

MINUTES

SIXTY SECOND MEETING

of the

BOARD OF DIRECTORS

of the

MASSACHUSETTS BROADBAND INSTITUTE

April 12, 2019

Worthington, Massachusetts

The Sixty Second Meeting of the Board of Directors of the Massachusetts Broadband Institute (“MBI”) was held on April 12, 2019, at the Worthington Town Hall, 160 Huntington Rd, Worthington, MA 01098, 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.

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), Massachusetts Technology Collaborative Executive Director Carolyn Kirk, Linda Dunlavy, Don Dubendorf, Frederick Keator, Paul Nicolai, and DTC Commissioner Karen Charles Peterson (represented by Lindsay DeRoche of the Department of Telecommunications and Cable. .

The following Massachusetts Technology Collaborative (“MassTech”) staff was present: Michael Baldino, Marybeth Dixon, Carolyn Kirk, Kelly Kleanthous and Cornell Robinson.

The following individuals attended the meeting: State Representative Natalie Blais; Bill Ennen, Executive Office of Housing and Economic Development; former State Representative Stephen Kulik; Suzanne Kulik; Charley Rose, Town of Worthington.

Mr. Larkin observed the presence of a quorum of the MBI Board of Directors and called the meeting to order at 11:05 a.m. All participants introduced themselves and stated their name and affiliation.

Agenda Item I Approval of Minutes

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

The Board of Directors of the Massachusetts Broadband Institute hereby adopts the Draft Minutes of the open session portion of the Sixty First Meeting of the Board of Directors held on December 11, 2018, in Westborough, Massachusetts, as the formal Minutes thereof.

Agenda Item II Report of the MBI Board of Directors Chairperson

The report of the Chairperson was waived.

Agenda Item III MBI Appreciation Award- The Honorable Stephen Kulik

In recognition of former State Representative Stephen Kulik's efforts to expand broadband services throughout Western Massachusetts, Mr. Larkin presented to Mr. Kulik citations from the legislature and Governor Baker and an award from MBI. Mr. Larkin discussed their overlapping tenures as State Representatives. Mr. Larkin also referenced the strong leadership and guidance that Mr. Kulik provided and his central role in securing appropriate funding for MBI's efforts. Mr. Kulik expressed his gratitude for the recognition and thanked the MBI Board of Directors for its hard work and contributions to bringing broadband access to the region. He mentioned that he dealt with broadband issues every day during the last decade of his tenure as a State Representative. Mr. Kulik cited as a turning point the leadership of Governor Baker in 2016 to move away from the one size fits all approach to a more flexible approach that has allowed each unserved town to determine the approach that would best meet its needs.

Agenda Item IV Discussion and Action Items

Ms. Kirk provided an update on changes at MassTech, beginning with her appointment as Executive Director. She noted that broadband efforts are still split between the work performed by the Executive Office of Housing and Economic Development ("EOHED") in overseeing the grants for municipally-owned broadband networks and the work performed by MBI in overseeing the grants to private provider, such as Comcast and Charter. Ms. Kirk then stated that she had formed and chairs a broadband leadership team with Mr. Ennen, Mr. Larkin, Mr. Baldino, Ms. Dixon, Mr. Robinson and Ms. Gaines that allows MBI and EOHED to come together and work as a single unit on all broadband issues.

Ms. Kirk then recommended that the MBI Board of Directors approve the appointment of Michael Baldino as the Director of the Massachusetts Broadband Institute. Ms. Kirk stated that she has worked closely with Mr. Baldino on broadband issues during the past three years and referenced his positive contributions to MBI's work. At the request of Ms. Kirk, Mr. Baldino discussed his background. He shared his enthusiasm to take on the position of MBI Director and expressed appreciation to Ms. Kirk for her confidence in him. Mr. Baldino enumerated his qualifications for the position, stating he has worked at MassTech for the past 23 ½ years in the capacity of Associate General Counsel. In that capacity he has worked extensively on MBI matters since its creation in 2008. Mr. Baldino was appointed MBI Acting Director and General Counsel in January 2019 by Ms. Kirk. Mr.

Baldino indicated that he has always worked in public service, and came to MassTech from the Massachusetts Legislature.

Mr. Nicolai inquired about the open MassTech General Counsel position. Ms. Kirk stated that Mr. Baldino will continue handling all MBI legal matters as MBI General Counsel, and that Jennifer Saubermann will continue in her role as Acting MassTech General Counsel to handle other MassTech legal matters. Mr. Baldino and Ms. Saubermann report directly to Ms. Kirk, and will work together as needed.

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

The Board of Directors of the Massachusetts Broadband Institute does hereby approve the appointment by the Executive Director of the Massachusetts Technology Park Corporation of Michael Baldino to serve as the Director of the Massachusetts Broadband Institute, subject to the terms and conditions of employment for Mr. Baldino as shall be established from time-to-time by the Executive Director.

Mr. Larkin then presented a recommendation to approve a Flexible Grant Program award to Comcast to provide broadband service for the Town of Middlefield. Mr. Larkin provided an overview of the key elements of the proposal that Comcast submitted to MBI. He noted that Comcast would provide coverage of at least 96% of residential premises in Middlefield contingent on (1) premises being accessible by existing utility pole lines or underground conduit located within the town's borders; and (2) Comcast's ability to obtain easements or necessary permits from property owner(s). Mr. Nicolai asked the status of the cable television licensing process in Middlefield. Mr. Larkin clarified that the final step was for Middlefield to hold a public hearing. He noted that Comcast and Middlefield had already reached agreement on the terms and conditions for the cable television license agreement.

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

The Board of Directors of the Massachusetts Broadband Institute (the "MBI") does hereby recommend that the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation ("MassTech") authorize the MassTech Executive Director to execute a grant agreement with Comcast 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 Comcast that shall not exceed \$1,007,680 for a privately owned and operated broadband network that shall provide access to broadband service to the Town of Middlefield ("Town") and shall consist of two components:**

- **Up to \$545,000 which represents the remaining amount of the MBI allocation from the Massachusetts Broadband Incentive Fund for a last mile broadband solution for the Town; and**
 - **Up to \$462,680 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 Comcast and the Town.**

Mr. Larkin and Mr. Ennen provided a status update on Last Mile programs and activities. Mr. Larkin noted that his presentation was recently used for a broadband briefing for members of the Western Massachusetts legislative delegation. Mr. Ennen provided an update on the status of the towns receiving grants from EOHEd to pursue a municipally-owned broadband network. He informed the MBI Board of Directors that Westfield Gas and Electric was a winning bidder in the CAF II reverse auction and was close to receiving final approval from the Federal Communications Commission (“FCC”) for funding of approximately \$10 million over ten years for over twenty census blocks. Mr. Ennen discussed the FCC’s long form application process and the steps taken by Westfield Gas and Electric to qualify as an Eligible Telecommunications Carrier. He clarified that the CAF II funding will vary by town, with some towns benefitting more than others. He noted that the towns plan to use the funding to defray a portion of their debt service obligations. Mr. Ennen also discussed the timing of the municipal buildouts and mentioned towns that have incurred higher than expected make-ready costs that will qualify for financial relief from the contingency fund established by EOHEd.

Mr. Larkin reminded everyone of the starting point of 44 completely unserved towns and 9 underserved towns and the goal of achieving 96% coverage in each town. Mr. Larkin then asked everyone to think about where we started in relation to how far the Commonwealth’s efforts have come. He discussed the range of pathways that are supported by a tapestry of funding and contract models. Mr. Larkin highlighted that 15 towns have broadband networks that are fully operational and another 5 towns have broadband networks that are partially operational and have begun to serve subscribers.

Mr. Baldino then discussed the status of the fixed wireless network that will serve the Towns of Florida, Hawley, Monroe and Savoy. He informed the MBI Board of Directors that MBI issued a notice to proceed to WiValley for Phases 1 and 1A of the project. He mentioned that significant progress has already been made, including the installation of a key tower in Savoy. Mr. Dubendorf noted the remoteness of towns such as Monroe, and Mr. Baldino stated that the only way these towns could come up with a viable solution was to band together. Ms. Dunlavy asked if the first hut was going up on Borden Mountain. Mr. Baldino stated that Borden Mountain was in Phase 1A and that much of the work was dependent on receiving approvals from DCR. Mr. Larkin concluded the update by noting that MBI has presented Action Plans to the Towns of Egremont and Monterey to pursue the further buildout of broadband networks by Fiber Connect.

Mr. Robinson provided an update on the status of MBI and EOHED's make-ready coordination efforts and MBI's development of an integrated make-ready schedule. He provided a history of how the make-ready efforts had gotten to this point, including weekly working group meetings with all key stakeholders, regular meetings with the Lieutenant Governor and quarterly make-ready summits. Mr. Robinson discussed the challenges of making progress with the utilities and the breakthrough that occurred at the meeting hosted by Governor Baker in January that resulted in a directive from the Governor to create a comprehensive make-ready schedule with estimated completion dates provided by the utilities for each last mile town.

During the ensuing discussion, Mr. Keator asked what the penalty would be if a utility missed a deadline and finished late. Mr. Robinson and Ms. Kirk noted that make-ready progress is being closely tracked by the Governor and Lieutenant Governor, however there would be no tangible consequences or penalties, just "public shaming." It was noted that the Lieutenant Governor reviews the integrated schedule every month and holds a conference call with executives from each utility company. Mr. Robinson discussed how the utilities could work almost in tandem; for example while Verizon is setting poles, Eversource can shadow them and jump right in as soon as Verizon is done.

Mr. Dubendorf expressed frustration about the make-ready costs imposed by the utilities, stating that the utilities were utilizing public monies to replace aging infrastructure. Mr. Dubendorf and Mr. Nicolai inquired about the prospects for statutory or regulatory reforms to the make-ready process. Ms. Kirk noted that this problem is not unique to Massachusetts and Mr. DeRoche identified obstacles to regulatory reform. Mr. Ennen noted that EOHED has worked with Westfield Gas and Electric on a "red pole" analysis process that has yielded approximately \$760,000 in make-ready savings. Mr. Robinson concluded by noting that the next step in the evolution of the integrated schedule is to add estimated construction time frames and this process was underway.

After the conclusion of Mr. Robinson's update, Ms. Dunlavy stated that the MBI Board of Directors needs to think about how to help transform last mile towns after the broadband infrastructure is constructed and being deployed. She highlighted the challenge of leveraging this new infrastructure to generate benefits across a wide spectrum, including economic development, housing, education and health care. Mr. Nicolai concurred and

shared his perspective that broadband utilization is a statewide issue. There was general agreement that we need to move beyond anecdotal evidence and track outcomes on a quantitative basis. Representative Blais inquired about opportunities to provide technical assistance to small business owners. Mr. Larkin stated that MBI may be able to expand its portfolio in this direction to address broadband adoption and utilization challenges.

At the conclusion of the meeting there was a brief discussion of the MassBroadband 123 middle network and Mr. Nicolai and Mr. Keator addressed the need for the development of a business plan.

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 12:39 p.m.

A TRUE COPY

ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – Open Session of the December 17, 2018 MBI Board of Directors meeting
2. Presentation – MBI Approval Items
 - a. Appointment of MBI Director
 - b. Flexible Grant Program Award to Comcast to provide broadband service to the Town of Middlefield
3. Presentation – MBI Status Report
4. Integrated Make-Ready Schedule