

APPROVED MINUTES

SEVENTY FIRST MEETING

of the

BOARD OF DIRECTORS

of the

MASSACHUSETTS BROADBAND INSTITUTE

April 7, 2022

Zoom Videoconference

The Seventy First Meeting of the Board of Directors of the Massachusetts Broadband Institute (“MBI”) was held on April 7, 2022, 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), Don Dubendorf, Linda Dunlavy, Paul Nicolai, Sean Cronin, Karen Charles Peterson, Fred Keator, Carolyn Kirk, and David Clark.

Also in attendance were: Ashley Stolba, Undersecretary of Community Development, Executive Office of Housing and Economic Development; Helena Fruscio Altsman, Assistant Secretary of Program and Performance Management, Executive Office of Housing and Economic Development; Lindsay DeRoche, Director, Competition Division, Massachusetts Department of Telecommunications & Cable.

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, Josh Eichen, and Cornell Robinson.

Mr. Larkin took the attendance by roll call, observed the presence of a quorum of the MBI Board of Directors and called the meeting to order at 10:05 a.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 Seventieth Meeting of the MBI Board of

Directors held on December 2, 2021, by Zoom video conference, as the formal Minutes thereof.

Agenda Item II Report of the MBI Board of Directors Chairperson

Mr. Larkin next provided a Last Mile update, stating that at the end of March, Governor Baker and Lt. Governor Polito participated in an event in Holyoke to celebrate the completion of Make Ready work after four years of collaboration and partnership among utilities, service providers, construction contractors, and state agencies, including the Executive Office of Housing and Economic Development (“EOHED”), MBI and the Department of Telecommunications & Cable (“DTC”). The Make Ready work has impacted approximately 40,000 utility poles, allowing for the installation of 2,000 miles of fiber optic cable across the 53 Last Mile towns. As of today, 40 Last Mile towns are completed, including the 9 partial cable towns, and we expect at least 9 additional unserved towns will be completed by the end of the year.

Regarding MBI’s digital equity activities, Mr. Larkin explained that MBI will soon be announcing a digital equity partnership grant to Tech Goes Home. This grant will support devices, digital literacy, and internet connectivity for low income households that have barriers to broadband adoption. In addition, the grant will support Tech Goes Home’s expansion to a new, to be determined Gateway City partner next year. In addition he stated that MBI has partnered with the National Digital Inclusion Alliance (“NDIA”) and MassHire to train MassHire career counselors to serve as digital navigators, who will provide one-on-one digital literacy support for unemployed job seekers. This pilot project was launched in January with three MassHire Career Centers. He noted that MBI also continues to work with Essex County Community Foundation (“ECCF”) and the Metropolitan Area Planning Council (“MAPC”) to implement digital equity and wireless access projects. The newest project with ECCF is a partnership with Lawrence CommunityWorks to support a neighborhood-based wireless network that will provide free, in home internet access for approximately 1,200 households. MBI has also approved the initial low income internet access project with MAPC that will provide free WiFi internet access to certain Chelsea Housing Authority residents. And finally, Mr. Larkin stated that Josh Eichen has joined the MBI team as Partnerships Program Manager. Josh comes from MAPC and he will be leading MBI’s digital equity work.

Mr. Larkin next gave an update regarding Broadband Data Mapping, stating that at December’s MBI Board meeting, MassTech announced that EOHED and MBI will be leading a statewide mapping and data collection effort to identify areas that do not have broadband access and areas where there may be deficiencies in quality of service. This effort will also help target federal funding investments to areas that lack reliable, high quality service. Following a RFP release in January, MBI has selected AppGeo, working with Connected Nation, as the consultant to support the broadband mapping and data collection. Meanwhile, EOHED and MBI have had initial meetings with Comcast, Charter, and Verizon on coverage data. MassTech expects to release a statewide coverage map this fall.

Ms. Stolba then presented an update on federal broadband funding, explaining that Governor Baker signed the Legislature's bill that included \$50 million in American Rescue Plan Act ("ARPA") funds for digital equity in order to close the digital divide, and EOHED is working closely with MBI and the Executive Office for Administration and Finance to get those funds out the door. She explained they primarily want to build off MBI's successful COVID-19 digital equity programs, and she thanked MassTech for working on the program documents to implement the funding. Several questions were raised by Board members regarding the use of federal funds to reimburse Last Mile Towns for debt they have already incurred for buildouts of municipally-owned networks and whether overbuilds can be supported with federal broadband dollars.

Agenda Item III MassBroadband 123 Planning Update

(David Clark left the meeting at 11:00 a.m.)

Ms. Kirk then provided the members with an update on the status of the MassBroadband 123 Network ("Network"). She stated the following:

- The current Network Operating Agreement is expiring in August 2023 necessitating an evaluation of options for the Network going forward.
- With budget approvals from the MBI Board and the Mass Tech Executive Committee in December 2021, Mass Tech engaged KPMG and outside counsel to assist in robust due diligence evaluation of disposition options.
- KPMG and outside counsel have provided extensive analysis to date and have identified significant impediments to pursuing a Network sale, which we have reviewed thoroughly.
- Internal briefings have been held with EOHED leadership and Counsel from the Governor's office, and there is widespread support for the MBI recommendation to proceed with a single path procurement towards securing a new Network Operator Agreement.

When asked about this proposed course of action, Ms. Kirk explained that the best way to achieve MassTech's public policy goals is to maintain ownership of the Network.

Ms. Kirk then discussed the key findings from KPMG and outside counsel that support the decision to move from a dual track procurement process (sale and new network operating agreement) and focus solely on a new network operator agreement. These include the fact that there are too many external factors out of Mass Tech and EOHED's control to effectuate a successful sale in the timeframe needed; an uncertain outcome based on statutory requirements associated with a sale; the ability to implement contractual mechanisms, such as performance standards, in a new network operator

agreement to advance public policy objectives; the transition timeframe for a new operator agreement, if required, is more realistic and controllable; and competitively selecting an operator maximizes today's Network opportunities. There was a brief period of discussion regarding whether the private market might be better at owning and operating the Network; acknowledging that we need more disclosure from a network operator on the financial structure of network operations; and that a new agreement should attempt to address the affordability of broadband access for end users in the region. There was also discussion about the viability of a hybrid approach that incorporates a sale of a portion of the Network and opportunities to incentivize capital investment in the Network.

Ms. Erlandson then provided some high level insights regarding the current financial structure of the network. Mr. Baldino and Ms. Saubermann next provided an overview of the work done to date by MassTech's consultants and outside counsel and presented the key objectives for each through the end of the fiscal year.

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 by Executive Committee of the MassTech Board of Directors on June 24, 2021, and further amended on December 2, 2021, by increasing MBI's Fiscal Year 2022 Professional Fees line item by \$850,000, 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 additional amount not to exceed \$850,000 for consulting and legal services related to the Middle Mile Network during Fiscal Year 2022.**

Mr. Dubendorf asked whether an endorsement by the MBI Board of Directors of the selected path forward on the middle mile procurement would be helpful. After a brief period of discussion, and upon a motion duly made and seconded, it was VOTED by a roll call vote, with Mr. Nicolai and Mr. Keator voting in the negative:

The Board of Directors of the Massachusetts Broadband Institute ("MBI") does hereby endorse the pathway recommended and presented to the MBI Board to pursue a single-path procurement for a new network operating agreement for the Middle Mile Network.

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 11:22 a.m.

A TRUE COPY
ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – December 2, 2021, MBI Board of Directors Meeting
2. Presentation/Approval Item- MassBroadband 123 Planning Update- Increase in Professional Service Awards–Disposition of MassBroadband 123 Network (motion item)