

## COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

**March 10, 1998**

**Immediately Upon Conclusion  
of Committee on Accounts  
(Approx. 6:15 PM)**

Chairman Pariseau called the meeting to order.

The Clerk called the roll.

**Present:** Aldermen Pariseau, Rivard, Thibault, Girard, O'Neil

**Messrs.:** T. Clark, T. O'Rourke, M. Normand, G. Sullivan, K. Clougherty  
D. Prew, M. Tessier

Chairman Pariseau addressed Item 3 of the Agenda:

Communication from the Finance Officer requesting the Board's reconsideration of payment of all legal fees associated with HTE Overtime; requesting the Board take whatever action necessary to bring "special investigation" initiated in 1994 to closure; and appealing to the Board to take necessary steps to immediately reform the current discriminatory system relative to administrative regulations.

Alderman O'Neil noted that there are really three issues here. He suggested that the last one be taken first. Last night, the Human Resources Committee was given a rough draft of proposed revision to the policies and procedures. They were still waiting to hear back from several department heads with comments.

Mr. Clark stated that was a draft that was prepared by Mr. Moran after review with myself and Dave Hodgen. Mr. Moran forwarded it to all department heads and asked for comments back by March 20. Last night, the Human Resources Committee deferred taking any action until the department heads have all commented.

On motion of Alderman O'Neil, duly seconded by Alderman Rivard, it was voted to keep the issue relative to taking the necessary steps to immediately reform the current discriminatory system relative to administrative regulations in the Human Resources Committee.

Chairman Pariseau addressed Item 3 relative to the reconsideration of payment for all legal fees associated with HTE Overtime.

Alderman Rivard asked what does all legal fees represent and is there more than one invoice that we are talking about.

Alderman Rivard made a motion for discussion. Alderman Girard duly seconded the motion.

Chairman Pariseau replied I don't know the specific amount but I know that there are three people involved, Kevin Clougherty, Diane Prew and Hugh Moran. I think we have a figure associated with Kevin Clougherty and we have received a figure for Diane Prew which amounted to \$1,278.04. I am not sure what Hugh Moran's is because he is on vacation.

Alderman Rivard asked if it would be appropriate to put in a "not to exceed" clause if we were to consider paying it.

Chairman Pariseau answered I don't know what the amount is. He then asked if people wanted to have Mr. Clougherty speak.

Alderman Rivard stated I am not sure we have to do that. We all know the history of what we are talking about. It has been going on for a long time and some of us were here and some of us were not here. It is a divisive issue between several members of the Board and it is not doing anybody any good to belabor this. I would like to move that we bring this matter to closure and authorize payment of these fees. The only concern I have is not knowing what Hugh Moran's fee is. I would like to state not to exceed a specific number for his.

Alderman Girard replied suggested that we say if Mr. Moran's fees exceed \$1,500 it should come back to this Committee for review. This would help to move it forward.

Alderman Thibault stated I have full confidence in the Finance Department and all of the people who work there. The reason I will not vote on this is that it happened before I got here. Somebody made a mistake and didn't send it to the Board of Mayor and Aldermen and I don't want to take the responsibility for the person who made that mistake. It has nothing to do with Kevin Clougherty and all of his people. I just want to be sure that I am not involved in something that happened before I got here.

Alderman O'Neil stated we have to take a position here that we have the right to investigate departments if we think we need information. I am concerned that by approving this, we are restricting our ability to do our job.

Chairman Pariseau stated, Kevin, I was under the impression that you contacted an attorney prior to the City Solicitor's request for an investigation. How did that happen? Why did you run to an attorney on December 30 after the first non-public session?

Mr. Clougherty replied after the first recessed meeting I had been contacted by several Aldermen at the close of that and it was suggested that I should get some legal assistance in this area and I took their advice. It was offered in a positive spirit and I appreciate that.

Chairman Pariseau responded as I understand it, you relayed that information to the other two people involved or at least one other one.

Mr. Clougherty replied right. Diane met me after that meeting. She had seen the Aldermen approach me and asked what they had said so I told her.

Chairman Pariseau stated I think that is the problem. If I am told something after a non-public session by three people, I would run to an attorney too whether it was justified or not. An elected official told this individual that he better get an attorney and two other elected officials. I think we have an obligation to those three employees to pay that fee.

Alderman O'Neil stated I agree with Alderman Rivard in that we have to put this thing to rest and move on. I also agree with Alderman Thibault that I have full confidence in Kevin Clougherty, Diane Prew and Hugh Moran, but I am going to be consistent in voting against paying the legal fees.

Alderman Rivard made a motion to pay the legal fees for Kevin Clougherty in the amount of \$1,597.00; for Diane Prew in the amount of \$1,278.00; and for Hugh Moran, not to exceed \$1,600.00. Alderman Girard duly seconded the motion.

Chairman Pariseau called for a vote. Aldermen Rivard and Girard voted yea. Aldermen O'Neil and Thibault voted nay. Chairman Pariseau voted yea. The motion carried.

Alderman Girard made a motion to recommend to the Board that the Special Committee to investigate the Finance Department be disbanded and that the record be expunged with no wrongdoing found as a result and that the legal fees incurred by the Finance Officer to defend himself be paid.

Alderman Thibault stated I can't go along with the last part of your statement. I will go along with the first part 100% because I want the committee stopped, but I can't go with the paying part.

Chairman Pariseau then asked Alderman Girard to restate his motion.

Alderman Girard made a motion to recommend to the Board that the Special Committee to investigate the Finance Department in 1994 be disbanded and that the record be expunged with no wrongdoing found. Alderman Rivard duly seconded the motion.

Chairman Pariseau called for a vote. There being none opposed, the motion carried.

Alderman Girard stated that he believes the Board should pay Mr. Clougherty for the legal expenses because that Committee subpoenaed him to appear.

Chairman Pariseau addressed Item 4 of the Agenda:

Communication from Deputy City Clerk Bergeron submitting proposed changes to the Taxicab Ordinance.

Deputy Clerk Bergeron stated since the draft was put on the Committee's agenda, we have been meeting with the Solicitor's Office, Finance Department, and a lot of the departments that would be involved in this to try and clean up the language.

Alderman O'Neil asked about 118.42 (G) Operate or allow the operation of a taxicab in which any passenger is riding adjacent to the driver, in a front seat of the vehicle, when room is available in the rear seat. Are we saying that the requirement is that you must ride in the back seat?

Deputy Clerk Bergeron answered as long as room is available, they must ride in the back seat. If the back seat is full, then the party could sit in the front.

Alderman O'Neil asked what the reason for that is.

Deputy Clerk Bergeron answered the incident that was before the Committee some weeks ago in which a driver allegedly assaulted a passenger. This way, we are making sure that the person is in the back seat. We looked into the possibility of putting in a plastic divider between the front seat and back, but decided that wasn't feasible for economic reasons, plus it causes problems with air flow, heating, cooling systems and so on.

Alderman O'Neil stated but that particular incident could have happened with somebody in the back seat also. Not that I use a taxicab that much, but when I do I like to hop in the front seat. I am more comfortable there than I am seating in the back, so I have a problem with that particular section. Is this an enforceable section? How are we going to enforce it?

Deputy Clerk Bergeron replied it is up to the Police Department as to whether or not they want to issue a citation on that particular situation.

Alderman O'Neil responded shouldn't I, as the user, have a right to determine where I want to sit.

Deputy Clerk Bergeron replied that is why it is before the Committee for the Aldermen to decide.

Alderman O'Neil referenced a letter from several of the owners of the taxicabs. How many owners of taxicabs are there in the City? There are six listed here.

Deputy Clerk Bergeron answered there might be one or two missing. Perhaps Matt Normand could address that.

Mr. Normand stated those are the ones that are licensed on file at this point.

Alderman O'Neil asked about the time versus the mileage. Is it pretty controllable?

Mr. Normand answered I think what is before you on that page was an attempt to defray some of the costs that they are paying up front for these application fees. This was a recommendation they had. They are here to speak to that, but there is always a possibility. I have called other towns and we are the only one our size that only restricts these guys to mileage. Everyone else allows time and mileage, or they zone the whole city.

Alderman O'Neil asked if any of the cab companies ran any numbers on how it might change a fare.

Mr. Musat, part owner of Queen City Transportation, stated that a taxicab is a cab for hire. Now people when they get in our cab right now, they only pay from Point A to Point B. In the past two or three years this City has grown and for example on Elm Street to go from one end to another with the new development it takes you at least twice as long. The other thing is that being a vehicle for hire, nobody in the U.S. in a City this size pays only for mileage because there are traffic jams, there are school buses, there are trains crossing the bridge. On Sunday, we had the parade and sometimes a half an hour ride costs you the same as it would for five minutes if the road was clear. That is one of the reason. Another reason is that the driver's right now have to put in a lot of miles before they can make some money. Sometimes they come before me and say they got a speeding ticket and I ask them why. Their answer is they have to get as many jobs as possible. When the wheel is not spinning, I don't get paid. This will partially eliminate this problem because it doesn't matter if you are in a traffic jam, you are going to take the shortest cut. I am not going to say they are not going to speed. The other thing is some of the customers might chose their own route or they say wait for me for a half an hour and we can't say no.

Alderman Thibault asked so are you looking to get paid for time besides the meter fee.

Mr. Musat answered no, in lieu of.

Chairman Pariseau asked how would you determine the fee for time.

Mr. Musat answered the fee is already determined. The way it is worded right now is that when the customer says wait for me we are supposed to activate the time button. Nobody is happy with that in the City of Manchester, but if you don't hit that button the meter would run in the same time. So it is per minute, you are going to charge the customer for every minute.

Alderman O'Neil asked, Paul, is your office comfortable with this.

Deputy Clerk Bergeron answered I think we still need to work out the particulars, but yes. The City last gave an increase to the taxicab drivers three years ago and prior to that I think it had been almost ten years before there had been an increase. In looking around, other cities have annual reviews set-up in their systems. I believe Worcester automatically has a 10% increase developed into its ordinance. I think there needs to be a review for the taxicab drivers and I think what they are requesting is reasonable. We just need to work out the details and come to the Committee with a concrete proposal.

Chairman Pariseau asked Lt. Tessier if he had any questions or comments relative to this.

Lt. Tessier stated we have been watching what has been going on and Matt has kept me abreast of the changes. I do have a couple of comments and questions concerning some issues that are relevant to the Police Department. Under a suspension, we are curious what happens on an appeal for a suspension. Going back to an incident that this Committee addressed a short time ago, we had a cab driver arrested for an offense, his license was initially suspended, he appealed that and was immediately reinstated. The Police Department's position is on some of these issues there is a greater City trust here. These people are trusted with many of our children and relatives and we are wondering if there could be a vehicle in place that if they do appeal it that we could have a hearing quickly to ascertain whether or not this person should be operating a cab.

Alderman Thibault stated I was under the impression that he had stopped that night and was no longer driving.

Deputy Clerk Bergeron stated the way the current ordinance is written, once we suspend or revoke a license, the driver has the opportunity to appeal that and the suspension or revocation is stayed until the hearing. So, the situation that Lt. Tessier just described, did happen. This individual's license was reinstated because he had requested the hearing. Once the hearing was held, it was removed again. We would like to put language into the ordinance which allows us, under certain circumstances, to suspend the license and not allow that suspension stayed until the hearing. There is a separate sheet which I passed out to the Committee at the beginning of the hearing which addresses that suspension or revocation of license and what we want to do is add Paragraph E that exception which states that if the City Clerk determines that the immediate suspension or revocation of any license granted under the provisions of this chapter is warranted to protect the life, health or safety of the citizens of Manchester, he may suspend or revoke any license without a stay pending a reasonable opportunity for the licensee to be heard before the Committee on Administration. Some of the discussion we have been having with the Solicitor's office is determining what constitutes a reasonable opportunity because there are issues of due process. The last conversation I had with Tom Arnold was that if we can somehow manage to have that hearing within 72 hours, that might constitute a reasonable opportunity.

Alderman Girard made a motion to table this item. Alderman Rivard seconded the motion.

Alderman Girard stated that he has spoken with the Deputy City Clerk, Lt. Tessier and a couple of the cab owners about something that he hopes the ordinance addresses which is the use of a horn. When people are going through the alleyways at 3 a.m., 5 a.m., etc. and not only tapping on the horn to let the fare know they are there, but leaning on it for minutes at a time until someone comes out, it is very disruptive.

Alderman Rivard replied I believe we have a disturbing the peace ordinance in place. I don't believe that we should establish any rules or regulations that are difficult to enforce. I think that enforcing the disturbing the peace ordinance is difficult enough. If you have a particular issue, deal with that particular issue. Putting something in an ordinance that is unenforceable is very difficult for me to support.

Alderman Girard responded it would be very easy to enforce if it were in the ordinance.

Chairman Pariseau called for a vote on the motion. There being none opposed, the motion carried.

Deputy Clerk Bergeron stated in tabling this, the Committee has effectively eliminated the possibility of having on-the-spot drug testing for the coming year because the licensing period starts next year and that is what this ordinance was intended to establish.

Alderman O'Neil asked when does it start again.

Deputy Clerk Bergeron answered the licensing period starts April 1. In order to create an on-the-spot drug testing situation for the coming licensing year, this ordinance needed to move forward.

Alderman Rivard asked can we adopt that portion of it or do we have to do the whole thing.

Deputy Clerk Bergeron answered it has been tabled. The Committee could take it off the table again and we can address that portion of it. I would be happy to explain in more detail what the extent of the ordinance was.

Chairman Pariseau asked why are we given this stuff at such a late date. Do you expect everything to fly by without any questions or concerns?

Deputy Clerk Bergeron answered no, I don't. What is before the Committee is less material than what the Committee was reviewing prior. The changes under consideration are a lot less extensive than what the Committee has on its agenda.

On motion of Alderman Thibault, duly seconded by Alderman O'Neil, it was voted to remove the item from the table.

Deputy Clerk Bergeron stated the only piece I would ask the Committee to look at is the stapled sheet. I can summarize what that is doing. The definition of taxicab has changed by striking out the last portion of the paragraph.

Alderman Girard asked is this a change from what was on the agenda or a change from what is in the ordinance.

Deputy Clerk Bergeron answered this was exactly what was in the agenda. This puts it in a form that is easier to understand.

Alderman Girard stated can we just confine the discussion to what Mr. Bergeron would like discussed on the drug testing rather than go through the whole ordinance. I don't think we should go through the whole ordinance tonight. If there is something he needs to do now so we can do the drug testing, we should look at that part of the ordinance.

Deputy Clerk Bergeron stated those sections would be the changes from 118.12 on the first page through 118.29. That is the whole drug testing section.

On motion of Alderman Rivard, duly seconded by Alderman O'Neil, it was voted to approve the amendments to section 118.12 through 118.29 of Chapter 118: Vehicles for Hire ordinance.

Alderman Girard stated you said that whole section dealt with the drug thing and I see here that there is a section called drug and alcohol policies starting at 118.20.

Deputy Clerk Bergeron replied correct. What this system does is incorporate into the licensing fee the cost of the drug test.

Chairman Pariseau addressed Item 5 of the Agenda:

Communication from Deputy City Clerk Bergeron submitting a request from the Royal Palace Circus to conduct a circus at the JFK Coliseum on May 22, 1998.

On motion of Alderman Thibault, duly seconded by Alderman O'Neil, it was voted to approve this request.

Chairman Pariseau addressed Item 6 of the Agenda:

Communication from Diane Prew, Information Systems Director, requesting authorization to issue Requests for Proposals for the purchase of telephone systems for City Hall/Annex and other City departments.

On motion of Alderman Rivard, duly seconded by Alderman O'Neil, it was voted to approve this request.

Alderman O'Neil asked about auditing the phone system. Can we take a look at auditing with the sense of are there lines that were supposedly eliminated in 1955 that we are still paying on?

Ms. Prew replied I believe there is some difficulty with that. We looked into it a number of years ago and it has something to do with us having to go out for a proposal or something and due to that it hasn't been done to date.

Alderman O'Neil stated I am just wondering, specifically where we have had in City Hall and City Hall Annex existing phone lines that were changed or relocated when most departments moved to other locations.

Ms. Prew replied they were transferred. Those are the same lines they are using in the Plaza right now and those will be transferred back. During the transition period, we will have the phones ring at both places.

Alderman O'Neil stated I know we can audit lines and I have read articles where it shows that it saves a considerable amount of money for the cities.

Chairman Pariseau asked Ms. Prew to look into that.

Chairman Pariseau addressed Item 8 of the Agenda:

Communication from Atty. James Tenn, Jr. requesting that the Manchester Community Television Advisory Board meet with the Committee regarding upcoming negotiations relating to the cable franchise agreement.

On motion of Alderman Thibault, duly seconded by Alderman Girard, it was voted to refer this item to the City Solicitor to be brought up during negotiations.

Alderman O'Neil stated I am not sure what they were even asking for there.

Chairman Pariseau replied this item was relative to the upcoming negotiations and I think that there are five of us on this Committee and the City Solicitor's office working on the RFP for that attorney.

Mr. Clark stated I believe they are offering their assistance in the negotiation process.

Alderman O'Neil asked which they have done in the past.

Mr. Clark answered no, they were not in existence in the past. They came into existence through the last negotiating process where we had a consultant who drafted it and put them into the agreement. Our office is in the process of preparing an RFP to go out and get a consultant to assist the City in the negotiating of the new franchise agreement which we hope to have paid by MediaOne. We have no problem meeting with this advisory committee once the consultant is on board.

Chairman Pariseau addressed Item 9 and Item 10 of the Agenda:

Communication from Dolores Hurley registering a complaint against MediaOne for their recent rate increase.

Communication from Bryan Murray relative to the recent cable television rate increases.

On motion of Alderman O'Neil, duly seconded by Alderman Girard, it was voted to refer the two items to the Negotiation Team.

Chairman Pariseau addressed Item 7 of the agenda:

Communication from Thomas O'Rourke, MediaOne, submitting a copy of Atty. Susan Eid's letter of October 3, 1997, relative to the commencement of the renewal process for MediaOne's franchise agreement with the City which had been requested by the Committee on February 10, 1998.

On motion of Alderman Thibault, duly seconded by Alderman Girard, it was voted to receive and file this item.

Mr. O'Rourke stated the last time I had the opportunity to meet with you, we talked a little bit about the commencement of the renewal process and I agreed to bring back in sort of short form, a general overview of how a cable franchise renewal works, what are the different stages that we go through and then also some of the thing that you would likely be seeing from MediaOne in the renewal process. I will walk you through how the next several months will proceed. I have a series of slides that it will probably take me about 10 or 15 minutes to go through. If there are questions after that, I will be happy to field them. Also, there were a few items that were referenced before, communications from customers and I received a copy of those letters from the City Clerk's Office and planned to address those at the next meeting in April if that is all right. At that time, I will be prepared to share some materials that we have been working on relative to the education about the different packages. To start with, this is who I am and this is how you can reach me. Many of you have my cards and you know where to find me anyway, but I thought that was a good place to start. I wanted to talk a little bit about what is the renewal process as it relates to cable TV franchising. As you probably know, cable operators are required to obtain a franchise with each municipality, city or town where they provide service. As those renewals come to their conclusions, they typically run for 10, 15 sometimes even 20 years, as we approach the conclusion of those original terms of the agreements, if we want to renew the agreement in an area and we certainly do in Manchester, we would trigger the opening of the renewal window by submitting written notification of our intent to renew. We did that through a written notice on October 3, 1997. That is the first step. Next is the process that would include ascertainment which is achieved through a number of different methods. A public hearing or a series of public hearings and I think this Committee has suggested that we might see multiple public hearings throughout the City at some point, maybe as soon as this Spring. One of the tools that MediaOne uses as we enter the renewal process is a customer survey and that is usually something that we out source and it is a telephone survey. I can share with the Committee examples of the surveys that we used in other communities to gauge 1) customer's impressions of our company as a whole; 2) their satisfaction with our ability to provide service in a timely and efficient manner; 3) their satisfaction with the programming choices that are available and a number of different issues. If that is something of interest, I could provide as a written follow-up an example of the surveys we have used in the past and probably one that we would be using in Manchester maybe sometime this Summer.

Dr. Sullivan asked could this Committee insert some of those questions into the survey, some of the things that have come up in the Committee before.

Mr. O'Rourke answered it is not unheard of. In a lot of the surveys that we do, what we do is provide a draft to the negotiating committee and see if there are any holes or any particular issues of interest to this community that ought to be addressed and then we find a way to include that in the survey.

Mr. O'Rourke stated in the past, the survey has been done through the UNH Survey Center, an individual marketing firm, so it is a third party survey that we are paying to have completed and it is not a MediaOne telemarketing group that is doing it. In the past it has been UNH Survey Center. They have had some changes over there and we have used some different groups, but I think it is important that it is a third party and we insure that we are making enough contacts so that there is a representative sample and it is generally accurate within +/- 5%. It is a pretty good tool, once completed, to really measure what are those cable related needs as we get into renewal negotiations. Following the ascertainment process, and these don't necessarily go in any kind of order, some of them are going on at different times, we would submit a renewal proposal which is a first draft and it is a work in progress. Then the negotiations begin between the MediaOne representative and the City. The City will determine who becomes that negotiating party for them. I wanted to highlight what I consider some of the elements of a successful franchise renewal. Typically, it is one that recognizes upgrades and rebuilds of our broadband network so there is an eye towards technology and the investment that is being made in the City or community. It may include, when we are talking about technology, a reopener that might be halfway or two-thirds or a quarter through the renewal term for a review of the state-of-the-art of the technology and that is something that is very typical in our NH franchises. Take for example, there is a 10 year renewal term. At 5 years there is an opportunity for the City and MediaOne to come together and review what is the state-of-the-art with regards to technology and are there upgrades that would be appropriate at that time. That is very typical to have something like that. A successful renewal would utilize standard language and definitions and meets the actual cable related needs of the city or town while minimizing the FRC's or franchise-related costs and pass-through to customers. This deals with the way that MediaOne will recover its capital costs for specifics that are negotiated in this renewal process. Many of the benefits that will be negotiated on the City's behalf will have capital costs associated with them that are passed-through to customers over the term of the franchise so we want to be sure we are using all the tools available to us to insure that the commitments that we are making, the financial obligations we are assuming, are really the actual needs of the community because that is our responsibility as it is yours. Again, more elements of a successful

renewal. It is very important for MediaOne that the renewal reflect an equal level playing field and what includes equal protection language. As you may know, all the franchise agreements that we enter into are non-exclusive agreements. There is an opportunity for any number of different providers to franchise with the City and we may see in the negotiations that there are a number of different providers that may be submitting proposals. What we are asking is that there is a recognition of the level playing field and that any commitments or obligations that we would make or assume would be required of any other operator that wanted to do business similarly. We think that is very important. A successful renewal would articulate commitments to the community, the school system, municipal offices that might include our cable in the classroom commitment, it might include our social contract obligation to provide Internet service to public schools, it might include a section dealing with free connection to municipal buildings or video services. A number of different things like that. Finally, a successful renewal hopefully is consistent with all applicable federal and state laws and local bylaws and ordinances.

Alderman O'Neil asked with regards to the commitments to the community, would it be possible to get a list of what is going on now. I know Manchester Community Television, but I don't know what other things are going on.

Mr. O'Rourke answered yes. Probably what I might do as I prepare the renewal proposal is submit a draft with highlights that would demonstrate what are the current commitments and what is new.

Mr. O'Rourke stated I wanted to touch quickly on some of the trends that we are seeing with MediaOne because there are a lot of changes in the industry and in our company. One of the things that we are moving towards and that we have already experienced here in Manchester is consistency in channel line-ups. We have just been through the channel standardization process earlier this year and what we are attempting to do, wherever possible, is provide a uniform offering from one community to another. I say wherever possible because there will always be some specifics or some unique channels from one community to the next, but it really allows us to route signals through a whole bunch of different ways that permits us to have a higher degree of reliability for the network and decreases outages. How does that work? If we have signals that we are receiving and sending in Concord, Portsmouth, Manchester, and Exeter and one of those systems goes down, rather than having an entire area affected by an outage, we can reroute the signal from another reception area so that to the customer they are not experiencing an outage. They may be getting their programming from somewhere different, but if our line-ups and service offerings are consistent enough, the customer doesn't know any different and they don't experience downtime. That is important.

Alderman O'Neil asked that doesn't happen often, does it.

Mr. O'Rourke answered it has been happening less and less since we have been deploying fiber optics, but in the old days of cable TV we were subject to a lot more weather conditions and outages than we are today. That is another reason why we are moving towards consistent technology across larger areas and our fiber network has allowed us to really do that. We are also moving towards a more regional approach to customer care. Rather than having multiple options on every street corner or multiple payment centers throughout a community, we are trying to take our resources from all of these locations and centralize them where appropriate so we have more people who are on the phones and available to answer calls. Actually, later this year we are going to be making an announcement of 24 x 7 phone service for our customers and I think that is going to be really important to them. Currently, if you call our office after hours, you are dealt with through a third party answering service that probably doesn't provide the superior service you would receive during the day. By being able to have a MediaOne representative available to customers 24 x 7, I think that is going to be a dramatic improvement.

Alderman O'Neil asked so if I make a call now with a question about service, does that go to the local office.

Mr. O'Rourke answered currently if you are calling our office, your call would go right to our Manchester facility. If you are calling after hours, it goes to one of two different after hour services. Both are located in NH, but what is going to happen is we have made the announcement that many of our folks who are working on the phones in Portsmouth are going to be joining us in Manchester later in the year and that is going to enable the 24x7 service under one roof. I think that is good news for Manchester, too, that this is the site that has been selected as the premiere call center for NH. Finally, another trend is that we are seeing reflected in our franchise renewals many of the obligations that we agreed to under the social contract and that includes free service to schools, Internet, etc. Those are typically articulated, not only in the social contract with the FCC, but also locally in the franchise agreement.

Chairman Pariseau asked during negotiations, we can't do anything will that.

Mr. O'Rourke answered you can't undo it during the municipal negotiations if that is the hope because it is an element of federal law that brings us through the end of 1999. We wouldn't be committed to provisions that were contrary to the social contract.

Dr. Sullivan asked is there a time-line under the social contracts of providing Internet service to the schools. I know that the high speed Internet cable modems are in Candia and Bedford now. Can we, at your next presentation, get some kind of a time-line when the high speed modem service is going to be available in Manchester?

Mr. O'Rourke answered sure.

Mr. O'Rourke stated I wanted to touch next on some and I say some of the areas we are going to see negotiation occurring and some of the items that are considered negotiable. In the next picture we will see items that are not or items that would be off the table. First and foremost, the length of the term of the renewal and any future renewal terms. I think that in the past we have really tried to secure long-term agreements and I don't think we are trying to do that anymore. Because of the changes in the industry and in the regulatory environment, both local, state and federal, we are really not 100% certain of what the future is going to bring. We like to think that we have an idea, but I think that we are probably going to be looking at shorter terms than we had in the past and many of the municipalities that we are negotiating with think that is a good idea as well.

Alderman O'Neil asked what might that be.

Mr. O'Rourke answered where we used to start with 15 or 20, we would probably start with 10 now. To do something less than 5, which is something that a community might throw out, I think you would always find yourself in negotiation because the way that a renewal works is that 36 months prior to the expiration of the term or of the agreement, you begin the renewal process. So, we would effectively only have a 24 month break if we did a 5 year and to do something less than 5 years, we would be back at the table right away. We probably would be looking for something between 5 and 10. There are a number of drivers that will influence that term as well. If there are benefits that are negotiated that have a high capital cost, it may be more attractive for us to look at a longer term so that we have a longer time to amortize those costs and it becomes less of an impact on subscribers. That is something we can deal with as we get into the negotiations, but the term is negotiable. Area served, in many cases, particularly in our more rural areas, it hasn't always been cost-effective for us to serve an entire municipality because there might only be one or two homes per mile. This is not as much of an issue in Manchester where we have some really good density, but a lot of times the municipality would say that they want to insure that 100% existing and future homes will have service available to them. That is very common. Technology reviews and re-openers I mentioned a little bit earlier. Franchise fee

percentage is negotiable up to a 5% cap. That is the federal cap. A municipality may charge or force to be collected a percentage greater than 5%. I think the City is currently at 4% so there is some head room there. PEG access channels and PEG access facilities, production equipment, institutional networks, etc.

Chairman Pariseau asked what does PEG access mean.

Mr. O'Rourke answered PEG access is public educational and government access. An example would be Channel 16, Dr. Sullivan's operation. Institutional Network, there is currently one in place in the City of Manchester. I don't know if that is suiting the current and future needs and we may find ourselves negotiating over an upgrade to that. I don't want to give you any ideas.

Chairman Pariseau asked how are we coming along with that MTW or whatever it is, full-time channel instead of sharing it with inspirational.

Mr. O'Rourke answered that is one of the letters that I was hoping to address at the next meeting.

Chairman Pariseau stated several people have contacted me concerning shopping TV. They are adamant that they pay the \$27 to watch television and they have these shoppers channels that the cable companies get paid for from shopping companies. Why are we having to pay for that as well? Isn't that a double whammy?

Mr. O'Rourke replied many of the shopping channels result from the must carry requirements and we don't have the flexibility to drop them. There are two national shopping services from which we receive a percentage so you are right there. Cable operators do receive a benefit from carrying those shows and we don't pay them in exchange. That is the only example, with the exception of the local channel, of where we are not paying the network. If you look at channels like Discovery and A&E and all the other satellite channels, we pay them for their programming. The shopping channel is the sole exception that actually contributes. I think that people are passionate on shopping services on both sides of the coin. There are a great number of folks that love it. In fact, our biggest QVC event in the Northeast region was here in the City of Manchester when we brought the QVC bus to town to do a live event at the Palace Theater. It was the biggest turnout that QVC had in any of the areas where we provide the service. I will bring some information to the next meeting regarding channels.

Mr. O'Rourke stated some of the items that are non-negotiables during the renewal process, some of the things that the team won't be working on together...

Chairman Pariseau interjected wait a minute. Rates are not negotiable?

Mr. O'Rourke answered they are not. Rates, packaging, pricing, and programming services are not negotiable at the local level.

Chairman Pariseau asked is that part of the social contract.

Mr. O'Rourke answered no.

Alderman Girard asked is that a result of cable regulation.

Mr. O'Rourke answered it results, in part, from the 1992 Cable Act which reregulated the industry.

Dr. Sullivan asked in terms of the Cable Act of 1996, is there some kind of information that you could provide the Committee that deals with those issues.

Mr. O'Rourke replied sure and most of this is from 1992.

Alderman Thibault asked are you saying that all cable companies pay the same rate when you are buying channels from the satellites.

Mr. O'Rourke answered no. We pay similar rates, but in some cases we are able to negotiate a preferred rate depending on our size and reach. If we can, for example, deliver more eyeballs to TNT than a smaller operator could, we are able to negotiate a better price.

Mr. O'Rourke stated a couple of other technical things are effectively off the table is the design of our network and the technologies that we utilize. In general, there are requirements that can be imposed by municipalities, such as the band width or the channel capacity, the ability to provide certain services, but not through which kinds of technology or which kinds of decoders or modulators. Those kinds of more technical oriented things are not typically discussed in a renewal. Equipment necessary to secure and/or receive services is a non-negotiable and the provision of telephony, data and other future telecom services is currently not negotiated at the local level because it is regulated at the state level. For MediaOne to provide future telephony data and telecom services we would be subject to regulation through the Public Utilities Commission.

Alderman O'Neil asked, Tom, on the one above it, equipment necessary to secure and/or receive services, are you talking about the dish type things that people have in the yard.

Mr. O'Rourke answered what I am referring to under this bullet point is converter box technology or an electronic trap that might be placed outside of a customer's home to keep a certain signal from entering. The dish would be the way that we would receive the programming.

Mr. O'Rourke stated the last slide is a wrap-up with recommendations for getting started. The municipality would choose the designated negotiating team or committee, begin the ascertainment process early. We will assist you with that. On my end, I am going to move forward with the implementation or the design of the customer survey that we will use. As I said, it will probably be implemented at some point this summer. I will share that draft with you when it is available. We would like to sort of, as the committee comes together with MediaOne, look at a calendar of where we would plug in certain events like a public hearing, implementation of a survey, certain negotiation meetings so that we have a timetable we are working on and that way we can insure that we meet and/or beat our deadline. When I say beat our deadline, it is not unheard of for a renewal to kick-in prior to the expiration of the current contract. I think that our current contract brings us out into the year 2000. If we were able to conclude negotiation and both sides reached agreement, it is quite possible that that renewal could come into effect prior to the expiration so we could see benefits to the City prior to the end of this one. Next is to determine the real needs and priorities, what is worth fighting for. Also, I think it is important to research other recently renewed franchise agreements here in NH and outside because I say for similar communities and there really aren't a lot of communities similar to Manchester here in NH. So, you may need to broaden your search a little bit. Look at some of the small communities for a general idea of things that are typically included, and then look to some of the larger communities, perhaps for more bells and whistles. All of the NH franchise agreements are filed through the Secretary of State's Office. They are a matter of public record. If there is a MediaOne franchise that you are interested in seeing, I can provide a copy of that for you. We have 57 NH agreements. I prefer to not provide all 57, but if there are some key communities that you are interested in, I would be happy to make those for you.

Alderman O'Neil asked if it is determined that we need a more basic service than what is available, something with less channels, does that fit in there.

Mr. O'Rourke answered it wouldn't fit in there and I said that during the renewal negotiation the packing and pricing is not negotiable, but an opportunity that is always available to a municipality is to certify, and this can be done at any time, as a regulator of the basic broadcast tier. That may give you some of the flexibility you are looking for. I am not saying that it will definitely, but it may. That is something that could be pursued at any time, independent of this process.

Dr. Sullivan asked Tom for a list of a few similar sized cities in Massachusetts where MediaOne has recent cable contracts. Not the contracts, just a list.

Alderman Girard asked Tom for a list of the cities and towns in NH that they franchise.

### **NEW BUSINESS**

Chairman Pariseau stated we have an item under new business which is a Peddler's License Application.

Deputy Clerk Bergeron stated the application request that they set-up a food vending operation outside of the Black Brimmer between the hours of 10 p.m. and 1:30 a.m. Wednesday through Saturday. The Black Brimmer stops selling food at 10 p.m. and has given permission for this person to be there. However, the ordinance is written such that we only allow peddlers to work between the hours of 9 a.m. and 8 p.m. so we would have to grant him a special exception. The Police Department opposes granting a special exception arguing that they have had problems.

Alderman O'Neil replied but there are people doing this now. There is someone at Bridge and Elm that does it.

Deputy Clerk Bergeron responded the Salty Dog. If they are doing it now, they don't have the license to do so. They have done it in the past and that is why the Police Department is objecting to it this time.

Alderman Girard stated don't the police require the Salty Dog to hire extra detail personnel for the weekends. My point is that if they do, wouldn't they know if someone was vending their illegally?

Deputy Clerk Bergeron replied I am not sure what the current arrangement is with the Salty Dog. I do know that I spoke to the Chief this afternoon on this.

Alderman Thibault suggested that this item be tabled until they could get more information. If you stop one, you have to stop the other.

Mr. Cannon, 172 Hayward Street, who is requesting the Peddler's License, stated I am an independent. I know the man who did the other two deals. As it relates, it was the same man that the Police had all the problems with. I think they should at least give me the opportunity to do it before tossing me away. I don't think there will be a problem in front of the Black Brimmer because there is a different crowd there. I think that it would help things more than it would hurt them.

Chairman Pariseau stated but the Police Chief advises us that he has had problems with Bridge and Elm Street and near 865 Second Street.

Mr. Cannon replied yes, with the same gentleman.

Alderman Girard stated I think the problem is that the Police say that not necessarily you, individually, but the fact that there is a cart out there is an attraction for all sorts of people, not just the crowd at the Black Brimmer. The concern is that you will be a magnet for people in other areas of the downtown during those hours and that is where the problem starts. Not so much how the cart is run, as much as the fact that the cart is there.

Alderman Thibault stated if we are going to make a rule, it would have to apply to everyone the same way.

On motion of Alderman O'Neil, duly seconded by Alderman Girard, it was voted to table this item.

**TABLED ITEM**

Communication from Alderman Reiniger recommending that Section 150.01 of the Housing Code Ordinance, Chapter 150, of the Code of Ordinances of the City of Manchester be amended by deleting paragraph (A) (2).  
(Tabled 12/2/97)

There being no further business to come before the Committee, on motion of Alderman Girard, duly seconded by Alderman O'Neil, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee

