



CLEAN ENERGY

FINANCE AND INVESTMENT AUTHORITY

AGENDA

Budget and Operations Committee of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Monday, April 27, 2015
1:30 p.m. - 2:30 p.m.

Staff Invited: Mackey Dykes and Bryan Garcia

1. Call to order
2. Public Comments – 5 minutes
3. Approve meeting minutes for February 25 meeting* – 5 minutes
4. New Green Bank IT Platform* – 40 minutes
5. Other Business – 10 minutes
6. Adjourn

*Denotes item requiring Committee action

** Denotes item requiring Committee action and recommendation to the Board for approval

Join the meeting online at <https://global.gotomeeting.com/join/656763613>

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CLEAN ENERGY

FINANCE AND INVESTMENT AUTHORITY

RESOLUTIONS

Budget and Operations Committee of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Monday, April 27, 2015
1:30 p.m. - 2:30 p.m.

Staff Invited: Mackey Dykes and Bryan Garcia

1. Call to order
2. Public Comments – 5 minutes
3. Approve meeting minutes for February 25 meeting* – 5 minutes

Resolution #1

Motion to approve the minutes of the Budget and Operations Committee meeting for February 25, 2015. Second. Discussion. Vote

4. New Green Bank IT Platform* – 40 minutes

Resolution #2

RESOLVED, staff is directed to implement the above recommendations and build an independent information technology platform and capability for the Connecticut Green Bank;

RESOLVED, that the Budget and Operations Committee authorizes the Green Bank staff to execute a definitive agreement with ADNET Technologies, LLC based on the terms presented in the memorandum to the Budget and Operations Committee dated April 20, 2015 in an amount not to exceed the amounts outlined in tables 1 and 2 of such memorandum; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect these Resolutions.

5. Other Business – 10 minutes

6. Adjourn

*Denotes item requiring Committee action

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Budget & Operations Committee

April 27, 2015



Budget & Operations Committee

Agenda Item #1

Call to Order

Budget & Operations Committee

Agenda Item #2

Public Comments

Budget & Operations Committee

Agenda Item #3

Approve February 25 meeting minutes

Budget & Operations Committee

Agenda Item #4

New Green Bank IT Platform

Green Bank IT Platform



Green Bank IT Platform



Green Bank IT Platform

Components



- Servers



- Email

- Phones



- User Support

- Setup & Training



Green Bank IT Platform

Cost



START-UP COSTS				
		Fee/Cost	Count	Total
Email				
	Hosted Exchange migration	\$ 4,730.00	1	\$ 4,730.00
	Account Setup	\$ 4.48	50	\$ 224.00
Phones				
	Hosted PBX installation & training			\$ 6,300.00
	Toll free number porting	\$ 10.00	1	\$ 10.00
	Local number porting	\$ 3.00	50	\$ 150.00
	Premium Phones	\$ 250.00	25	\$ 6,250.00
	Conference Room Phones	\$ 540.00	4	\$ 2,160.00
Support				
	DesktopCare installation	\$ 20.00	50	\$ 1,000.00
	Servercare setup	\$ 249.00	1	\$ 249.00
	Additional Servercare setup	\$ 99.00	1	\$ 99.00
Hardware				
	Firewall	\$ 2,977.79	2	\$ 5,955.58
	Setup	\$ 2,280.00	1	\$ 2,280.00
Cloud Servers				
	Setup	\$ 14,605.00	1	\$ 14,605.00
	Total			\$ 44,012.58

Green Bank IT Platform

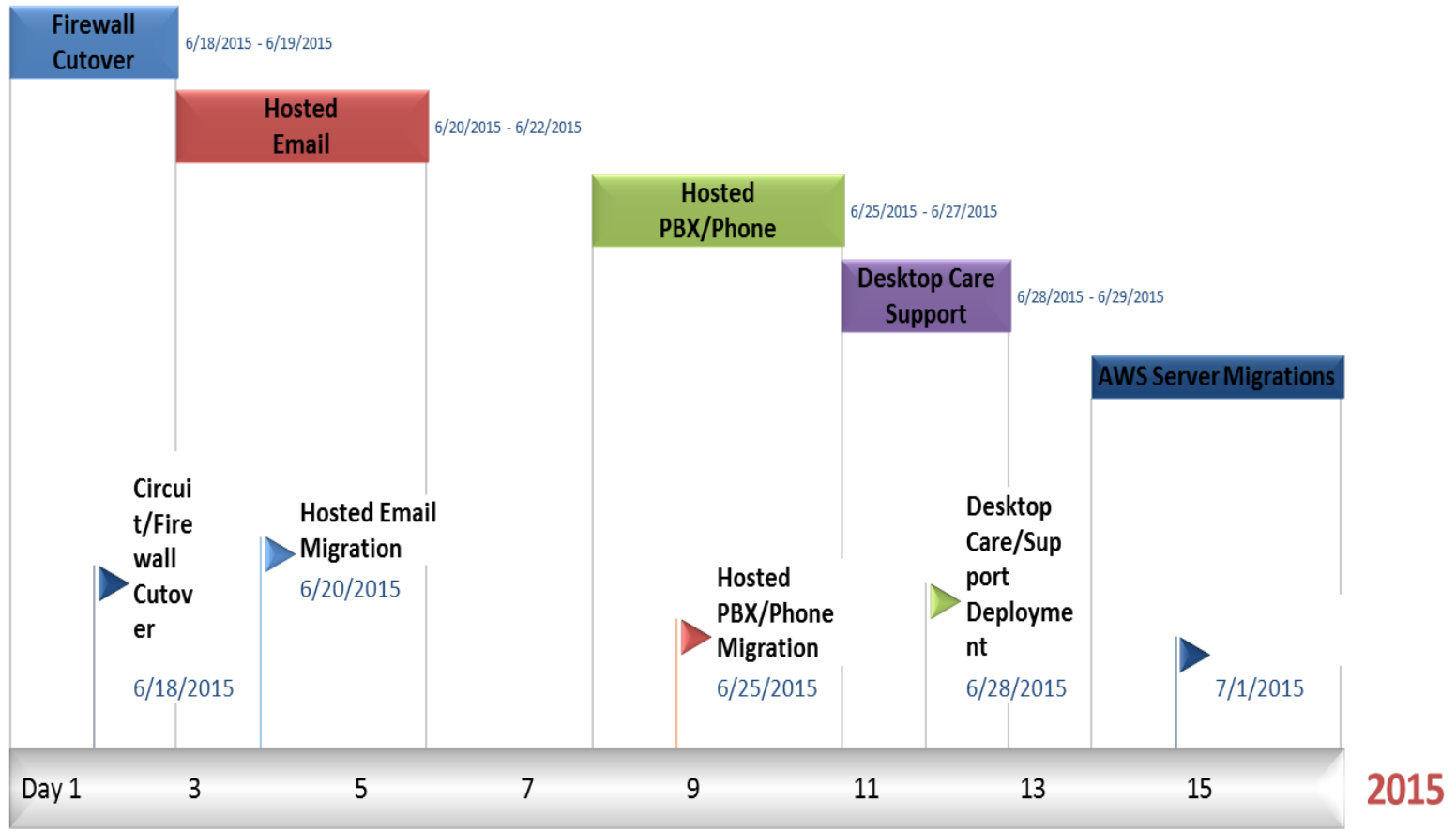
Cost



RECURRING COSTS					
		Fee	Count	Monthly Total	Annual Total
Email/Digital Communications					
	Hosted Exchange	\$ 8.96	50	\$ 448.00	\$ 5,376.00
	Microsoft Lync	\$ 10.00	50	\$ 500.00	\$ 6,000.00
Phones					
	PBX base phone line	\$ 34.95	50	\$ 1,747.50	\$ 20,970.00
Support					
	DesktopCare Premium	\$ 40.00	50	\$ 2,000.00	\$ 24,000.00
	ServerCare	\$ 199.00	2	\$ 398.00	\$ 4,776.00
	Managed firewall services	\$ 125.00	4	\$ 500.00	\$ 6,000.00
	Printer Support	\$ 1,000.00	1	\$ 1,000.00	\$ 12,000.00
	On-Site Engineering Support	\$ 500.00	1	\$ 500.00	\$ 6,000.00
	Strategic Consulting	\$ 3,800.00	1	\$ 3,800.00	\$ 45,600.00
Data Lines					
	Primary Windstream circuit	\$ 1,550.00	1	\$ 1,550.00	\$ 18,600.00
	Backup Cox circuit	\$ 99.00	1	\$ 99.00	\$ 1,188.00
Cloud Servers					
	Hosting, backup and other fees	\$ 1,142.22	1	\$ 1,142.22	\$ 13,706.64
Total				\$ 13,684.72	\$ 164,216.64

Green Bank IT Platform

Timeline



Budget & Operations Committee

Agenda Item #5

Other Business

Budget & Operations Committee

Agenda Item #6

Adjourn

**BUDGET AND OPERATIONS COMMITTEE OF THE
CONNECTICUT GREEN BANK
Draft Minutes – Special Meeting
Wednesday, February 25, 2015**

A special meeting of the Budget and Operations Committee (“Budget Committee”) of the Board of Directors of the **Connecticut Green Bank (the “Green Bank”)** was held on February 25, 2015, at the office of the Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT.

1. **Call to Order:** Robert Klee called the meeting to order at 3:04p.m. Budget Committee members participating: Robert Klee (by phone), and Norma Glover (by phone). Mr. Klee, Ms. Glover, and Mackey Dykes were situated at the Department of Energy and Environmental Protection for the meeting.

Members Absent: Mun Choi

Staff Attending: Mackey Dykes (by phone), Brian Farnen (by phone), Bert Hunter (by phone), Bryan Garcia, George Bellas, Cheryl Samuels and Andrea Janecko (by phone).

2. **Public Comments:** There were no public comments.

3. **Approval of Meeting Minutes:**

The Budget Committee members were asked to consider the minutes from the June 9, 2014, June 16, 2014 and June 25, 2014 meetings.

Upon a motion made by Norma Glover, seconded by Rob Klee, the Budget Committee members voted unanimously in favor of adopting the June 9, 2014, June 16, 2014 and June 25, 2014 meeting minutes as presented.

4. **FY 15 Budget Reallocations**

Mr. Dykes gave a high level overview of both the balance sheet and income statement as of December 31, 2014. Mr. Bellas stated this is a condensed set of financial information and subsequently discussed each line balance sheet and income statement line item. Ms. Glover asked to have the decrease in RGGI funds further explained and who on staff are keeping track of the funds. Mr. Bellas responded that the reduction in overall proceeds from auctions conducted by RGGI in 2014 as compared to 2013 negatively impacted CGB’s share of those proceeds.

Mr. Garcia also asked Mr. Bellas if he could speak to program commitments made by the CGB. Mr. Bellas explained that there is approximately \$100 million in Board approved commitments for projects and programs to be funded in the future. While

that is a large number about \$35 million represents performance based incentive programs to be paid out over a 6 year period on a quarterly basis. Ms. Glover asked Mr. Bellas looking ahead 5 years from now what trends would he be concerned about. Mr. Bellas responded that his main concern would be to ensure the stability of the CGB's current revenue sources and to develop new revenue sources in order for the CGB to maintain and expand its programs. Ms. Glover asked when did the Green Bank expect to see interest receipts on money invested in loans and leases. Mr. Bellas explained that the green bank is starting to see increases in loan and lease payments as the underlying energy systems are installed and become operational. Lease programs are starting to take hold and we are starting to see income in subsidiaries as well as seeing loan and lease revenue picking up. A significant increase is expected in 2016.

Ms. Glover asked if the green bank knew of any way that the legislature could change commitments. Mr. Garcia explained that Mr. Bellas has been able to communicate the existing commitments of the Green Bank when inquiries are made by legislative staff to emphasize that future revenue streams are needed in addition to current cash balances to meet existing unfunded commitments.. Ms. Glover commented that existing Green Bank funds could be taken to help balance the state budget. Mr. Garcia stated that Mr. Bellas files a quarterly statement of financial position with the Office of Fiscal Analysis showing cash on hand and future unfunded commitments of the organization and that Matt Macunas, our legislative liaison is at the LOB on a regular basis and monitors proposed legislation that could potentially impact the green bank's current revenue sources . Mr. Garcia and Mr. Bellas were not aware of proposed legislation which would impact current revenue sources..

Mr. Dykes stated to the committee members that as the Green Bank is halfway through the fiscal year, we have a better insight into areas of the budget that will be under and over spent per their approved line item allocation. The green bank is proposing reallocation of approved dollars so we can continue operating within an approved budget for the remainder of the fiscal year. The overall proposal is to reallocate \$405,324 amongst line items. Because these are reallocations, there is no increase in the overall budget for FY15.

Mr. Dykes further explained that \$130,324 will be reallocated within the Multifamily programs from salaries and benefits to program development. There are unused dollars because we have not hired a Multifamily Senior Manager. Reallocating these personnel funds to program development will allow staff to continue to execute on the boards direction to make progress in the low-income multifamily market.

Ms. Glover commented that she doesn't feel comfortable hiring anymore people above the \$100,000 salary range at the moment based on our revenue and given the green bank may get hit with our funds being taken. Mr. Klee stated that he doesn't think the

green bank will get hit, but perhaps DEEP and the DECD may get hit with their grant funds taken.

Mr. Dykes explained that \$170,000 will be reallocated from the Residential Programs budget program administration items to temporary staffing support. The intent of the program administrative line item was for these dollars to cover the outsourcing of program activities, but the programs haven't reached a state where this is feasible. Mr. Klee asked who and how the green bank is going about bringing in outsourced help to assist with the residential programs. Mr. Dykes stated that the green bank is still seeking the right partner and asking to move dollars to temporary employees to run the clerical and admin process to keep momentum moving. Mr. Dykes asked the committee for approval to recommend reallocation of \$170,000 to the board of directors.

The Budget and Operations Committee has authority to reallocate up to \$75,000 between budget line items. Because some of the changes exceed the \$75,000 limit, we ask that the Budget and Operations Committee recommend that the Board of Directors approve of the proposed budget reallocations.

Upon a motion made by Mrs. Glover, seconded by Mr. Klee, the Budget Committee members voted unanimously in favor of the budget reallocations to the board of directors for approval.

Resolved, the Budget and Operations Committee recommends the Connecticut Green Bank Board of Directors approve the fiscal year 2015 reallocations outlined in Attachment A.

5. Financial Reporting

Mr. Dykes wanted to discuss with Committee members the presentation of financial information to the Board in power point presentations and in the handouts the Board receives as part of its board package. Ms. Glover stated that it was a concern of the Board that the PowerPoint budget to actual financial presentation at the most recent Board meeting could not be understood. A Board member, asked for greater detail when presenting financial information to the Board.. Mr. Dykes stated he could give a more detailed PowerPoint presentation to the board similar to his presentations to the Committee. A discussion ensued. Mr. Klee stated that his preference would be to continue to keep financial budget to actual analysis in Board presentations at a high level and continue to provide Board members with detailed financial statements in handouts.

6. Green Bank IT Support

Mr. Dykes stated that the Green Bank has relied on Connecticut Innovations for a number of back office functions (i.e. IT, HR and accounting). The Green Bank has moved HR and accounting services in-house and are now looking into IT support services. Ms. Glover asked why the green bank is considering leaving CI IT support.

Mr. Dykes explained this is because of support cost and the savings the green bank could save with looking into other IT services. Mr. Hunter added that the staff in Stamford is very dependent on network connectivity links between Rocky Hill and Stamford. Mr. Hunter further explained that the productivity in Stamford is being hampered by slow data transfer and dropped calls caused by the telephone system. A number of issues would be resolved by the proposed plan that Mr. Dykes has drawn up. Mr. Dykes would like the green bank untethered from the infrastructure of CI and transition to a cloud based system that would be less expensive. A discussion ensued. Mr. Klee asked that the staff give it a thorough review as well as Investigate rules regarding cloud based security for a quasi-public agency and prepare a plan to present before bringing to the board. Mr. Hunter stated that information security is a primary concern for him as well and will form a committee to review security. Mr. Farnen explained the security issues of our data with moving to another IT system. Ms. Glover stated she supports the move, but would rather wait a few months. Mr. Klee and Ms. Glover stated they approve of the idea.

Adjournment: Upon a motion made by Ms. Glover, seconded by, Mr. Klee the Budget and Operations Committee members voted unanimously in favor of adjourning the February 25, 2015, meeting at 3:58 p.m.

Respectfully submitted,

Robert Klee, Chairperson of Budget
Committee



Memo

To: Budget and Operations Committee, Connecticut Green Bank

From: Mackey Dykes, Chief Operating Officer

CC: Bryan Garcia, President & CEO

Date: April 20, 2015

Re: Connecticut Green Bank IT Plan

At its February 25, 2015 meeting, the Budget and Operations Committee requested that staff bring forward a plan for the Connecticut Green Bank (CGB) to create a standalone IT capability, separate from its current support from Connecticut Innovations (CI). The following plan will create a modern and cost-effective platform that can adapt quickly to meet the fast-changing needs of the Connecticut Green Bank.

IT Plan

The new CGB IT system will use cloud-based software and platforms and an outsourced support model to avoid building in-house capability. This will allow CGB to maintain flexibility and reduce cost while providing a workplace that is available anywhere and anytime. CGB's main partner in this model will be ADNET, a Connecticut-based company that provides a host of technology support services including technology planning, project design and implementation, monitoring and support, and security and compliance. They have provided a range of services for CI so are uniquely suited, due to their in-depth knowledge of CGB's current IT infrastructure, to help separate and build out a platform to meet CGB's needs and provide ongoing support.

User Support

User support services (commonly called "help desk") will be provided by ADNET. They will provide real-time monitoring of all users' computers and be available remotely to provide support. An engineer will regularly visit the CGB offices, at a schedule to be determined based upon level of need, to address the few problems that require onsite support. CGB will receive quarterly reports and trend analysis to help decide on future IT priorities.

Phones

The current phone system has been an ongoing source of frustration for CGB staff. Users experience issues on a near daily basis due to a complicated network and aging hardware. The current system will be replaced with a cloud-based system that will eliminate the current problems.

System Monitoring and High Level Support

For the hardware still required onsite (firewalls, conference room technology, printers), ADNET and other contracted service providers will provide monitoring and support functions.

Email

CI and CGB have already moved our Exchange email server to a hosted, cloud-based environment. CGB will separate our email licenses and contract directly to continue the same service which has performed well.

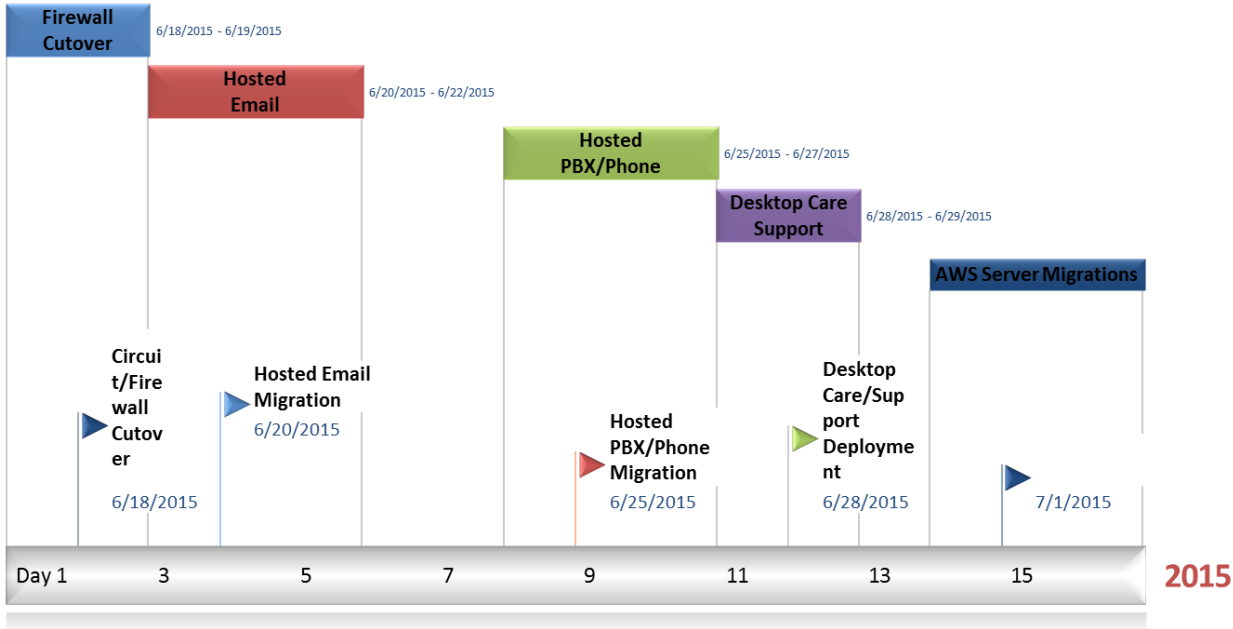
Servers

Hosted, cloud-based servers will be provided through Amazon Web Services (AWS). By utilizing AWS systems, CGB will have access to secure, instantly scalable servers provided by a best-in-class provider. This approach will avoid a costly buildup of onsite hardware and ongoing maintenance cost.

IT Planning

Through contracted CIO services, ADNET will be a partner in continuing to build upon the model that we build, ensuring that CGB is using technology and IT resources to maximize productivity.

Timeline



Cost

Costs are split into two categories, the initial start-up costs (Table 1) and ongoing monthly charges for service and support (Table 2). The system is expected to replace capabilities currently procured from CI for approximately \$250,000, yielding nearly \$90,000 in annual savings. The upfront cost will be recouped in approximately six months.

Table 1. Start-Up Costs

START-UP COSTS				
		Fee/Cost	Count	Total
Email	Hosted Exchange migration	\$ 4,730.00	1	\$ 4,730.00
	Account Setup	\$ 4.48	50	\$ 224.00
Phones	Hosted PBX installation & training			\$ 6,300.00
	Toll free number porting	\$ 10.00	1	\$ 10.00
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	Setup	\$ 2,280.00	1	\$ 2,280.00
Cloud Servers	Setup	\$ 14,605.00	1	\$ 14,605.00
Total				\$ 44,012.58

Table 2. Recurring Costs

RECURRING COSTS					
		Fee	Count	Monthly Total	Annual Total
Email/Digital Communications	Hosted Exchange	\$ 8.96	50	\$ 448.00	\$ 5,376.00
	Microsoft Lync	\$ 10.00	50	\$ 500.00	\$ 6,000.00
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	Managed firewall services	\$ 125.00	4	\$ 500.00	\$ 6,000.00
	Printer Support	\$ 1,000.00	1	\$ 1,000.00	\$ 12,000.00
	On-Site Engineering Support	\$ 500.00	1	\$ 500.00	\$ 6,000.00
	Strategic Consulting	\$ 3,800.00	1	\$ 3,800.00	\$ 45,600.00
Data Lines	Primary Windstream circuit	\$ 1,550.00	1	\$ 1,550.00	\$ 18,600.00
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Total				\$ 13,684.72	\$ 164,216.64

Resolution

RESOLVED, staff is directed to implement the above recommendations and build an independent information technology platform and capability for the Connecticut Green Bank;

RESOLVED, that the Budget and Operations Committee authorizes the Green Bank staff to execute a definitive agreement with ADNET Technologies, LLC based on the terms presented in the memorandum to the Budget and Operations Committee dated April 20, 2015 in an amount not to exceed the amounts outlined in tables 1 and 2 of such memorandum; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect these Resolutions.