

MINUTES

TWO HUNDRED AND FIFTY EIGHTH MEETING

of the

EXECUTIVE COMMITTEE

of the

MASSACHUSETTS TECHNOLOGY PARK CORPORATION

September 11, 2018
Boston, Massachusetts

The Two Hundred and Fifty Eighth Meeting of the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“Mass Tech Collaborative”) was held on September 11, 2018, 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 Damon Cox of the Executive Office of Housing and Economic Development or “EOHED”), Rupa Cornell, Alexandra Drane, Anne Margulies and Pam Reeve.

The following additional Mass Tech Collaborative Directors attended the meeting: Julie Chen.

The following Mass Tech Collaborative staff was present: Michael Baldino, Lisa Erlandson, Mary Rose Greenough, Stephanie Helm, Philip Holahan, Pat Larkin, Brian Noyes, Jennifer Saubermann and Laurance Stuntz.

The following individuals attended the meeting: Helena Fruscio Altsman, EOHED; Chip Bull, Town of Petersham; Jennifer Carlson, Apprenti; Peter Larkin, EOHED; and Chris Lynch, Matrix Design Group.

Mr. Cox observed the presence of a quorum of the Executive Committee and called the meeting to order at 12:40 p.m.

Mr. Cox reviewed the legal requirements governing public participation at an open meeting of a public body. He 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.

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 Fifty Seventh Meeting of the Executive Committee, held on June 18, 2018, in Boston, Massachusetts, as the formal Minutes thereof.

Agenda Item II Report of the Chairperson

Mr. Cox delivered the report of the Chairperson. He informed the Executive Committee that Carolyn Kirk was not in attendance at the meeting due to the recent passing of her mother. He mentioned that all of MassTech's thought and prayers are with Ms. Kirk. Mr. Cox discussed recent personnel changes at EOHEd and recognized Ms. Altsman for her continued contributions to the work of EOHEd. He introduced Stephanie Helm, who was recently hired to serve as the Director of the MassCyberCenter. Ms. Helm discussed her background and the final preparations for the upcoming Cyber Forum, which will be held on September 27. Mr. Cox also provided a brief update on the search for a new Executive Director and noted that a promising candidate had emerged from the initial stages of the search process and had met with Secretary Ash.

Agenda Item III Report of the Interim Executive Director

The report of the Interim Executive Director was deferred.

Agenda Item IV Action Items and Discussion Topics

Ms. Greenough introduced Jennifer Carlson, the Executive Director of Apprenti. Ms. Greenough indicated that Apprenti is an innovative apprenticeship program for technology careers that was piloted in Washington State and has expanded into nine other states. She discussed the proposed partnership between MassTech and Apprenti, which

has the strong support of the Baker-Polito Administration. Ms. Greenough invited Ms. Carlson to discuss the Apprenti Program. Ms. Carlson explained that Apprenti was founded to close the technology talent gap and improve minority representation in the technology workforce. She discussed the expansion of Apprenti, the structure of its registered apprenticeship program, and the goal of “train to retain”.

During the ensuing discussion, Ms. Greenough explained that MassTech is working out the details to house three Apprenti staff in MassTech’s Boston office. She indicated that the partnership with Apprenti creates a powerful synergy with MassTech’s workforce activities. Ms. Connelly responded to a question from Ms. Chen and clarified that Apprenti typically adopts industry-specific certification standards. She cited platform-based certifications in the software industry as an example. Ms. Carlson responded to a question from Ms. Cornell and explained Apprenti’s mandatory diversity requirements. Mr. Cox expressed strong support for the partnership with Apprenti on behalf of EOHED and highlighted the value that Apprenti will bring to the Commonwealth by filling gaps in the ecosystem. The discussion concluded with an explanation of Apprenti’s funding sources and business model.

Ms. Greenough presented a recommendation to approve certain actions related to the state appropriation line item that MassTech has received to support the work of the Massachusetts Computing Attainment Network (“MassCAN”). She explained the two elements of the proposed motion. The first element involves a \$220,000 grant to the Education Development Center (“EDC”) that has a match requirement that has been satisfied. The funding would reimburse the EDC for expenses that they have incurred as the administrative agent for MassCAN. The second element involves a transfer of the remaining Fiscal Year 2018 MassCAN line item funds to the Executive Office of Education (“EoE”). Ms. Greenough noted that EoE feels that it is a more appropriate home for MassCAN based on the alignment with EoE’s core mission. She discussed the difficulties that MassTech has encountered in implementing the MassCAN appropriation and indicated that MassTech staff is supportive of the proposed transfer to EoE.

Following a period of brief discussion, and upon a revised 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”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby delegate to the Executive Director the authority to take the following actions, as presented:

- 1. Enter into an agreement with the Education Development Center (“EDC”) and expend up to \$222,000 from Line Item 7007-1202 in the Commonwealth’s Fiscal Year 2018 budget (“FY18 Line Item”) to the EDC, which serves as the administrative agent for the Massachusetts Computing Attainment Network (“MassCAN”), to support the development and implementation of a plan to promote and**

establish computer science education in public schools as required by Section 6I of Chapter 40J of the Massachusetts General Laws (“MassCAN Statute”); and

- 2. Enter into an agreement with the Executive Office of Education (“EoE”) to transfer the remaining FY18 Line Item funds to EoE and assign responsibility to EoE to manage the disbursement of such funds pursuant to the requirements imposed by the FY18 Line Item and the MassCAN Statute. The agreement with EoE shall require that EoE assume primary responsibility for complying with and implementing the provisions of the FY18 Line Item and the MassCAN Statute, including but not limited to, matching funds and reporting requirements.**

Ms. Erlandson presented a recommendation to modify the positions designated as authorized banking representatives to include the Assistant Controller when the position of Controller is vacant. Ms. Erlandson explained that the Controller’s position became vacant when she was promoted to Chief Financial Officer. She stated that there is no intention to backfill the Controller position at the present time. Ms. Erlandson clarified that she will work with MassTech’s audit firm, RSM, to ensure that appropriate controls and protocols will continue to be in place to reflect the updated roster of authorized banking representatives.

Following a period of brief discussion, and upon a revised 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”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby certify that each of the individuals listed herein (each of which shall be referred to as an “Authorized Banking Representative”) shall have the authority to act on behalf of MassTech in all matters pertaining to the depository accounts of MassTech, including the authority to sign, endorse or otherwise authorize payments, transfers and withdrawals, and including the authority to sign, endorse, negotiate, and collect any and all checks, drafts, notes, bills of exchange, acceptances, undertakings and other instruments or other orders for the payment, transfer or withdrawal of money; provided that the Authorized Banking Representative’s ability to act alone as a signatory is limited to transactions that do not exceed \$5,000. The signature of two Authorized Banking Representatives shall be required for any transaction that exceeds \$5,000.

The employees serving in the following positions shall constitute the Corporation’s Authorized Banking Representatives:

- Executive Director**
- Deputy Executive Director**

- **Chief Financial and Administrative Officer**
- **Controller/Assistant Controller***

***The Assistant Controller position shall be delegated the authority of an Authorized Banking Representative during times when the Controller position is open.**

Peter Larkin presented a recommendation to approve a grant award to the Town of Petersham to support the development of a broadband network that will be designed, constructed, owned and operated by Matrix Design Group. He indicated that this proposed grant award is the first of three Massachusetts Broadband Institute (“MBI”) agenda items that were reviewed and approved last week by the MBI Board of Directors. Mr. Larkin reviewed the history and background of the Petersham broadband project and described the key characteristics of the proposed network. He noted that Petersham executed a broadband services agreement with Matrix in October of 2017. He highlighted important provisions in that agreement, including the town’s option to purchase the network, the obligation of the town to pay for make-ready work and transfer the pole licenses to Matrix, and the contractual right that Matrix obtained to permissively assign the agreement to a special purposed entity formed by Matrix.

Mr. Larkin reviewed the material grant agreement terms that are being proposed by staff, including: (1) the grant agreement will be executed with Petersham and the grant funds will be paid directly to Petersham; (2) the Payment in Arrears guidelines established by the MBI Board of Directors will be applied (which require that the grant funding shall be paid in one lump sum after the project is completed); and (3) specific provisions have been included to address the operational risk associated with the project – (i) Matrix must provide the town with a security interest in the network assets, including fiber and network equipment; (ii) in the event of an assignment, Matrix must either provide a parental guaranty or a performance or financial guaranty bond approved by MassTech; and (iii) the town must agree to enforce its contractual rights if Matrix breaches the broadband services agreement or allow MassTech to step into the town’s shoes and enforce the agreement.

During the ensuing discussion Mr. Larkin emphasized that MassTech and MBI did not perform and legal, technical or financial due diligence on the project and are deferring to the town’s judgement, determinations and request for grant funding. Mr. Larkin explained that this was a critical element of the approval by the MBI Board of Directors and that the motion adopted by the MBI Board of Directors was amended to capture this point.

Mr. Bull, a representative of the Town of Petersham, was offered the opportunity to address the Executive Committee and provide remarks regarding the proposed broadband project. Mr. Bull discussed Petersham’s strong support for the project; the high pre-subscription rate (approximately 75%) that includes cash deposits that are being held in escrow by the Town Treasurer; the circumstances in the town that make it financial prohibitive to build a municipally-owned broadband network; the significant

investment in the project being made by Matrix; the town's contractual option to purchase the network from Matrix; and the status of make-ready work and the overall project schedule.

Following a period of brief discussion, and upon a revised 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”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby authorize the MassTech Executive Director to execute a grant agreement with the Town of Petersham (“Town”) for an award under the Flexible Grant Program Notice of Funding Availability for Innovative Approaches to Provide Broadband Service to Unserved Towns in Western Massachusetts (NOFA No. 2018-MBI-01) and to expend funds in accordance with the following conditions and parameters:

- 1. A grant award to the Town that shall not exceed \$880,000 for a privately owned fiber-to-the-premises broadband network that shall provide access to broadband service to the Town and shall be designed, constructed and operated by Matrix Design Group, Inc. (the “Project”)**
- 2. The final amount of the grant award shall be subject to the review and approval of the Secretary of the Executive Office of Housing and Economic Development.**
- 3. The grant agreement with the Town shall incorporate the provisions of the Payment in Arrears Guidelines, as approved by the MBI Board of Directors.**

This authorization is made in accordance with the recommendation of the Board of Directors of the Massachusetts Broadband Institute and is based solely on the Town's request and the representations and determinations made by the Town regarding the Project.

After the vote, Mr. Bull thanked the Executive Committee for its support. Peter Larkin presented a recommendation to approve a grant award to Charter Communications under the Flexible Grant Program. The grant award would support the buildout of a network that would provide broadband service for the residents of the Town of New Marlborough. He indicated that Charter is expected to achieve at least 96% coverage of residential premises on public roads. Mr. Larkin noted that the grant amount requested by Charter exceeds the amount of the MBI allocation for New Marlborough. He reviewed the funding mechanism that has been developed by the Division of Local Services that will allow the Commonwealth to close funding gaps for cable provider projects. He explained that the Commonwealth will commit to the supplemental funding provided that the town executes a separate agreement agreeing to repay half of the supplemental funding amount to the Commonwealth over a ten year period through

“cherry sheet” reductions. Mr. Larkin noted that the total public investment is well below MBI’s estimate of \$4.7 million to build a municipally-owned fiber-to-the-home network in New Marlborough. Mr. Larkin responded to a question from Ms. Chen and clarified that Charter is assuming all of the operational risk associated with the project.

Following a period of brief discussion, and upon a revised 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”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby authorize the MassTech Executive Director to execute a grant agreement with Charter Communications for an award under the Flexible Grant Program Notice of Funding Availability for Innovative Approaches to Provide Broadband Service to Unserved Towns in Western Massachusetts (NOFA No. 2018-MBI-01) and to expend funds in accordance with the following conditions and parameters, as recommended by the Board of Directors of the Massachusetts Broadband Institute (the “MBI”):

- 1. A grant award to Charter that shall not exceed \$3,150,000 for a privately owned and operated broadband network that shall provide access to broadband service to the Town of New Marlborough (“Town”) and shall consist of two components:**
 - Up to \$1,710,000, which represents the full amount of the MBI allocation from the Massachusetts Broadband Incentive Fund for a last mile broadband solution for the Town; and**
 - Up to \$1,440,000 in additional state bond funds to be provided by the Executive Office of Housing and Economic Development (“Supplemental Funding”)**
- 2. The final amount of the grant award shall be subject to the review and approval of the Secretary of the Executive Office of Housing and Economic Development.**
- 3. The expenditure of grant funds pursuant to this award shall be contingent upon satisfaction of the following conditions:**
 - Execution of an agreement between the Commonwealth (currently anticipated to be represented by EOHEd) and the Town relative to the obligation of the Town to repay fifty percent of the Supplemental Funding amount to the Commonwealth; and**
 - Execution of a cable television license agreement by Charter and the Town.**

Peter Larkin presented a recommendation to award a \$100,000 grant to the Town of Princeton to reimburse a portion of the make-ready costs incurred by the town. He noted that the town initially approved borrowing for construction of a municipally-owned broadband network and spent a considerable amount of money on make-ready work in furtherance of that objective. However, town officials reconsidered their options when MBI released the initial private provider solicitation and Charter and Comcast submitted proposals to serve the town, which ultimately led to the awarding of a cable franchise to Charter. Mr. Larkin indicated that the recommended grant of \$100,000 recognizes that the town acted in good faith in authorizing the make-ready work while also acknowledging that the town benefitted from selecting Charter, which resulted in 100% coverage, no additional town investment and the elimination of operating risk. Mr. Larkin assured the members of the Executive Committee that the Princeton situation is unique and that the grant award, if approved, will not set a precedent because there are no other towns in a similar situation.

Following a period of brief discussion, and upon a revised 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”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby authorize the MassTech Executive Director to execute a grant agreement with the Town of Princeton in an amount that shall not exceed \$100,000, as recommended by the Board of Directors of the Massachusetts Broadband Institute (the “MBI”), to reimburse the Town for costs incurred for make-ready work that was performed on utility poles prior to MBI’s issuance of the Request for Proposals for Last Mile Grants to Provide Broadband Service to Unserved Towns in Western Massachusetts (RFP No. 2017-MBI-02), which resulted in a grant award to Charter Communications to provide broadband service to the Town.

Mr. Larkin and Mr. Baldino provided a brief update on the status of broadband activities and projects being supported by MBI and EOHEd. Mr. Cox reminded Board members that they are invited to the Cyber Forum that will be held on September 27.

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 2:12 p.m.

A TRUE COPY
ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – Open Session of the June 18, 2016 Executive Committee meeting
2. Presentation – Apprenti Partnership Proposal for Discussion

3. Presentation – Approval Item – MassCAN Funding and Transfer to Executive Office of Education
4. Presentation – Approval Item – Modifications to Banking Authorization
5. Presentation – MBI Approval Items
 - a. Flexible Grant Program – Town of Petersham Fiber-to-the-Home Network
 - b. Flexible Grant Program – Charter – Broadband Service for Town of New Marlborough
 - c. Town of Princeton – Grant for Partial Reimbursement of Make-Ready Costs
6. Presentation – MBI Status Update