>Premium Parking</i> has no cooperative contracts. Their platform solution includes more than just mobile payment. |
| Rideshare and Transportation Solutions <i>Total responses: 10</i> | 2: SP Plus, Uber for Business. | <i>SP Plus</i> has no cooperative partners. They provide shuttle and charter services and primarily work with airports, healthcare, municipalities to “privatize parking operations.” They are committed to proactively leveraging our contract. <i>Uber for Business</i> , with this award, we now have their entire offering under contract; food delivery, rideshare, transit, and healthcare transportation. Uber intends for our partnership to be their sole national cooperative contract. Aggressive sales estimates \$55M by year five. |

- Region 10’s procurement work this cycle is largely focused on re-bidding categories awarded in 2020 in advance of the 2020 awards’ contract expirations. Region 10’s most recent contract awards include:

18 total contract awards

| Category Name | Contract Awards | Supplier Insights |
|---|--|---|
| Grounds Maintenance Equipment and Services REBID CATEGORY <i>Total responses: 8</i> | 4: Diamond Mowers, Ariens, Wright Manufacturing, Harper Turf | Previous awarded supplier did not have any contract utilization, complete overhaul of the category with 4 awardees that give coverage for turf maintenance/debris removal, industrial grade mowing and mulching equipment and attachments, commercial mowers, utility vehicles, compact loaders, and snow removal equipment. |
| Job Order Contracting (JOC) REBID CATEGORY <i>Total responses: 15</i> | 5: Skanska, S-Works, RSCC, CORE, Advanced Roofing | Skanska: one of the nation's largest construction organizations (\$4.3B public sector sales over last 3 years), no current cooperative partners and stated Equalis Group would be preferred contract. S-Works: highly intelligent public sector team that left HITT Contracting to form S-Works, grew business from \$2M > \$15M in 2 years with growth projections expected to follow previous trend. Advanced Roofing: great partner and advocate for Equalis Group in the Florida market. CORE: continue to lead with Equalis Group contract and remain highly engaged with the team. |
| Integrated Fire Protection and Security Products and Services <i>Total responses: 4</i> | 2: JCI, Stark Tech | Stark Tech: great partner and advocate for Equalis Group, strengthening the relationship with additional capabilities through a new contract. |
| Educational School Supplies and Related Services REBID CATEGORY <i>Total responses: 33</i> | 5: STEMfinity , School Specialty, Underwood Distributing, Lakeshore, Kaplan | Previous awarded supplier was School Specialty who held the sole award for this category, however they do not take our contract in every state. With our new round of awards, we have complete geographic coverage with new key players in the industry like Lakeshore Learning (\$500M public sector sales over last 3 years) and Kaplan (\$243M public sector sales over last 3 years). We also have a unique opportunity with Underwood Distributing who is an authorized reseller for Texas Instruments. |
| Facility Management Services <i>Total responses: 5</i> | 2: Marsden, Aramark | Aramark: large opportunity to penetrate the market with a differentiated pricing model, no current cooperative partners, sophisticated organization that knows how to pursue business in the public sector along with understanding of how to leverage Equalis Group as a partner, agreed to aggressive administrative fee model that sees Equalis averaging over 1% on every project. |

- The next wave of solicitations will be published in early August with contract effective dates of November 1, 2024. Mr. Robbins anticipates CCOG publishing 3-4 solicitations. Between Region 10 and CCOG, categories currently under consideration include:

| Category Name | Supplier Count | Description / Status |
|---|----------------|---|
| Car & Vehicle Rental | 8 | Small supplier pool. Suppliers have adequate coverage between NASPO and direct state contracts. They want to grow revenue, not move contracts around. |
| Cellular & Mobility Services | 9 | Small supplier pool. Suppliers have adequate coverage between NASPO and direct state contracts. They want to grow revenue, not move contracts around. |
| Copier, Printer, Multi-Function Devices | 61 | Implementing dealer-held contract approach to supplement manufacturer options |
| Flooring Products & Services | 52 | Rebid category. We are testing the dealer/contract-led contract approach. |
| Ground Maintenance Services | 29 | Complex matrix of pricing based on service offering. This is a Brightview generated opportunity and unlikely to go out. |
| Lighting Products & Services | 31 | Rebid category, looking to target more strategic partnerships compared to first round of awards. |
| Online Marketplace/E-Commerce Platform | 27 | Making a big push to award a contract to a catalog-based supplier like Amazon. |
| Trash Removal & Recycling Services | 10 | Complex matrix of pricing for certain geographies. Very few companies with national reach. |

- Mr. Robbins presented four resolutions to the Board for consideration. The Board consolidated the first three resolutions approving the most recent contract awards into a single motion.
 - **Resolutions 2024.07.1 – 2024.07.3** approving and ratifying the Master Agreements awarded for the i) Mobile Parking Payment & Management Solutions Program, ii) Rideshare & Transportation Solutions Program, and iii) CMMS & Facility Management Software Program.
 - **Resolution 2024.07.4** approving and ratifying the extension of the Master Agreement with Grainger.

Motion to Approve Resolutions 2024.07.1 – 2024.07.3:

Motion: Mr. Dolan

Second: Mr. Mori

Discussion: None.

Ayes: 5

Nays: 0

Motion to Approve Resolution 2024.07.4:

Motion: Mr. Dolan

Second: Mr. Mori

Discussion: None.

Ayes: 5

Nays: 0

Marketing & Supplier Engagement

Mr. Akers reviewed the status of the July 1, 2024 contract launches, discussed the continued evolution of training awarded suppliers' sales teams, and provided a high-level overview of the technology-based tools Equalis is developing for members. Mr. Fitzgerald discussed the company's supplier development efforts for specific contract categories.

Sales

Mr. McDevitt reviewed the 12-month growth in members' contract participation and spending through CCOG-awarded contracts.

Nantucket Trivia:

About 1,000 deer roam the island and a host of ring-necked pheasant, rabbits, ducks, and geese. Nantucket is also on the north/south flyway of migrating birds and is a popular venue for serious bird watchers. Endangered species here on Nantucket include the piping plover, least tern, and osprey.

Motion to Adjourn: 1:28 PM.

Motion: Mr. Dolan

Second: Mr. Mori

Discussion: None.

Ayes: 5

Nays: 0

Next Board Meeting:

The next CCOG Board of Directors Meeting is scheduled on September 11, 2024, from 12 P.M. to 1:30 P.M. Board Members will have the option to attend in person or via Zoom.

Attachments to Minutes:

- *Summary - CCOG Board of Directors (Meeting Materials) – 2024.07.10.pdf*

Respectfully submitted:

David J. Akers, CCOG Secretary