

## COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

**October 12, 1999**

**5:00 PM**

Chairman Pariseau called the meeting to order.

The Clerk called the roll.

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

**Messrs:** Deputy Clerk Johnson, Deputy Chief Robinson, Asst. Solicitor Arnold, B. Pierce, D. Brisson, M. Hobson, J. Farrell, T. Gage, P. Jacobs

Alderman Girard moved to enter into non-public session under the provisions of RSA-91:A-3 Paragraph 2(c) to discuss the denial of a license to operate a taxicab. Alderman Rivard duly seconded the motion. A roll call vote was taken. Aldermen Pariseau, Thibault, Rivard, Girard and O'Neil voted yea. Therefore, the motion carried.

While in non-public session, Mara Briand appeared before the Committee to appeal the decision to deny her taxicab license.

On motion of Alderman Girard, duly seconded by Alderman Rivard, it was voted to return to public session.

Alderman Girard moved that the appeal for a taxi license be denied, and that the revocation be upheld for the maximum period of time allowable under the ordinance. Alderman O'Neil duly seconded the motion. Chairman Pariseau called for a vote. There being none opposed, the motion carried.

Chairman Pariseau addressed Item 6 of the agenda at the request of the Deputy City Clerk.

Review of decision to deny business license for Stark Mill Brewing & Riverside Room.

Alderman Girard moved this item for discussion. Alderman O'Neil duly seconded the motion. Chairman Pariseau called for a vote. There being none opposed, the motion carried.

Deputy Clerk Johnson stated I apologize that I just got updated on this case as of today so if I miss something in the process, perhaps I can answer the questions later. The licensing issue with this particular property...it was a business that was licensed in September of 1998 as near as I can tell based on the records that have now been provided us. The business was actually turned over into another corporation.

Chairman Pariseau asked licensed to operate The Cage or are you talking about the Stark Mill Brewery.

Deputy Clerk Johnson answered actually Stark Mill Brewery had a license with the City Clerk's Office, which came up for renewal in April of 1999. When the renewal time came about, we sent out the standard renewal notice and then there was a follow-up notice to that and then there was a final notice that was issued. The license was not renewed, but during the course of that time our office, specifically Matt Normand of our office, had several discussions with the owner of the business. The owner of the business was representing that it was now a new corporation. One of the problems...and in the course of that it would be a situation where we would not renew it under Stark Mill Brewery but under the new corporation so it would become a transfer of the business license or a new business. In that instance, the owner was advised that they had to get the sign-offs from Police, Fire and Health which is standard procedure when somebody is transferring a license. They proceeded with that basis as far as I know to get the sign-offs, but the Police Department had problems because there was an \$8,000 outstanding balance, which was as I understand it, attributed to The Cage actually which was part of as I understand it, Stark Mill at the time. The attorneys for the City can further discuss that. We had received an application in August, which was obviously some time after the April deadline so we had not been assessing the \$500 a day fine at that point.

Chairman Pariseau asked was Stark Mill Brewery allowed to operate without a license from April to August.

Deputy Clerk Johnson answered actually in my review of the record today, the new corporation is Tasha and Tasha has been operating without a legal license since September of 1998, which would call for a \$500/day fine. \$500 per day per machine and there are seven machines in there so you are talking \$3,500 a day, which the City Clerk's Office has not pursued because in the first instance we were unaware that it was a new corporation until the renewal process began. The

owner never advised us that there was a change of ownership. When the change of ownership was known, the Clerk's Office advised them that they needed to proceed with transfer of the business license and they needed to get the sign-offs. That discussion took place, as near as I can tell from the files, somewhere during the months of April to July. On July 8, there was a fax from the Solicitor's Office that was received and the Solicitor was stating that there were conditions that were going to be placed on that license in the event that the person wanted to transfer the license or before we should do that. In August, when the owner came in with the application to file it, it was August 13, 1999, when the license was to be issued we placed the conditions on it and the owner refused and stated that he was not going to guarantee to pay any judgments that the court may order. That left us in a position of there is no license at the moment for that business.

Alderman O'Neil stated I think there are two different issues here. The issue of the new corporation and not registering since September 1998 I think is one issue. The other issue is the money owed for police details. To the best of the City records, who owned the corporation of The Cage or doing business as The Cage? Somebody under that firm had to contract with the Police Department to hire the police officers.

Deputy Clerk Johnson replied I would have to defer to the Police Department for that answer.

Deputy Chief Robinson stated if I could maybe just clarify, when we first looked at this and Mr. Telge was trying to renew his license under a different name...

Alderman Girard interjected can everyone be clear on what licenses he or she are talking about because I see something in here about mechanical amusement device licenses and I see something about business licenses and then there is the issue regarding the details.

Deputy Chief Robinson replied I think it is all one license, Alderman. I think that the business license takes into consideration dance entertainment, amusement devices, etc.

Alderman Girard asked you are not talking about the mechanical amusement devices.

Deputy Clerk Johnson answered that is part of it.

Deputy Chief Robinson stated that is all part of the same license.

Alderman Girard reiterated so it is all together.

Alderman O'Neil stated, Deputy Chief Robinson, I just want to address this police detail thing.

Deputy Chief Robinson responded that is what I am trying to do. I just think that you need to understand the whole flow of it and I am going to take a second to do that. We did have an outstanding bill from The Cage. The Cage, as far as we are concerned and I have paperwork to pass out to you, is part of Stark Mill Brewery. The person that worked at The Cage was an employee of Stark Mill Brewery. We have an affidavit that I can put in front of you that says that Mr. Stu Anderson was not renting any space from Mr. Telge and Mr. Telge's statement is that he was not renting to Stu Anderson. I have with me today to help clarify that Bob Pierce who is the Assistant Chief of Liquor Enforcement and he can talk about the State laws. Your question as to whom the business was licensed to and who was responsible, it is the City's position that it is Mr. Telge although I know that is not his position, but that is our position and I think we have the legal documentation to back that up. When we were told that he was reapplying under a different name, I immediately called the City Solicitor's Office. I had some concern about having a different corporation taking over down there and how the City would collect their money. What we decided to do was to allow that to take place as long as he signed off that he would be responsible if a court was to deem him to be responsible. My best understanding is that he refused to do that. What I would like to give to the Committee, and I think that it would help you greatly in understanding what we are looking at here...

Alderman O'Neil asked to the best of the records that either the State or the City has, The Cage was owned by Mr. Telge.

Deputy Chief Robinson answered the package that you are getting and if I could Mr. Chairman I think it would help everybody if I could just read the letter that I sent to Mr. Telge into the record. I think this will set everybody straight from our perspective at least.

June 18, 1999

Mr. Peter Telge  
Stark Mill Brewery

Dear Mr. Telge:

Upon the closure of The Cage, you informed our Business Service Officer, Paul Beaudoin, that you owned the property where The Cage had been located and were renting the space to Stu Anderson. At that time, that was our belief as well. In speaking with Stu Anderson after the club closed, he

informed us that there were sworn affidavits on file in Concord with the NH Liquor Commission dealing with ownership of the club. He also advised us that he was paid by BTB Brewing, owned by you and your sister. Stu explained that BTB Brewing also owned The Cage and still owns the Stark Mill Brewery. We sent copies of all paperwork that we had dealing with The Cage's closing and its overdue account for police services to the City Solicitor's Office. We later notified the Solicitor's Office about the affidavit on file with the liquor inspectors and forwarded copies of the affidavits to the Solicitor's Office. One affidavit is signed and sworn to by Stu Anderson saying that he is the general manager of BTB Brewing doing business as Third Floor Entertainment Complex, The Cage. The other was signed and sworn to by Stu Anderson and Peter Telge that says that Stu Anderson is not leasing space from Peter Telge and that Peter Telge is not leasing space to Stu Anderson. Based on these sworn documents that were executed for the purpose of obtaining a liquor license for The Cage, we are hereby forwarding the invoices to you for payment. Although an amount of time has lapsed since the debts were incurred and since the closing of the club, you as owner of the liquor license and The Cage, are responsible for payment. Please be advised that failure to pay the total of \$7,930 due to the City may adversely affect your ability to obtain business licenses in the City of Manchester.

Should you have any further questions on this matter, I would be happy to speak with you.

S/Deputy Dale Robinson

If you flip through a couple of more pages, about four more pages in, you see one that is signed and has been notarized where they each say that he is not renting now. Mr. Pierce can explain that better, but by law he can't do that. He can't rent out the space. It is against the law and they wouldn't allow him to do that. This is on file up at the State Liquor Commission saying, in fact, that he wasn't renting. If you turn one more page, you see there is an affidavit signed by Stu Anderson. He says that he is the general manager and that he is the person in charge and that, in fact, was the person that we normally dealt with but he worked for BTB Brewing. That is and has been our position all along. Mr. Telge, back on June 18 did receive this letter and he also received copies of the bills, although I have read recently where he said that he never received a bill. I talked to him about it and, in fact, he received the bills. It is our position that we have about \$8,000 that is owed to the City for police protection of The Cage and he should be paying those bills. What we have asked for is to let a court handle this. I think the City Solicitor can tell you that the City has actually filed paperwork to take him to court and all we were looking for was him to abide by the court's decision. I believe that is all we

asked him to sign off on and we would assign him his business license. He has refused to do that telling us that it is Stu Anderson's problem and not his. If you want any of the State liquor stuff answered, I have the Assistant Chief here and he can explain the law if you feel that is necessary.

Alderman Rivard stated I don't think there is any question on who was renting and who was owning. That is pretty clear, but what is the policy of the Police Department? How could a bill of \$7,930...what does that represent? How many police officers? How many dates? Don't you collect day-to-day or event-to-event? This has to be a lot of history here.

Deputy Chief Robinson replied yes there is a lot of history and you have all of the bills in the back of the paperwork that I handed out and we indexed each page. I will tell you that we have changed our way of doing business. We used to, with a lot of the clubs and businesses, we used to bill them. A lot of them now have to pay cash because we have had checks bounce and we have had numerous problems. We have had businesses go under and we have ended up getting stuck with the tab. We don't want that to happen anymore.

Alderman Rivard stated because this isn't a full-time job of mine, I only do this part-time, I don't have the opportunity to look at all of those bills you are suggesting I look at so since you are the expert full-time person, can you tell me is this for a month, two months, a year. What does this \$7,900 represent?

Deputy Chief Robinson replied I would say it is over several months, Alderman.

Alderman Rivard asked so it is not unusual to allow these people to charge for several months and not collect any money.

Deputy Chief Robinson answered I would say this is the exception to the case. This isn't the way to do business. We were certainly wrong in allowing this to accumulate like that. Again, back when we were doing this we weren't as computerized as we are now. A lot of the work was done by hand. Again, I am not trying to make excuses. Quite frankly we didn't do a very good job in managing the business.

Alderman Rivard stated this goes back to 1996.

Deputy Chief Robinson replied yes, Sir.

Alderman Rivard stated this goes back more than a few months and you let it accumulate and accumulate and accumulate. That doesn't make much sense to me.

Deputy Chief Robinson replied we at first went after Mr. Anderson because at first we were under the impression that he was the person to go after so all of our paperwork was forwarded to him and then when we started researching and looking into it and we met with the State liquor people we found out that in fact what we were being told wasn't accurate and that, in fact, Mr. Telge in our opinion was the person responsible and then we turned and went in that direction.

Alderman Rivard stated as far as the tenant goes, I own property and if somebody doesn't pay me for a month or two I serve an L&T and I get rid of them. I am not going to provide them with services for 1996, 1997, 1998 and 1999. I am confused as to how this could get away from you and how you could provide service if they weren't paying.

Deputy Chief Robinson replied I would have to look at it, but I don't think this goes over a bunch of years. I think this has been an outstanding debt since The Cage closed back in 1996.

Alderman Rivard stated it is just interesting that anybody would provide service for a long period of time when they were not getting paid.

Deputy Chief Robinson replied it is not the way to do business.

Alderman Thibault stated my thing would be that evidently here there was another business being performed and the City never got to license it so the City also lost money there.

Deputy Clerk Johnson stated there are actually three separate issues going on here. The first issue is the \$8,000 that is owed the Police Department. The Solicitor has advised us that we should not issue a license until such time as Mr. Telge guarantees to follow the court order so the license was denied at one point in time by our office and that is why it is before you. That is on the basis of that \$8,000 that the Police Department didn't collect on probably as quickly as it should have and is now out the money. The second issue is that Mr. Telge has been operating a business under a new corporation and did not come in and transfer his license properly when he should have back in September of 1998 because perhaps these issues would have been dealt with them. The third issue is that he is operating currently without a license and we need to deal with that obviously because that is not good business for the City. Technically speaking, the City should be fining him \$3,500 a day. Obviously, the Clerk's Office has not done so to this point in time because we were allowing him to work through the process. It was our presumption that he was going to sign-off on the license once we had gotten the information. Obviously he didn't so the Clerk's Office is in another pickle where we are saying he is operating without a license and we need to file complaints at

this point and start charging that \$3,500 a day in the court process. So you have three separate things here. Yes, you did lose money on a renewal. You lost your \$8,000 and now you are sort of in a pickle.

Alderman Thibault stated perhaps my question wasn't put out right. I am saying that if, in fact, Mr. Telge owned a business and he let another business function in a way with no license, that is illegal so we lost money there also.

Deputy Clerk Johnson asked are you referring to The Cage not having a license.

Alderman Thibault answered yes.

Deputy Clerk Johnson asked Deputy Chief Robinson if they were open on Sunday.

Deputy Chief Robinson answered The Cage did have a license and we have gone through this. The Cage is operating under the license of Stark Mill Brewery. That is legal and that is okay. Alderman Rivard, I did some quick math here for you. It started in August of 1996 and went until December of 1996 so we are talking five months that this was accumulated over.

Alderman Rivard asked so you didn't get paid for five months and still provided the service.

Deputy Chief Robinson answered that is correct, Sir.

Alderman Rivard stated obviously that is something you have corrected and you wouldn't do that again. It is like going to work for a month and not getting paid and still working there. You would probably quit the job if you didn't get paid after a month. That is an interesting part of the whole scenario. How it could accumulate to \$8,000 and we are still providing service. Somebody should have jumped in sooner.

Deputy Chief Robinson replied in hindsight you are 100% correct.

Chairman Pariseau asked if the City has pursued this through the court system, why is it here in this Committee.

Deputy Clerk Johnson answered it is in this Committee because we have denied a license to them because of the recommendation that we have him sign-off. We placed that condition on the license, that he would have to agree with the conditions of a court order to pay the City. We placed that on the license and he refused to sign to that condition so we have denied him the license. He requested

the hearing before the Committee to have his license and that is the basis of why this Committee is seeing it. It is not to collect the \$8,000, but to determine whether or not you want to issue him a license without conditions.

Chairman Pariseau asked so without a license...

Deputy Clerk Johnson interjected he should not be open.

Chairman Pariseau asked couldn't the City padlock the doors this evening.

Deputy Clerk Johnson answered yes; the Police could close it.

Deputy Chief Robinson stated one of the concerns we had, Alderman Pariseau, and again I am not accusing anybody of this but we certainly have seen it done in the past when someone owes a whole bunch of bills and they basically start another corporation and almost do the exact same business and say well I am not responsible for anything here but I am now going to do this and maybe they build up some more bills and now they open up next week under a different name. All we wanted to do was make sure that there was an attachment there so that we could go back.

Alderman O'Neil stated I still don't know who owned The Cage. Was it a sole proprietorship, a partnership, an LLC, a corporation?

Chairman Pariseau stated in order to get liquor, it would have to be Mr. Telge.

Alderman O'Neil replied I know that it came through Stark Mill.

Mr. Pierce stated my name is Bob Pierce and I am the Assistant Chief of State Liquor. The records of the Liquor Commission indicate that Stark Mill Brewing is owned by Peter Telge, the President, BTB Brewing, Inc. It is a statutory violation for that premises, RSA 179:48(3) says that "no licensee shall rent or lease any part of the business without prior permission of the Commissioner." To the best of my knowledge, he has none. Also, I have the affidavit saying he is not leasing space or renting space. We don't care about a DBA if Stark Mill Brewing or BTB, Inc. is doing business in there as The Cage if it is still Stark Mill Brewing that is not a problem with us, but if that has been rented or subleased, then that is a possible major violation of law. I don't know if BTB will be speaking here this evening but I will be interested in hearing the answer if he is renting or leasing any part of that space.

Alderman O'Neil asked did we issue to Mr. Telge two licenses in, and I can't remember the dates now but in 1998 and in 1999 for a Brewfest at Arms Park and has he paid his bills for those details. Did he meet, as far as you were concerned (Deputy Chief Robinson) everything with the State Liquor Commission with regards to the Brewfest?

Deputy Chief Robinson answered yes, Sir.

Alderman Girard asked, Deputy Chief Robinson, to follow-up on what Alderman O'Neil just asked, was the paying of the bills a result of the department's new policy in how to collect for these matters. In other words, didn't you say that you expect cash from people now? So the bill had to be paid before the detail would be deployed, is that correct?

Deputy Chief Robinson answered yes.

Alderman Girard asked, Mr. Pierce, I guess to boil it down according to the records of the State Liquor Commission, for all intents and purposes BTB Brewing, Mr. Telge, was the owner of The Cage as far as the Liquor Commission is concerned.

Mr. Pierce answered exactly, Sir.

Chairman Pariseau addressed Mr. Telge and allowed him to speak.

Mr. Telge stated this has been twisted so badly that I am going to have to take probably a half-hour to untwist it. First and foremost, if I was ever in the loop of the Police Department getting paid, they would have been paid. I was never in the loop to date and I still have never, ever received a bill from the Police Department.

Chairman Pariseau asked what about that letter from Chief Robinson. You are not considering that a bill?

Mr. Telge answered in the letter and I did receive the letter and that was it, the letter doesn't even say an amount. It just says that I am responsible for the bills. There are no bills. I saw bills going to The Cage. Can I see that letter, Chief? If that is a bill then...first of all, I never received a bill but I did receive this letter.

Alderman Girard asked, Mr. Telge, what is the street address of your operation.

Mr. Telge answered 500 Commercial Street.

Alderman Girard stated the bills that the Deputy Chief has presented to us here have your mailing address attached to them so if you never received...

Mr. Telge replied The Cage had a separate address.

Alderman Girard responded it says The Cage, 500 Commercial Street.

Mr. Telge stated I didn't get those bills. They went to the third floor. The Cage, if I could clarify now, first of all I have not been operating under a new corporation since September 18. On September 18, I opened a corporation named Tasha's Food Service, Inc. During the course of this year, and I have spoken to the officials about it, I am trying to transfer all of my new licenses into this corporation. Also, my new liquor license, which is up at the end of this month. I am still operating under BTB currently. I sold the property there on September 18 and opened up two corporations. If you look at the corporation docs, BTB is still running. So that clarifies that little incident I hope. BTB still runs the Stark Mill Brewery and currently has a lease with a company called 500 Commercial Street, LLC to lease the space and actually the equipment for the Stark Mill Brewery under BTB Brewing, Inc. Tasha's Food Service is a corporation that I did open up along with another corporation called Stark Mill Brewing, Inc. under the original intentions of splitting my business into a brewery and a restaurant. It didn't quite work out that way. I wasn't able to do a public offering for a brewery like I originally had planned so it didn't work out. I still have two corporations called Tasha's Food Service, Inc. and Stark Mill Brewing, Inc., both with separate tax id numbers, separate corporations that I plan to use in the future and if I possibly can, hopefully transfer all of my licenses into that because at this time BTB Brewing, Inc. does not own or hold any assets. It is all taken over by my landlord. Secondly, Stu Anderson was my manager and he worked for me for about a year and a half. He did not rent the space. It was my space. He was responsible and the deal I had with Stu Anderson was to take care of all the bills and all of the entertainment. I wanted nothing to do with the nightclub. Nothing at all. I was supposed to get paid money from the proceeds of The Cage. I never got paid a cent. That is why we ended the relationship. He had his own Public Service bill. He had his own gas bill. He had his own phone bill. He paid his own doormen and he was responsible for paying the policemen and if you check on record, they did hire policemen for about a year and three months. They weren't paid for six months, but for the six months prior to that there is a record of payment from Stu Anderson to the Police Department that I had no knowledge of and nothing to do with. I was not in the loop. Again, if I had been in the loop and known that this gentleman was not paying the Police Department, obviously I would have made him pay the Police Department because it was my business that he was running as my manager. I, as a matter of fact, walked into a meeting between Stu Anderson

in the Police Department up in The Cage when they first started to hire policemen and I basically said what is going on, is there something wrong here because I thought there may have been a problem and he said no, we just have to hire policemen. I asked do you need me at all. Mr. Anderson said no, we don't. The policeman said no, we are all set. I left the room. I never had any other involvement with the policemen until I went to renew my license under a new corporation. I never received on bill to BTB Brewing, Inc. I never was called by the Police Department saying hey, you owe us money. As a matter of fact, I went out of my way to call the Police Department after The Cage was closed. I called a lady named Lorraine who is in charge of dispatching policemen for off-duty jobs and I said what is going on with The Cage and the Police Department. Did Stu Anderson pay his bills and she said no he didn't. He didn't pay and he owes quite a bit of money. I said well I am not responsible for that because he was my manager and I was never even involved in that. She said no, don't worry about it. Three years later, I go to renew my license under a new corporation and all of the sudden this is thrown at me. I had no knowledge of this until I tried to submit under a new corporation name. Had I submitted under the old BTB Brewing, Inc., I don't even think we would be here today. Probably not. It would still be outstanding and I still wouldn't know about it. Three years have gone by. I am just overwhelmed with this because from Day 1 when they started to hire policemen at The Cage, I was never involved. Stu Anderson paid them cash or paid them a check. I don't even know. He had his own checkbook, which he had authorization to sign on.

Chairman Pariseau stated you have admitted to this Committee that that, in fact, was your business.

Mr. Telge replied it is my business.

Chairman Pariseau stated then you are responsible in my book.

Mr. Telge stated the reason why it is my business and the reason why I could not...if I had...

Chairman Pariseau interjected you are responsible for whatever bills were accumulated no matter what manager you had.

Mr. Telge replied wouldn't I have a chance to make sure that those bills were paid. If you came up and you wanted to do a political party in my room upstairs where The Cage used to be, called the Riverside Room and the Police Department required you to have a policeman, I would say to you, Alderman Pariseau, you are responsible for paying all of the bills and if I have to be in the loop with the Police Department I would have been in the loop with the Police Department and made

sure that the bill was paid. I would have charged you and then paid the Police Department.

Chairman Pariseau stated Mr. Telge you are the one who said that it was your business. You are responsible.

Mr. Telge stated I didn't pay one bill up there for The Cage.

Chairman Pariseau stated I don't care what you paid. It was your business.

Mr. Telge replied it was my business because the Liquor Commission required it to be my business.

Chairman Pariseau stated were you trying to get around the Liquor Commission.

Mr. Telge replied no.

Chairman Pariseau asked well what did you just say.

Mr. Telge answered the manager who worked up there had an agreement with me...

Chairman Pariseau stated you did it to get around the Liquor Commission. Isn't that what you just said?

Mr. Telge replied the manager who worked with me, we worked together and he was supposed to pay all of the bills. He did pay all of the bills, somewhat.

Alderman Pariseau stated it was your business to satisfy the needs of the Liquor Commission.

Mr. Telge replied correct.

Alderman Girard stated it looks like Mr. Telge has two issues mixed up here. I agree with you, Mr. Chairman, that because he has admitted that it was his business and it was his manager who was running the business and because he admitted that he contacted the Police thinking that there were bills and in fact finding out that there were bills, I believe that he is responsible for the outstanding bill. Whatever the relationship may have been between himself and his manager, I believe that is a matter for him to try to remedy with that manager and I do not believe that the City should be responsible for absolving Mr. Telge of his

obligations simply because his manager appears to have violated whatever agreement they may have had. That being the case, I move that the appeal be denied.

Alderman Thibault stated I would have to agree that if, in fact, you are the owner and you have a manager, in my experience whenever I have managed anything the people who worked under me, I was their boss and I was responsible. This looks to me here like the same thing. I would have to agree with Alderman Pariseau that I believe here that what you people had concocted was to try to leave the Liquor Commission out of this. You didn't want to hear anything about this as long as you got a profit but because you got a debt, now you are involved.

Mr. Telge replied no, Sir.

Alderman Thibault stated that is the way it looks to this Committee.

Alderman Thibault duly seconded the motion.

Alderman O'Neil asked you don't believe that you, as the owner, are responsible for this bill whether Mr. Anderson mismanaged things with your business.

Mr. Telge answered I had a year and a half that I was in court with Mr. Anderson that I had him in court because he owed me \$100,000 that I did not get. At a year and a half for this issue to be brought into play where he was still in town and he could have been responsible for this bill and I never was billed for this, ever. If I had ever been billed once, one time, if I would have got a bill one time, Peter Telge you own \$7,900 in bills, anytime within a year and a half after The Cage had closed in December of 1996, I would have had the legal grounds and I would have had him in court with a judge who actually settled this all. I was not even aware of this until all of this was settled. It would have been settled in the court.

Alderman O'Neil asked when did you settle in the court.

Mr. Telge answered we closed him in December of 1996 and we settled in February or March of 1998. It was almost 15 months.

Alderman O'Neil asked and the first you heard from the City was the letter of June 18.

Mr. Telge answered just now.

Alderman O'Neil stated well there is a letter that was sent to you on June 18.

Mr. Telge replied that is it. First time. Actually, the first time I heard of it was when I applied for the license in April.

Alderman O'Neil asked so you had already settled in court.

Mr. Telge answered a year before that. I had him here in court. Now he is missing. He owes everybody money and he is missing. I had him here sitting in court. All of this stuff would have been very easily taken care of.

Mr. Pierce stated I would like to state for the record that for many, many years we renewed his liquor license with BTB Brewing, Inc. and the renewal notice goes to 500 Commercial Street and it has always been paid.

Mr. Telge replied under BTB Brewing, Inc. I never opened one envelope that was addressed to The Cage unless it said BTB Brewing, Inc. or Stark Mill Brewery.

Chairman Pariseau called for a recess.

Chairman Pariseau called the meeting back to order.

Chairman Pariseau addressed Item 5 of the agenda:

Request by David Brisson to operate a hot dog cart at 972 Elm Street after the legal hours of 8:00 PM.

Alderman O'Neil asked where is 972 Elm Street.

Mr. Brisson answered it is right at Amherst and Elm Street.

Chairman Pariseau asked is that the one that got the okay from the Black Brimmer some time ago. Are you the one?

Mr. Brisson answered no, Sir. I have only one hot dog cart. That is not the only location that I have at this time. In my letter...

Alderman O'Neil stated your letter says "any other location" and I think we need to know where those locations are so that this doesn't get out of control. Where might some other locations be?

Mr. Brisson replied I have a location at North End Mobile and I don't know the address. It might be 1602 North Elm Street. It is right across from the Gulf Station.

Alderman O'Neil asked so those would be your only two locations.

Mr. Brisson answered no. Tentatively, in front of Chantilly's Entertainment Complex in the Maple Tree Plaza. I haven't obtained the licensing for that yet.

Alderman O'Neil asked what addresses are you specifically asking for tonight.

Mr. Brisson answered 972 Elm Street, 1602 North Elm Street and any other location in the future.

Alderman O'Neil replied it has to be specific.

Alderman Girard stated first of all since the only specific address here is 972 Elm Street, that is the only one that I think we should consider, but Chief Robinson does the Police Department have any recommendation for us on this.

Deputy Chief Robinson replied we did have someone that you guys approved selling hot dogs in front of The Web, which is just up from Amherst Street and if he is still there and he is a half block away, I would have some concerns about the two of them being close together, but for the most part we have had no problems with these carts being out there. They check with the businesses and then this Committee approves it so we really don't have any major problems.

Alderman Girard asked so you don't have any major concerns.

Deputy Chief Robinson answered no.

Alderman Thibault asked you mean the businesses that are in the area of these carts have no problem with that.

Deputy Chief Robinson answered I believe that they are required to check with the businesses that are in that area before they come in here. It is not unusual to have these hot dog carts or sausage carts out in front of some of the nightclubs here in the City. That is not unusual and we really have had no major problems with that yet.

Mr. Brisson stated just to clarify, the reason I put 972 Elm Street and any other location is because obviously there is a meeting here once a month or the first Tuesday of each month and downstairs where they issue the licensing they add on to each location that you have to the license itself. On that license now, there are two locations.

Alderman O'Neil asked are you going to have more than one cart or are you flexible with your one cart.

Mr. Brisson answered well I have the one registered and licensed at this time, but I do own another one that is not registered or licensed and I probably won't do that until next year.

Alderman O'Neil asked with regards to the two Elm Street locations, how are you going to handle that.

Mr. Brisson answered it is different times that I go. Usually, I am down at 972 Elm Street during the day and that is it. I requested for parades and so forth also and I don't know if there are any other licenses for parades.

Alderman O'Neil stated maybe there should be.

Deputy Clerk Johnson stated I am not sure what the discussion has been and I apologize to the Committee, but I was busy with other things.

Chairman Pariseau replied we are on Item 5 on the agenda.

Deputy Clerk Johnson stated my understanding is that he is requesting to operate after the hours that the ordinance allows and that is why it is before the Committee. It would need to be specific to a location first of all and it would be specified on his license that way. The parades are controlled by those who are running the parade. They get a parade permit from the Police Department and so long as they have a vendors license they can operate under whoever is running the parade. It is up to the parade people as to whether or not the vendor is allowed. So, we cannot grant him the authority at this point in time to say yes, you can operate at parades. It is specific to the parade and specific to whatever parade is being run. If he is operating at more than one location after 8 PM, that would have to be approved separately by the Committee and we would have to have notice of permission by the owners of the abutting property as well.

Alderman Girard moved to approve the request for operation after 8 PM.  
Alderman Rivard duly seconded the motion.

Alderman Girard asked do we want to put a bed time on this or is this going to allow him to operate 24 hours a day.

Deputy Clerk Johnson answered yes unless you put a time limit.

Chairman Pariseau asked what are the current hours.

Deputy Clerk Johnson answered the current hours under law are until 8 PM unless otherwise specified by the Committee.

Alderman Girard asked does the Police Chief have a recommendation. Deputy Chief Robinson, do you want to see a drop dead time?

Deputy Chief Robinson answered what they do, Alderman, is they wait until the club closes usually around 1 or 1:30 AM and they got some business from that and then after that they usually leave.

Alderman Girard asked so you are not concerned.

Deputy Chief Robinson answered no.

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

Alderman O'Neil asked what specifically were you looking for at 1602 North Elm Street.

Mr. Brisson answered basically why I put this in front of you was to get a permit to operate after 8 PM anywhere that I have a license for downstairs. So, if I get approved by Chantilly's Entertainment Complex in the Maple Tree Plaza, I have to come back here next month to do this all over again?

Alderman Girard stated my motion was only to approve this specific location, but so Mr. Brisson doesn't have to keep coming back to this Committee as he gets additional locations, he can always ask the City Clerk to poll this Committee to see if we have a problem so that he doesn't have to wait for a meeting. Mr. Brisson, we really don't have a problem with it, we just don't want to set a precedent where someone can come in and get this kind of approval and then have these things start showing up after hours where it would be inappropriate for them to show up after hours. So, as you get additional locations, you can ask the Clerk to have the Committee polled for the purpose of extending your hours.

Chairman Pariseau stated I understand that the City Clerk has met with Mr. Telge and some agreement has been reached.

Deputy Clerk Johnson stated, Mr. Chairman, it is my understanding after speaking with Mr. Telge that he will sign an affidavit in terms of any court judgments and there has been an agreement that there will be a meeting between the City Clerk's

Office, specifically myself, and the Police Department over the next three weeks to try and resolve the matter of the outstanding bills prior to having any court actions.

Alderman Girard stated with all due respect to the City Clerk, Mr. Chairman, whatever meetings or whatnot they have are not going to change the fact that by his own admission Mr. Telge owns this establishment where the bills were incurred and I believe he is responsible for their payment. As long as the goal of the meeting is to facilitate the payment, I suppose I don't have a problem with that.

Chairman Pariseau stated I think that would be part of the discussion that they plan on having with the Police Department.

Deputy Clerk Johnson stated basically the City, as I understand it, and the Solicitor can correct me if I am wrong, but the City is about to engage in some court action in order to try and get a judgment. There is a fear that there would be a transfer of assets from one corporation to another which, based on my discussion with Mr. Telge, I would venture to say is not going to occur. He is willing to sign the agreement that the City Solicitor set forth as advising us in order to hold judgment in the event that the court found that. He is of the understanding that there are outstanding bills there for the Police Department. I think he has been pretty clear to the Committee in terms of where he stood in ownership of that entity called The Cage, and I believe that the purpose of the discussions is to determine how the bill can be paid.

Alderman O'Neil moved on the Clerk's recommendation. Alderman Rivard duly seconded the motion.

Alderman Girard stated my only concern with that is that Mr. Telge said here already that BTB Brewing, Inc. does not have any assets and that they were all sold to the person who currently owns the space and the equipment which he rents from them. The promise that he is not going to transfer any assets doesn't seem to be noteworthy because he has already said before this Committee that the corporation has not assets.

Chairman Pariseau stated I had a motion to deny the license and I need that rescinded.

Alderman Thibault rescinded his second to the motion to deny the license.

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

Chairman Pariseau addressed Item 8 of the agenda:

Year 2000 Readiness Disclosure Updated to be presented by Diane Prew,  
Director of Information Systems.

Alderman Rivard moved to refer the report to the full Board. Alderman Thibault duly seconded the motion. Chairman Pariseau called for a vote. There being none opposed, the motion carried.

Chairman Pariseau addressed Item 11 of the agenda:

Resolution:

“Authorizing the Finance Officer to effect a transfer of Fifty four thousand one hundred and eighty-six dollars (\$54,186) in line item 0390 (Other Services) be transferred from City Clerk to Human Resources.”

Chairman Pariseau stated I did receive a phone call from City Clerk Bernier before he left for class and he said that we ought to abide by the letter of Mr. Hobson dated October 6 and that the transfer would be \$5,000 from City Clerk to Human Resources and everything else would remain the same.

Alderman Rivard asked, Mr. Hobson, could you explain exactly what they are asking us to do here. It says transfer of \$54,000 from City Clerk to Human Resources. Can you tell me what the need is and why we are being asked to do this?

Mr. Hobson answered instead of transferring \$54,000, we would only like you to transfer \$5,000.

Alderman Rivard stated but there has to be a reason.

Mr. Hobson replied the reason for that is that Human Resources will take on some clerical and administrative functions that will cost approximately \$5,000 for the rest of the year. Those functions are currently being provided by the City Clerk now. They will be transferred down to HR. We will take those on. The remaining portion, everything else that is happening now, will stay the same. The City Clerk will continue to do what they are doing. We will do what we are doing. The \$5,000 will help us to facilitate the clerical functions that are being transferred to Human Resources.

Alderman O'Neil asked so the responsibility of City Hall still lies with the City Clerk.

Mr. Hobson answered yes.

Alderman O'Neil asked including security functions of City Hall.

Mr. Hobson answered yes.

Chairman Pariseau stated that being the case, Mr. Hobson, should Mr. Robidas be in with the City Clerk.

Mr. Hobson replied what we agreed to do and there was a group of folks that met and we also spoke to the Police Chief, Mayor and Frank Thomas and what we would like to do is keep things as they are, as we proposed in this letter for the rest of this fiscal year and then we would like to address it next year.

Alderman Thibault moved to approve the transfer of \$5,000 in line item 0390 (Other Services) from the City Clerk to Human Resources. Alderman O'Neil duly seconded the motion.

Alderman Girard asked what is going to be done with the balance of the \$54,000.

Deputy Clerk Johnson answered the City Clerk is currently providing the security guard services. Originally the \$54,000 was supposed to be for security guards and the Clerk's Office has been providing some other functions in addition to that including the card access for the doors and those sorts of things. We will continue to provide the security guards with the balance of the funds.

Alderman Girard asked on what is the money being spent.

Deputy Clerk Johnson answered on contracted services for security guards.

Alderman Girard stated I thought it was referred to this Committee so that we could make recommendations on where the Security Manager's position should be located. Are you saying that you don't want the Committee to do that now?

Mr. Hobson replied in my letter I said that...

Alderman Girard interjected a letter that we just got today, by the way.

Mr. Hobson asked you got this today.

Alderman Girard answered I am sorry, I thought you were referring to the stuff we got today via courier.

Mr. Hobson stated there were some accompanying articles just as an FYI that unfortunately didn't arrive in time. What we are asking for in this letter, in the very last paragraph, Item 11 says finally we respectfully request that the position remain in Human Resources at this time. We ask to address the final placement, and that would be with you, of the position as security planning unfolds. We are just asking for status quo at this time.

Alderman Girard asked so the answer to my question would have been yes.

Deputy Clerk Johnson answered yes, they are asking that the Committee keep it there.

Alderman O'Neil asked what department is the car charged to. Human Resources?

Deputy Clerk Johnson answered wherever the security manager is, which in this instance would be Human Resources.

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

Chairman Pariseau addressed Item 10 of the agenda:

Proposed amendment to City's Litter Ordinances submitted by Alderman Hirschmann.

Chairman Pariseau asked would this have to be referred to the Committee on Bills on Second Reading.

Deputy Clerk Johnson answered if you approve it here it would be referred to the Board with the recommendation that it be sent to Bills on Second Reading for technical review.

On motion of Alderman Girard, duly seconded by Alderman Thibault, it was voted to approve this amendment and recommend that it be referred to Bills on Second Reading.

Chairman Pariseau addressed Item 7 of the agenda:

Presentation by Jennifer Farrell and Timothy Gage of MediaOne relative to the request for the transfer of control of the existing cable television franchise from MediaOne to AT&T.

On motion of Alderman O'Neil, duly seconded by Alderman Girard, it was voted to remove Item 17 from the table.

Communication from C. Michael Armstrong, Chairman of the Board of AT&T submitting an application for transfer of control of the existing cable television franchise with MediaOne.

Chairman Pariseau noted that Item 17 deals with the communication from C. Michael Armstrong, Chairman of the Board of AT&T submitting an application for transfer of control of the existing cable television franchise with MediaOne and that it was tabled at the last meeting. We have Asst. Solicitor Arnold and Dr. Grace Sullivan who are going to be our support staff for these items.

Mr. Gage stated I am Director of Government Affairs for MediaOne in the Northeast Region, including Massachusetts, Maine and New Hampshire. With me this evening is Jennifer Farrell who is Manager of Government Affairs in New Hampshire and also Patricia Jacobs from AT&T. She is the Director of Government Affairs for AT&T and her territory includes Massachusetts, Maine, New Hampshire and Vermont. As you know, MediaOne and AT&T have entered a merger agreement whereby AT&T will pay MediaOne in the form of purchasing the stock and other considerations, \$58 billion, for its cable systems in the United States. Part of those systems are here in New Hampshire. One of which is the Manchester system. As part of your license requirements, we are here to ask your consent for the transfer of the license from MediaOne to AT&T. Your license requires you to look at the qualifications of the applicant, being AT&T, in terms of their financial, legal and technical ability to take over the system from MediaOne and operate the system. As I stated before, this is a merger of the two companies with AT&T remaining standing after the merger and their purchase of the MediaOne stock. It is change of control in that MediaOne currently operates and owns the license in Manchester and that license will then come under the control of AT&T. So, our purpose this evening is to discuss this with you and field questions regarding those criteria and the license itself so that you can make the determination regarding your consent for the transfer. I will add that on or about July 14 you should have received a Form 394 Application on FCC form. Basically, it is a large white binder. I don't see any on the desk there. It is full of very informative reading and if you took the time to read the whole thing, I think

what you will see and what we hope you will see is that enclosed in that binder is all of the information that you will need to make the determination that AT&T does have the technical, legal and financial wherewithal to take over the system from MediaOne to operate the cable franchise. We will still be the people that you will be negotiating the license with until the actual transfer takes place. This is Step 1 in the process. We are going to, in the Northeast, some 200+ communities seeking their approval of the transfer. From there, there are various regulatory agencies that will have a say in the matter and the deal will be consummated probably sometime in early 2000 if all goes well. So, with that I am sure that if the Committee would like to ask questions tonight we will answer any questions on the current license. AT&T is here and they will answer any questions on any of their plans and any of their qualifications that come under the purview of your license agreement.

Chairman Pariseau asked what importance do you think that Manchester's denial or approval of this transfer will have on the occurrence.

Mr. Gage answered the occurrence is spelled out in the document between the merger agreement between AT&T and MediaOne. There are some trigger mechanisms in terms of what happens if we get X amount of denials, that is my understanding. I will say that each and every one of these systems is as important as the other to us in terms of closing the deal. Obviously, the deal was made based on full transfer. My understanding is that there would be some financial consideration that would go back and forth, but there is a certain limit on the number of denials that can take place for the deal to go through as stated. But, I think if the question goes to is it a deal killer, probably not, but it is very important to us that it take place and I think that we have met all of the criteria for it to take place.

Alderman O'Neil asked will this be a separate, will the cable franchise be a separate company or is it going to be everything will be within AT&T long distance service, etc.

Mr. Gage answered AT&T has different divisions and Patty can speak to it better. Quickly, AT&T Broadband and Internet Services is the broadband, cable and Internet arm of AT&T that will be the named party so it is a subsidiary of AT&T and Patricia Jacobs can speak more to the make-up of the AT&T organization.

Ms. Jacobs stated it would be one of our...as Tim said I am Patricia Jacobs and I am State Director of Government Affairs for AT&T in New Hampshire, Massachusetts and Maine and I am phasing out a little bit of Vermont but I still have some responsibilities there. Yes, it would be a subsidiary of AT&T and the official title of that subsidiary would be AT&T Broadband & Internet Services.

Alderman O'Neil asked if you currently have, for instance, AT&T for long distance services, would you still receive separate billing or would everything show up on one bill. How would that work?

Ms. Jacobs answered our goal is for it ultimately appear on one bill if that is what the customer will like. There will be some transitions in getting us there. There will be likely a period of time under which the customers will continue to get a bill as MediaOne and a separate bill from AT&T long distance services but the goal is to make a package of services that is convenient for the customer to use and convenient from a billing perspective as well.

Alderman O'Neil asked you mentioned that there are 200+ approvals needed. Do you know how many you have to date?

Mr. Gage answered as I stated to you the application was filed on July 14 across the board in the Northeast Region. I am talking about the Northeast Region because we have probably 500 systems across the country that we are doing the same thing in, but my focus is the Northeast. Most of which are in Massachusetts. I will say that Manchester, NH is one of a few systems that has the control transfer authority to review the transfers. I think around 24 communities in New Hampshire have that out of some 64 communities that we operate in. In Massachusetts, all communities have that ability so I would say that the deadline for the transaction or the deadline for folks to move on this to approve it or deny it or do nothing and if they do nothing it is deemed allowed is November 15. I think we probably have in the neighborhood of 20 or 30 in the Northeast that have come in. Actually, November 12 is the deadline. I will state that in Massachusetts we went through a regional hearing process whereby the communities, I think 176 of which are in Massachusetts, took part in regional hearings and there was a report that came out from a Magistrate who oversaw those hearings. That report was just issued last week so since July a lot of those folks have been waiting for the report to come out from the Magistrate. The report was obviously in favor of the transfer stating that we have met all of the burdens and we stated the case for the transfer so we expect on the short-term that those will start rolling in now after folks get a chance to read through and understand that Magistrate's report.

Alderman Girard stated my concern is over the past several years we have seen cable company after cable company after cable company. We started as United. We went to Continental then I think there was something else, then it was MediaOne and now it looks like it is AT&T. Every step we take is a bigger step and becomes part of a bigger company. My experience over the last eight years has been that every time that happens, this community loses that much more of a voice in what cable television does for programming, rates, or anything else and I

understand that there are some Federal regulations now that we have to deal with but it doesn't change the fact that every time one of these mergers or buy-outs has taken place, the local citizen ends up getting stuff they don't want and can't get stuff that they do. There is always a change and it always disrupts people. Dr. Sullivan from Manchester Community Television presented this Committee with a laundry list of items from MediaOne that she claims the company is not in compliance with in terms of community television programming. That is a concern. As members of this Committee are well aware, at public hearings and via letters and phone calls, there is a substantial constituency in this City that would like to see EWTN 24 hours a day like it used to be before all of these mergers and INSP on its own channel 24 hours a day, but we have not had any assistance from MediaOne in any of these matters and the ear has been more than deaf. That statement having been given, I would like to ask Asst. Solicitor Arnold whether or not the decision that this Committee and the Board of Mayor and Aldermen is being asked to make, is truly confined to the narrow legal and technical parameters that the gentleman is representing because my understanding is that we are not so confined. I would like to direct this question to the Solicitor.

Chairman Pariseau stated I don't think the issues that you brought up, Alderman, are relative to the question at hand.

Alderman Girard replied Mr. Chairman, with due respect, I believe they are which is why I have directed the question to the Solicitor and I would like him to answer it.

Asst. Solicitor Arnold stated the transfer and assignment of the renewal franchise governed by Article 3 of our renewal franchise that was originally granted to United Cable Company of NH. Section 3.2D specifically provides for the purposes of determining whether it shall consent to any such change of control and ownership, the franchising authority shall inquire into the legal, financial, character and technical qualifications of the perspective controlling or owning person and including, but not limited to, such persons cable related experience, if any, in other communities, any and all matters relative to whether such person is likely to adhere to all the terms and conditions of the renewal franchise and whether the proposed change of control and ownership is in the public interest.

Alderman Girard asked in other words we are not, by that last statement that you just made, we are not so confined to sterile, technical and legal parameters.

Asst. Solicitor Arnold answered you are entitled to consider the public interest.

Alderman Girard stated that having been said and also speaking of financial concerns, I would note that the City Finance Department is currently conducting a full audit of MediaOne's books because we have some concerns as to whether or not they have been paying their true share of the franchise fee that they owe to the City so we have that issue on the table and there are a number of issues outstanding. That having been spoken by the City Solicitor, however, I wonder what it is you are willing, whether it is MediaOne or AT&T, to do to address the concerns that I have raised in my statement and that have been continually addressed by the public to members of this Committee and the Board of Aldermen regarding programming such as EWTN. It seems to me that what you folks want us to do is say okay AT&T is capable, we all know AT&T and legally and technically they probably can handle the job, confine your scope and questions to that area and let us go away and forget what concerns the community might have about programming and rates. I realize I just gave you a loaded statement, but I am looking for some help because we don't have any other way of getting your attention other than some transfer of your agreement to say who is going to take care of the concerns that the citizens of this community have repeatedly over the years expressed and been unheard on.

Mr. Gage replied I see what it says in your license and I think the part about whether it is in the public interest is obviously something that you should be concerned with but I would say that the FCC has opined on this matter and they state that the legal, financial and technical qualifications are what you are limited to. You are not wrong to tell me that it says that in your franchise, but the FCC has come in and I can provide you with the document from the FCC that states where you should confine your review. That having been said, I would still like to address what you said this evening. I think what you have stated is clearly something that you have taken an interest in and that is the programming for EWTN.

Alderman Girard replied among other things.

Mr. Gage responded right, but I am starting with that. It is clear that you do not have the purview of deciding what programming MediaOne will provide to the community. You, in the licensing process and in the renewal process, clearly do have the ability to discuss with us and talk about broad categories of programming, i.e. religious programming but you cannot say that we are not going to renew this franchise or we are not going to do this transfer because you won't put EWTN on for 24-hours instead of 18-hours. I do understand your concern and think that during that process we did state the reasons why that happened in terms of channel regionalization. We did work with EWTN during the period of change. They are now seen by 64,000 homes throughout our system and EWTN was on board with our decision to do what we did. I think we also did receive some

postcards I guess from members of the community. We receive postcards everyday to tell you the truth.

Alderman Girard asked over 5,000 for one program.

Mr. Gage answered some folks want the French channel and some folks want the Sports channel and some folks want Classic Sports and some folks want the Bee Keepers channel. I think you can find a channel out there for just about anyone. Unfortunately, we are limited in channel capacity and those decisions are made by our marketing department, not by the legal and government affairs people. We usually are just left to deal with it in the communities and frankly sometimes that is not so fun, but those decisions are made on a sound basis and that information that comes from the community in terms of postcards and phone calls, that is all taken into consideration in doing what we do. We feel that we have provided the religious programming with the merger of the Inspirational and EWTN. We feel that we have covered the category of religious programming in a fair fashion. I understand where you are coming from and maybe it is frustrating from where you are sitting, but the Federal law and the FCC have done that for a reason because if we had to go into each community and listen to each Aldermen or each person who decides to show up at a hearing and put on programming based on who shows up at a hearing, then it wouldn't work so well. So, the business aspect of what we do is not something that you are involved in and the rates are not something that you are involved in. That is maybe unfortunate for you in terms of the fact that when you walk the streets folks talk to you about that and that is probably obviously the number one complaint you get, but it is not clearly something that you have review over. What I am telling you is that we are willing to do what we need to do and we are willing to comply with the license and AT&T is here to tell you that they are here to comply with the license. I think you are talking about questions of whether we have paid our fees in the appropriate manner and we will find that out soon enough because you have ordered an audit and I have spoken with the City Solicitor and we are working with you folks in terms of getting the information that you need to make sure that you are comfortable with that fact and frankly I don't think you are going to be renewing the license without having that information in hand so I know that you will have that. That is a time consuming process. Do I think you will have it by the time the transfer takes place? Probably not, but I will tell you that our Accounting Department has indicated to us that we are in compliance, we have been paying the franchise fee on the amount of money that is required under the franchise and in the end I think that is what you are going to find. You are certainly within your authority to go looking into those things, but I don't think it is the kind of thing that should hold up a transfer. I think AT&T coming out the other side of this thing is going to be as responsible as MediaOne. That is what the law is here for. That is what the contract is here for. They are going to take it whichever way it comes. If we find there is a problem, it

is going to be AT&T's problem. If it is no problem, then AT&T is going to get a system that is running as it should.

Alderman Girard stated I think in summary the gentleman's answer is one that the FCC tells us what you have to do and we are not particularly interested with the community feedback or the community concerns. We are just here on a technical and legal basis and I personally don't believe that the gentleman's answer demonstrates anything that is responsive to the concerns of this community. I think, perhaps rightly, perhaps not, that he is more concerned with whether or not this thing is going to get transferred on the grounds that he says we are supposed to consider transferring it on, our franchise agreement, apparently, notwithstanding. Again, I am left to wonder where does the community have any say.

Dr. Sullivan passed out a memorandum. First of all, I would like to introduce Tom Girader from the Wadleigh Law Firm who is going to be working with Manchester Community Television on the renewal process. These are just some of the things that having been out for a couple of days and coming back in and seeing some of the things that we put down. The disruptions to our cable signal. Basically what I have heard tonight is saying that...what I really am concerned about is how AT&T has operated as a cable company. If I look at it in terms of what has been said today, AT&T will operate as MediaOne has operated a cable company. MediaOne was an offshoot of US West, a phone company, so if I am going on what MediaOne did, then I have some concerns. This is just tracking from July 9. This isn't going back as far as MediaOne owned the cable franchise agreement, just from July 9, 1998 and I am sorry for the typo but September 7 should be October 7. I had one of the students help me with this. I don't have a really large staff, but these were the times the signal has been down and how long it has been down for. I have also been tracking the other channels. The other channels of MediaOne, such as the Home Shopping channel or MTV don't go down. We go down a lot and it is hard to get a response. I would like to know how AT&T handles these and where and who I can talk to and cable systems that are run by AT&T what they do to their community television channels. Whether they treat them the way that MediaOne has treated MCTV-16. We have also had constant interference with the television signal since June 19, 1999. Hum bars, which are horizontal lines of interference, scroll up the screen continually and it has produced a poor quality signal. A technician has spent a couple of days trying to fix the problem. He said that what really needs to be done is to replace the coax cable which runs from MCTV to MediaOne with fiber cable. Recently, MediaOne redid the plant so now the City is fiber. I just assume that. Our cable that runs from MCTV to the head end is a coax cable that was put up in 1992 and the technicians tell me it has been chewed by the squirrels a lot and, therefore, we have a bad signal. We still haven't response about what is going to happen with

this. The other thing that has happened is the production of local programming and on the last page I have definitions and I don't want to get back into my teacher mode and get into teaching but local origination is what cable companies have produced themselves and we haven't got any local origination programming anymore. Programs like Thinking Out Loud with Rabbi Starr, Circle of Friends and the French Language programs on local subject matter, political discussions with local municipal candidates, they are not being produced anymore in Manchester. It is not happening. Therefore, people keep calling me up and saying can we do more and more. We have 1% of the cable gross to operate PEG access and we don't have more money coming in to replace the folks that got laid off or whatever and disappeared from MediaOne who produced local programming. There has been a big hole in this community because of it. Now is AT&T going to have local origination programming? I don't know. I would like to find out. I have been watching the channel because New England Political Review is produced out of Manchester, that is what I heard. The local programs that are local origination or called local origination are Cape Cod Golf, not in the City boundaries of Manchester and some Massachusetts and New Hampshire high school football games. It was interesting that they had Nashua High School on. Nashua isn't even a MediaOne town, which I thought was interesting or maybe they are now. I can't keep up. The New England Political Review, I watched the whole show, and the majority of the show was about violence in the schools and I am not even going to get into some of the content of that program either and where the media doesn't take much responsibility. There was an interview at the end of the program where Commissioner Betty Twomey and that is the only thing I saw with local programming. How do these program meet the local interest of the consumer? Will MediaOne increase their funding from 1% to 2% to allow us to increase local program production to supplement the loss of their local origination programs or will AT&T do that. Then the social contract. MediaOne filed a social contract agreement with the FCC saying that they would be giving free cable modem access to all of the schools. Back in the spring, people from MediaOne met with the Manchester School District and instead of saying okay when do you want us to put in the free cable modems in the schools like we promised the FCC, what you did was you said we will give you a percentage of this if you let the kids take home a flyer pushing the service and we said no, we are not going to do that. That is not what we do. That whole process has gotten lost. We would like to know when we are getting our free cable modem and when each school will be wired. The content, I know is not under the transfer process how it is legally stated, however, I agree with Alderman Girard that where do we speak on this issue. Where do we speak on this issue unless on a local level? You have consolidated two religious channels into one channel. In Manchester, there is probably 50% of the people who live in the City that are Catholic. People are saying to me that it is not the amount of cost but where are your choices being made. Are these the same people that are choosing to put MTV on and at 9:30

AM have a program called Downtown, a cartoon at 9:30 AM on a Saturday morning and not to get emotional about this but showing drug dealers and promiscuous sexual activity at 9:30 on a Saturday morning. Are you saying to me that the people in Manchester want that program more than they want a spiritual program? I am trying not to be emotional about it because really I agree with you that this is whether or not AT&T can be a good cable company. I would like to know that to. I would like to know what AT&T has done. The final thing is because this has been brought up as an issue, will MediaOne be providing free cable modem access to municipal departments. The question for me is what is AT&T's commitment to the quality of life in the community they do business in. that is very real for me. You are crossing public rights-of-way with your wires. You do impact the local community and you are saying to me that the FCC says that we have no right to say anything about this, what you bring into people's homes. The other thing is right now with MediaOne and then going to AT&T with their Broadband service, will we be getting a percentage of the gross of the cable revenue and I mean cable revenue from the Internet service. I need to know that too, but I think the biggest issue for me as a parent, as a New Hampshire person, beyond all of this other stuff is how will AT&T be a good corporate citizen in regards to the channels they transmit and how they will impact the values in our City. This has really got to be looked at and I think that Alderman Girard who has been talking about this stuff for years...he is really on the money and I don't think we need to...I just think that we need some time to look at this and discuss this and have a dialogue about this. This is a really important issue for this community.

Ms. Jacobs stated I would like to start by addressing the general comments and concerns that Alderman Girard has raised and Dr. Sullivan has raised. I want to say that you are right to be concerned and you are right to take a serious look at this issue and we hope you do. You are also absolutely right to be emotional about this. Cable TV is important. The TV is on all day, every day in many people's homes and it is their connection to the world. It is where they get their information and their entertainment and they have to screen to make sure that our kids aren't seeing things that we don't want them to see so you are right to be emotional and you are right to question this notion of mergers and whether it will serve the City of Manchester well. Working for AT&T, we are often accused of walking around and saying that bigger is better. Well is bigger better? Ask yourself that question and I hope you will find the answer is yes and I would like to be able to convince you tonight that the answer is yes and I can only do so generally and I am going to allow Tim to speak to the specifics of your concerns tonight. AT&T has experience as a local company. Not a local cable company, but a local telephone company and prior to 1984 we had extensive networks in local communities and we worked very closely with cities and towns. That was several years ago, but many of those people are still with AT&T and we still think

of ourselves as a local company, I think, in many ways. Certainly in terms of the government affairs piece. We have been stuck at the FCC and dealing with the State Regulatory Commissions which is a pleasure and I do that on a full-time basis in my job, but we are looking forward to working more closely with the communities. Does that address your concern? Will the City of Manchester be heard in New Jersey? You have a right to be concerned and to ask that question and I am here to convince you that yes your concerns will be heard in Boston, in New Jersey with MediaOne now. If I could just sort of address the more specific issues to the extent that I can, I am not in a position to speak to the terms of your local franchise agreement, but your frustrations and your concerns are legitimate. I can tell you that AT&T recognizes as a business decision and objective that if we are going to be able to keep you happy in the long distance and keep you as long distance customers or win you over as long distance customers, and I am speaking to you as individual consumers but also as representatives of your town, if we are going to be able to retain you in long distance part of our business, we are going to have to satisfy you and make you happy in cable and in high speed data. If you don't like what we are doing in cable, you are going to walk away from us in long distance. You certainly have the choice to do that and you won't even consider us as your long distance provider if you think we are screwing up on cable. So the company knows that our reputation at all levels of service and products that we offer is tied to doing the cable business correctly and it all goes back to what Dr. Sullivan was saying. It is an emotional product. People are connected to it, even more than their local phone service. AT&T is committed to public access television programming. I can't speak to the specific issues here. I know that in our TCI cable territories there were some issues and problems with quality of service and customer care and I can tell you that the AT&T brand name did not go on those systems and properties until TCI met the level of customer service and quality of network services that would meet AT&T's standards. So we take customer care, customer service and quality of the network extremely highly and we would do that in Manchester. I know that is very general and I know that your concerns are much more specific than that.

Alderman Girard asked, Ms. Jacobs, you said that one of your recent acquisitions for lack of a better term would not wear the AT&T label until they met customer service quality standards and things like that and that is laudable. I am wondering how that answers my concerns and Dr. Sullivan's concerns about input in programming. You seem to imply that if AT&T doesn't provide a decent cable service or one that the customers here in Manchester will like that they are not going to take their long distance through AT&T anymore. Given that in Manchester we don't have a choice in cable, I am not sure how...and they may take it out on AT&T's long distance but they are still stuck with the cable and I don't know how realistic it is to expect that if the cable side of AT&T ticks them off they are going to switch from AT&T long distance if they haven't already. I

guess the last point that I would make is I don't understand how your desire to be responsive to the community squares with Mr. Gage's comments that it is the marketing department that makes all of the decisions about what goes on the channel. There are a number of things that you have said that seem to be at odds with either themselves or Mr. Gage's statement and it doesn't do a whole lot to convince me that AT&T is going to listen to the local yokels when it comes to what we want to see and don't want to see in our local programming and how the service levels are tiered and everything else, which has also been a big issue in this community.

Atty. Girader stated I have a question about the franchise agreement and the FCC superceding of that by Federal law. Could you kind of be a little bit more specific as to the FCC being the authority as to a local franchise agreement merger provision? Do you have specific cases or text?

Mr. Gage replied I can provide you with that information. I am looking at a Report and Order and Further Notice and Rule Making of the FCC, which can be provided to you. I would also refer to the cable act and if you give me your card I will provide you with that information.

Mr. Girader asked since MediaOne is basically going to go away and AT&T is going to be the entity here that is going to provide the service, this is just a speculation but AT&T is trying to gather data, phone and cable services into one provider and we were taught in business school that the only way to make monopoly profits is to have a monopoly and this is one way to do it. Only true money comes from monopoly. There has been a lot of legal ramifications from AT&T or whoever the entity or cable service provider is having the only access. You have to get into the home to make the money and the way to get into the home is through the lines and now with AT&T having long distance, now cable and then data, what is AT&T's position on allowing access to other providers to have a little bit of competition in the local market as to who they choose to provide these services in the future even though they might own the specific entryways?

Ms. Jacobs answered one of the things you are speaking to and I was speaking to this as well as the integration of telecommunication services where the cable wire or the telephone wire into your home or the satellite dish attached to the side of your house provides you not only with local phone service and cable, but long distance phone service and access to high speed data. The convergence of these technologies and services has been occurring over a number of transmission or access facilities over the past few years and it will continue to. AT&T is hoping to provide you this package of services over the cable wire. Bell Atlantic would like to provide you with this package of services over their digital subscriber line and they have a recent agreement with Direct TV so they can compete in the

entertainment part of the communications industry. So, there is a flourishing or emerging competitive market in terms of all of the different types of communication services that consumers are interested in acquiring. Right now, high speed data can be obtained by customers through the cable wire in their home if it is upgraded through the incumbent DSL technology if that is offered in their region, through satellite technology increasingly in the future and also through wireless technology. I see that Sprint is advertising a high-speed data wireless phone. The marketplace is competitive in that respect and becoming increasingly so. It is AT&T's position that the cable network is open and that other content providers can provide their content over the cable wire into the home with one click. You can configure your computer screen so that you can either rely on MediaOne's Roadrunner product or you can rely on American On-Line's provider or any other content provider that you choose to use. If the question is, is AT&T providing access to the cable network to other content providers, the answer is yes.

Asst. Solicitor Arnold stated if I understood you correctly, you said that AT&T's experience with local networks is not in cable. I presume you mean twisted wire phone prior to 1984?

Ms. Jacobs replied I did say that our experience has been in the local phone network, but AT&T's Broadband and Internet Services Division has been operating the cable network in TCI territories. TCI had been the largest cable company in the country prior to its merger with AT&T so we do have experience operating a local cable network.

Asst. Solicitor Arnold asked how long has that experience been.

Ms. Jacobs answered the merger was completed, I believe, in February of this year.

Asst. Solicitor Arnold asked so you have eight months of experience. Is that what you are telling me?

Ms. Jacobs answered I don't look at it that way and I don't think AT&T does either. When you merge with a company we are not just acquiring MediaOne's network. We are acquiring its technical abilities, its human resources, its knowledge of the local area and local network and that is the case in our TCI territory. We didn't just buy the fiber and the cables into the home. We merged with a thinking, learning entity and all of the experience that TCI had in leading and expanding the cable network throughout the country and MediaOne's leadership effort in expanding on the broadband network and bringing that to customer's homes, that is the capital. That is what we are purchasing or merging

with. Not just the network. So when you ask what is AT&T's experience, it is TCI's experience and it is MediaOne's experience.

Asst. Solicitor Arnold asked, Mr. Gage, I note that you made reference to FCC documents that at least in your interpretation provide that we are limited to the technical and legal issues. My research doesn't reveal that and I would certainly like to see a copy if it, in fact, provides that the FCC regulations override a local negotiated contracted provision so if you could send me a copy also that would be great. Dr. Sullivan in her usual style certainly made her feelings known. I note that she didn't stop to allow you to answer questions, although she set forth a number in writing that I believe you have in front of you. Have you seen the letter that has been provided to the Committee? If you could respond to those, and I wouldn't ask you to do that tonight but if we could get answers to those questions I would appreciate it because they are certainly issues that I think go to the decision to renew. Of particular interest, I think, as Dr. Sullivan said is local programming. Although her question is in the form of are you going to give us more money to produce that I would like to know what AT&T's approach is going to be to producing local programming for viewing across the cable network. In other words, will there be any or will the present status quo remain.

Ms. Jacobs asked may I get back to you in writing.

Asst. Solicitor Arnold answered certainly.

Mr. Gage stated we can provide responses to the items listed in writing.

Asst. Solicitor Arnold stated I note that recently MediaOne did provide our second local access channel, which they put on Channel 9 which unfortunately in the local area there is substantial interference with. I think that certainly goes against the spirit of providing a second channel. I would like some idea of how MediaOne or AT&T is going to correct that problem.

Ms. Jacobs replied I have already had a lot of complaints on that.

Asst. Solicitor Arnold stated I am sure I am going to have a number of other questions that arise in our review of this request for a transfer. I would like the Committee's consent or permission to have me submit questions in writing to AT&T or MediaOne on the Committee's behalf so that I can share those answers with you.

Chairman Pariseau replied go ahead and do that. We don't need a motion.

Alderman O'Neil asked that the Committee members get a copy of the questions and then the responses.

Asst. Solicitor Arnold agreed to do that.

Alderman Girard asked, Ms. Jacobs, you talked about the TCI experience that AT&T has and basically it is acquired experience. Are you trying to say that the experience that AT&T has got with cable service basically has been bought by AT&T and, therefore, you have inherited that ability but as you acquired TCI and as you merge with or acquire MediaOne and other cable companies, obviously you are going to change their operation. You have a bottom line that you have to come into conformance with and if things were going to operate without any changes, I don't know that it would be a profitable venture for AT&T so I guess that more relevant on the experience question is just exactly what kinds of changes has TCI been put through in order for us to gauge what your experience operating that network is. What can we expect if AT&T takes over MediaOne and I guess the only way we know what to expect is with what you have already done with TCI because, again, it has to fit your bottom line correct?

Ms. Jacobs replied it is correct. We are a business and we do have to meet our bottom line. When I referenced the performance standards that the TCI systems had to meet before the AT&T logo went on them, it wasn't that we were just holding back on our logo. What we were doing was actively working with the technicians and the folks in those communities to bring those systems up to the standard so that AT&T could do that and we were very anxious to do that. The other thing that I would say in terms of the bottom line is AT&T would like to run a profitable cable business and we would also like to continue to grow our long distance market. We want to get into local telephone service so the bottom line becomes an equation that is revenues from all of these various sources are factored into it. It is not that we are going to cut and slash and burn cable going forward. We want an attractive package of communication services for customers.

Alderman Girard stated I would like to see this Committee schedule a separate hearing or meeting just so that we can thrash through some of these issues and I know that Alderman Rivard has to leave and I should have left an hour ago for another Committee meeting, but I would appreciate it if we could do that because an attractive package means that you might not have to be as responsive in one particular area if people are happier in the other three or four or whatever. There is a lot to flush out here.

Chairman Pariseau addressed Item 12 of the agenda:

Communication from the American Lung Association of NH requesting the placement of a banner from mid-March to mid-April, 2000 in conjunction with a comprehensive tobacco prevention and education campaign entitled "*Breathe Easy Manchester*".

On motion of Alderman O'Neil, duly seconded by Alderman Rivard, it was voted to refer this communication to the Administration Committee to take office in January, 2000.

Chairman Pariseau addressed Item 13 of the agenda:

Communication from the NH Symphony Orchestra requesting the placement of banner(s) across Hanover Street from October 10-16, 1999; November 7-13, 1999; and December 1-18, 1999.

On motion of Alderman O'Neil, duly seconded by Alderman Girard, it was voted to approve the dates for 1999 and refer the remaining requests to the Administration Committee to take office in January, 2000.

Chairman Pariseau addressed Item 14 of the agenda:

Communication from Kevin Provencher on behalf of The Riverfront Park Foundation requesting that a "No Vending" zone be declared from the intersection of Granite and South Commercial Streets running the length of South Commercial Street to Singer Family park during park events as herein enclosed.

Alderman Rivard moved to receive and file this item.

Alderman O'Neil moved to table the item and invite Mr. Provencher to the next meeting.

Chairman Pariseau stated personally I think they are asking for too much. The City gets revenue from those vendors and we do it for Riverfest. We can't do it for everything.

Alderman Rivard duly seconded the motion to table this item. Chairman Pariseau called for a vote. There being none opposed, the motion carried.

Chairman Pariseau addressed Item 15 of the agenda:

Communication from Brian Shaughnessy seeking the placement of a banner across Hanover Street during the first week of October, 1999 until October 17th in conjunction with the Third Annual Citizens Bank Run for Shelter.

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

### **TABLED ITEMS**

16. Communication from former Deputy City Clerk Bergeron submitting information regarding licensing procedures and Police and Fire staffing arrangements at selected civic centers in New England.  
(Tabled 8/10/99)

This item remained on the table.

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

18. Communication from the Mayor's Special Committee on Downtown Cleanliness advising that they are currently considering three options for changing the current system of Downtown trash collection.  
(Tabled 8/10/99)

Alderman O'Neil stated I thought this Committee had asked...we were given three options and I thought the Committee suggested that once you take a look at what it was going to cost the Highway Department to do just an extra pick-up and I know there was some discussion about whether or not other sections of the City would be affected, but if they go back to their first part of some money from the Central Business District to possibly offset those costs that the Highway Department would incur, which I think will be minimal, but we never heard back on that. Can we hear back from some people on this.

Chairman Pariseau stated maybe we should receive and file. They are not in any hurry.

Alderman O'Neil replied well the problem is not going away. There is still a trash problem in downtown Manchester.

Chairman Pariseau responded they haven't addressed it and we are not going to do anything this term.

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

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

A True Record. Attest.

Respectfully submitted,

Clerk of Committee