

MINUTES

TWO HUNDRED AND FIFTY SECOND MEETING

of the

EXECUTIVE COMMITTEE

of the

MASSACHUSETTS TECHNOLOGY PARK CORPORATION

[OPEN SESSION]

September 28, 2017
Boston, Massachusetts

The Two Hundred and Fifty Second Meeting of the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“Mass Tech Collaborative”) was held on September 28, 2017, at the Massachusetts Technology Collaborative, Two Center Plaza, Suite 200, Boston Massachusetts, pursuant to notice duly given to the Directors and publicly posted on the Mass Tech Collaborative website with corresponding notice provided to the Office of the Secretary of State.

The following members of the Mass Tech Collaborative Executive Committee were present and participated: Secretary of Housing and Economic Development (Jay Ash (represented by Carolyn Kirk of the Executive Office of Housing and Economic Development), Rupa Cornell, Ann Margulies and Mitch Tyson.

The following Mass Tech Collaborative staff was present: Michael Baldino, Brett Campbell, Tim Connelly, Ed Donnelly and Philip Holahan.

The following individuals attended the meeting: Chris Lynch, Matrix Design Group; and Charley Rose, Town of Worthington.

Ms. Kirk observed the presence of a quorum of the Executive Committee and called the meeting to order at 12:42 p.m.

Ms. Kirk reviewed the legal requirements governing public participation at an open meeting of a public body. She stated that: (1) After notifying the Chair, any person may make a video or audio recording of an open session of a meeting of a public body, or may transmit the meeting through any medium, subject to reasonable requirements of the Chair as to the number, placement and operation of equipment used so as not to interfere with the conduct of the meeting. At the beginning of the meeting the Chair shall inform other attendees of any recordings. (2) No person shall address a meeting of a public body without permission of the Chair, and all persons shall, at the request of the Chair, be

silent. No person shall disrupt the proceedings of a meeting of a public body. If, after clear warning from the Chair, a person continues to disrupt the proceedings, the Chair may order the person to withdraw from the meeting and if the person does not withdraw, the Chair may authorize a constable or other officer to remove the person from the meeting. Mr. Rose and Mr. Lynch indicated that they would make audio recordings of the meeting.

Agenda Item I Approval of Minutes

Following a period of brief discussion, and upon a motion duly made and seconded, it was unanimously and without abstention VOTED:

The Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation, acting on behalf of the full Board pursuant to section three of Chapter Forty J of the General Laws of the Commonwealth, hereby adopts the Draft Minutes of the open session of the Two Hundred Fifty First Meeting of the Executive Committee, held on July 27, 2017, in Boston, Massachusetts, as the formal Minutes thereof.

Agenda Item II Report of the Chairperson

Ms. Kirk delivered the report of the Chair. She discussed the cybersecurity forum sponsored by the Mass Tech Collaborative and characterized the event as a “big success.” She thanked the staff for organizing the event within a limited time frame. Ms. Kirk also discussed the Commonwealth’s efforts, being led by EOHE Secretary Jay Ash, to respond to Amazon’s Request for Proposals for a site for Amazon’s second headquarters. She mentioned that the Mass Tech Collaborative is actively supporting this effort along with other quasi-public economic development agencies. Ms. Kirk indicated that Amazon may ultimately hire as many as 50,000 people to work at its second headquarters. She observed that the Mass Tech Collaborative’s extensive involvement with the technology and innovation aspects of the Amazon effort reflects Governor Baker’s confidence in the work being done by the organization. Mr. Connelly noted that there are New England sites that align well with Amazon’s criteria.

Agenda Item III Report of the Executive Director

Mr. Connelly delivered the report of the Executive Director. He noted that he is approaching his one year anniversary at the Mass Tech Collaborative. He reminded the Executive Committee that he came in with the goal of making the organization more vibrant and visible. He indicated that the organization has made substantial progress on these fronts.

Ms. Campbell, at the request of Mr. Connelly, provided a demonstration of the Mass Tech Collaborative’s new website. During the demonstration she highlighted the new business assistance portal and other aspects of the website that demonstrate how it can be used as a tool to support the organization’s initiatives and demonstrate proof

points. During the discussion of the business assistance portal, Executive Committee members provided feedback, which included support for segmenting services based on the business stage of the company and a suggestion that “business assistance” should be rebranded with a different name.

Ms. Campbell explained how the redesign of the website was done on a cost conscious basis. She responded to a question from Mr. Tyson and discussed the use of Google analytics and the reporting capabilities that allow the Mass Tech Collaborative to track website visits. Mr. Tyson indicated that the Mass Tech Collaborative should pursue the objective of coming up as the first result in a Google search for Massachusetts and innovation. Mr. Connelly indicated that staff will be working on a marketing strategy for the website.

Mr. Connelly provided a condensed version of a presentation that he recently made to the staff of the Mass Tech Collaborative that articulated his vision for the direction of the organization. He indicated that the organization has to respond to the challenges posed by a shifting landscape that has seen a proliferation of quasi-governmental entities focused on economic development that has spurred intense competition for scarce state resources. Mr. Connelly also identified the digitization of society as another theme that underscores the need for a nimble, flexible organization like the Mass Tech Collaborative that can work across sectors to address the unique needs of the innovation economy.

Mr. Connelly discussed each of the three pillars of the Mass Tech Collaborative’s strategic approach – business assistance to technology firms, cluster development and ecosystem support and workforce development. Ms. Kirk indicated that the organization’s cluster development focus aligns with Governor Baker’s prioritization of the digital health and cybersecurity sectors. Mr. Tyson advocated for a robust list of sectors, including nascent sectors, that may need business assistance and support. Mr. Connelly concurred with Mr. Tyson but cautioned that the Mass Tech Collaborative has limited resources and funding.

Mr. Connelly discussed how he is reorganizing and deploying the organization’s personnel and resources to support the strategic direction of the organization. He mentioned that he has organized the staff to create “centers of excellence.” He also indicated that he is looking to replicate the executive in residence model that is currently being utilized to support the advanced manufacturing sector. Mr. Connelly mentioned that some employees working in operational support roles are being shifted to direct, outward facing programmatic work. He observed that the operating priorities reflect the change in internal culture and focus and that the work of the staff has galvanized under the banner of “one MTC.” An extensive discussion ensued regarding the Mass Tech Collaborative’s relationship with trade associations and the need for deeper and more coordinated engagement with a smaller group of trade associations.

Agenda Item IV Action Items and Discussion Topics

Mr. Connelly provided a brief overview of the status of appointments to the Mass Tech Collaborative Board of Directors. He noted that the terms of five Directors will be expiring in the coming months, including two Directors that serve on the Executive Committee. Mr. Holahan clarified that a Director with an expired term that has yet to be reappointed continues to serve until he/she resigns or is replaced. Mr. Connelly indicated that potential candidates from Northeastern University and WPI have been identified for private university Board seats. He informed the Executive Committee that Rupa Cornell has agreed to serve on the Personnel and Governance Committee, which has been reconstituted as a subcommittee of the Executive Committee. Mr. Tyson mentioned progress being made by the Long Range Planning Committee and noted that planning is underway for a focus group on industry-university relations. He also indicated that he wants the Long Range Planning Committee to transition from general brainstorming to more focused discussions.

Mr. Donnelly provided an update on the status of Massachusetts Broadband Institute (“MBI”) initiatives, with a particular focus on private provider activities. He reviewed the progress that has been made to provide a pathway forward for partially served and unserved towns in north central and western Massachusetts. Mr. Donnelly made the following key points during his review of broadband solutions that are being implemented: (1) the Broadband Extensions Program is bringing nine partially served towns up to coverage levels that meet or exceed 96%; (2) Comcast is exceeding its contractual commitments under the Broadband Extensions Program by covering an additional 190 premises; (3) Charter is upgrading its network and extending coverage to 100% of the premises in Hinsdale, Lanesborough and West Stockbridge; (4) MBI has made direct grants to Mt. Washington for a fiber-to-the-home project and to Royalston and Warwick for wireless projects; (5) MBI has made grant awards to Comcast and Charter to provide service to six towns under the private provider RFP; (6) nineteen towns are pursuing a municipally-owned broadband network through the Last Mile Infrastructure Grant Program being administered by EOHED; (7) three towns (New Marlborough, Sandisfield and Tolland) have issued a joint procurement for broadband service and are negotiating directly with Frontier Communications; and (8) collectively 86% of the unserved households now have a path forward to broadband access.

Mr. Donnelly noted that there are still approximately 8 unserved towns that do not have a path forward to broadband access. He indicated that MBI is working to identify solutions for the remaining towns that were not previously selected by a private provider and who feel that they do not have the resources and/or capacity to pursue a municipally-owned broadband network.

Mr. Donnelly explained that MBI has worked with the Mass Tech Collaborative legal department to come up with approaches to address the remaining towns. He reviewed the three approaches that will be rolled out in the coming weeks: (1) an Action Plan that lays out a process for engagement with Frontier Communications and the three

towns that conducted a joint procurement for broadband service; (2) a Direction Statement that the Mass Tech Collaborative would execute with Crocker Communications; and (3) the Notice of Funding Availability (“NOFA”) for the new Flexible Grant Program that would be put in place for the second round of private provider grants.

Mr. Donnelly reviewed the key elements of the Frontier Action Plan, which clarifies the responsibilities of each town to identify and complete all legal, regulatory and approval requirements. MBI will publicly post the Action Plan to determine if any other private providers would be willing to offer a proposal that meets or exceeds the proposal made by Frontier. Mr. Donnelly indicated that each town would need to negotiate a broadband services agreement with Frontier and award a cable franchise to Frontier. He clarified that MBI will share the Action Plan with Frontier and the towns after this meeting.

Mr. Donnelly presented the Direction Statement that the Mass Tech Collaborative would execute with Crocker Communications. He noted that there are many similarities between the Frontier and Crocker proposals. Mr. Donnelly mentioned that one of key differences is that Crocker will not commit to the amount of the per premise monthly fee until the cost of make-ready and construction is finalized. Mr. Donnelly indicated that a participating town would have the option to opt out if the monthly per premise fee comes in higher than \$40 - \$50 range. He noted that the town will also have the option to redesign the project to a lower coverage level in order to bring down the amount of the monthly per premise fee. Mr. Donnelly emphasized that there are many steps that would need to be undertaken by a town that is interested in pursuing the Crocker proposal. These actions are identified in the Direction Statement. Mr. Donnelly also observed that the broadband prices proposed by Crocker are competitive with the prices charged by providers in neighboring served towns.

Mr. Donnelly concluded with an overview of the proposed NOFA for the new Flexible Grant Program. He explained that the Flexible Grant Program would be put in place for the second round of private provider grants. Mr. Donnelly noted that the NOFA reflects a more flexible approach that is intended to solicit creative proposals. Mr. Holahan stated that the Flexible Grant Program would implement some significant changes from the first round of private provider grants. In particular, MBI will consider proposals that involve state and municipal funding as well as proposals that provide for coverage levels below 96% (if a town indicates its willingness to consider lower coverage levels). Mr. Holahan also emphasized that MBI may consider proposals from companies that are not as financially robust as the providers that received grants under the first RFP. He discussed the challenges of structuring a grant agreement that mitigates risk and provides appropriate safeguards for the participating towns and the Commonwealth. Mr. Holahan noted that this challenge is exacerbated by the particular nature of broadband infrastructure, which provides essential services but would be owned by a private party.

Following a period of brief discussion, and upon a motion duly made and seconded, it was unanimously VOTED:

The Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“MassTech”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth and upon the recommendation of the Board of Directors of the Massachusetts Broadband Institute (“MBI”), does hereby take the following actions:

- 1. Endorses the publication of the Notice of Funding Availability for the Flexible Grant Program, as presented and as may be amended from time to time by the MassTech Executive Director.**
- 2. Waives the provision of the Last Mile Program Policy** that for a project to be eligible for grant funding from MBI it must propose at least 96% residential coverage. This waiver only applies to those projects under the Flexible Grant Program where a town has expressly indicated its approval of a project offering less than 96% coverage.**

**** The Last Mile Program Policy states in relevant part: “A town is eligible for up to its construction allocation if its project meets or exceeds the goals of the Last Mile Program Policy: The network must be sustainable, attain at least 96% residential coverage of the town residents and the network must offer speeds capable of providing the FCC standard definition for broadband of 25/3 mbps (megabits per second) speeds to each customer. This policy is independent of any technology a town utilizes for its project.”**

Ms. Kirk requested that the Executive Committee convene in executive session to discuss litigation strategy. Ms. Kirk, in her capacity as Chairperson, stated that she would call for a roll call vote of the Executive Committee to go into executive session to discuss strategy with respect to matters involving ongoing disputes in which the Mass Tech Collaborative is currently involved. She stated that the purpose for meeting in executive session to discuss these matters is that discussion of the Mass Tech Collaborative’s strategy with respect to these matters in an open meeting may have a detrimental effect on the litigating position of the Mass Tech Collaborative.

A roll call vote was taken to go into executive session. Ms. Kirk, Ms. Cornell, Ms. Margulies and Mr. Tyson voted in the affirmative to enter into executive session. All staff that was not needed for the litigation strategy discussion and members of the public left the room.

The meeting proceeded in executive session at 2:15 p.m. The proceedings that occurred in executive session are addressed in a separate set of meeting minutes.

Ms. Kirk, in consultation with the members of the Executive Committee, determined that the executive session should conclude at 2:28 p.m. At that point the meeting proceeded in open session.

There being no other business to discuss and upon a motion duly made and seconded, it was unanimously and without abstention voted to adjourn the meeting at 2:29 p.m.

A TRUE COPY

ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – Open Session of the July 27, 2017 Executive Committee meeting
2. Presentation – Mass Tech Collaborative – Framework for Moving Ahead
3. Presentation – Update on MBI Broadband Extensions Program and Last Mile Towns and Private Provider Activities
4. Presentation – MassTech Website 2.0
5. Motion – Approval of Publication of Notice of Funding Availability for the Flexible Grant Program
6. Draft Action Plan – Frontier Communications Proposal to the Towns of New Marlborough, Sandisfield and Tolland
7. Draft Direction Statement – Joint Proposal by Crocker Communications and Fujitsu Network Communications
8. Draft Notice of Funding Availability for the Flexible Grant Program