

# MINUTES

## *TWO HUNDRED AND SIXTY SEVENTH MEETING*

of the

## EXECUTIVE COMMITTEE

of the

## MASSACHUSETTS TECHNOLOGY PARK CORPORATION

June 18, 2020  
Zoom Videoconference

The Two Hundred Sixty Seventh Meeting of the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation was held on June 18, 2020, via Zoom videoconference 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), Anne Margulies, Alexandra Drane, Rupa Cornell, Pam Reeve, Julie Chen and Christina Royal.

The following members of the Mass Tech Collaborative Board of Directors were present and participated: Commissioner of Higher Education Carlos Santiago (represented by Tye Brady of Amazon Robotics), Jay Desai and Nate Walton.

The following members of the Mass Tech Collaborative staff were present: Carolyn Kirk, Jennifer Saubermann, Michael Baldino, Laurance Stuntz, Pat Larkin, Lisa Erlandson, Brianna Wehrs, Stephanie Helm, Brian Noyes, Farhad Vazehgoo, Holly Lucas Murphy, James Byrnes and Kelly Kleanthous.

Mr. Cox observed the presence of quorum of the Executive Committee and called the Meeting to order at 2:02 p.m.

### **Agenda Item I      Approval of Minutes**

After a period of 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 One Hundred and Sixty Sixth Meeting of the Executive Committee, held on April 7, 2020 via Zoom teleconference, as the formal Minutes thereof.**

**Agenda Item II Report of the Chairperson**

Mr. Cox delivered the report of the Chairperson. He opened the meeting by discussing updates on the COVID-19 situation in the Commonwealth, stating that the initial portion of the Phase 2 reopening has started. Mr. Cox then indicated that Ms. Kirk's successor at the Executive Office of Housing and Economic Development, Tim McGourthy, has left to become the Chief Financial Officer for the City of Worcester. Mr. McGourthy had also been serving as the Acting Chief Executive Officer of the Life Sciences Center. Mr. Cox announced that he will take over as the acting CEO for the Life Sciences Center. Finally Mr. Cox discussed the Governor's Economic Development Bill and indicated that the deadline for action on the bill has been extended to July 15, 2020.

**Agenda Item III Report of the Executive Director**

Ms. Kirk delivered the report of the Executive Director. She welcomed Nate Walton, the newest member of the Mass Tech Collaborative Board of Directors. Ms. Kirk discussed the Mass Tech Collaborative's current remote work arrangement for staff due to the COVID-19 pandemic. She indicated that a working group has been formed to develop a control plan that will include an eventual phased return and reopening of the Mass Tech Collaborative's offices. Ms. Kirk noted that she does not expect any of the buildings to reopen until after Labor Day. Ms. Kirk also discussed the Commonwealth's Manufacturing Emergency Response Team (M-ERT). She indicated that the M-ERT is transitioning to M-ERT 2.0 but is still supporting pivoting manufacturers. Ms. Kirk stated that the M-ERT has been responsible for saving or retaining 1,000 manufacturing jobs and has resulting in the manufacture of more than four million items of personal protective equipment. She wrapped her report with a discussion of the Intrapreneur Challenge, which is aimed at smaller manufacturers that are too small to pivot and scale up but want to do something to help address COVID-19 challenges.

**Agenda Item IV FY21 Budget Review and Discussion**

Ms. Kirk and Ms. Erlandson, with the support of division directors, presented the Mass Tech Collaborative's proposed Fiscal Year 2021 budget. Ms. Kirk noted that the Finance and Audit Committee had reviewed the proposed budget in great detail and unanimously recommended the budget for final approval by the Executive Committee subject to one modification, which has been addressed.

The following key points emerged during the presentation of the budget and group discussion: (1) The proposed budget incorporates a funding scenario based on the \$4.8 million in appropriations for the Mass Tech Collaborative in the Governor's proposed budget for the Commonwealth; (2) The final appropriation amounts for the Mass Tech Collaborative are likely to change and may be reduced, however the legislature has not yet taken any action on the Commonwealth's FY21 budget; (3) Ms. Kirk will come back to the Executive Committee regarding any needed changes to the budget after the Commonwealth's FY21 budget is finalized;

(4) Ms. Kirk has instituted a hiring freeze and a conservative approach to financial assistance awards; (5) Ms. Kirk explained that the expense budget of approximately \$12.9 million covers the cost to “keep the lights on”, which does not include financial assistance awards, and the expense offsets, including revenues, that fully cover the expense budget; (6) it was clarified that the expense budget includes additional FTEs to address the additional programmatic responsibilities for the Mass Tech Collaborative if the Economic Development Bill is enacted in its current form; (7) Ms. Kirk explained the proposed financial assistance award budget of approximately \$11.4 million and mentioned that there is greater certainty around the ability to fund awards with capital dollars, such as the R&D grants; (8) Ms. Kirk highlighted the budget uncertainties associated with the proposed “break even” FY21 budget and potential areas where modifications could be made if appropriation levels are reduced; (9) Ms. Kirk shared her perspective that she prefers to avoid balancing the budget with one-time funding, except in extraordinary circumstances, which could include the current COVID-19 situation; (9) Ms. Kirk, in response to a question from Ms. Cornell, indicated that productivity and morale remain high despite everyone working remotely and the hiring freeze; (10) Ms. Kirk, in response to a question from Mr. Brady, discussed the Mass Tech Collaborative’s response to the Administration’s mandate to focus on COVID-19 related programs and initiatives, including the M-ERT and the Massachusetts Broadband Institute’s WiFi Hotspot Program; and (11) Mr. Cox concurred with Mr. Brady’s suggestion that it would be helpful to develop a post-COVID-19 budget scenario.

The following key points emerged during the division director commentaries: (1) Mr. Vazehgoo discussed the Center for Advanced Manufacturing and explained that the proposed increase in operating expenses from the prior fiscal year is primarily tied to an increase in headcount, professional fees and other activities associated with increased programmatic activity, including the MassBridge program and efforts to pursue certain federal funding opportunities; (2) Ms. Kirk clarified that two new positions can be funded with the revenues from the MassBridge contract; (3) Ms. Kirk, Ms. Murphy and Ms. Erlandson presented the Central Staff and Program Support budget and focus areas; (4) it was clarified that Central Office/Program Support costs are allocated across the divisions; (5) Ms. Kirk discussed the need to create new staff positions for governmental relations and communications to keep up with the growing needs of the Mass Tech Collaborative and its divisions; (6) Ms. Drane initiated a discussion about efforts to address racial inequities, including support for minority-owned businesses; (7) Ms. Kirk and Ms. Murphy discussed the pending rollout of unconscious bias training, the diversity of the Mass Tech Collaborative workforce, and the organization’s tracking of Affirmative Action metrics, which have not triggered placement goals; (8) Mr. Larkin discussed Innovation Institute activities and investments to promote diversity in the tech sector; (9) Ms. Saubermann highlighted the reduction in expenses associated with outside legal counsel; (10) Mr. Larkin reviewed the Innovation Institute budget and priorities and noted that the budget contemplates two new positions that would be tied to the Economic Development Bill; (11) Mr. Larkin reviewed a wide range of COVID-19 programming being supported by the Innovation Institute as well as efforts to support tech firms to consolidate supply chains in the Commonwealth; (12) Mr. Larkin also discussed the trend of Innovation Institute investments being driven by specialty funds; (13) Mr. Stuntz reviewed the Massachusetts eHealth Institute (“MeHI”) budget and priorities and noted that much of MeHI’s budget is funded through contracts with the bulk of the staff supporting the MassHIway and Medicaid contracts; (14) Mr.

Stuntz noted that he has had success transitioning some of the Medicaid staff to work on other MeHI programs; (15) It was noted that MeHI's largest program is the Sandbox Program and that half of the grant funding under this program in FY21 will be allocated to address COVID-19 solutions; (16) Mr. Baldino presented the Massachusetts Broadband Institute ("MBI") budget and priorities and noted that headcount is steady and that the drop in professional fees reflects the reduction in outside counsel legal costs; (17) Mr. Baldino discussed the steps that are underway to plan for the future of the MassBroadband 123 network, which will include engaging a consultant to support this process; (18) Mr. Baldino noted that MBI forecasts that an additional 13 unserved towns will have fully operational networks by the end of FY21; (18) Ms. Helm presented the MassCyberCenter budget and priorities and she indicated that the biggest FY21 expense would be associated with planning and implementation of the Cybersecurity Month activities and the Cyber Forum; and (19) Ms. Helm discussed the need to hire an additional program manager and her plan to increase the MassCyberCenter's participation in national and international cyber events.

The budget presentation wrapped up with Ms. Erlandson's review of the FY21 Profit & Loss ("P&L") statements. She clarified that the budget was developed in accordance with the Fund Balance Policy and reviewed the status of each fund on the books of the Mass Tech Collaborative, including drawdowns and projected balances of each fund. It was noted that a significant portion of the consolidated fund balances at the end of FY21 are restricted or reserved. In response to a question from Mr. Brady, Ms. Erlandson indicated that we have a runway of approximately 1 ½ years. Ms. Kirk discussed the need to allocate funds to address deteriorating buildings on the Westborough campus.

After a period of discussion and upon a motion duly made and seconded, it was unanimously and without abstention VOTED:

**The Executive Committee ("Committee") of the Board of Directors of the Massachusetts Technology Park Corporation ("Mass Tech Collaborative"), acting pursuant to the authority delegated by the Board of Directors, does hereby approve the Fiscal Year 2021 budget ("Budget") in a form that substantially comports with all material elements of the Budget as presented to the Committee. Furthermore, the Committee hereby delegates to the Executive Director of the Mass Tech Collaborative the authority to approve modifications to the Fiscal Year 2021 budget to reflect adjustments relating to (1) the appropriate allocation between the Fiscal Year 2020 actual results and Fiscal Year 2021 budget following the Fiscal Year 2020 year-end financial closing; and (2) the actual final Fiscal Year 2021 state appropriation amounts; provided that the Executive Director shall notify the Committee of any modifications to reflect actual state appropriation amounts that materially deviate from the presented FY21 Budget and shall provide an appropriately detailed description of the modifications and the associated budgetary impact.**

**Agenda Item V      Broadband Institute – Flexible Grant Program –Collaborative  
Research and Matching Grants Grant Award- Charter**

## **Communications- Town of New Braintree (motion item)**

Ms. Baldino and Ms. Kirk presented a recommendation to approve a grant award to Charter Communications under the Flexible Grant Program to support broadband access for the Town of New Braintree. Ms. Kirk stated that the proposed grant to Charter has been reviewed and approved by the MBI Board of Directors. Ms. Kirk stated that the Mass Tech Collaborative will execute a grant agreement with Charter for the full amount of the state funding for the grant: \$1,576,000. It was noted that New Braintree is the last unserved town to have a dedicated path to a broadband solution, which is a significant milestone for MBI. Mr. Baldino clarified that the New Braintree Selectboard approved the 96% proposal from Charter and will enter into a separate agreement with the Executive Office of Housing and Economic Development to repay the Commonwealth for the Town's share of the additional funding needed for the grant. This will be accomplished through local aid assessments over a period of ten to twenty years.

After a period of 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"), 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 presented and as recommended by the Board of Directors of the Massachusetts Broadband Institute ("MBI"):**

- 1. A grant award to Charter that shall not exceed \$1,576,000 for a privately owned and operated broadband network that shall provide access to broadband service to the Town of New Braintree ("Town") and shall consist of two components:**
  - Up to \$720,000 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 \$856,000 in additional state bond funds to be provided by the Executive Office of Housing and Economic Development ("Supplemental Funding")**
- 2. 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 forty**

**percent of the Supplemental Funding amount to the Commonwealth; and**

- **Execution of a cable television license agreement by Charter and the Town.**

There being no other business to discuss and upon motion duly made and seconded, it was unanimously and without abstention voted to adjourn the meeting at 3:40 p.m.

A TRUE COPY

ATTEST: (Secretary)

DATE:

**Materials and Exhibits Used at this Meeting:**

1. Draft Minutes for the April 7, 2020 Mass Tech Collaborative Executive Committee Meeting
2. Presentation- Executive Director's Report
3. Presentation, Motion and Supporting Materials- Fiscal Year 2021 Budget
4. Memo – Fiscal Year 2021 Budget Approval
5. Approval Item- Massachusetts Broadband Institute – Flexible Grant Program –Charter Communications- Town of New Braintree