

MEETING OF THE BOARD OF DIRECTORS: Virtual Board Meeting Minutes

Tuesday, October 2nd, 2018 - 10:00 am - 2:00 pm PDT

Attendees:

- Gregg Ander, Gregg D. Ander, LLC
- Nancy Ander, DGS
- Marge Anderson, Seventhwave
- Dana Bolton, ComEd
- David Goldstein, NRDC
- Jeff Harris, NEEA
- Michael McAteer, formerly with National Grid
- Mark McCracken, (left at 11:55)
- Steve Nadel, ACEEE
- Brendan Owens, NBI
- Peter Turnbull, PG&E
- John Wilson, Energy Foundation (left at 11:55)
- NBI Staff participating at various times during the meeting included Ralph DiNola, Jim Edelson, Stacey Hobart, Cathy Higgins, Mark Frankel, Amy Cortese, Eric Makela and Mary Hansel.

Board members and staff shared gratitude - recognition of Michael McAteer and Doug Baston for their contributions to NBI, as founding members and over the past 20 years. NBI will invite Michael and Doug to participate in the December board meeting and have a proper celebration of their leadership and engagement.

NBI Fellows program will be built out as a leadership group Senior Fellows to serve as an advisory committee to the board.

Ralph presented some memorabilia showing the 20-year history of NBI.

- 10:00 am – 10:15 am **Welcome and Call to Order** (David)
- Call to Order
 - Agenda review
 - Review and approval of June Board Meeting Minutes

VOTE: Approval of June Board Meeting Minutes

MOTION: Steve Nadel moved to approve the minutes

SECOND: Jeff Harris seconded

VOTE: Unanimously approved

10:15 am – 11:15 am **State of Play:** Board members shared industry perspectives – where we are, where we are going

11:15 am – 12:15 pm **Board Committee Presentations**

In the midst of gaining clarity about committee framework, structure, cadence. Will include this as an agenda item for future staff meetings.

Board Meeting Minutes, cont.

December meeting will be the annual meeting, with election of officers.

Committee Composition:

Executive Committee

- David, President
- Michael, Vice President
- Ed, Treasurer
- Marge, Secretary
- Ralph, Staff

Governance Committee

- Patrick O'Shei
- Marge
- Peter
- David
- Ralph, staff

Finance Committee

- David
- Michael
- Ed
- Steve
- Mark
- Ralph - staff...

Fundraising and Development Committee

- Brendan
- Dana?
- Ralph – staff

Executive Committee

- No updates

Governance Committee

- Introduction and overview
- Committee Tasks
- Discussion

Governance Committee Tasks

- Conduct review of mission, vision
- Regularly reexamine Bylaws
- Board member recruitment
- Organizational policies
 - conflict of interest for board and staff
 - document retention
 - loans to employees (never done, no intention of doing)
 - ethics
 - whistle blower
 - procurement policy
 - contracting parameters
 - grievance and other employment related practices
 - others
- Oversee
 - Board orientation
 - Board development
 - Job descriptions for board members
 - Board member contract with agency
 - Consider term limits
 - Establish board self-evaluation
 - Diversity

Board Meeting Minutes, cont.

Nancy's Question: how are we defining Diversity? Go back to the notes from the December meeting... gender, ethnicity, sexual orientation, capabilities, professional organizations, etc.

Jeff – what about term limits? Ralph responded, that term limits are in our by-laws which is a legally binding document. Defines a term of a board member, how many terms you can serve and how you can re-enter the board. How do new board members fit into the structure? How can we avoid institutional memory losses? Some boards decide by seats for particular “types” of people

ACTION ITEM - Jeff suggests that Ralph provide a copy of the bylaws. Ralph will ask Susan to provide a login to the board portal with all NBI board documents.

Senior Fellows title. Need to better define roles of the fellows. May be opportunity for Michael and Doug to continue to provide insights to staff. Sr. Fellows would join NBI at annual meeting once per year.

Finance Committee

- Q2 Budget revision and financials review
- Financials Review and Resolution
- Discussion

Financial documents review (Mary has arrived)

Staff presented the current financial statements of the organization

ACTION ITEM: NBI staff will provide finance committee with revised FY 19 budget for approval. Once Finance committee approves, they will pass to exec committee for a final vote to accept the FY 19 budget.

NBI is working to diversify (ladder) the funds into various bank accounts.
Steve suggests that we discuss the investment policy at the financial committee meeting.

Along with governance committee, Mary has prepared a fiscal calendar with a plan for hitting all deliverables and milestones.

Review Aug 31, 2018 Financial Documents

Balance Sheet – no debt; cash available; positive position for organization

Budget to Actual – Two grants (totaling \$1million) expected in last fiscal year came in this fiscal year. This will be an important notation in the audit.

Dashboards will be available soon.

Project income is higher than budgeted; program service revenue is over anticipated budget for first two months of year.

Steve asked if we restrict funds and realize revenue when spend. This can distort the financial picture because of large cash infusions. We have spoken about this in the past, due to gap accounting budget. Might consider temporarily restricting funds to address gap accounting issues.

Mary to talk to Nancy about how we might address this.

Staff working on Dashboard updates, they are coming soon and will be more automated.
In a good place with A/R and A/P

12:15 pm – 12:30 pm **Break**

12:30 pm – 1:30 pm **Board Update on Development and Programs**

- Development and Program updates

Board Meeting Minutes, cont.

Development Update

Large Innovation proposals skew the results. Should carry a project only once, even if we are on three different teams.

Awarded Bullitt grant for NW GridOptimal.

Dana wants to know whether viability scores change over time. Once a viability score is set when the proposals are written, we retain it throughout. Still close alignment with results.

Brendan requests that we don't change the percentages of revenue associated with viability score because what we are doing seems to be working.

Program Update

GridOptimal

Michael asked how NBI is reaching out to portfolio owners to understand their interest in this.

Jeff added that if it can work in NW, it can work anywhere because no pricing structure that is transparent for demand.

Brendan steps that USGBC is taking to evolve LEED. 4.1 update will be out before the end of the year. DR credit in the past 5 years, but proposing to expand and retitle to "Grid Harmonization" LEED credit. It will retain the DR, putting new pathway for those buildings that grid harmonize. When GO metric is available, USGBC will have a natural tie and have a seamless link.

IECC 2021

Michael sees lots of interest in code advancement.

Jeff is interested in outreach materials.

Steve wants to ensure that they are working with Harry.

What is the status of MF code proposal? Eric reported that these have been "unpacked" and submitted in other venues. About seven through the WA with some modification, also in NY Stretch, will be submitting under 2021 IECC process. May have to wait for next cycle for a unique MF chapter of the IECC.

Jeff reported that jurisdictions tend to find the path of least resistance between residential and commercial code. Still a lot of interest in a separate path for MF.

Multifamily Existing Building

Steve suggested that we talk with:

Scott Bernstein, Center for Appropriate Technology

Steve Morgan, independent consultant does a lot of work with housing authorities.

Continue to explore, check with two experts.

Michael thinks this is the direction to go in with so many people moving to cities. Don't think the utilities partnering with third-party implementer but not doing much innovative. Likes the idea of a bold third party to capture the developers who struggle with capital and time.

Cathy clarified, this market is older MF, adaptive reuse.

Marge – talk to Ann Evans at Elevate (focusing on 4 stories and smaller). Worth more market research to review foundation landscape that addresses affordability, rather than energy. (Different set of funders)

Dana – works with Elevate in public housing. In this space, ComEd has seen...low net to gross in NC, so its pushing utilities away from the market. "income-eligible" where cost effectiveness becomes challenges. Agree it's a gap, but a challenge for utilities to serve.

David supports this idea because (1) certain funders will expect us to have something like this in our portfolio and (2) not many who can get the cost effectiveness issue right, but using the context from the summer study paper this may make it easier for utilities to do this.

Jeff says it's a crowded field, hard for utility programs, non-traditional funders. Point out the obvious that this is a tough nut to crack for anyone. What is NBI's unique role and value? Thought leadership, policy development.

Board Meeting Minutes, cont.

Biggest contribution is in reframing cost effectiveness metrics or reframing the investment strategy for making these projects happen. Intersection with the right market actor, right interest in carbon reduction and right regulatory environment. Jeff would be really cautious about making any investments.

1:30 pm – 2:00 pm **Closing**

- Closing discussion
- December (Annual) Board Meeting agenda discussion
 - Election of Officers / Committee Members
 - Committee Presentations
 - Staff Presentations, Strategic Plan and Program Review
- Schedule future board meetings: confirm dates and locations
 - Winter: (December)(Annual Meeting): Scheduled for December 12-13, location TBD Winter Meeting (December 12 and 13 in Portland, OR) - (can we make this a one-day meeting?)
 - Spring (February): (4 hr. virtual meeting): Date: TBD ; Location: TBD
 - Summer (June): Budget Approval: Date: TBD ; Location: TBD
 - Fall (September): Meeting at Getting to Zero Forum (internally focused board meeting) (conduct board self-evaluation in advance and present at meeting) Date: TBD ; Location: TBD
- David suggested internal coordination via email to find dates.
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- Other Business

2:00 pm **Adjourn**

- Closing Gavel: David adjourned the meeting at 1:58 p.m.