

**Board of Directors Meeting – May 04, 2005, 7:00 a.m.**

At the office of Arthur Gatzoulis  
101 Stark Street, Manchester, NH

Attending: John St. Hilaire, Joe Lahr, Arthur Gatzoulis, James Stewart, June Craig, and Hubie McDonough.

Meeting was called to order at 7:15 a.m. and run according to Robert Rules of Order; Minutes of the prior meeting on April 26, 2005 were forwarded to each Board Member by email..

John passed out an Agenda for the meeting that he had prepared. See attached.

Other paper work passed out:

1. Franchise Fee History
2. Proposed Employment Contract for Joe Lahr
3. MCAM Proposed 2006 Budget
4. Committee Suggestions
5. Downstream Capacity Analog vs. Digital
6. Space and Set Design using 540 Commercial Street facility
7. Copy of Letter to Producers dated May 2, 2005 advising of MST School Renovations
8. The Final Version of Negotiation of Lease Agreement for 540 Commercial Street dated 5-2-2005

John noted that he had made arrangements for 540 Commercial Street to open for those available to see the facilities and he expected an electrician and a contractor who would review the site and come up with a quote for respective fit up.

John wants to discuss the \$350,000 payment from the CIP escrow account from Comcast for fit up and equipment with Kevin Clougherty, Mark Roy, Mike Lopez and Dan O'Neill. We are hoping to be able to have the money transferred earlier.

He has called Comcast person Brian Christianson. He hopes to meet with him soon to see if Comcast can give us a break on Comcast line drop.

John mentioned that June was facing surgery in the next week and all the Board members wish her well. He thought that Joe Lahr would be able to do minutes for the meetings in her absence.

John St. Hilaire was given the ability to conduct and acquire quotes for construction and electrical services. These quotes will be brought back to the MCAM Board for approval. The work would include the completion of Studio A first then the walls for the Main Central Room, and Studio B. The walls would be unfinished inside the room dividers to

allow the completion of electrical wiring in the rooms. John expects the fit up will be 100% completed by the end of December.

In discussing some of the ideas for the space at 540 Commercial Street Phase One and Phase Two were put forth.

Phase Two: 1. Put up two commercial suites for people to do their own broadcast quality tapes.

Public Access MCTV will be closing for two months. There will be no taping of shows after June 17<sup>th</sup>. Broadcasts will only be reruns.

The Government broadcasting will run from Aldermanic Chambers.

John made an offer to Grace to have space in our facilities for no charge for the Education broadcasting. Grace declined.

MCAM will be up and running by July 11<sup>th</sup>. Bulletins will be broadcast as soon as cable service is installed.

We did not have a quorum to make and approve Motions. John called Hubie McDonough who was able to come to the meeting late – 8:15 a.m. We also called Lou D’Allesandro to see if he was available at least by telephone. Lou was available for a couple minutes. He gave his opinion and his approval for the votes.

**Jim Stewart made a Motion, Artie seconded to allow John, Artie, Joe, and Lou to negotiate with Brian Christianson of Comcast for MCAM. There was discussion. The Motion passed, all in favor.** Lou advised that when the meeting is set up that we call Sonja at his office to put on his calendar. 271-2117

Joe Lahr advised that Channel 23 is maxed out. Under the current schedule and conditions we have 10-15 new people yearly. He anticipates a lot more traffic once in the new facilities.

Many people have taken the producer class but don’t come back because of limited available time.

There seems to be an overabundance of Religious themed programs; currently 29% of programs are religious. We will probably look to find a balance of programs and some programs in more suitable spots. Sunday from 8:00 a.m. through Noon would, for instance would be a peak time for religious themed programs.

Besides 23, the other channels available are digital. Comcast is allowed five (5) channels. Public side can grow by getting another channel. Education does not want the additional channel.

Joe said the spare channel would be near “90” – an analogue channel. He suggests that we ask Comcast to trade the one analogue channel for four (4) digital channels.

1. Community Radio
2. Religious 24-7 exclusive
3. Re-broadcast programs
4. Full time bulletin board

Jim Stewart asked how the Board will do programming guidelines.

Joe said: Producers usually are given a first come, first serve basis;

Producers usually have carte blanche unless controversial or illegal

Currently the programs are not reviewed prior to broadcast. The programs must comply with the FCC. Producers are asked to disclose nudity, vulgar language. If it is not disclosed, it is a violation and there may be repercussion to the producer.

Joe said the Board cannot preview shows. We are allowed a 30 second preview to check for quality.

Artie suggested that MCAM may be overstepping if it attempts to put religious programs in specific limited areas. There may be programming changes. We won't guarantee time slots; perhaps a lottery system.

**It was suggested that this issue be moved to Committee.** The members of this “committee are yet unnamed” however we are getting the cart before the horse.

John St. Hilaire asked if the Board would approve Paul St. Hilaire, John's dad to do the ground work for MCAM bookkeeping by setting up accounts, etc.. Paul St. Hilaire is a board certified Quick Books instructor. He has been self-employed for years and he has already been a significant help to John in his work thus far with MCAM. The Board will put this issue to Committee for bids once we have a meeting place and the Committees are set up. The Committee will review applicants for the position. In the interim it was felt that Paul would be more available than a standard accountant (not related to John) Board members felt that this would be acceptable in view of the independent audit that is part of our Agreement with the City.

**Artie made a Motion, seconded by Lou, moved to vote: That Paul St. Hilaire be hired for a short term to set up business books for MCAM, open accounts and generally get us up and running. A sum of \$1,000 will be funded and not to exceed that sum without first being approved by the Board. The Motion was approved unanimously.**

Financial software will be purchased. The cost should be about \$300.

Under our By-Laws we can expand the number of members on the Board of Directors and we can do so at will. It can be made up of persons outside of the Board, in that they can be members of particular committees.

Joe made a Committee suggestion. Joe not be a part of the Finance Committee. Finance Committee will be made up of Full Board of Directors. All committees would need to be chaired by a Board Member but committee members can be folks who want to be involved. The producers would be the most likely committee members.

Other committees would be Ethics and Enforcement; Activities, Finance and Administration. Administration would be the one committee that producers would not be solicited to be part of.

Joe advised that he wanted to start soliciting applications for positions to be filled.

Joe is the Operations Manager  
We will need: An Operations Assistant Manager  
A Production Coordinator

The definition of employee benefits:

- 1 week of vacation after one year of employment
- 2 weeks after two years
- 3 weeks after 5 years.

There would be 120 days evaluation, then probation

Medical cost would be \$3,000, for a family \$9,000. Of the \$6,000 increase the employee to 25% of increase for family.

Regarding dental insurance. John suggested that we delete the dental insurance from Joe's suggested salary benefits and add it to his wages. The cost of dental insurance is so high it may be beneficial for Joe to pay out of pocket.

For employees there will be a 401K matching of 3%

Retirement benefits start at year two (2).

For the Production Coordinator – plenty of people are interested.

John said MCAM definitely will want to set up an internship program

Last meeting it was stated that Devine Millimet Law Firm was interested in representing MCAM in its legal affairs. John stated that he has attempted to contact them but have not received a return phone call. John said he also will see if Jim Normand is interested in representing us. There is interest in having Dean Eggert, of Wadleigh & Starr, who represents MCTV to represent us. Word is he would be pleased to do so.

John would like the MCAM Board have two meetings a month; one in the AM and the second in the PM.

A motion to close the meeting was made by Artie, seconded by James. All approved.

Meeting was followed by a visit to 540 Commercial Street.

Respectfully submitted,

June E. Craig, Secretary  
MCAM Board of Directors

May 8, 2005

Referring to Item #1 on today's agenda:

Lease option for the 540 Commercial Street Space.

We are dealing with REALTOR Hugh "Dewey" O'Neil

The property is owned by John Madden. His representative is Richard Gustafson of Stebbins Realty.

The lease proposal before us is a counter offer from the owner.

**Attributes of the 540 Commercial Facilities**

It is a net lease which includes air conditioning, heat and taxes paid by the owner.

We pay the electricity and utilities.

Rent begins on June 1, 2005 but we would be allowed to gain access on May 1<sup>st</sup>.

The facilities do not need electrical upgrades

We later learned upon viewing the premises at 8:45 pm that the facilities also are fitted with a security system which would only need to be retrofitted.

We also were advised that the facilities have fit up for compressed air which could be useful to MCAM

The premises are move-in condition as to cleanliness, acceptable floor coverings, very good baseline lighting, four finished offices, office furniture, file cabinets, cable hookup, The gross space is 9,700 sq ft of which we can sub-lease about 2,500 sq ft of this space to further offset the yearly lease cost but allow us growth potential.

It comes with a phone system that is worth about \$3,000.

It is first floor, it has adequate parking, it has a reception area, and it has a loading dock.

The 20 ft ceilings are great for studio work.

The space has large windows on the east and west sides which make the facilities light, bright and inviting.

Not included:

Fit up expenses. Walls need to be put up to accommodate different studios. Also walls for the sub-lease space will need to be done. The sub-lease area would perhaps pay the same rent rate as MCAM would.

Lou D'Allesandro has not seen the facilities and he expressed the thought that we should pursue some fit up costs from the owner. John is hesitant to do so because of the overall conversations to date with Dewey O'Neil about the negotiations to date. John will discuss it with Dewey. It was mentioned by June, John, Joe and Chris who saw the facilities that the deal looks good. We don't know if there is anyone else interested the facilities and we don't want to get bumped out. The owner is not using the charitable deduction gimmick because he does not want to get involved in the mountainous paperwork nor prompt an audit of the IRS

John also mentioned that he did a comparison of other spaces in the mill yard and found our prospective space is a minimum of \$3.00 cheaper (to start).

Regarding a security system, John stated he would put the job out for bid. Jim suggested contacting Red Robidas, former police officer who does security for the City of Manchester. John mentioned Pelmac. See the security mentioned under Attributes of 540 Commercial St.

Linda and Jim asked a series of questions. How the lease amount compared with the budget. Would the lease amount be a problem in relation to the cost of equipment? Was there going to be enough money? We have to have an up and running operation to keep the producers happy and once the facility was open there would be an increase in use of the facilities.

John said the cost of equipment would be between \$195,000 and 230,000 for a completely fitted studio. Joe stated that the completion of the whole space does not need to be done all at once. John stated and Joe agreed that when buying technological equipment that you have to buy the best on the market at the time, which gives you a longer period before the equipment is obsolete, since technological changes happen rapidly.

Joe wants to get one studio completely fitted for producers to tape shows, and then start on the second studio. This will allow MCAM to start up quickly at or better than the present public access availability for the producers.

Jim wanted to know if Comcast can give us a deal on the cable connection services from them. John is already in contact with someone from Comcast and is definitely getting a head start on that.

Linda pointed out that MCAM is a corporation with a Board of Directors, not just John. She is concerned about the costs of everything and concerned that we have to be up and running within 60 days of opening at or better than the present MCTV facility.

Linda would like a presentation by Joe and John for the grand plan, the cost, how to phase in. When will the second staff member be brought in? We have to get volunteer producers to help. Can we get any services by professionals free? We need full work meetings, not at 7:00 a.m. How about a meeting starting later in the day. Artie suggested 3:00 p.m. during the week.

Grace has stated she will allow Joe to spend some of his working day at MCAM during the transition until July 1<sup>st</sup>.

The insurance will have to go out to bid. John noted that there are at least two stages for the insurance. As listed in Property Attributes, we will be given access to the property on May 1<sup>st</sup> and start paying rent on June 1<sup>st</sup>. We will be open for business on July 1<sup>st</sup>.

The Federal Form for the Non-Profit Corporation is now complete. We have a Federal Employers I.D. number. John has asked Lou D'Allesandro if he will walk the paperwork through the process for us since he is up in Concord.

John said if and when we get the money from CIP we will need an investment broker to handle our dollars. We will have to interview prospects.

John said his father is an accountant, certified Quick Books, the best business tax program. John said his father would/could help us out for the first year. His name is Paul St. Hilaire.

John asked if we could have a full work meeting next week sometime during the week of May 2 through 6th. Linda asked if it could be the following week of May 9 through 13<sup>th</sup>. John said we will still have a meeting the 1<sup>st</sup> week of May, and then a longer work meeting on the 2<sup>nd</sup> week of May. We definitely need Chris the Treasurer to be at these meetings so Chris was asked to check his work schedule for his opportunity to attend an afternoon meeting starting about 3:00 p.m until 9:00 p.m.

Presentations of accountants, investment councilors, insurance proposals etc. will be included in this work meeting.

Lou had already left the meeting and now Chris had to leave. June asked Chris before he left if he wanted to express his vote on whether we should give John authority to act on the lease proposal for 540 Commercial Street. Chris who saw the property last week voted yes to the lease proposal.

**Linda made a motion to authorize John to proceed with the lease plan as presented provided an effort is made to get the owner to agree to help with fitup and to enter into an Agreement provided no different aspects come up that need to come back to the Board.**

**Artie seconded the motion. After discussion six voted yes, none opposed. Chris' opinion above is noted.**

Linda noted that she lives in Milford. The Mayor saw her at an Aldermanic Meeting recently and asked, "Oh have you moved back to Manchester?" She wondered if it bothers the Mayor that she does not live in Manchester. She stated she will leave the Board if it is necessary. John said that if Board members are active, show up for meetings it doesn't matter where they live. Artie noted that Hubie lives in Bedford.

Artie suggested that a committee be set up to decide on an accountant for MCAM, that it would be viewed as a conflict of interest for John to have his dad doing the books.

John noted that we should also have a legal firm handle our legal affairs and that Artie being on the Board and representing MCAM would also present a conflict of interest. Artie agreed and stated that his firm does not do corporate work; they specialize in criminal and personal injury.

It was noted that Jim Merrill wants his firm to represent us in legal affairs. Apparently he dropped off the Board so he would be able to represent us when the time came.

**Artie made a motion that we accept the basic conflict of interest definition as written by the IRS; James Stewart seconded the motion. Discussion. Six in favor, none opposed. Jim said he would be able to get us a copy.**

John noted that we are a **PUBLIC** charitable organization. What does that status mean? We need to get that definition. Linda says that there is training available from the Attorney General Charitable Trust Division.

John requested that anyone who has issues they would like to be covered in the next few meetings that they e-mail their issues to him.

John will propose to change the lease offer to:  
6.25 for 1 year lease to 16 month lease in order to have our fiscal year of 9-1-05 line up with the lease date. The fiscal was made to coincide with the September 1<sup>st</sup> date when funds are available from Comcast.

Joe stated that we need a Comcast line dropped immediately on the premises once we have access; a fiber optic line. Will we have to pay for the connection? MCTV pays for the service.

There needs to be a Communications Committee put together. Off hand John stated it should consist of Joe, John, and Jim.

At what point will the Mayor appoint his choice of representative on our Board?

Joe believes that Comcast should be made aware that Comcast will get new subscribers once folks figure out that is the only way to public access and we will be able to thank Comcast on air for their donation.

John noted that each MCAM Board member will have web mail through the MCAM website.

Next meeting to be determined after Chris checks his schedule.

Respectfully submitted,

June E. Craig, Secretary  
MCAM Board of Directors  
April 26, 2005