

**Montgomery County Green Bank  
Board of Directors Meeting  
By Teleconference  
Wednesday, January 26, 2022, at 1:30 PM**

**DRAFT**

**Board of Directors Meeting Minutes**

**1. Call to Order and Roll Call**

**Bonnie Norman, Board Chair of the Montgomery County Green Bank (“Green Bank”) Board of Directors (“BOD” or “Board”), called the Board meeting to order at 1:31 PM. The meeting was conducted by teleconference in consideration of the COVID-19 pandemic.**

Roll call confirmed the attendance of the following:

- Mr. Bert Hunter (Board Secretary), Executive Vice President and Chief Investment Officer, Connecticut Green Bank
- Ms. Bonnie Norman (Board Chair), President, E3 International, LLC
- Mr. Brian Marconi, Partner, Cohn Reznick LLP
- Mr. Kyle Danish, Partner, Van Ness Feldman (Joined at 1:34 PM)
- Ms. Marcene Mitchell (Board Vice-Chair) Senior Vice President, Climate Change, World Wildlife Fund
- Mr. Robert Sahadi (Board Vice-Chair), Managing Principal, GreenSpace Investment
- Ms. Marissa Ramirez, Senior Community Climate Strategy Manager, National Resources Defense Council (Joined at 1:33 PM)
- Adriana Hochberg, Climate Change Officer, Montgomery County, Acting Director, DEP
- Mr. Michael Coveyou, Director of Finance, Department of Finance, Montgomery County
- Ms. Stacy Swann, CEO and Founding Partner, Climate Finance Advisors, Benefit LLC (Joined at 1:40)

**A quorum was present. Meeting started at 1:31 pm.**

Not Present:

- Mr. Zachary Marks, Director of Development, Housing Opportunities Commission

Other meeting attendees included:

- Mr. Thomas Deyo, CEO, Montgomery County Green Bank

- Mr. Stephen Morel, Chief Investment Officer, Montgomery County Green Bank
- Ms. Cindy McCabe, Montgomery County Green Bank
- Mr. Rokas Beresniovass, Montgomery County Green Bank
- Ms. Tyniah McDuffie, Montgomery County Green Bank
- Ms. Jean Moyer, Montgomery County Green Bank
- Mr. Joshua Myers, Montgomery County Green Bank
- Mr. Stan Edwards, Special Advisor to Montgomery County Green Bank, Montgomery County Department of Environmental Protection
- Ms. Mary Casciotti, Montgomery County Department of Finance
- Ms. Nancy Feldman, Montgomery County, Department of Fiscal Management
- Michael Freedman-Schnapp, Forsyth Street Advisors
- Olivia Speck, Forsyth Street Advisors (Joined at 1:57 PM)
- Ms. Laura Schwingel, Principal, Nonprofit Advantage Consulting (Joined at 1:55 PM)
- Ms. Stephania Riddick, member of the public (Joined at 1:46 PM)

## **2. Public Introductions and Comment**

Ms. Norman began the meeting by asking if any members of the public were present. No one from the public had joined at that time. The meeting moved on to the approval of the agenda.

## **3. Approval of the Agenda**

Ms. Ramirez joined the meeting at 1:33 PM

Mr. Danish joined the meeting at 1:34 PM.

Ms. Norman asked if anyone had any additional adjustments to the agenda. None were voiced.

Ms. Mitchell moved a motion to approve the agenda; Mr. Sahadi seconded.

A voice vote was taken, and the motion passed unanimously.

## **4. Approval of the Meeting Minutes**

Mr. Hunter asked for a motion to approve the minutes from December 1, 2022, Board of Directors meeting.

### **R1: Approval of Minutes for the December 1, 2021, BOD Meeting**

A MOTION TO APPROVE the minutes of the Board of Directors Meeting for December 1, 2021.

Mr. Sahadi moved the motion; Ms. Ramirez seconded.

No comments or requests for revisions were made.

A voice vote was taken on the motion, and the motion passed unanimously.

All in Favor: 9

All Opposed: 0

Abstained: 0

Mr. Hunter asked for a motion to approve the minutes from December 8, 2022, Board of Directors meeting.

### **R2: Approval of Minutes for the December 8, 2021, BOD Meeting**

A MOTION TO APPROVE the minutes of the Board of Directors Meeting for December 8, 2021.

Mr. Sahadi moved the motion; Ms. Norman seconded.

No comments or requests for revisions were made.

A voice vote was taken on the motion, and the motion passed unanimously.

All in Favor: 7

All Opposed: 0

Abstained: 2 (Mr. Coveyou and Mr. Hunter)

Ms. Swann joined the meeting at 1:40 PM.

## **5. Administrative Business**

Ms. Norman moved the meeting into Administrative Business where Mr. Deyo provided the Board with an update from the CEO.

Mr. Deyo summarized work done since the Board meeting in December. Mr. Deyo also highlighted several communications items, including the upcoming Green Bank's annual report and new website that the Green Bank will be launching.

Mr. Morel provided the Board with an update on products and investments. Mr. Morel highlighted the new C-PACE capital that have signed up in last few weeks. Mr. Morel also noted legislative efforts in process around C-PACE and Building Energy Performance Standards which, if passed, would have a strong impact on the market.

Mr. Edwards than provided an update to the Board from the Department of Environmental Protection (DEP). Mr. Edwards stated that the DEP is still awaiting the third Transportation and Environment Committee meeting to discuss Building Energy Performance Standards legislation (the BEPS legislation). Mr. Edwards continued, saying that the Maryland General Assembly is now in session and the DEP expects several climate and energy related bills, including one related to energy & carbon reductions in buildings similar to the County's proposed BEPS policy. The primary bill will allow the County to assess penalties for non-compliance with building energy performance laws greater than the current limit of \$1,000 for a Class A violation.

## 6. General Business

### a. Partnerships and Funding

Ms. Norman then moved the meeting into General Business and introduced Mr. Hunter to update the Board on the Energy Tax legislation. Mr. Hunter passed the discussion to Mr. Deyo to update the Board.

A member of the public, Ms. Stephanie Riddick, joined by phone at 1:46 PM.

Mr. Deyo updated the Board on the Energy Tax legislation stating that the Green Bank had participated in meetings of the County Council, including the Introduction of the Bill which Mr. Deyo presented remarks along with four other advocates, and two days later at a joint Committee session where Mr. Deyo made a presentation and responded to inquiries from the Committee members. Mr. Deyo noted that during the joint Committee session several amendments were introduced on use of funding in Equity Emphasis areas, to offer subsidies, and for non-fossil fuels uses only. Mr. Deyo noted that he had expressed concern on the non-fossil fuel item for its potential impact on low- and moderate-income communities if it were to apply immediately as many of these are in older properties with central systems and could be cost burdensome. Mr. Deyo also stated that the Green Bank was asked by the Council about the Green Bank use of the funding for administrative purposes and what staffing level changes would be expected with the legislation's additional funding. Mr. Deyo responded that the Green Bank would expect to use for administrative funding that would support 15 to 20 staffing to support this level of investment and that such staffing structure was consistent with other Green Banks, including the D.C. Green Bank.

Mr. Deyo then reviewed a pending grant application to General Motors (GM) under a Climate Equity Fund grant opportunity. The grant request seeks support for EV chargers for affordable housing properties. The initial Letter Of Interest was submitted to GM in August 2021 and GM contacted the Green Bank in late December and offered to the Green Bank to submit a full application.

A discussion took place.

Mr. Hunter then introduced the resolution to approve the submission of a grant proposal to General Motors.

### **R3: Approval of Submission of GM Grant Proposal and Agreement and Delegation to Board Leadership**

A MOTION TO APPROVE the SUBMISSION of a \$250,000 grant proposal to General Motors as presented at the January 26, 2022 Board of Directors meeting pursuant to an offer to the Montgomery County Green Bank to submit via communication from General Motors on January 4, 2022, APPROVAL of a grant agreement with General Motors for same (the "Grant Agreement") and DELEGATION of approval of any final Grant Agreement to Board

Leadership unless Board Leadership deems it necessary for full Board approval because changes to the grant or Grant Agreement by General Motors are deemed material by Board Leadership, and TO AUTHORIZE Thomas Deyo, CEO of the Montgomery County Green Bank and, if necessary, Bonnie Norman, Chair of the Montgomery County Green Bank to execute the Grant Agreement with General Motors on the organization's behalf.

Mr. Hunter moved the motion; Ms. Swann seconded.

A voice vote was taken, and the motion passed unanimously.

All in Favor: 10

All Opposed: 0

Abstained: 0

**b. FY21-26 Strategic Planning Discussion**

Ms. Ramirez introduced the Strategic Planning Discussion by reviewing what was discussed in the previous Board meeting and introduced Ms. Schwingel.

Ms. Schwingel reviewed the outline of the Strategic Planning discussion, which was to focus on the Mission and Vision statements for the Green Bank, a review of initial key performance metrics, and initial draft strategic goals for the plan.

A discussion took place.

After the discussion Ms. Norman introduced the resolution to approve the adoption of the revised Vision and Mission statements that considered edits made during the meeting.

**R.4: Adoption of Revised Montgomery County Green Bank Vision and Mission Statements**

A MOTION TO ADOPT the Vision and Mission statements for the Montgomery County Green Bank as presented at the January 26, 2022 Board of Directors Meeting and stated as follows:

*Vision: A prospering, resilient, and healthy Montgomery County where everyone participates in and benefits from clean energy and climate-resilient solutions.*

*Mission: To help Montgomery County achieve its climate goals by leveraging capital and innovative partnerships to make clean energy and climate-resilient solutions more accessible and affordable for all residents and businesses.*

Ms. Ramirez moved the motion; Mr. Sahadi seconded.

A voice vote was taken, and the motion passed unanimously.

All in Favor: 10  
All Opposed: 0  
Abstained: 0

Ms. Speck and Mr. Freedman-Schnapp then gave a presentation on Business & Capitalization Planning for the Green Bank, a part of the Strategic Planning process.

Ms. Mitchell left the meeting at 3:30 PM

A discussion took place after the presentation.

Ms. Norman requested an edit to the mission statement previously approved in the meeting. The proposal was to replace the word “resilient” with “sustainable” to have the final vision statement to read as:

*Vision: A prospering, sustainable, and healthy Montgomery County where everyone participates in and benefits from clean energy and climate-resilient solutions.*

Ms. Norman asked for a motion to approve the motion.

Ms. Ramirez moved the motion to make the edit; Mr. Marconi seconded.

A voice vote was taken, and the motion passed unanimously.

All in Favor: 9  
All Opposed: 0  
Abstained: 0

**c. Finance and Operations**

Ms. Norman then introduced Mr. Marconi to review the Finance and Operations section.

Mr. Marconi began by stating that the Green Bank had several discussions with the auditor around the presentation of the audit as a comparative audit or single year audit. The issue stemmed from the merger of the auditors and the acquiring audit firm was reluctant to provide its opinion on the prior year’s audit of the acquired firm. Mr. Marconi noted that this is occurring with other audits being performed at this firm where the audits were conducted by the acquired firm. Mr. Marconi reinforced that the Green Bank’s FY21 financials would not change to that approved by the Board in November 2021 and that there would be no incongruent information.

Ms. Norman introduced the resolution to approve the single-year audit.

**R5: Approval for a Single-Year Audit for FY21.**

A MOTION TO APPROVE the Montgomery County Green Bank (“Green Bank”) to issue a single-year audit with respect to the Green Bank’s financial statements for the fiscal year ending June 30, 2021 (“FY21”) as approved by the Green Bank’s Finance and Operations Committee and as discussed at the January 26, 2022 Board meeting and incorporating the FY21 draft audit financials as approved at the November 4, 2021 Board meeting.

Ms. Marconi moved the motion; Mr. Hunter seconded.

A voice vote was taken, and the motion passed unanimously.

All in Favor: 9

All Opposed: 0

Abstained: 0

**d. Investment**

Ms. Norman then moved the meeting onto the investment section where Mr. Deyo introduced the topic.

Ms. Swann stated that the Investment Committee had reviewed this and provided its approval.

Ms. Swann left the meeting at 4:25 PM.

Mr. Deyo reviewed with the Board a memorandum to seek approval of a second loss reserve agreement with the Clean Energy Credit Union that would only be used in support of the new Clean Energy Advantage – Statewide Program being launched with Maryland Clean Energy Center. This loss reserve agreement would only be for energy efficiency loans made by the Clean Energy Credit Union for residents of Montgomery County and would be supported by funds from utilities as provided to the Green Bank under the program approved by the Public Service Commission, except the Green Bank would provide the Pepco funds using the Pepco Settlement funds. The Green Bank would maintain its existing loss reserve agreement with Clean Energy Credit Union for residential renewable energy loans made in Montgomery County by the Clean Energy Credit Union.

Ms. Norman introduced the resolution to approve Clean Energy Credit Union as a participating lender under the statewide Clean Energy Advantage Statewide program.

**R.6: Approval of the MCGB Transaction/Investment No. 10: Clean Energy Federal Credit Union (“CECU”) as a Participating Lender under the Clean Energy Advantage Statewide program for energy efficiency loans under a Loss Agreement**

A MOTION TO APPROVE

a) a SECOND transaction with the Clean Energy Federal Credit Union (“CECU”);

- b) CECU to be an approved lender in the new Clean Energy Advantage - Statewide homeowner loan for energy efficiency program;
- c) using funds provided by MCGB for Potomac Electric Power Company (“Pepco”) territory and by the utilities of Washington Gas Light Company (“Washington Gas”), Baltimore Gas and Electric Company (“BG&E”), and Potomac Edison (“Potomac”) for their territories under the pilot program approved by the Maryland Public Service Commission (“PSC”) in PSC Order No. 89855 (the “Order”) dated June 14, 2021 (Pepco, Washington Gas, BG&E and Potomac collectively referred to as the “MCGB Utilities”) pursuant to an EmPOWER Residential Financing Pilot Program Memorandum of Understanding (the “MOU”) entered into by and between MCGB, Maryland Clean Energy Center, the MCGB Utilities, Southern Maryland Electric Cooperative, Inc., and Delmarva Power & Light Company and filed with the PSC on November 22, 2021, which the Board approved delegating to Board Leadership approval of such MOU or grant agreement when completed at a Board meeting held on June 23, 2021 and MOU was approved by Board Leadership pursuant to said Board approval on November 22, 2021;
- d) the terms of the Loss Reserve Agreement (the “Second Agreement”) between Montgomery County Green Bank (“MCGB”) and CECU presented to the Board on August 29, 2019, such Second Agreement, is consistent with the Order, MOU and other explanatory material as submitted to the Board and as explained in a memorandum to the Montgomery County Green Bank Investment Committee (“BOD Investment Committee”) dated January 21, 2022, and updated January 24, 2021 (attached to these resolutions as Exhibit 1); and
- e) for Tom Deyo, CEO, to execute such legal agreement and any ancillary documentation required or reasonably contemplated thereby pursuant to the Second Agreement, the Order, or the MOU on behalf of the Green Bank.

This approval includes the following conditions:

- There will be a maximum allocation of \$100,000 of the MCGB capital to support the Pepco portion of this transaction.
- The Agreement may have technical and non-material changes after final presentation to CECU and any final negotiated Second Agreement are to be presented to the Board Leadership for final review and approval.
- Once executed, any and all adjustments to signed Second Agreement shall be treated as an Amendment to the Second Agreement with CECU and shall be reviewed and approved by the Board. Except that the Board authorizes the BOD Investment Committee to approve any non-material changes to the Agreement, including any reduction to the Initial Capital Reserve of the Agreement.

Mr. Hunter moved the motion; Mr. Sahadi seconded.

Mr. Deyo noted that the loss reserve may be less than the approved amount in the resolution.

Mr. Hunter and the Board affirmed this would be a non-material change.

A roll-call vote took place and the motion passed unanimously.

All in Favor: 8

All Opposed: 0

Abstained: 0

**e. Governance**

Ms. Norman then moved the meeting to governance.

Mr. Danish reviewed and updated the Board on the process of the Conflict-of-Interest process for FY22.

Mr. Deyo stated it was important for Board members to return the distributed forms by March 31<sup>st</sup> so the information could be gathered before the next Board meeting in April.

**7. Adjournment**

Ms. Norman requested a motion to adjourn the meeting.

Ms. Hochberg moved the motion; Mr. Hunter seconded.

A voice vote was taken, and the motion passed unanimously.

All in Favor: 8

All Opposed: 0

Abstained: 0

The meeting ended at 4:39 PM