

MINUTES

TWO HUNDRED AND FORTY SIXTH MEETING

of the

EXECUTIVE COMMITTEE

of the

MASSACHUSETTS TECHNOLOGY PARK CORPORATION

[OPEN SESSION]

January 19, 2017
Boston, Massachusetts

The Two Hundred and Forty Sixth Meeting of the Executive Committee of the Board of Directors of the Massachusetts Technology Park Corporation (“Mass Tech Collaborative”) was held on January 19, 2017, 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 Katie Stebbins of the Executive Office of Housing and Economic Development), Rupa Cornell, Alain Hanover, Pam Reeve and Mitch Tyson.

The following Directors attended the meeting: Julie Chen and Alexandra Drane.

The following Mass Tech Collaborative staff was present: Chris Andrews, Michael Baldino, Tim Connelly, Philip Holahan, Pat Larkin, Laurance Stuntz and Maeghan Welford.

The following individuals attended the meeting: Bob Handsaker, Town of Charlemont; Chris Lynch, Matrix Design; and David Talbot, Berkman Klein Center for Internet and Society at Harvard University.

Ms. Stebbins observed the presence of a quorum of the Executive Committee and called the meeting to order at 11:04 a.m.

Mr. Talbot indicated that he intended to make an audio recording of the meeting. Ms. Stebbins reviewed the legal requirements governing public participation at an open meeting of a public body. She 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 Two Hundred Forty Fifth Meeting of the Executive Committee, held on November 10, 2016, in Boston, Massachusetts, as the formal Minutes thereof.

Agenda Item II Report of the Chairperson

Ms. Stebbins delivered the report of the Chair. She reported on the trade mission to Israel that included strong representation from the Mass Tech Collaborative, including Tim Connelly and numerous members of the Board. Ms. Stebbins indicated that it was a very productive trip that deepened relationships and identified opportunities in the areas of cyber security and digital health. Mr. Connelly noted that Ms. Stebbins served as a great ambassador for the Commonwealth and the Mass Tech Collaborative. He thanked Ms. Stebbins for all of her efforts.

Agenda Item III Action Items and Discussion Topics

Mr. Holahan presented the program structure for addressing three “go it alone” towns – Alford, Otis and Warwick – that intend to manage the design and construction of municipally-owned broadband networks. He indicated that this is one of three main focus areas for the Massachusetts Broadband Institute (“MBI”), along with the private sector provider RFP and an ongoing effort to reexamine and modify the MBI Build program. Mr. Holahan mentioned that the private sector RFP represents an effort to solicit private sector interest in building out broadband networks in unserved towns, which would reduce the capital costs to the towns and mitigate the downstream financial sustainability risk. He noted that responses to the private sector RFP came in on January 11th and are encouraging. Mr. Holahan indicated that the reworking of the MBI Build approach will be responsive to concerns expressed by towns that they are paying two

thirds of the capital cost and assuming responsibility for construction cost overruns. He stated that MBI is trying to refine an approach that appropriately balances the town's interest in having more control while still providing a role for MBI to support towns that want our assistance. Mr. Connelly mentioned that each town will ultimately decide which path to follow. Mr. Tyson observed that there should be a correlation between control and risk, with the towns taking on risk commensurate with their level of control. An extensive discussion ensued regarding the respective roles of MBI and the towns.

Mr. Holahan presented the two motions – one for Otis and Alford and the one for Warwick - that were previously reviewed and approved by the MBI Board of Directors. He reviewed the structure and key elements of the term sheets and the form of grant agreements for the “go it alone” towns, including (1) MBI will reserve construction allocation funds for a period of one year, which provides the town with one year to satisfy the grant eligibility criteria; (2) He explained the eligibility criteria and noted that MBI's review of the final network design submitted by the town would be limited to confirming that the network will comply with MBI's programmatic requirements; (3) Grant payments will be tied to three milestones; (4) Each town will provide MBI with certifications on the progress of the project and compliance with milestone requirements; and (5) Mr. Holahan clarified that MBI will have the right to audit project records although he noted that MBI is taking a “hands off” approach and essentially deferring to each town that is taking the risk that the network will not operate properly. Mr. Connelly observed that MBI is working through uncertainty with towns by providing them with options, transparency and open sourcing to private providers.

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 (“MassTech”), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby take the following actions, as presented and as recommended by the Board of Directors of the Massachusetts Broadband Institute:

- 1. Authorize the reservation of grant funding to support the development of a last mile broadband network in for the Town of Alford in the amount of \$288,775, which represents the full amount of Alford's construction allocation and reimbursement for pole survey costs (at \$25 per utility pole) and certain pole attachment agreement fees.**
- 2. Authorize the reservation of grant funding to support the development of a last mile broadband network in the Town of Otis in the amount of \$1,145,975, which represents the full amount of Otis' construction allocation and reimbursement for pole survey costs (at \$25 per utility pole) and certain pole attachment agreement fees.**

3. **MassTech shall reserve the grant funds for a period of one year from the date of final action by the MassTech Executive Committee.**
4. **The MassTech Executive Director is authorized to execute a term sheet with each town in the form, as presented, which shall govern the terms of the reservation of grant funds, the grant eligibility requirements and the respective rights and responsibilities of MassTech and the town.**

At such time as each town satisfies the grant eligibility requirements specified in the term sheet, the MassTech Executive Director is authorized to execute a grant agreement with the town that substantially comports with the form of grant agreement, as presented, and expend grant funds accordingly.

Mr. Holahan explained that the Town of Warwick's project is further along than that of Otis or Alford. He indicated that MBI is proposing to award a grant of Warwick's construction allocation in the amount of \$450,000. Mr. Holahan explained that there is uncertainty about whether Warwick's wireless network, as currently designed, will satisfy the criteria in MBI's Last Mile Program Policy (96% coverage and broadband speeds of at least 25 Mbps downloads and 3 Mbps uploads). He discussed the Town's track record of successfully operating their existing wireless network. The proposed approach would have MBI confirm compliance with the coverage and speed requirements before releasing the third and final grant payment.

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 ("MassTech"), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the Commonwealth, does hereby take the following actions, as recommended by the Board of Directors of the Massachusetts Broadband Institute:

1. **Authorize the expenditure of an amount not-to-exceed the full construction allocation of \$450,000 for a grant award to the Town of Warwick to support the development of a wireless broadband project; provided that the Town of Warwick executes a grant agreement that substantially comports with the form of grant agreement, as presented; and**
2. **Authorize an exception to the Last Mile Program Policy to allow the Town of Warwick to qualify for the grant and receive up to two-thirds of the grant amount prior to MassTech confirming compliance with the broadband speed and coverage requirements specified in said Policy.**

Mr. Larkin presented a recommendation to approve a grant award of up to \$5 million to Worcester Polytechnic Institute ("WPI") under the Collaborative Research

Matching Grant Program. Mr. Connelly and Mr. Larkin informed the Executive Committee that WPI's proposal was reviewed in detail by the Investment Advisory Committee and unanimously recommended for approval. Mr. Connelly also explained that the Mass Tech Collaborative is piloting a new format for approval items that come to the Executive Committee for its consideration.

Mr. Larkin provided an overview of WPI's proposal to develop the Massachusetts Health Technology Innovation Institute ("WPI-HealthTech"). He explained that the grant would be paid out over five years and he clarified that the match requirement would be 1:1, although the Mass Tech Collaborative would work with WPI to realize WPI's ambitions to secure a larger match. Mr. Larkin described the nature, function and capacity of the facility that would be built by WPI commencing in the summer of 2017. He also explained how companies can join the WPI-HealthTech center as members and invest in pre-competitive research. There will also be opportunities to support specific applied research projects.

The following key issues were raised during the discussion that followed Mr. Larkin's presentation: (1) Ms. Drane advocated for an early focus on marketing and branding this effort as well as outreach and engagement with patients to figure out the metrics that matter to real patients; (2) Mr. Connelly discussed "access" issues and shared his perspective that it should not always be "pay to play"; (3) It was suggested that consideration should be given to the types of events that could be held at the facility to support "community building"; (4) Ms. Stebbins indicated that it may be time to revisit the Mass Tech Collaborative's approach to managing the Collaborative Research Matching Grant Program; (5) Ms. Cornell noted that the Mass Tech Collaborative needs to decide what types of outcomes that it wants to achieve at a tactical and granular level and then negotiate on these points during the contracting process; (6) There was interest expressed about whether the WPI-Healthtech model could be expanded or replicated for the biotech and pharma sectors; (7) Mr. Tyson observed that the Mass Tech Collaborative should develop a "cookbook" with specific criteria that reflect the organization's perspective on critical issues related to funded projects, such as governance. Mr. Tyson suggested that a working group with Directors and staff could focus on this task; (8) Ms. Chen suggested that the Mass Tech Collaborative convene a forum where past R&D grantees can share best practices and lessons learned; (9) Ms. Reeve noted that the Mass Tech Collaborative should ensure that WPI's governance and intellectual property policies align with the Mass Tech Collaborative's principles; and (10) Mr. Connelly indicated that the development of the organization's principles, criteria, approach, best practices, etc. for the Collaborative Research Matching Grant Program would be taken up at a future Board meeting.

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 ("MassTech"), acting pursuant to the authority delegated under Chapter 40J of the General Laws of the

Commonwealth, does hereby authorize a grant award to Worcester Polytechnic Institute (“WPI”) under the Collaborative Research Matching Grant Program (RFP No.2014-JAII-01) in an amount not to exceed \$5,000,000 to support the Massachusetts Health Technology Innovation Institute, as presented. The grant award to WPI is subject to the execution of a grant agreement in a form and with terms approved by MassTech’s Executive Director.

Agenda Item IV Report of the Executive Director

Mr. Connelly delivered the report of the Executive Director. He mentioned that it has been approximately four months since he came on board at the Mass Tech Collaborative. Mr. Connelly reviewed the changes to the organizational structure that have resulted in a revamped approach to shared services and a dedicated research capacity within the Mass Tech Collaborative. He discussed his ambition to have a measurable focus on workforce development. Mr. Connelly mentioned Secretary Ash’s effort to bring the quasi-public economic agencies together on a regular basis and noted that there may be opportunities to collaborate and achieve operational cost savings.

Mr. Connelly discussed efforts underway to identify qualified candidates to join the Board of Directors to fill vacancies or seats with terms that are expiring. He also reviewed the revamped Board structure that includes changing the Budget and Operations Committee to the Finance and Audit Committee, converting the Personnel and Governance Committee to a subcommittee of the Executive Committee and utilizing the Innovation Institute Governing Board as forum for long range planning. He noted that a decision about whether to form a separate workforce committee has yet to be resolved. Following Mr. Connelly’s remarks, a substantial discussion occurred that focused on the opportunities and potential role for the Mass Tech Collaborative to be directly involved in business development efforts on behalf of the Commonwealth. Ms. Stebbins indicated her support for the Mass Tech Collaborative taking on this responsibility. Mr. Connelly discussed his vision of how a business development function could be operationalized at the Mass Tech Collaborative, including staffing, retooling of the website and the development of sector specific pitch books.

At Mr. Connelly’s request, Mr. Andrews discussed the run rate trend for the Mass Tech Collaborative. Mr. Andrews explained that Mr. Connelly challenged the organization to run more efficiently and measures have been taken that have reduced the run rate by 13% during the first half of Fiscal Year 2017. Mr. Connelly indicated that steps have been taken that have not hurt employee morale. Mr. Connelly also initiated a discussion of the Mass Tech Collaborative’s funding needs heading into the Fiscal Year 2018 state budget cycle and the impact of prior “9C” cuts. At the conclusion of this discussion, Mr. Connelly informed the Executive Committee that early planning was underway for an event to celebrate the thirty-fifth anniversary of the Mass Tech Collaborative.

It was announced that Alain Hanover, the longest serving current member of the Board of Directors would be ending his tenure on the Board. Members of the Board and staff expressed their appreciation for Mr. Hanover's long standing service to the Mass Tech Collaborative and his contributions to the success of the organization. Ms. Stebbins read the following proclamation:

The Board of Directors of the Massachusetts Technology Collaborative hereby adopts this proclamation to honor Alain Hanover for his three decades of exemplary public service to the Commonwealth of Massachusetts. The Board of Directors, acting on behalf of all past and current Directors and employees of the Massachusetts Technology Collaborative, wishes to express its sincere appreciation and gratitude to Alain for his leadership, dedication and unwavering commitment and support as a member of the Board of Directors. Alain truly embodies the spirit of innovation and entrepreneurship that is the hallmark of our economy.

Ms. Stebbins requested that the Executive Committee convene in executive session to discuss litigation strategy. Ms. Stebbins, in her capacity as Chairperson, stated that she would call for a roll call vote of the Executive Committee to go into executive session to discuss strategy with respect to matters involving ongoing disputes in which the Mass Tech Collaborative is currently involved. She stated that the purpose for meeting in executive session to discuss these matters is that discussion of the Mass Tech Collaborative's strategy with respect to these matters in an open meeting may have a detrimental effect on the litigating position of the Mass Tech Collaborative.

A roll call vote was taken to go into executive session. Ms. Stebbins, Ms. Cornell, Mr. Hanover, Ms. Reeve and Mr. Tyson voted in the affirmative to enter into executive session. All staff that was not needed for the litigation strategy discussion left the room.

The meeting proceeded in executive session at 1:05 p.m. The proceedings that occurred in executive session are addressed in a separate set of meeting minutes.

Ms. Stebbins, in consultation with the members of the Executive Committee, determined that the executive session should conclude at 1:17 p.m. At that point the meeting proceeded in open session.

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 1:18 p.m.

A TRUE COPY
ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – November 10, 2016 Executive Committee meeting
2. Approval Item – Reservation of Grant Funds for the Towns of Alford and Otis
3. Term Sheet – Town of Alford
4. Form of Grant Agreement – Town of Alford
5. Approval Item – Grant for Town of Warwick
6. Grant Agreement – Town of Warwick
7. Presentation – Worcester Polytechnic Institute – The Massachusetts Health Technology Innovation Institute (WPI-HealthTech)
8. Motion – Grant to Worcester Polytechnic Institute – The Massachusetts Health Technology Innovation Institute (WPI-HealthTech)
9. Presentation – Mass Digital Health Marketplace Program
10. Alain Hanover Proclamation
11. Innovation Institute Mid-Year Funding Update
12. Presentation – Massachusetts: A Leading Global Digital Health Ecosystem
13. Presentation – Massachusetts: Cyber Security – Global Leadership Through Talent, Resources, Investment
14. Presentation – Massachusetts: A Collaborative Space For Every Idea – Accelerators, Incubators & More
15. Presentation – Massachusetts: #1 in Innovation Economy Talent
16. Mass Tech Collaborative Leadership Structure
17. Presentation – Board / Committee Framework & Roadmap
18. Summary of National Network for Manufacturing Innovation Awards
19. Ira Moskowitz Announcement
20. Run-Rate Analysis