SPECIAL MEETING OF THE
COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

May 25, 2010 **4:00 PM**

Chairman Lopez called the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, Osborne, O'Neil, DeVries, Corriveau

Messr: T. Clark

Chairman Lopez addressed item 3 of the agenda:

3. Communication from Aldermen Corriveau, Arnold, O'Neil and Ouellette regarding a proposal for Public, Educational and Government (PEG) television.
(Note: A copy of the MCTV/MCAM operation proposal submitted by the MCTV Advisory Board was sent to the Board of Mayor and Aldermen on 5/10/2010. A revised copy of the MCTV/MCAM operation proposal submitted by MCAM, Inc. was sent to the Board of Mayor and Aldermen on 5/20/2010. A draft copy of the minutes of the Special Meeting of the Committee on Administration/Information Systems was sent to the Board of Mayor and Aldermen on 5/21/2010 under separate cover.)

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

Chairman Lopez stated all this information was given to the Aldermen and in reviewing it, this is the third proposal that has come forward so they are well aware of the MCTV proposal and MCAM's proposal.

Alderman Corriveau stated I, like probably all of you, have received a lot of public input on this issue, including last week's public hearing before this Committee. We have received a variety of information: inventory, contracts and proposals by MCTV and MCAM. Initially I was not in favor of terminating these contracts. That being said, the contracts were terminated and I felt that it was my responsibility to try to work toward a comprehensive solution to the PEG access situation in our City. But the reality of this situation is that on June 30th, the lights at MCTV and MCAM will go out. Without a solution, there will be no PEG

television in Manchester. Alderman O'Neil and I began discussing the situation as we were getting all this information and evaluating it. We began synthesizing it and we have attempted to incorporate the best suggestions and elements from the proposals that we received into one comprehensive solution that will provide long term PEG TV to the citizens of Manchester. We started with the idea that the bottom line is that these organizations, MCTV and MCAM, their producers and their employees do a wonderful job. They provide a valuable service to our City and more than anything, we want that to continue. There were and continue to be an array of complicating factors, logistics, legalities and practicalities that we needed to research, deliberate and resolve. With the help of Aldermen Ouellette and Arnold and City staff, I think that with this PEG proposal, we are on our way towards providing long term PEG television to Manchester. I'll be happy to do my best to answer any questions from my colleagues.

Alderman O'Neil stated about a year ago, maybe ten months ago, both MCAM and MCTV were asked by the City to help out with our financial situation. Both entities at the time were not interested in helping out. That to me, led to my reflection on where we are and what is the priority of PEG access in the City. There were terms used like "our money" and "lawsuits". As I thought about this over the past nine or ten months, I have come to realize that PEG access is a good thing in the City, but it is not one of the most important things that we provide. We could take the $500,000 that we have currently budgeted for PEG access and commit those funds to the School District and we would look like heroes. We could put that money toward Fire or Police in the City or even towards sidewalks or parks. In the eyes of the people we serve we would look like heroes. I recognized that we needed to bring change to how PEG access was delivered to the City. I have spoken with probably every Alderman on the current Board and some on previous Boards about their thoughts and shared my thoughts. I think what has been presented today is moving in the right direction. It is clear that we commit more funds in PEG access in this City than any other city in the State by far. The salaries involved are by far the highest salaries of any PEG access entity around. We needed to move in a new direction and I think what is proposed does that.

Alderman DeVries stated Alderman O'Neil, since you were part of the process maybe you can tell me…we have a proposal before us and it seems to be based on one of the proposals that was given to us before. Would that be correct?

Alderman O'Neil replied no, that is not my understanding.

Alderman DeVries asked where do you think the genesis of this proposal was?

Alderman O'Neil replied it is my understanding that the Deputy Solicitor and Solicitor used the framework from some past agreements. You would have to ask them if they used some of the language from the proposals. That was not my understanding, but it is my correction if they did. I think that question is for the Solicitor.

Alderman DeVries asked so for the Solicitor, what is the framework for the proposal?

Mr. Tom Clark, City Solicitor, responded the framework for this proposal is basically my office talking to the Aldermen. We believe that the proper procedure would be to contract with a non-profit to provide these activities. To do so, my office prepared a draft contract for consideration by this Committee, which we would recommend be reported out to the Board. It also includes a draft of the proposed bylaws for a non-profit corporation that was put together to act as a guideline. The bylaws themselves will be adopted by the corporation, not by this Board.

Alderman DeVries asked so you are saying that this proposal was not previously drafted for one of the existing organizations? The agreement that has been put forward for this non-profit, the agreement between the City of Manchester and the yet to be named…Was that drafted previously for another entity?

Mr. Clark replied not for another entity. It took the provisions of the MCTV contract and the MCAM contract and combined them to come up with a generic contract.

Alderman DeVries stated that is where I will start on page 3-7. There is need for further delete from MCAM. I believe it is the third line from the bottom. There was a delete of MCAM that did no occur.

Mr. Clark asked which page are you talking about please?

Alderman DeVries replied well it is numbered for our package 3-7. It is under the equipment and facilities, ten category, C, third line from the page. You just need to open that up to a yet to be named and delete MCAM. When a fellow Alderman called me a couple days ago to let me know about this provision, there was discussion about some employee agreements that have been offered. Alderman O'Neil, is that something you would like to speak to?

Alderman O'Neil replied gladly.

Alderman DeVries asked would you like to tell me where the provisions are? I didn't see anything in this contract that dealt with the employees.

Chairman Lopez stated just so we are on the correct path, in speaking with the City Solicitor, we have a contract with a non-profit organization. Keep that in mind. Secondly, there are bylaws of the non-profit organization that will govern them to provide the services that we agree to. Third, the non-profit organization is the governing body of the non-profit organization. Keep those things in perspective.

Alderman DeVries stated and I did see that, Mr. Chairman, but unfortunately, I didn't see anything in there other than the fact that the new board would appoint the director. It didn't address employee issues and it certainly didn't, in either of the documents, cover the agreement that I had heard had been made for the existing employees.

Chairman Lopez stated it is a good question. I just want to put those things in perspective. Remember, as it is stamped on here, this is a draft so if the City Solicitor has to change something…if it is the non-profit organization…if it is the non-profit organization that this Board decides to move forward, we can recommend to the non-profit organization as to what we would like to see in the non-profit versus the contract. I'm just trying to give you the difference. We demand, for an example, in the contract that the non-profit organization must have educational training provided by the School Department. I think there is a program starting on June 16th. That would be in the contract so whichever non-profit is established, they would have to provide the educational services.

Alderman O'Neil stated I did, to answer Alderman DeVries' question, have discussions with the current MCTV and MCAM employees about what I would suggest and I think what some of our colleagues would suggest would be the framework of their pay and compensation, but as Alderman Lopez just said, it is clear that the decision regarding that will be made by the Board of Directors of the non-profit so my recommendation is just that, a recommendation. I was interested if that was the framework of a compensation package for them and if they would be interested.

Alderman DeVries asked I'm sorry, what was the basis of a compensation package for them? I guess where I'm going with this is these are currently School Board employees. Would you agree?

Alderman O'Neil replied until June 30th they are. As of right now, on July 1st they don't have a job.

Alderman DeVries stated they have certain benefits that are accumulated in reference to their existing positions, at least at MCTV, the other being at MCAM, who also need to be considered. I think they only have one employee. Is that correct?

Alderman O'Neil replied they have two I believe.

Alderman DeVries stated so there are probably two employees at MCAM who are also scratching their heads wondering what the disposition is. In order for me to make a complete and balanced decision I'm wondering how we think we would be handling the accumulated benefits that those individuals have approved. Some of them have considerable time in our pension system.

Alderman O'Neil stated my understanding regarding their pensions is that would be up to them to decide what they are going to do with it. I don't believe that being part of the non-profit that they would continue to qualify for either a City pension or a State pension.

Alderman DeVries stated as I indicated, the Alderman who called me to give me some background on this information seemed to be telling me that there was an agreement being formulated on how to try to attempt to make those employees whole. I think that is an important part of this discussion. We have been told that when some of our past consolidations have occurred and employees were left less than whole or without jobs, people have asked us why we didn't ask these questions. This time I am asking the questions and trying to get some things on record so we all know what we are voting on.

Chairman Lopez stated I can answer it this way. From what I understand in conversation, they met with the employees and they talked to the employees. I don't believe that they guaranteed the employees and I believe that there is some information, maybe Mr. Arnold or Aldermen Corriveau or O'Neil can help out, I'm sure there is a package that they would be willing to accept and if they didn't want to accept it, it goes with the job. You have to understand that this is just a recommendation from us to the Board of Directors of the non-profit organization. I'm sure that they would abide by our wishes. I don't see why they wouldn't. You have to understand that when we vote on this, I have to be up front with you, that the authority of the non-profit organization is in charge, not the Aldermen. Alderman Corriveau, do you want to comment?

Alderman Corriveau responded I can try to help answer. I'm sure it won't be definitive. We did have discussions with the respective employees. As Alderman O'Neil said, we tried to arrive at a framework so that as of July 1st, the employees at MCTV and MCAM would have jobs. Again, as Alderman Lopez said, this new

non-profit entity will have governing authority over those employees. One of the issues we ran into as we were trying to explore where to put PEG TV was if we could put it in a City department or if we would have the authority to create a quasi governmental entity or would we have to try to work towards the formation of a separate non-profit entity. In fact, Alderman O'Neil and I were in very strong agreement that these employees who will not have jobs as of July 1st don't deserve to be victims of this situation. They do a good job and we value their service and for Alderman O'Neil and myself and I'm sure Aldermen Arnold and Ouellette that really became a basis for our work behind this. These employees have essentially been terminated as of the end of June. We wanted to at least make a good faith outreach to them to say that we appreciate the jobs that they do, and provide a framework for an entity that will be coming before this Committee, provided we can garner the support of the Committee and the Board of Mayor and Aldermen and this entity is formed, if they would be interested in being a part of that. I want to keep the conversations confidential. We just thought that it was due and proper that they hear that from us rather than through rumors or through the media.

Chairman Lopez stated the Mayor has asked to speak. In the meantime, I'll recognize Alderman O'Neil.

Alderman O'Neil stated I want to agree with Alderman Corriveau and his comments. I think he made a very strong statement that the employees should not be victims of the situation. I think that is very strong and I think that many of us in our discussions over the last few months have tried to do everything that we can to make recommendations that are in the best interest of the entity itself, but also in the best interest of the employees. I think that is where some of the framework of the discussions has been.

Mayor Gatsas stated thank you, Mr. Chairman. First, I would like to applaud the four Aldermen for bringing forward a proposal. I think that is what makes this City stand out from everybody else in this country because we are working in a collaborative manner. I applaud them for putting their arms around something that has been very difficult for this Board for the last four months. They came to me and I told them to use whatever services they needed from City staff to come up with some ideas. I applaud them for the effort because this is not easy for anyone. I told them that if they needed my assistance I would help them. They asked me if I could find five volunteers who I thought would be specifically the prime people to come in and take this over in the beginning and set up the non-profit with the bylaws to move forward. With that, I asked for five volunteers and I received five volunteers who are willing to serve for up to a year on that board to put the bylaws together and get everything moving. I can tell you that four of them have had personal experiences with MCTV and MCAM. If this Committee and the full Board approves it, I can tell you that the five people who are willing to serve on

this Committee and the Board of Directors to put this together are Mayor Baines, Mayor Wieczorek, Mayor Dupuis, Alderman Whiby and Alderman Cashin. They are probably five people who all of us hold in pretty high regard. I think that four of them have had personal experiences with MCTV and MCAM. The only one who may not have is Mayor Dupuis, but I think that he can come to serve. They are willing to be volunteers for up to a year. With that, I think we have a foundation to move this project forward. Again, it is a collaborative effort and I applaud the Aldermen for coming forward because never let it be said that this Board doesn't find solutions to problems and work together to bring them forward. I think we can look at various issues throughout the City. We can look and talk about the situation of the refugee programs and Alderman Long coming forward and working hard with that and sending some clear messages and having the complete Board behind it. Again, I think this just shows another great effort on this Board's forward looking process because the more we work together, the more things we are going to get done. With that, I would entertain any questions if anybody has them.

Alderman DeVries stated thank you, Mr. Chairman, for allowing the continued line of questioning. Mayor, are you indicating that you would be the point person to whom I should address any and all questions that I have on the agreement?

Mayor Gatsas replied I can't tell you that because it was the four Aldermen who came forward with that agreement. I can only tell you that they asked for my assistance to try to find the five best volunteers that I could find to head that non-profit and I think that I have done that as part of my job.

Alderman DeVries asked are you the person who I should be addressing questions to for the bylaws?

Mayor Gatsas replied no. I think you can address those to staff or the Aldermen because they are the ones who have been working on it. I have not worked or participated on drafting the bylaws for the non-profit. Again, their bylaws as we look at them are working agreements until the five volunteers step forward and they may find changes that they want to incorporate in those bylaws and that is totally up to them.
Alderman DeVries stated specifically where I am headed, Your Honor, is that the nomination of board directors is forever with the Mayor, exclusively. It is not just for that one initial selection, if I recall the bylaws draft that was given to us.

Chairman Lopez stated I can tell you, Alderman, that I think it was stated for the first…we can change whatever language you want…

Mayor Gatsas interjected if I may, Mr. Chairman, I can tell you that the five volunteers aren't looking to serve forever.

Alderman DeVries stated I'm sure they're not. That wasn't my point.

Mayor Gatsas stated if you ask me the question, do you think that the Mayor should nominate all Board of Directors, my answer would be no. I think that the Board should have the same access to appointing commissioners and directors as we do on all boards. I think there are only one or two that have the sole discretion of the Mayor and I think there are a couple that have the sole discretion of the Aldermen.

Chairman Lopez stated to further answer that question, depending on as we move forward, I was going to recommend that the Mayor have two appointments and the Aldermen have three.

Alderman DeVries stated but that is not the document that we have in draft form and I realize that it is draft form and that is why I am asking these questions to see if I could specifically locate it in the bylaws draft on 3-15 of our packages handed out, but it is section 5.03. There is some new bold language in there and it says, "Members of the Board of Directors shall be nominated by the Mayor, but may not take office until appointment has been confirmed by a vote of eight Aldermen." It seems to me that that is not temporary language. It seems to me that forever this non-profit is tied to this body.

Mayor Gatsas stated Alderman, if you think that securing that agreement is important enough to change the appointment status of that board then certainly I would accept, or the Aldermen would accept, any change that you would like to make on it.

Alderman DeVries stated I think it is certainly something that needs to be discussed because I don't understand the reasoning for wanting to have this no-profit removed as opposed to a quasi governmental entity as Alderman Corriveau had mentioned for separation when we are still actively engaged in all forms of their board and their board hiring. We are close.

Mayor Gatsas stated it is very similar to the MTA.

Chairman Lopez stated I want to clarify something.

Alderman DeVries stated if it is an easy clarification I welcome that.

Chairman Lopez stated I'm just telling you that it's a draft.

Mr. Clark stated the proposal is that a non-profit be incorporated by five individuals who the Mayor has asked to serve and they volunteered to serve. They will work with an attorney to draft articles of incorporation. It is a two page document that costs $25 to file with the Secretary of State. That can be done in an hour's time. The Board of Directors or the incorporators will sit down with their attorney. We would recommend that this Committee recommend that they sit down with City staff also and with the Mayor and Aldermen if they feel they need to, in order to understand the wishes of the City because they are the ones who adopt the bylaws, not the City. These are bylaws of the corporation. The document that you have in the agenda was strictly put together through a collaboration of my office, the City Clerk's office and others to serve as a guideline to let you understand how things might work. We cannot dictate to the Board of Directors what bylaws they will adopt. We anticipate and understand that they will incorporate into the bylaws the wishes of this Board, but it is going to be up to them to do so. They will also be the employer of any employees, not this Board.

Chairman Lopez stated just another added point…forget the bylaws; it is a contract. If we put it in the contract, and that is what the Solicitor is talking about, when we approve the contract, in my viewpoint the Mayor will have two appointments and the Aldermen will have three. That would be in the contract and they would have to accept it.

Mr. Clark stated no, that will be in the bylaws. How the Board of Directors is appointed will be in the bylaws.

Chairman Lopez stated okay fine, the bylaws then. That would be negotiated.

Alderman O'Neil stated I for one asked Attorney Clark and others what the framework of some of this is because I feel this is on our plate. It is before us. I felt it shouldn't be the responsibility of others to have to put this together. The School Board and the School District as a whole have wiped their hands of this as of June 30th. It is on our plate. I asked Tom to put together some framework for bylaws and what a draft agreement could be. I think others had similar requests. I think, Tom, correct me if I'm wrong, this is generally consistent with the majority of our appointments in the Charter?

Mr. Clark replied generally, yes.

Alderman O'Neil stated if we want to shift how this Board is made up on a permanent basis, I have no problem with that. I for one asked the Mayor, and he probably gets sick of hearing from me, about the five strongest people. I don't know how many times I made that comment to you.

Alderman DeVries asked you are talking about the Board of Directors selection?

Alderman O'Neil replied correct.

City Clerk Matt Normand stated I was just going to add…

Alderman DeVries interjected they are not pushovers, that's for sure.

Mayor Gatsas stated I agree and certainly I thank them for volunteering time.

City Clerk Normand stated I was just going to add on and speak to that language specifically that Alderman DeVries was referencing regarding the nominations. That was taken right out of section three of our Charter. We had talked about keeping it consistent with the Charter as a recommendation to this Board of Directors and that is why the language reads the way it does.

Chairman Lopez stated but again, we can make that recommendation as I indicated.

Mr. Clark stated finally Alderman DeVries, you asked about why they didn't go on the path of a semi…

Alderman DeVries interjected actually, it was a comment that Alderman Corriveau had made.

Mr. Clark stated a quasi agency similar to the Housing Authority or MTA…The City is a municipal corporation. It can only do what the State tells us we can do. We are not empowered to set up our own non-profit organizations. They have to do it on their own. There are two statutes, one in particular, that allows the City to set up a MTA and one that allows the City to set up a Housing Authority, but we don't have the authority to set up anything else. It would require legislation to give the City the authority to do that and it just doesn't exist. That is why we recommended this route that we contract with a non-profit to provide these services.

Chairman Lopez asked any other questions?

Alderman DeVries replied I have plenty of them if you are willing. Unfortunately, it is the document and I'm sure you are looking to take some kind of a vote, so yes, I have plenty more questions. I'll do my best to direct the questions in trying to decide where they belong. It seems that it shifts after I ask the question. While I am in the bylaws, I would ask the Solicitor, I'm on page 3-14 of the draft document, it is saying the City through the Mayor, City Clerk, Finance Officer, and the Library Director exercises control over the government access channel. That comment seems to directly conflict with the draft agreement document that holds the…

Mr. Clark interjected again, Alderman, the bylaws here were certainly put together just as a guideline for the five incorporators to be able to adopt their own guidelines. We don't adopt those. We are going to have a contract with the corporation telling them how they are going to run it. Their bylaws will mirror that and we will recommend that they work with City staff, various Aldermen and the Mayor's office to develop guidelines that don't conflict. The draft contract was cleared through my office. Most of the bylaws were put together through the City Clerk's office, basically because of the timeframe. We needed to get this done as soon as possible so there will be instances where they do not mirror each other. When it is done they will mirror each other because the bylaws that are adopted by the corporation will have to conform to the wishes of the Board.

Alderman DeVries stated I understand what you are saying that this is not a permanent document, but I am also hearing that this is setting the stage and the hope is that this new non-profit is going to mirror the wishes of this Board. When I see bolded language that has recently been added, I have to believe that that is an indication of the wishes of this Board because someone has thought enough to add it into the document just as they did the five temporary volunteers.

City Clerk Normand stated Mr. Chairman, if I could address this again. The comment that Alderman DeVries is making regarding section 4.01 of the statement of purpose, this document…essentially what I did was take the bylaws of MCAM, obviously that is no secret, and then tried to simplify it somewhat. What you see in bold, the point that you were just referencing about exercising control over the government access channel, each of those bullet points were taken from the Concord Community Television bylaws. I researched Nashua, Londonderry and Concord and looked at what some of the other communities were doing. That is literally verbatim and in the case of Concord it stated by the City Manager. In brackets you will see that I put some departments there that could be considered by this new Board of Directors.

Alderman DeVries stated my point, if you'll recall when I first made the comment, was that I just believe that there is language in there, and I'm trying to go back and find it in the contract, which led me to believe that was specifically excluding us from control over programming. This draft language is specifically saying that the City, through this non-profit entity, exercises control over the government access channel and I would have to think that that control includes programming so I am only bringing to light here that I think there is a conflict that I think someone needs to dive into to make sure that if you are giving direction to the entity it is the right direction and it is in conjunction with this other document.

Mayor Gatsas stated I think that you will agree, Alderman DeVries. The five people who I have suggested who want to be volunteers are not faint of heart nor are they not familiar with this situation because every one of them had to have dealt with it during their tenure. I think that whatever is in that document, I wouldn't even call it a boiler plate because I'm sure that they are going to structure something that is the best entity for the citizens of Manchester and also something for this Board to be proud of from the ideas that the Aldermen have brought forward. I think it is important that we understand that those people are going to sit down. We aren't going to dictate to them what they are going to do. I think everyone of us will agree with that. If they come up with a different form then that is the form that we will see.

Alderman DeVries stated I agree with you, Your Honor, but to some degree we want to dictate to them because we are within the draft agreement hoping that they will continue, in fact we are asking them to continue, to provide coverage for these meetings and for School Board meetings. There will be some dictates in exchange for the dollars that we hopefully year to year guarantee them in funding.

Mayor Gatsas stated I don't think any of us would use the work the dictate. I think what we would use is that we would suggest and ask because that board has the ability to do what they want to do because they are not an arm of this City. I think they understand that the purview that they are looking at is to continue showing these meetings and doing PEG access. I think they understand that. We are not taking five neophytes who don't know what this process is all about or what the MCAM/MCTV process is all about. They are very well aware of it.

Alderman DeVries stated but Your Honor, the agreement that you are asking us to entertain is for a three year period. It is beyond the scope of those five individuals. My concern would be if we are going to entertain entering into an agreement like this and then further entertain sending potentially half a million dollars over to this organization or whatever that dollar amount is, I would expect that there is some understanding and agreement as to what we are getting for that investment into

that organization because I know we would be extremely angry if they decided that we hadn't funded them the appropriate dollar amount and they could only do their public portion of PEG and education and government were no longer included. My read of this document doesn't have the definitive guarantees in exchange though it seems to be going in that direction. I see language that says "shall provide for live broadcast and replay of all meetings of the Board of Mayor and Aldermen." At first glance that made me feel pretty comfortable, but…I don't know.

Chairman Lopez asked what do you want in the contract, Alderman?

Alderman DeVries replied first off, let me go back with Matt because I found the language that I was referencing and it is at the bottom of section four, public access channels open to the public, it is page 3-4 of the document, and the very last line at the bottom you will see "nor will we have editorial control over"…it says "shall keep public access channel open to all City residents subject to FCC regulations and other…neither the City nor the cable company shall have editorial control over programming on the public access." That was the piece that I think conflicts with the possible draft language that somebody will come up with. That is the provision that caught my eye. Could the Solicitor weigh in on section 16 on 3-9, the use of franchise funds? I guess I'm a little confused because I didn't think the franchise fee funds were going directly to this organization and that goes into the other conversation that the Mayor and I were just having. Are the franchise fee funds still going directly to this non-profit?

Mr. Clark replied no, they will be budgeted annually by this Board.

Alderman DeVries asked so what is section 16 accomplishing?

Mr. Clark replied once you budget the money, you give it to them and that is the franchise fees and that is how they have to use it.

Alderman DeVries stated then it is funding and not the franchise fee.

Mr. Clark stated it says funds received from cable franchise fee shall be used solely for the purposes and those funds are the ones that you budget over to them. It doesn't say that you are going to budget over every fee that you get in. You are going to do an annual budget, and they will get an amount. Let's use the $500,000 figure that is in the budget this year. They have to use it for these purposes.

Alderman DeVries asked is it possible to get some language in there that doesn't make it sounds like it is 100% of those fees?

Mr. Clark replied it is already in there that they are subject to annual budget appropriations. They have to come in annually and ask for a budget through the City's budget process. They can only spend the funds that you budgeted.

Alderman DeVries stated I guess I envisioned this non-profit being more like any other non-profit that the City chooses to fund in their CIP. Would I be incorrect in that assumption?

Mr. Clark replied I'm not sure what relationship you are talking about.

Alderman DeVries stated let's take the Boys and Girls Club that receives annually in our CIP allocation. They come before us and we decide that we are funding them this year with X amount of dollars based on a proposal put before us. Wouldn't this non-profit be handled the same way?

Mr. Clark replied it is up to the Board to determine at that time. When they come in annually, they can handle it any way they want.

Alderman DeVries stated that's where I thought we were headed and that is why I was surprised to see franchise fees.

Mr. Clark stated that is what you will be budgeting over.

Chairman Lopez stated excuse me. We all know we have $500,000 to give to the non-profit organization to run this. We all know that they have capital money that has been given by the franchise fees. I guess you can assume that they are a non-profit organization. If they wanted to come in and ask us for money, we would surely look at their annual budget and look at their money that they got for capital improvement before we give them more money. Those are the processes that go through CIP for anything. I don't think we can spell everything out. As long as we have the framework as to where we are going.

Alderman DeVries stated with that I am not disagreeing, Mr. Chairman, but I don't think we need to be distinguishing franchise fee funds any longer because this organization will be before us annually with a proposal. It will become part of our annual budget discussion and we'll either fund it or we won't based on the proposal and the yearly budget. I don't think we want…that is the reason you asked us to terminate the contracts because of the language of franchise fee funds and the escalators and such so I don't understand why we are going back there.

Chairman Lopez stated I would like the City Solicitor to answer that. I think it is a franchise fee.

Mr. Clark stated all that section does is reference where the funds are coming from that you are going to budget.

Alderman O'Neil stated I'm speaking for myself on this. I would expect, from my position, that the funds used to support this entity would come from the franchise fee money. We're not going to take money out of the general fund to fund them. I think it reads absolutely fine and I think it is different than the contracts that we currently have where they have an automatic percentage of appropriations. That is not what is happening here. They are going to come back and present a budget to the Board of Mayor and Aldermen for funding. I don't read that this is the same thing. I think the language is fine.

Alderman Osborne stated looking over the agreement here and I guess it is three years and non-profit. What happens if termination occurs in three years? How do you go about that one being a non-profit? I don't see that in here. There is termination involved within that three year period for one reason or another. The City Solicitor can maybe answer that for me.

Mr. Clark asked what happens if we terminate it?

Alderman Osborne asked how do we terminate a non-profit?

Mr. Clark replied it is in section 18. You don't terminate the non-profit you terminate the contract with the non-profit.

Chairman Lopez stated it is 3-10.

Alderman Osborne stated I'll get to it. That's fine. I just wanted to make sure. We just have to fill in all these blanks, right?

Mr. Clark replied once you determine who the contract is with we will fill in the blanks, once this group of five people incorporates and picks a name.

Alderman DeVries stated actually Alderman Osborne that is a pretty good question because four of section 18, the revocation of the designation of our new entity as access provider seemed to read a little bit problematic to me as I was looking through the agreement because when I went back to the beginning of the agreement, I guess you are tying it to the scope of services which government access shall provide for the live broadcast. What causes the revocation of the designation of them being an access provider? It seemed like a very loose…

Mr. Clark replied it is simply an action of the Board of Mayor and Aldermen to revoke their designation as the access provider.

Alderman DeVries stated and it may simply be that. It was just another piece of the agreement that I thought was very grey and really needed to be spelled out better because these are the things, if challenged in a court, we get into trouble with. It is easier if we all know what causes the revocation of the designation.

Alderman Corriveau stated with all due respect, I actually disagree. The section is actually very clear. It says in section A that the City shall have the right to terminate this agreement upon 120 days of written notice to this entity and you can go down to revocation of the designation. It says pretty explicitly that the City has the right to revoke its designation. In fact right now, we have the same right with MCAM. I don't see how it is an ambiguous contractual provision.

Chairman Lopez asked any other questions?

Alderman DeVries replied that one is not answered for me and I would love to hear from the Solicitor.

Chairman Lopez stated well it may not be the answer that you want.

Alderman DeVries stated it is not what I want.

Mr. Clark stated Alderman DeVries, Alderman Corriveau explained it perfectly. Section two explains what a public access provider is and it reserves the right for the City to have sole discretion to revoke that designation. If you revoke that designation with 120 days notice, the contract is terminated.

Alderman DeVries asked can I set up the scenario? Let's say that this non-profit entity no longer is producing education and government and decides only to do public so we decide that that is not acceptable and we revoke this. You are telling me that we have to continue for 120 days to have this be the individual who is in control of public access?

Mr. Clark replied you could put any number of days in there that you want. It was suggested at 120 because if you terminate the contract, you are going to need a transition period to find someone else to provide the services.

Alderman DeVries stated what I am suggesting is that I think more detail to the revocation and designation would be called for.

Mr. Clark stated if you have some detail that you would like to put in there, we would be happy to address it.

Alderman DeVries stated thank you. I'm not the solicitor for the City and I would expect that you would be in a better position to be sure. I'm sure that we are well covered.

Mr. Clark stated Alderman, I am sure that it is covered. It is a very specific paragraph. It gives the City the sole discretion to terminate it. It is on a 120 day notice as it is written now, but if you wish a shorter period, we could put a shorter period in.

Alderman Long stated just a clarification…with respect to what the Board of Mayor and Aldermen will be approving, it is not going to be the bylaws. We have nothing to do with the bylaws.

Mr. Clark stated correct.

Alderman Long stated this non-profit is on their own and they are going to determine whatever their bylaws are. If there is something that we would like in their bylaws, we need to put that condition in the contract.

Mr. Clark stated not in the contract, no. You could just make recommendations to the incorporators. It is my understanding that they are willing to incorporate the wishes of the Aldermen into their bylaws. My suggestion was that you ask the Board of Incorporators to work with City staff, the Mayor's Office and any Alderman who wishes to be involved on their bylaws to make sure everyone is happy with what they say.

Alderman Long stated from what I understand, in our purview we have the right to put a condition in there that all the employees shall be…there is going to be a transitional period. The five names are acting above and beyond their call of duty and I have every confidence in the world that they are going to perform. We have the right to put in this contract that the current employees, and we can specify the employees, shall continue employment. If this is going to be a three year contract, we could put them in there for the year that these five members are going to be there.

Mr. Clark stated no, you cannot. We cannot dictate who this private, non-profit corporation hires. You can recommend and it is my understanding that they are willing to go along with the recommendations, but you can't dictate it.

Alderman Long stated so under the conditions of our contract, whatever employees shall be hired shall remain employed…they will agree to keep these employees on. You are saying that we can't put that in there.

Mr. Clark stated in that part of the contract, no.

Alderman Long asked why can't we do that?

Mr. Clark replied you don't have any authority to dictate who a private entity hires and keeps as employees.

Alderman Long stated we could tell this private entity anything as long as it is within our contract and they agree to the contract. I disagree. I believe that we can tell this entity that our contract will dictate that these employees shall be hired and we can specify which employees they are for the year that this group is being put together. This group agrees to stay there for a year so after a year there will be a new five person board I'm assuming. Once it goes to the five person board, then they can decide whether they want to hire people or lay off people.

Mr. Clark stated if the private non-profit is willing to agree to it in the contract then we could probably do it. I'm not sure that that is a great idea that we dictate that they hire certain people and they keep them as employees. What are you going to do if it just doesn't work out? You are exercising control over a non-profit which may cause problems down the road for the City.

Alderman Long stated this non-profit board, the initial directors, are a special form of directors. They have already agreed to one year. They are not directors where they are going to have stagnant terms.

Mr. Clark stated the future boards will. You still are exercising control over a non-profit entity. You are putting City control over it and it could be problematic. The employer should have control over his employees.

Chairman Lopez stated I need the legal interpretation as to whether or not that could be in the contract.

Mr. Clark stated I think I said that if they are willing to agree to it, we could put it in the contract, but I'm not sure that is a great idea.

Alderman Long stated I'm saying for at least a year. If these five directors are saying that they could serve for a year, I'm saying that within that year, whatever employees we specify be in the contract to be employed within that year. I'm assuming that the Mayor is going to put forward nominations and we are going to approve those nominations and they will be staggered. After a year it is up to that board to determine if they need to layoff or hire. It would be in their purview.

Mayor Gatsas stated I certainly don't think that the five volunteers want to go through a hiring experience over the course of a year. I'm sure that the recommendation that this Board would send forward with the five employees who are there…I'm sure that those five people…again, we have to understand who these five people are. This is not a new walk in the park for them. They have all gone through this experience either as an Alderman or as a Mayor. If nothing else, we can probably find that we will have the five best serving people in the infancy stages of this non-profit that we could ask for. They understand the trials and tribulations that we went through as a Board and they went through as Mayors with these same problems that we have that we are trying to correct. Chances are that they are going to come forward with something that may be a lot different than what we are talking about, but once we see it we may all agree that that is a pretty good solution and I think that is something we should go with. These aren't people who are going to have to come up to speed with what MCTV or MCAM is because they have lived it.

Alderman Corriveau asked Mr. Chair, can I bring up one thing in regards to Aldermen Long's question? I think another important legal aspect to this is that by writing that into a contract we're dictating that they hire employees and it also removes the employee's discretion as to whether or not they want to take the job. Should an employee say no, I don't want to work for this new entity, then I think that would be really problematic.

Alderman Long stated when you accept employees, if they terminate themselves then that is a wash. That doesn't create any problem. If I say that you have to hire Patrick Long for a year as the producer of education and government access because he has been doing that for ten years and then he decides to resign, then the contract is null and void. It is not an issue. It doesn't mean that you have to pay Patrick Long for a year while he is working for WMUR. As far as that is, even if you specify names, if they terminate on their own then that part of the contract is null and void.

Mayor Gatsas stated I think we need to be very careful that this is an arm's length transaction…

Chairman Lopez interjected wait a minute. I want to get this clear. Hearing what Alderman Long said and what Tom Clark said, we can put that into the contract. What are the wishes of the Committee? To put that in the contract or not?

Alderman O'Neil replied based on the names that the Mayor has presented, I feel comfortable that these employees will be accepted and welcomed by that Board of Directors and I personally don't think that it needs to be in the contract.

Alderman DeVries stated I guess I should ask…I guess I'm showing my lack of having been briefed on some of this, but who are the five employees that we are talking about? Is that MCTV employees?

Chairman Lopez replied well I think before we get into that, is that public?

Mr. Clark stated there are three from MCTV and two from MCAM.

Alderman DeVries asked and how many MCTV employees are there today?

Chairman Lopez replied I don't know. I've heard four or five.

Alderman DeVries stated there are four. That would include your position? There are five today, but one being the teacher's position. There is one MCTV employee. The reason I ask is because as of June 30th, at least one MCTV employee is going to be eligible for unemployment. There is a cost to the School District. If it is one employee then maybe they have built that into their budget. If it is three, four employees or more, we need to know that. We need to know that as one of the intrinsic costs of this potential agreement.

Chairman Lopez stated Alderman, it has been stated that if we move forward with this, there would be three employees from MCTV and two from MCAM who will move forward to the non-profit organization as a recommendation from this Board if they approve this PEG access non-profit organization.

Alderman DeVries stated but you would agree with me, at least my understanding of unemployment law, they are School District employees. We made that clear earlier, that their job has been terminated by the School District so on July 1st, those employees are eligible for unemployment.

Alderman O'Neil stated my suggestion or recommendation or understanding is that all full time employees will have jobs, whether with this entity or somewhere else. The only two positions in my recollection that will not be brought forward are two part time positions. I think there is one at MCTV and one at MCAM based on information that was presented to me. I don't know if part time qualifies for unemployment.

Alderman DeVries stated they do.

Alderman O'Neil stated they would get some portion, I guess.

Alderman DeVries stated staff is not agreeing with you. I think they are saying that there are four.

Alderman O'Neil stated this is the problem, information changes all the time. We all try to act based on information that we have. We learn about position that were filled recently and all that. That was my understanding. Whether people want to agree or disagree, we have to move on with this.

Alderman DeVries asked are you taking a motion on this tonight? I'm assuming that we will have a chance to digest this and look for, as the Solicitor suggested, some better language to clarify things.

Chairman Lopez stated all this information was given out last Friday.

Alderman DeVries stated this was delivered to my house over the weekend and it is the first time that this has been delivered as action going forward, Alderman.

Alderman O'Neil stated I would hope that we are taking a vote on this tonight to refer it to the full Board. Failure to do that could very much jeopardize trying to get something done by June 30th. I for one don't want to see that happen because if we don't get this agreement done, all the employees are out of work June 30th so we don't have time to sit on this and study it. If you have recommendations I would suggest that you get them to the Solicitor, but we have to keep this thing moving.

Alderman DeVries asked can I ask a question, Mr. Chairman?

Chairman Lopez replied just a minute, please. Just so that everyone understands, this is a very compassionate thing for all of us. As we move forward and try to find a solution as Alderman O'Neil just indicated we have to remember that we have an obligation to make sure that PEG access is up and running at 12:00 on June 30th. That is our charge and someone is in charge. If that doesn't happen and we are going to be arguing about every little thing, then what do we do? Put it in the dark for 60 days? I don't think any Alderman wants to do that. We have to compromise back and forth here. We have a contract as Alderman Long said. The City Solicitor will rule whether it is legal or not on the contract that would go out establishing what we expect as a City for this non-profit organization to move forward. Then they would establish their bylaws. We could make recommendations to them as to what they should have in their bylaws. Those that have been recommended to the Board of Directors, at least half of the Board has worked with. You couldn't find a better person than Sil Dupuis and others who are going to be serving there, especially a person who spent 32 years in this chamber. Everybody could give some input to the Board of Directors so this is not the end all; this is just laying the framework to move forward. We can hold this

up and not get anywhere. I think I have said my peace and I'll recognize Alderman Osborne.

Alderman Osborne stated part time employees…there is only one in each MCTV and MCAM. There is only one part time person? How many are there?

Alderman O'Neil replied that is what was presented to me so I can only base it on…

Alderman Osborne interjected as far as part time, full time or otherwise, I guess they have been using these people right along and I guess they were in their budget. I don't know why. I think we should move it along just the way it is, regardless of whether it is a non-profit or whatever and move all these employees over and to carry over both stations. Why should we be getting rid of the part time ones?

Alderman O'Neil stated one of the things that we have to keep in mind is that there is a fixed budget approved of $500,000.

Alderman Osborne asked weren't they going by that at the time?

Alderman O'Neil replied I don't believe so. We saw presentations from both entities well over $500,000. There is $500,000 and that's all there is.

Alderman Osborne stated I guess we have to work within that. I'm just saying that whatever they can do with the $500,000 and work within that, whether it is full time or part time or otherwise, is where we have to stick right now.

Chairman Lopez stated I think there has been enough discussion, but I'll allow you, Alderman DeVries, to speak.

Alderman DeVries stated I'd like to know July 1st where the extended learning is going to be and how that is going to be handled?

Chairman Lopez replied I can tell you that question has come up, Alderman, and on June 16th there is an educational program. Correspondence will go to Tom Brennan to provide an educational teacher to continue that program. I think the Mayor will sanction that and the City Solicitor and others will make sure that letter…and the Mayor sends it over to Tom Brennan that the educational program moves forward.

Mayor Gatsas stated I have already spoken to the Superintendent and he has agreed that that program will move forward.

Alderman DeVries stated I'll throw something out there because it may or may not be…I'll continue the conversations later.
Alderman Long asked Mr. Chairman, can I get a clarification? For the Aldermen who brought this forward, I applaud them. This is certainly something that needs to happen and it needs to happen now. I have every trust in the five proposed directors. I'm assuming that on June 1st their names will come forward and we'll be voting on that. Do we know if these five proposed…

Chairman Lopez interjected I don't think the name…just a correction. I think the names will be announced, but we're not voting on those people from my understanding. Correct me if I'm wrong.

Mr. Clark stated no, the original incorporators will get together on their own and work with legal staff and City staff to prepare their articles of incorporation. This Board will be naming future directors.

Alderman Long asked on June 1st or sometime before the end of the meeting that we have on June 22nd, will they be bringing a proposal? We may, like the Mayor said, look at their proposal and say what did we waste two hours for arguing about this for? This works well. At some point, will they be bringing a proposal to the Board?

Mayor Gatsas replied I'm sure that I would ask those five volunteers to send something to this full Board so that they could see what they have incorporated into their bylaws. That way we will have an opportunity to see them. I think, Alderman Long, that you are absolutely right. I think that if any Alderman calls them they are willing to speak to anybody for any suggestions or ideas. I know that they are incorporating some legal counsel outside on a pro bono basis to get this done. I think that people are working together on this and I think that certainly you will have an opportunity for anybody to weigh in on anything they want before July 1st when it goes into effect. They are going to listen to you and if they think it is a worthy thing and you can convince them that it is the right thing to do, I'm sure that they will listen to you.

Chairman Lopez stated I just want to point out one thing, Alderman Long. As we follow through the process with the public hearing and the Committee hearing tonight, on the first of June, whatever requirement we require them to do will be worked out that night, but if we wait…for example, you have to give that non-profit organization time to organize and more forward, but if we wait until the 22nd and start throwing monkey wrenches into it, and I don't mean you individually, come June 30th we disagree with the non-profit organization's contract…I think the most important thing, and I have to keep stressing it, is that the contract that

we give that non-profit organization to look at their bylaws to see if they are complying with what we want them to do…I think that is the major thing. We hope that things are straightening out for June 1st if this Committee moves it forward. I'm sure that on the first there will be plenty of other questions that are going to come up. I'm trying to make sure that come the 30th of June, we as Aldermen are not going to say we can't make a decision so TV goes dark and that's it.

Alderman Long stated I agree, Mr. Chairman. I would certainly agree. The issues I have, and it is the world according to me, is the employees. I want to be assured that they are going to have their jobs. I will talk to these directors and if they give me assurances then I'm fine. The contract is going to be $500,000 as I understand it. That is what we already set aside. As far as merging into what building and what have you, that will be under the purview of the directors. This contract is signed by the…our last meeting will be the 22nd. My other concern is that public access doesn't black out, that we have an agreement in there at least by our last meeting which is June 22nd, that we have a contract with them with those assurances. Those are the only concerns that I have. I agree and I will speak with those directors and get some assurances.

Alderman Arnold stated I'll be quite brief. I'll just say that I'm asking the Committee to not hold this up. Alderman Long said a moment ago that we need a resolution today; I think we needed a resolution yesterday. This issue has been controversial. It has been dealt with or at least on the table for this Board to deal with long before many of the current members came on board. I think that a solution is badly needed. I think to hold it up and not keep things moving forward is unfair to the employees as Alderman Long said. I think it is unfair to all the people who have been involved in this process and have tried to come up with solutions and posit ideas out there to consider. I think most importantly it is unfair to the people of the City because quite honestly, Mr. Chairman, I think there are a number of issues that we have to deal with in City government and this is but one and I think it needs a solution.

Alderman DeVries stated Mr. Chairman, there is a list of a couple of things that I would like to have before this hits the Board if you would allow me to ask staff. It would occur to me that we likely need to wrap our heads around termination costs for one group or the other. One lease or the other is going to terminate. We were given a copy of an agreement and it sounds like the lease in the Millyard has run its course. I didn't look at that close enough to see if there is a time table.

Chairman Lopez stated we are going to take that up under tabled items.

Alderman DeVries stated if we could understand that before this goes to the full Board if there are equipment termination leases because we are going to have two sets of equipment, what the time line is. We have to continue them because we are talking about a fixed price of $500,000 and I'm trying to wrap my brain around if there are continuation costs of several months run out before. Are we really undermining them too much? The same would be for the leases one way or the other so we can try to wrap our brains around what we are doing with that half million because if we are assuming that that $500,000 is going to employees and we are going to end up paying double costs on equipment, we need to know that before we take a vote as a Board.

Chairman Lopez stated and I understand that. We are going to be taking that issue up as soon as we get this issue over with and you will see my recommendation in accordance with the request from MCAM. Any other comments?

Alderman Osborne asked what are we bringing in here? I'm talking about…Alderman DeVries came across it a little bit, but it is going to be one identity right? It is going to be a non-profit, right?

Chairman Lopez replied if we for vote this and the full Board votes for this to be one.

Alderman Osborne stated what I want to know is location, location, location. Where are we going with that?

Chairman Lopez replied as far as I am concerned, it will be on Elm Street.

Alderman Osborne stated I'm not asking for your concern. I'm just saying in general that we haven't come across that yet.

Chairman Lopez stated we haven't come across that, but if we want to address that we can address it now or at the full Board. As to where it is going to be, that can be another question that we can answer.

Alderman Osborne stated I guess we can bring it up at the full Board. There is no sense in doing it in Committee, that's for sure. That's fine. That's just what I had in the back of my mind.

Chairman Lopez stated I want to make sure that we get the right motion here. We had a lot of discussion. Would it be to accept the letter from the four Aldermen to create a non-profit organization? Would that be sufficient?

Mr. Clark replied the motion would be to accept the recommendation of the four Aldermen that the City contract with a non-profit organization to provide Public Educational Government Access TV. It understands that five individuals who have been named by the Mayor have agreed to form a non-profit corporation and that is who the contract will be negotiated with. Further, you would want that Board of Directors will work with City staff, various Aldermen and the Mayor's office to determine how their bylaws should address the needs of the City.

Chairman Lopez asked and you got the comments from some of the Aldermen written down as far as two appointments by the Mayor after one year or three appointments by the Aldermen? Do you have the comment that you will talk to the non-profit organization to make sure it is in their bylaws?

Mr. Clark replied we are recommending that they work with City staff and that will be part of the incorporation, yes.

Alderman O'Neil moved to accept the recommendation of the four Aldermen that the City contract with a non-profit organization to provide Public Educational Government Access TV, that five individuals who have been named by the Mayor have agreed to form a non-profit corporation and that is who the contract will be negotiated with, and the Board of Directors to work with City staff, various Aldermen and the Mayor's Office to determine how their bylaws should address the needs of the City. The motion was duly seconded by Alderman Corriveau.

Chairman Lopez called for a vote on the motion. The motion carried with Alderman DeVries voting in opposition.

TABLED ITEMS

4. Communication from Mayor Gatsas requesting acceptance of the correspondence from Manchester Community Access Media (MCAM) regarding the termination of their contract. Mayor Gatsas also requests that the Committee review options for the merger of MCAM and MCTV beginning July 1, 2010.
(Note: Referred by the Board of Mayor and Aldermen on 05/04/2010. Tabled on 5/18/2010)

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

Chairman Lopez stated in reference to number four, in talking to the Finance Officer and a few other staff members, I think we ought to accept the MCAM termination agreement. The only thing that we would be responsible for would be the lease of the building and the equipment on which they owe $58,000, understanding that once the $58,000 is paid off, all the equipment belongs to the City. I want to make sure that everyone understands that.

Alderman O'Neil asked are you looking for action on the item then?

Chairman Lopez replied yes.

Alderman O'Neil moved to accept this item. The motion was duly seconded by Alderman Corriveau.

Alderman DeVries asked is there a notice requirement in the lease for termination?

Mr. Clark replied I haven't seen it, but the action of the Committee is not to terminate those leases, it is to assume them at this point and to work with the entities to see what we can work out.

Alderman DeVries asked did I just hear a time frame for the assumption? Maybe you could repeat the motion.

Chairman Lopez replied I don't have a timeframe. We are accepting their letter in reference to March 4th, asking us for termination. They want to terminate and accept all liability. The only liability that I am recommending that we take on is the lease of the building which is about 14 more months. There is equipment that is worth $58,000. Once they pay that off, they have to pay $1, from what I understand in correspondence, so that all the equipment will belong to us; us being MCAM and the new non-profit organization that would be established. The only reason I am specifying those two, the only two I know of is because they have another 14 months on their lease in the building, which runs into $110,000 or $115,000. Again, in talking to the Finance Officer, on the first of July if this is approved, whatever finances they have that they haven't encumbered will also come over to the City. The Finance Officer will be looking at that.

Alderman DeVries stated just for clarity…exclusive of the $500,000 that we have budgeted, we are talking about paying out $170,000 approximately, the $115,000 and the $58,000, out of a City general fund line or are we talking about taking that out of the $500,000 put aside for…

Chairman Lopez interjected if the full Board accepts the Committee's recommendation, if the Committee recommends this, then yes, we would have to find the necessary funds, but it would not come out of the $500,000 that we budgeted for PEG access. There is just not enough money.

Mayor Gatsas stated if I may, Mr. Chairman, so I can help Alderman DeVries out because I know that her financial questions sometimes may trouble other people. There is roughly about $95,000 that is left in the equipment line that we have jurisdiction over as we looked at it. There is roughly $45,000 that has been presented to this Committee to buy some new equipment out of that $92,000, I believe it is.

Alderman DeVries asked the franchise funds you are talking about?

Mayor Gatsas replied let me give you all the numbers so that you have them. There is approximately a $44,000 surplus that is left over at the School District from last year's budget. There is roughly $50,000 that is going to be leftover in the MCAM budget of this year, which terminates June 30th. That is roughly $90,000 that will be available to this Board. I think the total in for the entire amount is about $144,000, not $170,000. There is about $52,000 that is owed on equipment; there is about $78,000 that is owed on the lease at one entity so when you take a look at the $92,000 that is available for equipment purchases, we have funds there that we as a Board can allocate to buy. The lease is up so we can bring the equipment in which means that they are part of this entire package. I think that there is enough that we are not touching any of the $500,000 nor any General fund dollars to make this happen. There is nothing that is going to be jumping into the $500,000 that has been allocated in the budget and nothing will be coming out of General fund dollars to take care of this process as we move forward. I think that one of the questions that we should have is that those funds that are allocated for equipment, which will be about $45,000 left, we should still have in that contract that any expenditure of dollars needs to come back to this Board as we have always done for expenditures and that should be put into the contract.

Alderman DeVries stated in the one piece, Your Honor, because the lease will go through into the budget year at least three months of the following budget year because it is until September 30th. That is probably some of the difference of the numbers. We are assuming that it the following budget year we will handle something or budget more?

Mayor Gatsas replied I can tell you that my conversation tomorrow is going to be with the landlord for an early termination and what we can buy that lease out at. There are also other people in there subletting so there are other revenues that are coming in. I think there are opportunities once we take a look at the bottom line as

I said. It is not going to affect us at all on the General fund side, nor is it going to affect the $500,000 that we have appropriated.

Chairman Lopez stated just to add a note, before it gets to the full Board, the Finance Officer will have the correct numbers. They are a moving target. Every time I turn around there is money over here, money over there. They have to accept this also.

Alderman DeVries stated Your Honor, if you find out that this lease cannot be severed or have early termination and since it is for a period of time, I'm just wondering if there are any other entities, rather than paying for something that is now going to sit vacant that is prime real estate and a large parcel, maybe there is someplace else that could be shuffled if the fit up wasn't expensive so that it doesn't sit.

Mayor Gatsas stated coming to mind is City Year. They are looking for space to move their entire operation into Manchester. That is certainly somebody who popped into my head. If we are going to pay then there is no reason why we shouldn't be incorporated with a non-profit that is coming forward to help the students in this great City.

Alderman DeVries stated and I did see that we are allowed to have that kind of lease.

Chairman Lopez stated I'm sure the owner would be happy.

Alderman Roy stated if I could, I would like to ask staff to provide some information when this comes to the full Board. Can I do that? Mr. Sanders, could you give us the totals of how much is owed on the equipment, how much is owed on the lease, where the monies are coming from to offset that just so I can have something in front of me and also can we get information from the staff as to what equipment down there that is leased now we actually need. It may be redundant; we may not need it so maybe we don't need to pay any money on that. Those are just some thoughts on that.

Chairman Lopez stated we have a complete breakdown of every price of equipment because when they moved, it was donated by MCTV. They have a complete list of everything.

Alderman Roy stated I want to know what we really need out of that list. It may be that all of that equipment is redundant and we don't need any of it and we don't have to spend $58,000 on the rest of the lease. I don't know the answer and that is why I want the input from the TV people who know.

Chairman Lopez stated we own the equipment and they have been paying on it for a number of years so once we pay that off we own it. Maybe MST could use some it. I don't know.

Alderman Roy stated if it is useful I have no problems with it.

Chairman Lopez stated I don't know if Mr. Sanders…and I'm not going to speak for him, can determine what pieces of equipment are good for the location on Elm Street or MST. I think that is up to the people who are involved.

Alderman Roy stated I don't know what staff I was asking, but I was trying to get some input from the TV people as to what they thought about that.

Alderman DeVries stated while we are asking questions of staff, because we did go in and do an audit at MCTV, is there a need for us to go in and do an audit at MCAM? I know they have leased out a lot and provided a lot of their own. Is there anything that is City equipment that we need to get an audit of at MCAM? Maybe we don't need to know that today, but have staff take a look at that and provide the appropriate audit as we did at MCTV.

Mayor Gatsas stated there is a list of all equipment that is at MCAM, which is all equipment that obviously comes back to the City. I understand where Alderman Roy is coming from. If the equipment is only worth $20,000 why are we going to pay $52,000? If the equipment is worth $150,000 then paying the $50,000 makes sense to acquire it. I would certainly leave that up to you.

Chairman Lopez stated it is a signed agreement. The staff can look at that.

Alderman DeVries stated I'm thinking more on the line of if we are severing a relationship and we are entering into a relationship with a new non-profit that it would seem prudent just to go in and have an end of relationship audit done as we just seem to have done with every piece of equipment at MCTV.

Mr. Clark stated that is a reasonable request and what I will do tomorrow is talk to Mr. Buckley to see if he recommends one. I think he probably would recommend one and we would ask that he do one.

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

5. Communication from the Manchester School District regarding termination of the Manchester Community Television Contract.
(Note: Referred by the Board of Mayor and Aldermen on 04/20/2010. Tabled on 5/18/2010)

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

On motion of Alderman O'Neil, duly seconded by Alderman Osborne, it was voted to receive and file this item.

There being no further business, on motion of Alderman Corriveau, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee