

MINUTES

TWO HUNDRED AND SIXTY THIRD MEETING

of the

EXECUTIVE COMMITTEE

of the

MASSACHUSETTS TECHNOLOGY PARK CORPORATION

November 6, 2019
Boston, Massachusetts

The Two Hundred and Sixty Third Meeting of the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“Mass Tech Collaborative”) was held on November 6, 2019, at the Massachusetts Technology Collaborative, Two Center Plaza, 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 Mike Kennealy (represented by Damon Cox of the Executive Office of Housing and Economic Development), Julie Chen, Alexandra Drane, Pamela Reeve and Christina Royal (participated by phone due to geographic distance).

The following Mass Tech Collaborative Staff was present: Carolyn Kirk, Michael Baldino, Lisa Erlandson, Stephanie Helm, Kelly Kleanthous, Holly Lucas Murphy, Brian Noyes, Jennifer Saubermann, Laurance Stuntz and Brianna Wehrs.

The following individuals attended the meeting: Jonathan Cosco, Executive Office of Housing and Economic Development; and Ketav Patel, Executive of Housing and Economic Development.

Mr. Cox observed the presence of a quorum of the Executive Committee and called the meeting to order at 2:38 p.m.

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 portion of the Two Hundred and Sixty Second Meeting of the Executive Committee, held on June 13, 2019, in Boston Massachusetts as the formal Minutes thereof.

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 executive session portion of the Two Hundred and Sixty Second Meeting of the Executive Committee, held on June 13, 2019, in Boston Massachusetts as the formal Minutes thereof.

Agenda Item II Report of the Chairperson

Mr. Cox delivered the report of the Chairperson. He noted that his colleagues at the Executive Office of Housing and Economic Development (“EOHED”), Jonathan Cosco and Ketav Patel, were attending the meeting to be available to answer questions regarding the Connect America Fund agenda item. Mr. Cox discussed the new statewide economic development plan that was recently approved and has been sent to Governor Baker for his signature. He noted that the plan was informed by listening sessions that were held on a variety of topics at locations across the Commonwealth. Mr. Cox thanked Ms. Kirk for the help of the Mass Tech Collaborative team with this endeavor. He then mentioned the work done for Cyber Week, commending Ms. Helm, as well as the activity around FinTech and Artificial Intelligence (“AI”). He stated that the idea of establishing an AI center in Massachusetts has been proposed to the Department of Defense (“DoD”). Mr. Cox stated that, based upon the resources in the Commonwealth, there is a compelling argument to be made to the DoD to locate an AI center here.

Agenda Item III Report of the Executive Director

Ms. Kirk delivered the report of the Executive Director. She discussed her participation in a pitch visit to Dallas, Texas, that included Ms. Chen, to attract a company to relocate to Massachusetts. Attendees were limited, and EOHED requested Ms. Kirk’s participation, which reflects the view of Mass Tech Collaborative as a key player in the innovation space. During the pitch visit Ms. Chen addressed the strength of the talent pool in Massachusetts. The Massachusetts delegation was one of four states that presented along with Virginia, Arizona and Texas. Ms. Kirk and Ms. Reeve discussed the Massachusetts value proposition, with an emphasis on how Massachusetts is not an off-the-shelf partner but customizes an approach based on what is needed. It is harder to package, but the value is “off the charts”.

It was noted that the same strengths were evident in the DoD meetings regarding the AI center and we received affirmation that no other state put forward the a

comparable combination of resources as Massachusetts did. Mr. Cox stated that the Mass Tech Collaborative was at the tip of the spear in organizing a companion meeting involving Governor Baker and industry leaders. Ms. Drane discussed the government-to-citizen approach to public-private partnerships that seeks to create win-win situations that promote the development of business infrastructure and government infrastructure.

Ms. Kirk then provided a brief overview of some current Mass Tech Collaborative activities, including (i) the creation of a working group for each vertical that was addressed in the study that Jasmijn Rompa presented at the last Board of Directors meeting; (ii) publication of the 2019 Index of the Innovation Economy with the goal of making the content more dynamic in future editions if the appropriate resources are available to support this type of effort; (3) approval of the initial awards under the Tech Talent Diversity Initiative; and (iv) the Mass Tech Collaborative's support for a robotics block party in the Seaport District of Boston that attracted over 2,000 attendees. Mr. Cox asked the Executive Committee members to think about options to make the Index a more dynamic report. Ms. Reeve suggested that Board members receive advance notice of events like the robotics block party, which would enable Board members to promote the events to members of their respective professional networks.

At the request of Ms. Kirk, Mr. Stuntz discussed recent developments within the Massachusetts eHealth Institute ("MeHI"). Mr. Stuntz mentioned the expansion of the Digital Health Sandbox Network to include three new sites in Boston, Cambridge and Springfield. He also indicated that MeHI will be launching the Right Care 4 You Grant Program, which will fund pilot projects by digital health companies that will help to reduce employer's healthcare costs while getting employees into the correct healthcare setting.

Ms. Kirk provided a brief overview of advanced manufacturing activities. She mentioned that there is a strong pipeline of projects for M2I2 that were presented to the Advisory Board last month. She informed the Executive Committee that there is a strong interest in formally establishing a Center for Advanced Manufacturing at the Mass Tech Collaborative. Ms. Kirk discussed a DoD grant proposal that is under development. She indicated that advanced manufacturing is a priority for Secretary Kennealy.

Ms. Kirk discussed two MBI events: (i) Governor Baker's trip out to Blandford last month for a "core bore" make-ready site event; and (ii) the upcoming event in Montgomery on November 26 to celebrate the completion of a network by Comcast that will provide broadband access to the town. She wrapped her report by sharing photos from the successful events that the Mass Tech Collaborative convened during Massachusetts Cybersecurity Week. Ms. Kirk noted that MassCyberCenter Director Stephanie Helm will provide a more detailed update on the center's activities later in the meeting.

**Agenda Item IV Approval Item – Massachusetts Broadband Institute –
Material Modifications to Connect America Fund Phase
II Support Authorization**

Mr. Baldino presented a recommendation to approve material modifications to the motion that was previously approved by the Executive Committee on December 17, 2018, authorizing the Executive Director to undertake a series of actions relative to securing federal Connect America Fund II (“CAF II”) monies. He provided a brief update on the status of the 44 unserved towns and stated that New Braintree is the only unserved town that does not have a path forward to a broadband solution. He also informed the Executive Committee that 16 towns (including the 9 broadband extension towns) have networks that are fully operational and another 9 towns have networks that are still under construction but have started to offer broadband service on a rolling basis as the buildout progresses.

Mr. Baldino briefly reviewed the background of the Mass Tech Collaborative’s involvement in assisting Westfield Gas and Electric (“WG&E”) to comply with the Federal Communications Commission’s requirements for winning CAF II bidders. He reminded the Executive Committee that WG&E would receive approximately \$10 million in federal CAF II funds over 10 years and that the funding would be used by the unserved towns that are incurring debt to build municipally-owned broadband networks. These towns are also receiving a grant from EOHED and will use the CAF II funds to reduce their debt service obligations.

Mr. Baldino explained that the Mass Tech Collaborative’s role, as requested by EOHED, is primarily to provide to provide funding support in two ways: (1) deposit approximately \$1 million in a collateral account for a letter of credit that will be issued by Berkshire Bank and to pay the costs and fees charged by Berkshire Bank to issue and maintain the letter of credit; and (2) reimburse WG&E for some of its out-of-pocket expenses incurred to apply for and administer the CAF II funds. He noted that WG&E has indicated that they are prohibited from utilizing ratepayer funds or borrowing funds to meet their CAF II obligations.

Mr. Baldino stated that there have been material changes to the Mass Tech Collaborative’s role that requires staff to obtain an updated authorization from the Executive Committee: (1) the Commonwealth has determined that bond funds cannot be used to fund the collateral account at Berkshire Bank, therefore the Mass Tech Collaborative now proposes to use corporate reserves for this purpose; (2) the Mass Tech Collaborative will essentially be serving as a guarantor for the letter of credit pursuant to the terms of its agreement with Berkshire Bank; and (3) WG&E is seeking reimbursement for all of its out-of-pocket expenses. WG&E’s current estimate of out-of-pocket expenses is \$137,000. Mr. Baldino indicated that the Mass Tech Collaborative’s exposure should be relatively limited in its role as guarantor based on the fact that all of the municipally-owned broadband projects are underway, which substantially reduces the risk that the CAF II buildout milestones will not be reached.

During the ensuing discussion, Mr. Baldino and Mr. Cosco responded to questions from Executive Committee members and clarified that WG&E will distribute the CAF II funds to the unserved towns after the letter of credit is no longer needed and that each town will have completed construction of its project by that time. Therefore, the CAF II funds will be used by the towns to reduce debt service. Mr. Baldino also clarified that each town will make its own determination as to whether WG&E will serve as the network operator for the town's municipally-owned broadband network. He noted that WG&E is currently serving as the owner's project manager for these projects. Mr. Baldino also stated that WG&E will indemnify the Mass Tech Collaborative and that the Mass Tech Collaborative will determine the appropriate approach to address the role of the City of Westfield after learning that the City will be the party that will open and maintain the collateral account to which the CAF II funds will be deposited.

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 ("MassTech") pursuant to the request of the Executive Office of Housing and Economic Development ("EOHED") does hereby delegate to the MassTech Executive Director the full authority to take all necessary steps and actions, associated with (1) the issuance and maintenance of a standby letter of credit ("LOC") to be issued by Berkshire Bank, that is currently estimated to be a maximum amount of \$8,000,000, for the benefit of the Federal Communications Commission ("FCC") or is designee, the Universal Service Administrative Company, in connection with the award of Connect America Phase II ("CAF II") federal funds by the FCC to Westfield Gas and Electric ("WG&E") to support the deployment of broadband infrastructure in unserved towns in western Massachusetts ("Towns"); and (2) all other matters that are directly related to securing the CAF II funding for the benefit of the Towns. The adoption of this resolution by the Executive Committee of the Board of Directors supersedes the prior resolution adopted by the Executive Committee of the MassTech Board of Directors on December 17, 2018.

The actions authorized herein shall include, without limitation:

- **Executing the LOC in a form that complies with FCC requirements and related certificates, instruments and documents required during the term of the LOC by Berkshire Bank in connection with the issuance and maintenance of the LOC, including a Pledge and Reimbursement Agreement (collectively referred to as "Credit Documents");**
- **Establishing a collateral account in amount equal to 100% of the initial face amount of the LOC at the time of issuance plus an excess deposit of 5% of the initial face amount of the LOC, such aggregate amount currently estimated to be approximately \$1,085,000, to be funded from MassTech's corporate reserves in the Enterprise Fund;**

- **Payment of all fees, costs and expenses assigned to MassTech by Berkshire Bank pursuant to the terms of the LOC and Credit Documents (“Berkshire Bank Costs and Fees);**
- **Fulfilling all obligations and responsibilities in order to maintain the LOC for the required time period and amount(s), including, but not limited to, matters associated with renewing the LOC and/or amending the LOC, as may be necessary from time to time;**
- **Executing an agreement with WG&E and/or the City of Westfield that sets forth the relative rights, responsibilities and obligations of each party relative to the LOC, including the obligation of MassTech to reimburse WG&E for reasonable third party, out-of-pocket expenses associated with the application, awarding and management of CAF II funds, which are currently estimated at \$137,000 (“WG&E Administrative Costs”); and**
- **Modifying MassTech’s Fiscal Year 2020 budget to the extent necessary to accommodate the expenditures authorized herein.**

The Executive Committee of the Board of Directors acknowledges: (1) that the Pledge and Reimbursement Agreement provides Berkshire Bank with the legal right to recover funds from MassTech in the event that the collateral accounts of MassTech and WG&E are insufficient to cover one or more draws on the LOC; and (2) funding for MassTech’s obligations hereunder, to the extent that such expenditures are not reimbursed by Massachusetts Broadband Institute bond funds, may be paid in whole or in part from Enterprise Fund monies. However, the Executive Committee is acting in reliance on EOHEd’s representations that MassTech shall be reimbursed from Massachusetts Broadband Institute bond funds or another source of state funds for payments associated with Berkshire Bank Costs and Fees and WG&E Administrative Costs.

Agenda Item V MassCyberCenter Update

Ms. Helm provide an update on activities undertaken by the MassCyberCenter since 2018, including hiring resiliency and outreach managers, working with the NGA on a Cybersecurity Policy Workshop to improve the cybersecurity readiness of towns and cities, the awarding of three cybersecurity talent grants (Greater New Bedford Workforce Board, Bay Path University, and STEMatch), continuing to convene the Cyber Resilient Massachusetts Working Group, the development of new online resources, the development of a PSA focused on staying safe online, and hosting a series of events during the inaugural Massachusetts Cybersecurity Week, including the annual Cybersecurity Forum. Ms. Helm reviewed the MassCyberCenter’s mission, the three strategy pillars and the 2020 work plan.

During the ensuing discussion, Ms. Helm responded to a question from Ms. Drane and noted that there are organizations, such as Apprenti, that are involved in retraining

adults who want to get back into the workforce, including caregivers. She also responded to a question from Ms. Chen and clarified that existing cybersecurity training programs are tracking the effectiveness of their efforts. There was an extensive discussion of the challenges facing Bay Path University in getting small businesses to sign up for a cybersecurity assessment that would be conducted by Bay Path undergraduate and graduate students. There was speculation that smaller companies may be concerned about the cost of implementing the findings/recommendations in the assessment and the potential liability if the findings/recommendations are not implemented and cyber risks are not addressed. The discussion also addressed options to make cyber assessments more attractive, such as breakfast meetings to explain benefits along with some general guidance and strategies that would make cyber assessments less daunting.

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 4:03 p.m.

A TRUE COPY

ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes for the open session portion of the June 13, 2019, Mass Tech Collaborative Executive Committee Meeting
2. Draft Minutes for the executive session portion of the June 13, 2019, Mass Tech Collaborative Executive Committee Meeting
3. Presentation – Executive Director’s Report
4. Approval Item – Massachusetts Broadband Institute – Material Modifications to Connect America Fund Phase II Support Authorization
5. Pre-Reading for the MassCyberCenter Update
6. Presentation – MassCyberCenter Update