

AGENDA

COMMITTEE ON FINANCE

April 11, 2005
Mayor and Aldermen

7:00 PM
Aldermanic Chambers
City Hall (3rd Floor)

1. Mayor Baines calls the meeting to order.
2. Mayor Baines calls for the Pledge of Allegiance.

A moment of silent prayer is observed.

3. The Clerk calls the roll.
4. Report of the Committee on Administration/Information Systems recommending that the proposed agreement between the City of Manchester and Manchester Community Access Media, Inc. (MCAM) be approved with the following recommendations:

- 1) that public access from MCTV be transferred to MCAM, effective July 1, 2005;
- 2) that the Board approve an agreement between the City and MCAM and further authorize the Mayor to execute same on behalf of the City, subject to the review and approval of the City Solicitor;
- 3) that \$350,000 be transferred from MCTV (CIP) to MCAM upon execution of such agreement;
- 4) effective July 1, 2005 transfer of \$120,000 from MCTV's 2006 budget to MCAM (creating a special line item for MCAM); and
- 5) annual payment to be made to MCAM, Inc. on or before October 31st out of the first quarter cable company's revenues based on 20% of the previous four (4) quarters ended June 30th of each year that this agreement is in force.

(Note: March 25, 2005 MCAM handout enclosed.)

Ladies and Gentlemen, what is your pleasure?

5. If there is no further business, a motion is in order to adjourn.

To the Board of Mayor and Aldermen of the City of Manchester:

The Committee on Administration/Information Systems respectfully recommends, after due and careful consideration, that the proposed agreement between the City of Manchester and Manchester Community Access Media, Inc. (MCAM) be approved with the following recommendations:

- 1) that public access from MCTV be transferred to MCAM, effective July 1, 2005;
- 2) that the Board approve an agreement between the City and MCAM and further authorize the Mayor to execute same on behalf of the City, subject to the review and approval of the City Solicitor (*to be presented at meeting*);
- 3) that \$350,000 be transferred from MCTV (CIP) to MCAM upon execution of such agreement;
- 4) effective July 1, 2005 transfer of \$120,000 from MCTV's 2006 budget to MCAM (creating a special line item for MCAM); and
- 5) annual payment to be made to MCAM, Inc. on or before October 31st out of the first quarter cable company's revenues based on 20% of the previous four (4) quarters ended June 30th of each year that this agreement is in force.

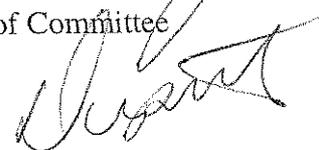
March 28, 2005.
In Board of Mayor and Aldermen.

On motion of Alderman Gatsas, duly seconded
by Alderman Lopez, it was voted to refer
the report to the FY2006 budget deliberations.



City Clerk

Respectfully submitted,


Clerk of Committee


AGREEMENT BETWEEN

THE CITY OF MANCHESTER, NEW HAMPSHIRE and MANCHESTER COMMUNITY ACCESS MEDIA, INC.

Agreement made this _____ day of _____, 2005 by and between the City of Manchester, New Hampshire, (hereinafter "City") a body corporate and politic with an address of One City Hall Plaza, Manchester, New Hampshire and Manchester Community Access Media, Inc. (hereinafter "MCAM INC.") a New Hampshire Non-Profit Corporation presently of 530 South Porter Street, Manchester, New Hampshire.

WHEREAS, the City desires to provide support for the use of cable television public access channels provided pursuant to federal law.

WHEREAS, the City granted a Cable Television Renewal Franchise dated October 20, 2000, as amended to Media One of New Hampshire to which Comcast of New Hampshire Inc. (hereinafter "Cable Company") is a successor in interest.

WHEREAS, the Cable Television Renewal Franchise provides that the City may designate an access provider to operate and administer public, educational and government (PEG) access channels.

WHEREAS, the Cable Television Renewal Franchise that certain channel capacity be provided for PEG access.

WHEREAS, the Cable Television Renewal Franchise provides that certain payments and initial services shall be made by the franchise for PEG access equipment and facilities.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

1. TERM

This Agreement shall be for a period of ten (10) years commencing on July 1, 2005 and ending on June 30, 2015 unless earlier terminated, as provided for in this agreement.

2. PUBLIC ACCESS PROVIDER

Manchester Community Access Media, Inc. is designated as the access provider for the City's public access channels only. MCAM INC. is not the access provider for either the educational or Government access channels. MCAM INC. shall manage all channel capacity dedicated to public access pursuant to the Cable Television Renewal

Franchise as amended as well as all applicable state and federal laws governing the operation of a 501 (c) 3 corporation.

3. SCOPE OF SERVICES

In exchange for funding to MCAM INC--provided for in paragraph 13 of this agreement MCAM INC. shall provide the following services:

- A.) **OPERATE A COMMUNITY ACCESS CENTER**
Manage and operate a video production facility and equipment, available for public use at such hours and times as are reasonably necessary for such a facility and as are necessary for the convenience of the public and public access producers. Access to equipment and facilities shall be open to all those who satisfactorily complete training class(es) required by MCAM INC. or who receive a certification from MCAM INC., identifying said users as having satisfied training requirements through means other than classes.
- B.) **PROVIDE EQUAL ACCESS**
Provide access to the use of the equipment, facilities, channel(s), and services provided hereunder on a non-discriminatory basis to all members of the community for non-commercial programming purposes, whether individuals, groups or organizations, on a first come, first served non-discriminatory basis, pursuant to operating rules promulgated by MCAM INC..
- C.) **DEVELOP OPERATING POLICIES AND PROCEDURES**
Develop policies and procedures for use and operation of the public access equipment, facilities and channel(s) and file such policies and procedures with the City Clerk's office.
- D.) **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**
Administer the public access channel(s) and facilities in compliance with applicable laws, rules and regulations as well as with the Cable Television Franchise Renewal.
- E.) **TRAINING**
Provide instruction and training for users in the use of the equipment, facilities and channel(s) of public access as well as in the techniques of video production. MCAM INC. shall also provide technical advice in the execution of productions.
- F.) **PLAYBACK/CABLECAST**
Provide for the playback/cable-casting of programs on the public access channel(s). Within three months of the completion and opening of the access center, MCAM INC. shall playback/cablecast a minimum of 20

hours of local original programming per week and a minimum of 64 hours of, replayed and outside programming per week.

- G.) **SPECIAL NEEDS GROUPS**
Support special needs groups and viewers such as the hearing impaired in program production and cable-casting.
- H.) **PROMOTION**
Promote the use and benefit of the public access channel(s) and facilities to cable subscribers, the public and public access users.
- I.) **CONSISTENT ACTIVITIES**
Conduct such other public access services and programming activities as are consistent with MCAM INC.'s obligations under this agreement and as are also consistent with the facilitation and promotion of non-discriminatory public access.

4. PUBLIC ACCESS CHANNELS OPEN TO PUBLIC

MCAM INC. shall keep public access channel(s) open to all City residents, subject to FCC regulations and other relevant laws. Neither the City, the Cable Company nor MCAM INC. shall have editorial control over programming on the public access channel(s) as long as said programming is lawful and consistent with the rules, regulations and policy of MCAM INC.. Nothing; however, shall prevent MCAM INC., the City or the Cable Company from producing or sponsoring programming, prevent the City or Cable Company from underwriting programming or promoting certain types of programming. MCAM INC. may promulgate and enforce policies, procedures, rule and regulations to promote local use of the channels and make programming available and accessible to the viewing public, consistent with such, time, manner and place regulations as are appropriate.

5. INDEMNIFICATION

MCAM INC. hereby agrees to protect, defend, indemnify, and hold the City of Manchester, the Manchester School District and their employees, agents, officers and servants free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including but not limited to, the amounts of judgments, penalties, interests, court costs, legal fees and all other expenses incurred by the City or the Manchester School District arising in favor of any party including claims, liens, debts, personal injuries including injuries sustained by employees of the city, death or damages to property (including property of the City and /or the Manchester School District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of this agreement. MCAM INC. agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, or suits at the sole expense of MCAM INC.. MCAM INC. also agrees to bare all other cost and expenses related thereto, even if the claim or claims alleged are groundless, false or fraudulent. This provision is not intended to create any cause of action in favor of any third party against MCAM INC. the

City and/or the Manchester School District or to enlarge in any way the licensee's liability but is intended solely to provide for indemnification of the city and the Manchester School District from liability for damages or injuries to third persons or property arising from MCAM INC.'s performance hereunder.

- A.) MCAM INC. AGREES TO MAINTAIN IN FULL FORCE AND EFFECT:
1. Comprehensive general liability insurance, written on occurrence form including completed operations coverage, personal injury liability coverage, broad form property damage liability coverage, and contractual liability coverage insuring the agreements contained herein. The minimum limits of liability carried on such insurance shall be \$1,000,000 each occurrence and, where applicable, in the aggregate combined single limit for bodily injury and property damage liability; \$1,000,000 annual aggregate personal injury liability.
 2. Automobile Liability insurance for owned, non-owned and hired vehicles. The minimum limit of liability carried on such insurance shall be \$1,000,000 each accident, combined single limit for bodily injury and property damage.
 3. Workers compensation insurance whether or not required by the New Hampshire revised statutes annotated, 1995, as amended, with statutory coverage and including employer's liability insurance with limits of liability of at least \$100,000 for each accidental injury and, with respect to bodily injury by disease, \$100,000 each employee and \$500,000 per policy year.
 4. Cable-caster's errors and omission insurance in the minimum amount of \$1,000,000.00. Said insurance shall, at minimum, cover the content of productions which are cablecast on the public access channels for, libel and slander; copyright or trade mark infringement; infliction of emotional distress, invasion of privacy, plagiarism and misuse of musical or literary materials.
 5. The City shall be named as an additional insured on all the foregoing insurance policies.
 6. Any and all deductibles on the above described insurance policies shall be assumed by and for the account of, and at the sole risk of MCAM INC..
 7. Insurance companies utilized must be admitted to do business in New Hampshire or be on the insurance commissioner's list of approved non-admitted companies and shall have a rating of (A) or better in the current edition of best's key rating guide.
 8. MCAM INC. agrees to furnish certificate(s) of the above mentioned insurance to the City of Manchester Risk Manager within fourteen (14) days from the date of this agreement and, with respect to the renewals of the current insurance policies, at least thirty (30) days in advance of each renewal date. Such certificates shall name the City of Manchester and the Manchester School

Department as additional insured and shall state that in the event of cancellation or material change, written notice shall be given to the City of Manchester, Office of Risk Management, One City Hall Plaza, Manchester, New Hampshire 03101 at least thirty (30) days in advance of such cancellation or change.

9. The purchase of the insurance required of the furnishing of the aforesaid certificate shall not be a satisfaction of MCAM INC.'s liability hereunder or in any way modify the MCAM INC.'s indemnification responsibilities to the City of Manchester and/or the Manchester School Department.

6. COPYRIGHT – PERMISSION TO BROADCAST

Prior to cable-casting MCAM INC. shall require all producers and/or users to agree in writing that they have made all appropriate arrangements to obtain all rights to material to be cablecast and have clearance from all necessary broadcast stations, networks, sponsors, music licensing organizations' representatives and without limitation from the foregoing, any and all other persons, businesses, or organizations as may be necessary to transmit its or their program material over the public access channel(s) operated by MCAM INC.. MCAM INC. shall maintain copies of said agreement for, at minimum, the term of the applicable statute of limitations. The City shall be allowed to inspect said agreements upon reasonable notice.

7. COPYRIGHT OWNERSHIP

MCAM INC. shall own the copyright of any program that it produces. Producers or users shall own the copyright of any program that they produce.

8. DISTRIBUTION

MCAM INC. shall require that all programs produced with funds, equipment, facilities or staff provided for under this Agreement shall be distributed on the public access channel(s) provided under this Agreement. This paragraph shall not limit other distribution of said programs such as is consistent with the rules, regulations or policies of MCAM INC..

9. EQUIPMENT AND FACILITIES

- A.) MCAM INC. shall be responsible for the maintenance of all equipment and facilities provided for MCAM INC.'s use pursuant to this Agreement or purchased with funds provided to MCAM INC. pursuant to this Agreement or otherwise provided to MCAM INC. by the Cable Television Franchise.
- B.) All equipment and facilities provided to MCAM INC. by the City or the Manchester School District (MCTV) as well as any equipment and facilities acquired by MCAM INC. using funds provided by the Cable

Television Franchise or funds provided pursuant to this Agreement shall be owned by MCAM INC. for its use in carrying out the provisions of this Agreement. In the event of the dissolution, failure, or removal of MCAM INC. as the Public Access Provider for the City, ownership of all Public Access Television Equipment still in use from the initial inventory provided by the Manchester School Department, as well as any equipment purchased with funds provided by the Cable Television Franchise Agreement shall revert to the City or its designee immediately.

- C.) MCAM INC. shall keep records and an inventory sufficient for MCAM INC. and the City to identify the specific Public Access Television equipment and facilities purchased with funds provided by the City, Cable Television Franchise or provided pursuant to this Agreement. The City shall have the right to inspect and/or audit such records and/or inventory upon reasonable notice. All equipment purchased with funds provided by the City or pursuant to this Agreement shall be clearly and conspicuously marked as such. MCAM shall not transfer sell or otherwise dispose of any equipment provided by the City or purchased with funds provided by the City without the written consent of the City, except that MCAM may "trade in" equipment provided by the City or purchased with funds provided by the City for new equipment as long as the inventories that MCAM is required to keep show the traded in equipment as a funding source for the equipment being acquired.
- D.) If MCAM INC. should be dissolved, MCAM INC. shall transfer all assets of MCAM INC, not provided for under paragraph B above to the City, or at the City's option, to such organization(s) designated by the City which at the time qualify as a tax exempt organization(s) under Section 501 (c)(3) or successor provisions of the Internal Revenue code.

10. NON-DISCRIMINATION

MCAM INC. shall not discriminate, in any manner, on the basis of race, color, creed, religion, sex, sexual preference, marital status, ancestry, national origin or physical or mental handicap.

11. INDEPENDENT CONTRACTOR

MCAM INC. is an independent contractor and there is no principal/agent relationship between MCAM INC. and the City. Nor is there any employer/employee relationship between MCAM INC. and the City. Any persons volunteering with or employed by MCAM INC. shall be entirely and exclusively under the supervision, direction and control of MCAM INC.. The City shall not have any authority over any person volunteering with or employed by MCAM INC.; likewise, the City shall have no control over any terms of employment for MCAM INC. employees or volunteers.

12. FUTURE TECHNOLOGIES

MCAM INC. is dependent upon the protection and continuation of community media. As media corporations frequently change hands and new technologies are introduced that further support community media and the proliferation of the public-voice, the Chair of the MCAM INC. Board of Directors or his/her designee may be invited by the City to provide input and advice during any future cable (CATV), satellite (DBS), or other electronic media that the City of Manchester may regulate as keeper of the public trust.

13. FUNDING

- A.) The City shall provide to MCAM INC. Inc.—for the duration of this agreement funding based on the following formula: One-fifth (20%) of the cable franchise fee shall be paid directly to MCAM INC. Inc. on an annual basis. The formula for determining payment shall be as follows: 1% of the cable company's applicable gross receipts that is due the City of Manchester for the sum of the previous 4 (four) quarters ending FY June 30th of each year for the duration of this contract. Said payment shall be due and payable to MCAM INC. Inc. on or before the October 31st each year that this contract shall be in effect.
- B.) The City agrees to provide MCAM INC. with a one-time endowment of \$350,000 from the PEG access facilities and equipment grant received pursuant to the Cable Television Renewal Franchise, as amended, for PEG Access equipment and facility purposes. MCAM INC. shall use said funds for the purchase or maintenance of equipment and facilities as provided for in the Cable Television Renewal Franchise Dated October 20, 2000 as amended.
- C.) Manchester Community Television (MCTV) has agreed to a specific list of current-use equipment that will be transferred to the public access station (MCAM INC.) for initial start-up, the approximate value of this equipment is \$60,000.

14. ANNUAL PLAN & REPORTS

- A.) On or before February 1st of each year MCAM INC. shall provide the City with an annual report for the previous fiscal year (October 1st to September 30th).
- B.) The annual report shall, at minimum, include the following:
 - 1. The estimated number of hours of local and original public access programming produced and cablecast in the previous fiscal year.
 - 2. The training classes to be offered and their frequency.

3. Other public access activities planned by MCAM INC..
4. A current and complete list of MCAM INC.'s Officers and Board of Directors as well as a current list of MCAM INC. employees.
5. Financial statements for the prior fiscal year audited by an independent certified public accountant. The annual audit shall at minimum include a detailed budget summary as well as a detailed equipment and facilities inventory.

15. USE OF FRANCHISE FEE FUNDS

MCAM INC. shall spend funds received from the cable franchise fee solely for the purposes listed in its strategic plan and subsequent annual reports. Upon termination of this Agreement all funds received from the City as well as the annual Cable Franchise payment not expended shall be returned to the City.

16. BOOKS, RECORDS AND STATEMENTS

- A.) Books and Records. MCAM INC. shall keep, in accordance with generally accepted accounting principals, such books of account and record as will properly reflect all income received and disbursements made in connection with the operation of the public access channel(s) as well as with the operation and maintenance of all MCAM INC. equipment and facilities. Said books of account shall specifically identify and account for all funds received from the City as well as account for all equipment and facilities as are owned by the City and used by MCAM INC.. The records maintained by MCAM INC. shall include, without limitation, all reports, vouchers, receipts, invoices, bills, agreements, checks, cancelled checks, check stubs and all other books, records, papers and documents relevant to the management and operation of MCAM INC., its equipment and facilities as well as the public access channel(s). Such books and records shall be kept at MCAM INC.'s place of business and shall be open for inspection by the City, or its duly authorized representative, during MCAM INC.'s business hours. MCAM INC. shall keep such records for a period of 3 years after the expiration of the year to which the records pertain.
- B.) Annual Audit. MCAM INC. shall cause the books and records called by this Agreement to be audited annually by an independent auditor, within ninety (90) days of September 30th of each year. A report of such audit, prepared in accordance with generally accepted accounting principles, consistently applied, shall be delivered to the City within thirty (30) days of the completion thereof.
- C.) Audit by City. The City or its designee shall have the right to conduct its own audit of any and all books and records of MCAM INC. upon reasonable notice. Upon such notice MCAM INC. will make all of its

books and records available to the City or its designee at MCAM INC.'s place of business.

17. TERMINATION

- A.) The City shall have the right to terminate this Agreement upon one hundred twenty (120) days written notice to MCAM INC. for:
1. Breach of any provision of this Agreement by MCAM INC.
 2. Malfeasance, misfeasance, misappropriation or misuse of funds provided by the City
 3. Loss of 501 (c)(3) status by MCAM INC.
- B.) Upon termination of this Agreement MCAM INC. shall immediately transfer to the City all equipment, real property, fixtures, contracts, leases, deposit accounts, funds or other assets received by or purchased by MCAM INC. with funds provided by the City and the Cable Franchise annual payment.

18. SUBLET OR ASSIGNMENT

MCAM INC. shall not assign, sublet or otherwise attempt to transfer this Agreement, any interest herein or any portion hereof, without the express written consent of the City, which consent the City in its sole discretion may grant or deny.

19. APPLICABLE LAW

New Hampshire law shall control the interpretation and enforcement of this Agreement.

20. NOTICES

Any notices or other communication in regards to this Agreement may be given by either MCAM INC. or the City by delivering in hand or by mailing via the United States mail, postage prepaid to the following:

To the City of Manchester
City Clerk
One City Hall Plaza
Manchester, New Hampshire 03101

With copies to:
Mayor
One City Hall Plaza
Manchester, New Hampshire 03101

City Solicitor
One City Hall Plaza
Manchester, New Hampshire 03101

To Manchester Community Access Media, Inc.:
Manchester Community Access Media, Inc
P.O. Box 5274
Manchester, New Hampshire 03108

MCAM INC. or the City may change the person or office to which notice is to be given, or any address at any time by written notice to the other party.

21. ENTIRE AGREEMENT

This Agreement is the entire agreement of the parties and supersedes all prior negotiations or agreements.

22. AMENDMENT

This Agreement shall only be amended by written agreement. No purported oral amendment or agreement shall be valid.

IN WITNESS WHEREOF, the parties have executed this Agreement.

City of Manchester

Date

Robert A. Baines
Mayor

MCAM INC.

Date

By: _____

Title: _____



Manchester Community

Public Access Cable Television for Manchester, New Hampshire

Access Media, Inc.

PO Box 5274 - Manchester, NH - 03108

Friday, March 25, 2005

To:
City of Manchester Alderman
Office of the City Clerk
1 City Hall Plaza
Manchester, NH 03101
Tel: 603-624-6455

Dear Alderman Office of the City Clerk:

1. MCAM Inc., a non-profit entity, and its volunteer Board of Directors, intend to secure a 5 year building lease with a 5 year option to house and operate the public access television station. Currently the MCAM Board of directors is entertaining leases on properties in the Millyard and on Elm Street. Due to liability and funding issues MCAM Inc. will not enter into any type of agreement that could secure such properties without guaranteed funding.
2. Attached with this cover letter is the budget that MCAM Inc. has devised to operate Public Access Television for a period of 12 months. It should be noted that the funds provided by this agreement fund public access as it is today. The budget shows the growth and possible addition of 1.5 employees. For this growth to happen it is up to the board of directors to raise the additional funds.
 - a. The amendment passed by the committee on administration would add an additional one time allocation of \$120,000.00 to assist with start up and operations costs based on an additional 4 month transitional period.
1. The fiscal year for MCAM Inc. begins October 1st and ends September 30, to coincide with the timing of the cable franchise agreement payment. The \$120,000.00 payment allows the Public Access Television station and its employees to transfer to MCAM Inc. on July 1st the start of Manchester's new fiscal year. In the event that the new leased space for MCAM is not quite ready MCAM is prepared to pay a rental fee for the continued use of the current studio space. It is anticipated that Public Access Television will be completely moved out of the MST building on or before September 1, 2005, prior to the start of the new year.
2. Capital equipment fund. The \$350,000.00 in Capital equipment funds to be transferred to MCAM Inc. a not for profit 501 (c) 3 corporation are bound by the same stipulations and agreements that have been placed on those funds by the amended cable franchise agreement. The oversight for these funds, as well as all equipment transferred and/or purchased with any funds received from the city of Manchester and/or the revenue from the cable franchise agreement is provided for in the contract that has been presented by Tom Arnold of the City Solicitors office and accepted by the MCAM board of directors.
3. MCAM has amended its governing by-laws to allow for the sitting mayor of Manchester to appoint one voting member to the sit on the Volunteer Board of Directors of MCAM inc. to assist in the oversight and accountability of MCAM Inc.
4. The Executive Director/ Station Manager of MCAM Inc. (currently Mr. Joe Lahr) must submit a yearly budget along with any and all requests for the purchase of equipment, software, supplies etc. to the board of directors of MCAM for approval. The MCAM Board of directors is made up of unpaid volunteers who have been charged with overseeing the Public Access Television Station Operation. Upon approval from the board the budget becomes part of the Annual report that will be filed with the city of Manchester as required by the Agreement between the city and MCAM.

Chairman
John St. Hilaire

Vice Chairman
James Stewart

Secretary
June Craig

Treasurer
Chris Proulx

Director
Lou D'Allesandro

Director
Arthur Gatzoulis

Director
Lorraine Lamontagne

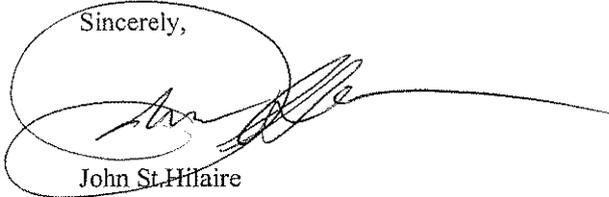
Director
Hubie McDonough

Director
Jean Judy

Director
Linda Garrish
Thomas

5. It is the consensus of the MCAM Board of directors that every effort has been made on its part through hundreds of volunteer man hours and meetings, to answer every question, and protect not only the employees of Public Access, but also the school department, and the City of Manchester from the current liabilities that housing and operating public access out of the MST center entails. The current agreement that is now before this board of mayor and Alderman for a vote is the culmination of many hours of work from many different individuals including but not limited to the Alderman, Office of the City Solicitor, department of Finance, Manchester Community Television, the volunteers that make up the Board of Directors of MCAM and of course the person that sent out the letters that started the whole process Mayor Robert Baines. We would like to thank all of you for your time and direction in this lengthy process. We, the Board of Directors of MCAM Inc. are looking forward to the positive outcome of this vote.

Sincerely,

A handwritten signature in black ink, appearing to read "John St. Hilaire", is written over a large, hand-drawn oval. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John St.Hilaire
Chairman
MCAM Inc

Total **12 Month** MCAM Budget = \$257,337.53
1% of the Franchise Fee Approx = \$234,000.00

The Amendment passed by the Committee on Administration would add an additional one-time allocation of \$120,000 for start-up costs and operations based on our first **4 months**.

The following budget is based on 12 months of operation beginning October 1 and does not include any of the fit up or start-up costs that will occur.

MCAM Proposed 2006 Budget

Position: Public Access Manager

Gross Salary	\$42,185.51
FICA	\$2,794.39
Health Benefits	\$10,022.52
Dental Benefits	\$1,118.16
Retirement	\$2,244.27
Worker's Comp	\$394.41
Total For Position	\$58,759.26

Position: Operations Assistant Manager

Gross Salary	\$34,262.14
FICA	\$2,222.40
Health Benefits	\$7,968.60
Dental Benefits	\$1,118.16
Retirement	\$1,545.51
Worker's Comp	\$239.30
Total For Position	\$47,356.11

Position: Operations Assistant

Gross Salary	\$25,700.00
FICA	\$2,222.40
Health Benefits	\$7,968.60
Dental Benefits	\$1,118.16
Retirement	\$1,258.00
Worker's Comp	\$190.00
Total For Position	\$38,457.16

Position: Part-time Assistant 1

Gross Salary	\$22,000.00
Worker's Comp	\$180.00
Total For Position	\$22,180.00

Facility Costs	
Lease + NNN	\$44,000.00
Electricity	\$3,500.00
Telephone	\$2,000.00
Internet / Server	\$1,000.00
Sub-total	\$50,500.00

Legal & Insurance	
Legal Fees	\$15,000.00
Insurance Premiums	\$8,000.00
Sub-total	\$23,000.00

Regular Expenses	
Board Training	\$2,500.00
Dues, Fees, Licenses	\$3,075.00
Travel/Conference/Training-Staff	\$2,000.00
Sub-total	\$7,575.00

Equipment Purchase, Repair, Leasing & Maintenance	
Media Stock	\$3,000.00
Equipment Repair & Maint.	\$2,000.00
Office Supplies	\$750.00
Sub-total	\$5,750.00

Contracted Services	
Accounting Services	\$9,000.00
Sub-total	\$9,000.00

SUMMARY	
Section 1 (Salaries)	\$166,752.53
Section 2 (Annual Expenses)	\$95,825.00
Sub-total	\$262,577.53

REVENUES	
Videotape Sales:	\$1,000.00
Membership Fees:	\$4,240.00
Sub-total	\$5,240.00

TOTAL REQUEST **\$257,337.53**

Total 12 Month MCAM Budget = \$257,337.53
 1% of the Franchise Fee Approx = \$234,000.00

Exhibit A – MCAM Bylaws

Adopted on May 19 2004

BY-LAWS

OF

MANCHESTER COMMUNITY ACCESS MEDIA, INC.

ARTICLE I DEFINITIONS

The terms set forth below shall have the following meanings unless otherwise required by the context in which they may be used:

Articles of Agreement. The term “Articles of Agreement” shall mean the Articles of Agreement of MCAM, filed in the offices of the New Hampshire Secretary of State, as the same may be amended from time to time.

Board. The term “Board” shall mean the Board of Directors of MCAM.

Bylaws. The term “Bylaws” shall mean the Bylaws of MCAM.

Director. The term “Director” shall in all cases refer to a person or persons serving as regular members of the Board with authority to vote and be counted in determining the existence of a quorum.

Majority. The term “Majority” shall mean more than fifty percent (50%) of the applicable total number.

Officer. The term “Officer” shall mean one or more of the positions as set forth in Article VII hereof.

MCAM. The term “MCAM” shall mean Manchester Community Access Media, Inc., a voluntary not-for-profit corporation organized pursuant to New Hampshire RSA 292.

State. The term “State” shall mean the State of New Hampshire unless otherwise specifically indicated.

ARTICLE II NAME

The name of this organization shall be “Manchester Community Access Media, Inc.”, being a voluntary not for profit corporation, organized pursuant to New Hampshire RSA Chapter 292

ARTICLE III
PURPOSE

The purposes of MCAM shall be to develop, promote and facilitate access and training for any Manchester resident to create television programs and have those programs cablecast through the city of Manchester; to be the primary outlet and opportunity for Manchester citizens to express ideas and opinions and disseminate information through cablecasted television media, the internet, radio, print or other technologies; to assure non-commercial, non-discriminatory and uncensored use of its facilities; to cultivate, promote, foster, sponsor, develop and encourage an understanding of and appreciation of local public media access, and the educational benefits provided thereby.

ARTICLE IV
OFFICES

Section 1. Principal Office. The principal office of MCAM shall be located at any place within the State of New Hampshire. MCAM may have such other offices within the State of New Hampshire as the Board may designate.

Section 2. Registered Office. The registered office of MCAM shall be located within the State of New Hampshire and may be, but need not be, identical with its principal office. The address of the registered office may be changed from time to time in accordance with the relevant provisions of RSA 292.

ARTICLE V
BOARD OF DIRECTORS

Section 1. General Powers. All corporate powers of MCAM conferred by the Articles of Agreement, these Bylaws, the New Hampshire Voluntary Corporation Law, or otherwise, shall be exercised by or under the authority of, and the business and affairs of MCAM shall be managed under the direction of, the MCAM Board, including:

- (a) amending or changing either the Articles of Agreement or these Bylaws;
- (b) electing, removing and replacing Directors;
- (c) electing, removing and replacing Officers;
- (d) authorizing and entering into leases, contracts, letters of intent, or other binding agreements;
- (e) any material acquisitions or disposition of assets held by MCAM;
- (f) the adoption of annual MCAM operating budgets;
- (g) the adoption of MCAM strategic plans, policies and procedures;
- (h) the initiation and/or implementation of institutional affiliations, mergers, consolidations, or other corporate reorganizations;
- (i) any material modifications of MCAM's mission or services provided;

- (j) any change in certified public accountants or other professional services, fiscal year, or material accounting practices;
- (k) any changes in insurance programs and arrangements;
- (l) acceptance by MCAM of any material gift, bequest, devise or contribution; and
- (m) hiring or releasing MCAM employees;

Section 2. Composition of Board of Directors. The Board shall consist of eleven (11) natural persons, who shall be known as Directors. Once appointed, the Directors shall elect a fellow Director as President, who shall preside over Board meetings, and other Officers, who shall also be fellow Directors, as set forth in Article VII hereinbelow.

Section 3. Term of Board of Directors. The initial Directors of MCAM shall serve an initial term of one (1) year. Thereafter, Directors shall be elected for terms commencing as of the close of the meeting at which such Director is elected, and said Director shall continue in office for one (1) year and until such Director's successor has been elected and qualified or until such Director's earlier death, resignation, retirement, disqualification, or removal. There shall be no limitation on the number of successive terms of office for which a Director may serve. An incumbent Director's term of office shall not be shortened by a decrease in the number of Directors or a shortening of the term of office for Directors.

Section 4. Annual Meeting. The Annual Meeting of the Board shall be held on such date or dates and at such time and place as the Board shall determine, for the transaction of such business as may come before the meeting. The Board may cancel the Annual Meeting in any year in which there is no business required to be conducted.

Section 5. Regular and Special Meetings. Regular and special meetings of the Board for any purpose or purposes, unless otherwise prescribed by statute or the Articles of Agreement, may be called at any time by the President, and shall be called by the President or the Secretary when so directed by the Board, or at the request in writing delivered to the Secretary of any two or more Directors. Such request shall state the purpose or purposes of the proposed meeting.

Section 6. Notice. Notice of all meetings of the Board shall be given in writing to all Directors, at least fourteen (14) days prior to the meeting, except in the case of an emergency, in which event notice, may be given by telephone or otherwise at least twenty-four (24) hours prior to the meeting.

Section 7. Quorum. A majority of the Directors who are entitled to vote at meetings of the Board shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of Directors is present, those Directors present may adjourn the meeting from time to time without further notice.

Section 8. Voting. Each Director shall have one (1) vote on all matters, and the act of the majority of the Directors who are entitled to vote at Board meetings and are present or

participating telephonically, at a meeting at which a quorum is present, shall be the act of the Board, except where otherwise provided by law, these Bylaws or the Articles of Agreement.

Section 9. Consent Action by Writing. Unless specifically prohibited by law, by the Articles of Agreement or by these Bylaws, any action required to be taken at a meeting of the Board, or any other action which may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all Directors who are entitled to vote at Board meetings, and the written consents are filed with the records of the meetings of the Board. Such consents shall be treated for all purposes as a vote at a meeting.

Section 10. Presence Through Communications Equipment. Unless otherwise prohibited by law, the Articles of Agreement or these Bylaws, the Directors may participate in a meeting of the Board by means of a conference by telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

Section 11. Resignation and Removal. A Director may resign by submitting a written resignation to the Chairperson, President or Secretary, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Director may be removed from office at any time, for any cause or for no cause, by the affirmative vote of two-thirds of the Directors present and voting (except the Director in question). In effecting such removal, it shall not be necessary to assign or recognize the existence of any cause for such removal.

Section 12. Vacancies. If a vacancy occurs on the Board, the vacancy may be filled in the manner set forth in Article V, Section 1 and 6 hereinabove; namely, that the Directors shall, by a majority, nominate one or more persons to fill the vacancy or vacancies.

Section 13. Compensation. Members of the Board shall receive no compensation for their services.

ARTICLE VI **COMMITTEES**

Section 1. Creation of Committees. Unless the Articles of Agreement provide otherwise, the Board may create one or more committees and appoint members of its Board to serve on them. Each committee must have two or more members, who shall serve at the pleasure of the Board.

Section 2. Selection of Committee Members. The creation of a committee and appointment of members to it must be approved by a majority of all the Directors in office when the action is taken.

Section 3. Required Procedures. The provisions of the law, the Articles of Agreement, and the Bylaws, which govern meetings, action without meetings, notice and waiver of notice, quorum and voting requirements of the Board, apply to committees and their members.

Section 4. Authority. Unless limited by law, the Articles of Agreement or these Bylaws, each committee may exercise those aspects of the authority of the Board which said Board confers upon such committee in the resolution creating the committee. Provided, however, a committee may not:

- (a) approve or propose action which by statute or these Bylaws requires the approval of the Board;
- (b) fill vacancies on the Board, any of its committees or of Officers;
- (c) adopt, amend or repeal the Articles of Agreement;
- (d) adopt, amend, or repeal these Bylaws; or
- (e) take any other action which would contravene the Articles of Agreement or these Bylaws.

Section 5. Compensation. Members of committees formed by the Board shall receive no compensation for their services.

Section 6. Standard of Conduct. Members of committees of the Board shall adhere to the same standards of conduct required of the Board by law, the Articles of Agreement and these Bylaws.

ARTICLE VII **OFFICERS**

Section 1. Number. MCAM Officers may include a President, a Vice President, a Secretary, an Assistant Secretary, a Treasurer, and an Assistant Treasurer. One person may hold the offices and perform the duties of more than one of said offices. Only Directors shall be qualified to serve as Officers.

Section 2. Appointment and Term of Office. MCAM's Officers shall be nominated by the Board and shall serve an initial term of one (1) year. Thereafter, Officers shall be chosen by the Board at the annual meeting, and the terms of such Officers shall begin on the next January 1 following the annual meeting at which such Officers were elected. No Director shall serve as an officer for a consecutive period in excess of six (6) years.

Section 3. Removal. Any Officer may be removed, with or without cause, by a majority of the Board, whenever in the judgment of the Board, the best interests of MCAM will be served by such action.

Section 4. Resignations. Any Officer may resign at any time by giving written notice to the Board. Such resignation shall take effect at the time the notice is delivered to the Board,

or at such later date as specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled in the manner prescribed in these Bylaws for appointment to such office.

Section 6. The President. The President shall preside at all meetings of the Board and shall vote on matters before the Board only to break a tie. He or she shall have general and active supervision and direction over the day- to-day business and affairs of MCAM and over its several Officers, subject however, to the direction and control of the Board. The President shall be authorized to enter into contracts and other binding agreements on behalf of MCAM, sign or countersign all certificates, contracts and other instruments of MCAM as authorized by these Bylaws, shall be authorized to represent MCAM in all matters of public relations, and shall perform all such other duties as from time to time may be assigned to him by the Board. The President shall serve no more than four (4) consecutive years.

Section 7. The Vice President. The Vice President shall have such powers and perform such duties as the Board may from time to time prescribe. At the request of the President, or in case of his or her absence or inability to act, the Vice President may act in his or her place, and when so acting shall have all the powers and be subject to all the restrictions of the President.

Section 8. The Secretary. The Secretary shall keep or cause to be kept the minutes of the meetings of the Board in books provided for that purpose; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law; shall be the custodian of the records, and in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board, including, but not limited to, authenticating the records of MCAM when requested or required. In the absence of the Secretary, a secretary pro tempore may be chosen by the Directors or shareholders, as appropriate, to perform the duties of the Secretary.

Section 9. The Assistant Secretary. The Assistant Secretary shall assist the Secretary and assume his or her duties in the Secretary's absence.

Section 10. The Treasurer. The Treasurer shall be the financial Officer of MCAM; shall have charge and custody of, and be responsible for, all funds and securities of MCAM, and shall deposit all such funds in the name of MCAM in such banks, trust companies or other depositories as shall be selected by its Board; shall receive, and give receipts for, moneys due and payable to MCAM from any source whatsoever; shall keep an account of all receipts and expenditures and present a full report to the Board at their regular meetings, or as requested by the President; shall make a report at the annual meeting of the Board, which shall be accompanied by verification of an auditor, who shall be appointed by the Board; and in general, shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board.

Section 11. The Assistant Treasurer. The Assistant Treasurer shall share, and become familiar with, the duties and records of the Treasurer and shall report in the absence of the Treasurer.

Section 12. Salaries. No compensation shall be paid to the President, Vice President, Treasurer and Secretary, or any other Officers, for their services.

ARTICLE VIII **FISCAL YEAR**

The fiscal year of MCAM shall be fixed by the Board.

ARTICLE IX **WAIVER OF NOTICE**

Whenever any notice is required to be given to any Director by these Bylaws, the Articles of Agreement or by law, a waiver of the notice in writing delivered to the Board for inclusion in its records, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE X **INDEMNIFICATION**

To the fullest extent now or hereafter permitted by law, MCAM shall indemnify any individual made a party to a proceeding because he or she is or was a Director or Officer of the MCAM, against liability incurred in the proceeding.

Furthermore, to the fullest extent now or hereafter permitted by law, no Director or Officer of MCAM shall be personally liable to MCAM for any action or failure to take any action as a Director or Officer, except with respect to: (a) any breach of the Director's or Officer's duty of loyalty to MCAM; (b) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (c) any transaction from which the Director or Officer derives an improper benefit.

ARTICLE XI **AMENDMENTS**

All amendments, alterations or revisions to these Bylaws or the Articles of Agreement shall be initiated, voted on and approved by a majority of the Board.

ARTICLE XII
MISCELLANEOUS

Section 1. Gender. All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

Section 2. Gifts. The Board may accept on behalf of MCAM any contribution, gift, bequest or devise for and consistent with its general purposes and mission, or for and consistent with any specific purpose of MCAM.

ARTICLE XIII
DISSOLUTION

In the event of the complete termination or complete dissolution of MCAM, whether by a vote of the Board, or by action taken by the New Hampshire Secretary of State, the remaining assets of MCAM, after payment of all debts and obligations, shall be distributed to the City of Manchester for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of MCAM is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XIV
EFFECT OF THE ARTICLES OF AGREEMENT AND THE NEW HAMPSHIRE VOLUNTARY CORPORATIONS AND ASSOCIATIONS ACT

To the extent not otherwise expressly varied by the terms of the Articles of Agreement or these Bylaws, the provisions of NHRSA 292, being New Hampshire's Voluntary Corporations and Associations Act as the same may from time to time be amended, shall govern all matters concerning the power, conduct and regulation of the business and affairs of MCAM, its Officers and Directors. All of the provisions of the Articles of Agreement, as from time to time amended, shall be deemed incorporated into these Bylaws by reference and in the event of any inconsistency between the provisions of the Articles of Agreement and these Bylaws, the terms of the Articles of Agreement shall govern and the relevant provisions of these Bylaws shall be deemed amended accordingly.

I, June E. Craig, as Secretary of MCAM, hereby attest that the foregoing are the true, complete and accurate Bylaws of MCAM as adopted by its Board of Directors on May 19, 2004.

Attest: June E. Craig, Secretary

Amendment to Exhibit A – MCAM Bylaws

Article V
Board of Directors

Addition to Paragraph 2

- (A) The Mayor of the City of Manchester, NH may appoint one (1) voting Director to the Board of MCAM for a term of one (1) year, renewable upon the Mayor's discretion.
- (B) In the event of the Director's removal or resignation, as described in Section 11 of this Article, notice will be presented to the Mayor's office within 30 days.

Approved March 11, 2005

I, June E. Craig, as Secretary of MCAM, hereby attest that the foregoing are true, complete and accurate Amendments as adopted by its Board of Directors on March 11, 2005

Attest: June E Craig
Secretary

The Union Leader NEW HAMPSHIRE SUNDAY NEWS

DATE: May 20, 2002

SECTION: Editorial

We think that the way MCTV is funded is as large a problem as the way it is structured.

Structurally, MCTV is a disaster. It must answer to the schools and to the Board of Mayor and Aldermen. In the past, political disputes between aldermen who had MCTV shows and the aldermen they insulted on those shows put MCTV staff in jeopardy of losing their jobs. This is hardly a management structure conducive to producing quality public television. As the mayor's task force recommended, turning MCTV into a private non-profit entity with its own board of directors is the only thing that makes sense.

Financially, the way MCTV is funded also makes little sense. The 5 percent **franchise fee** that the city charges cable TV viewers is supposed to be a user fee to fund community television. But in 2001, MCTV received only \$325,000 out of the \$1.15 million that **franchise fee** generated. The rest went into the city's General Fund.

The city is charging a cable TV tax and calling it a user fee. This is dishonest. If the **franchise fee** is a general tax, the city should cut it or state this to be the case. If it is a fee collected for the purpose of providing quality community television, then 100 percent of it should go to MCTV.

Of course, there is another option altogether. The city could spin off MCTV into its own, privately funded non-profit corporation. The corporation could be funded with the cable "**franchise fee**" until the city's contract with AT&T Broadband expires. At this point, MCTV would be cut loose to rely entirely on private donations.

Manchester has enough civic-minded residents and corporations that funding community television should not be a problem, especially if MCTV follows the lead of PBS and begins accepting corporate underwriting.

Some of what MCTV does is valuable and a true public service. Some is not. Letting the public decide just how valuable MCTV's programming is, rather than forcing them to pay for it whether they want to or not, is the right thing to do.

Aside from making MCTV funding voluntary, which should be an end in itself, turning it into a privately funded non-profit would prevent politicians from getting their hands on the purse strings. As it stands now, MCTV is really MGTV, Manchester Government Television. Making MCTV beholden to the public, and not the aldermen, is the best way to ensure it is truly "community" television.