

MINUTES

Massachusetts Broadband Institute Board of Directors Meeting

December 2, 2021

Proposed Motion

The Board of Directors of the Massachusetts Broadband Institute hereby adopts the Draft Minutes of the Seventieth Meeting of the Board of Directors held on December 2, 2021 by Zoom video conference, as the formal Minutes thereof.

MINUTES

SEVENTIETH MEETING

of the

BOARD OF DIRECTORS

of the

MASSACHUSETTS BROADBAND INSTITUTE

December 2, 2021

Zoom Videoconference

The Seventieth Meeting of the Board of Directors of the Massachusetts Broadband Institute (“MBI”) was held on December 2, 2021, via Zoom videoconference, pursuant to notice duly given to the Directors and publicly posted on the MBI website with corresponding notice provided to the Office of the Secretary of State and the Executive Office for Administration and Finance.

The following members of the MBI Board of Directors attended the meeting: Secretary of Housing and Economic Development Mike Kennealy (represented by Peter Larkin of the Executive Office of Housing and Economic Development), Paul Peter Nicolai, Donald Dubendorf, Linda Dunlavy, Fred Keator, Karen Charles Peterson, Michael Heffernan (represented by Sean Cronin of the Division of Local Services), Carolyn Kirk, and David Clark.

Also in attendance were: Ashley Stolba, Undersecretary of Community Development, Executive Office of Housing and Economic Development; William Ennen, Implementation Liaison, Executive Office of Housing and Economic Development; Lindsay DeRoche, Director, Competition Division, Massachusetts Department of Telecommunications & Cable; and Guy Wilkinson, Prakash Ganesh and Matthew Biller of KPMG.

The following Mass Tech Collaborative staff was present: Michael Baldino, Carolyn Kirk, Brianna Wehrs, Brian Noyes, Lisa Erlandson, Cynthia Gaines, Jennifer Saubermann, Kelly Kleanthous, Rosemary Scrivens, Colin McDonald, Natalie Camacho, and Cornell Robinson.

Mr. Larkin observed the presence of a quorum of the MBI Board of Directors and called the meeting to order at 1:02 p.m.

Agenda Item I Approval of Minutes

Following a period of brief discussion and upon a motion duly made and seconded, it was VOTED by a roll call vote:

The Board of Directors of the Massachusetts Broadband Institute hereby adopts the Draft Minutes of the Sixty Ninth Meeting of the MBI Board of Directors held on June 11, 2021 by Zoom video conference as a joint meeting with the Board of Directors of the Massachusetts Technology Park Corporation, as the formal Minutes thereof as to the sections of said Minutes that relate to matters within the purview of the MBI Board of Directors.

[Mr. Keator joined the meeting at 1:07 p.m.]

[Ms. Charles Peterson joined the meeting at 1:09 p.m.]

Agenda Item II Report of the MBI Board of Directors Chairperson

Mr. Larkin turned his time over to Ms. Stolba for an update. Ms. Stolba informed the Board that the House and Senate agreed to a plan to spend a portion of the Commonwealth's allocation of State Fiscal Recovery Funds from the American Rescue Plan ("ARPA") funding. While not the full \$100 million for broadband programs requested by the Governor, Ms. Stolba said that the plan did provide for \$50 million. She stated she is excited and motivated to continue to work with MBI. In addition, Ms. Stolba spoke about the recently awarded federal Economic Development Administration ("EDA") Planning Grant, which will be used by MBI for a statewide broadband data collection and mapping effort. She also mentioned other sources of federal funding for broadband, including the ARPA Capital Projects Fund, which may also be used for broadband. Mr. Larkin thanked Ms. Stolba and turned the floor over to Mr. Baldino.

Agenda Item III MassBroadband 123 Planning Update

Mr. Baldino informed the Board that they are joined today by team members from KPMG, who will provide an overview of the work they have done to date assisting MBI with its middle mile disposition planning and due diligence efforts. Mr. Baldino stated MBI is fully engaged and moving forward with a process to determine the disposition of the MassBroadband 123 network ("Network") that is consistent with the approach previously presented to the Board in June by Ms. Kirk. Since the last MBI Board meeting Mr. Baldino indicated that MBI has prequalified consultants and law firms, engaged with NTIA, continued to fill information gaps, engaged KPMG to develop a detailed roadmap for the activities that will lead to the development and implementation of a disposition recommendation for of the Network (the "Roadmap"), and is in the process of finalizing the selection of an outside law firm. Before turning the floor over to KPMG, Mr. Baldino was then asked about any potential claw back by the federal government in the event the network is sold, to which Mr. Baldino promised a follow-up answer at the next meeting regarding the amount of the federal interest. A brief discussion around pricing considerations ensued. He then turned the meeting over to KPMG.

Mr. Wilkinson provided introductions and an overview of KPMG's qualifications and experience working with other governmental agencies in Massachusetts. Mr. Wilkinson clarified that pricing considerations mentioned previously would be part of the

KPMG analysis. Mr. Ganesh discussed some of KPMG's history working on public-private partnerships. And finally Mr. Biller provided an overview of the Roadmap, explaining the key phases and the transition process. Mr. Biller and Mr. Ganesh then discussed in detail the Phase 1A work done to date, including an options analysis and market analysis. Mr. Biller stated that KPMG was helping MBI identify and evaluate a multitude of options based on considerations that are driven by MBI's policy objectives.

A discussion ensued regarding various aspects of the Roadmap and the Phase 1A deliverables. Mr. Ganesh clarified that the market engagement activities in Phase 1B will involve outreach to firms that would potentially be interested in operating or purchasing the Network. Mr. Nicolai asked how policy imperatives were being considered in the evaluation, as the Network was built by the Commonwealth for various factors that were not market driven. Mr. Biller explained that the purpose of KPMG's initial analysis is to qualify the asset base and figure out objectively how an efficient middle mile network should operate, and explore what Mass Tech's options are. Mr. Biller and Mr. Baldino assured the members of the Board that policy considerations would be wrapped into the goals and objectives criteria. As the discussion continued, Mr. Dubendorf concurred with Mr. Nicolai's observations and reiterated that policy priorities should inform our view of the economics and financial considerations associated with the deal structure for the Network.

Mr. Wilkinson, Mr. Ganesh, Mr. Biller and Mr. Clark left the meeting at 2 p.m.

Agenda Item IV Professional Service Awards and MBI Fiscal Year 2022 Budget Modification – Consulting and Legal Services – Disposition of MassBroadband 123 Network (Motion Item)

Mr. Baldino then presented a request for approval for additional funding for consulting and legal services to support the network disposition process as detailed in the KPMG Roadmap. He explained Mass Tech selected KPMG to create the Roadmap initially, but have been so impressed with their work on the Phase 1A deliverables that Mass Tech now wishes to contract with KPMG for the balance of the services needed. Mr. Baldino clarified that the additional funding sought for KPMG would support Mass Tech through the end of due diligence, working with the outside law firm in drafting the complex procurement documents and preliminary drafts of agreements and a portion of the Phase 2 procurement work. Mr. Baldino explained that Mass Tech has already contracted with the Executive Office of Housing and Economic Development ("EOHED") for \$1,011,500 for funding for professional services to support the middle mile disposition work in FY22, and we are now looking for authority for Ms. Kirk to contract up to that amount. Mr. Baldino then clarified that Mass Tech expect to come back to the Board before the end of FY22 with a request for a substantial amount of additional funding for consulting and legal services. He indicated that the cost of exploring both a sale of the network and a new network operating agreement is contributing to the overall cost of services. After a discussion of the procurement and EOHED processes, it was also explained that Ms. Saubermann has selected outside counsel.

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

The Board of Directors of the Massachusetts Broadband Institute (“MBI”) does hereby recommend that the Board of Directors of the Massachusetts Technology Park Corporation (“MassTech”):

- 1. Amend the Fiscal Year 2022 Budget for MBI, approved by the Executive Committee of the MassTech Board of Directors on June 24, 2021, by increasing MBI’s Fiscal Year 2022 Professional Fees line item by \$750,000 for a total amount of \$1,011,500, to be used for consulting and legal services related to the Middle Mile Network; and**
- 2. Delegate authority to MassTech’s Executive Director to expend an amount not to exceed \$1,005,000 for consulting and legal services related to the Middle Mile Network during Fiscal Year 2022.**

Agenda Item V Grant Award – Comcast – Extension of Coverage in the Town of Bernardston (Motion Item)

Mr. Baldino next asked for the Board’s support for a grant to extend Comcast’s existing network in Bernardston. He explained that Bernardston was in the final group of towns that was considered for eligibility under the 2015 Broadband Extension Program. The goal of the program was to expand broadband access to at least 96% in towns that had substantial gaps in coverage. After review MBI determined at that time that the town met the threshold and was not eligible for funding under the Broadband Extension Program. Bernardston has, however, recently begun to prepare for discussions with Comcast regarding renewal of the cable license agreement, and they believe they are only at 94% coverage. MBI has determined that it would be appropriate to invest MBI bond funds to ensure that Bernardston passes the 96% coverage threshold. Based on the proposal from Comcast, coverage would be approximately 98%, and the total project cost would be \$372,000, shared by Comcast (\$74,000), Bernardston (\$60,000), and MBI (\$238,000). MBI will provide a grant of \$298,000 to Comcast, and Bernardston will reimburse MBI for their share of the project costs. MBI’s grant to Comcast will be contingent upon Comcast and Bernardston executing a renewal of the cable television license agreement.

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

The Board of Directors of the Massachusetts Broadband Institute (“MBI”) does hereby recommend that the Board of Directors of the Massachusetts Technology Park Corporation (“MassTech”) authorize the MassTech Executive Director to execute a grant agreement with Comcast in an amount not to exceed \$298,000 to extend Comcast’s broadband network in the Town of Bernardston (the “Town”), as presented. The grant agreement shall provide for the expenditure of funds from the Massachusetts Broadband

Incentive Fund to support broadband service availability through a privately owned and operated network. The expenditure of grant funds pursuant to this award shall be contingent upon execution of a cable television license agreement renewal by Comcast and the Town.

**Agenda Item VI Flexible Grant Award – Charter – Coverage for Premises
Omitted from Federal Funding Award – Towns of Royalston
and Warwick (Motion Item)**

Mr. Baldino then discussed the proposed grant to Charter to serve the towns of Royalston and Warwick. Mr. Baldino explained that Charter has submitted winning bids under the Federal Communications Commission’s Rural Digital Opportunity Fund (“RDOF”) to build, own, and operate networks that will provide broadband service to the Towns of Royalston and Warwick. The federal RDOF awards will, however, leave some premises unserved. He stated that MBI has not expended the full amount of each town’s allocation and seeks to fund the grant award to Charter from a portion of the remaining uncommitted funds. Mr. Baldino then indicated that each Town’s Selectboard voted to accept the Charter proposal and has requested that MBI commit a portion of its remaining funding allocation for a grant to Charter to reach 100% coverage in each town. When asked what would stop other towns from coming forward and also asking for 100% coverage, it was explained that this situation can be distinguished because each Town has funds remaining from their MBI allocation and federal funding is being leveraged for the vast majority of the project costs.

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

The Board of Directors of the Massachusetts Broadband Institute (“MBI”) does hereby recommend that the Board of Directors of the Massachusetts Technology Park Corporation (“MassTech”) authorize the MassTech Executive Director to execute a grant agreement with Charter Communications (“Charter”) in an amount not to exceed \$220,690 to extend Charter’s broadband network in the Towns of Royalston and Warwick (the “Towns”) that will be constructed with federal funds to reach premises that would not otherwise be covered through the federal award, as presented. The grant agreement shall provide for the expenditure of funds from the Massachusetts Broadband Incentive Fund to support broadband service availability through a privately owned and operated network. The expenditure of grant funds for each Town pursuant to this award shall be contingent upon the execution of a cable television license agreement by Charter and the Towns.

Agenda Item VII Broadband Updates: Last Mile Programs; Economic Recovery Initiatives / Digital Equity Projects; Federal Funding Developments

Mr. Larkin proceeded with Report of the Chair. Regarding Last Mile towns, he stated that every Last Mile town now has a path forward to broadband access, and today 50 of the 53 Last Mile towns have at least some subscribers receiving service. Mr. Larkin noted that the four-town, fixed wireless project being developed by WiValley continues to be behind schedule. He also mentioned that installations in municipal fiber-to-the-premise (“FTTP”) towns are proceeding at a satisfactory pace. Mr. Larkin then recognized Mr. Ennen for his work with the municipal FTTP towns, as well as Mr. Baldino and Ms. Saubermann for their efforts in moving things forward with EOHEd on private provider projects. Mr. Ennen indicated that he along with Mr. Robinson are winding down the make ready working group process. Mr. Larkin then turned the floor over to Mr. Baldino.

Mr. Baldino provided an update on MBI’s work to implement broadband projects under Governor Baker’s Covid-19 Economic Recovery Plan. He noted that MBI is funding pilot projects to identify models for digital equity projects that can be scaled and replicated with the significant federal funding coming to the Commonwealth. Mr. Baldino reviewed tactics and lessons learned, and discussed the status of the Mass Internet Connect Program with MassHire that addresses the technology barriers of unemployed and underemployed job seekers. He mentioned that more 3,900 job seekers have been supported through the Mass Internet Connect program with a combination of free internet access, a Chromebook and access to digital literacy resources, depending on each job seeker’s needs. Mr. Baldino reviewed the results of a survey conducted with MassHire of Mass Internet Connect participants that demonstrates that the support received has been viewed as very beneficial by the job seekers. For example, many job seekers felt that having a Chromebook was a game changer in developing a resume and searching and applying for jobs. Mr. Baldino also informed the Board that MBI will be launching a pilot with MassHire whereby MassHire staff will be trained to be digital navigators to provide one-on-one support to job seekers.

Mr. Baldino also discussed the digital equity regional partnerships in place with Essex County Community Foundation (“ECCF”) and Metropolitan Area Planning Council (“MAPC”), where MBI is working with grantees to support projects in 14 out of 26 Gateway Cities. He briefly mentioned some of the digital equity projects that are being supported by MBI, including: (1) a wireless access project that will provide free residential internet access to the residents of the Point neighborhood in Salem; (2) a partnership with Citizens Inn to support homeless families transitioning to permanent housing by providing a cellular hotspot and a device; (3) telehealth navigators in two community health centers; (4) WiFi upgrades at public libraries in Gateway Cities; and (5) wireless access projects to provide free internet access to public housing residents.

With regard to federal funding for broadband, Mr. Baldino stated that unprecedented federal funding will soon be available for broadband through ARPA’s

Capital Projects Fund, and the federal Infrastructure Investments and Jobs Act. Mr. Baldino also indicated that Mass Tech is working closely with EOHED on broadband data collection and mapping to identify quality issues and gaps in coverage, and that the planning grant received from the EDA will jumpstart this process. Ms. Kirk noted that Ms. Wehrs, Mass Tech's Chief of Staff, has taken on a new role to work with MBI on broadband initiatives and acknowledged all the work Mr. Baldino and Ms. Wehrs have done.

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 2:33 p.m.

A TRUE COPY

ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – June 21, 2021, MBI Board of Directors Meeting
2. Presentation- MassBroadband 123 Planning Update
3. Presentation/Approval Item- Professional Service Awards and MBI Fiscal Year 2022 Budget Modification – Consulting and Legal Services – Disposition of MassBroadband 123 Network (motion item)
4. Presentation/Approval Item - Grant Award – Comcast – Extension of Coverage in the Town of Bernardston (motion item)
5. Presentation/Approval Item - Grant Award – Charter – Coverage for Premises Omitted from Federal Funding Award – Towns of Royalston and Warwick (motion item)
6. Presentation- Broadband Updates