

Board of Directors Meeting – May 11, 2005, 3:00 PM

Future home of MCAM
540 Commercial St, Manchester, NH

Attending: John St. Hilaire, Hubie McDonough, Chris Proulx, Linda Thomas, Lorraine Lamontagne, Jean Jeudy w/ Joe Lahr & Paul St. Hilaire

Meeting was called to order at 3:15 PM and run according to Robert Rules of Order; Minutes of the prior meeting were forwarded to each Board Member in hand.

John introduced Paul St. Hilaire who will be implementing the Quick Books training for Chris and Joe as voted by the Board. Chris and Joe will be to contact Paul to set up a schedule.

Joe will handle the day to day financial requirements, Chris will review end-of-the month and the Annual Report submission. Paul St. Hilaire can be contacted at 2 Cote Lane 627-2970.

Upon receipt of the \$350,000 from City CIP, MCAM Chair, Vice-Chair, Treasurer and Exec Director will set money accounts for various appropriation needs.

Linda requested we communicate with the Attorney General Charitable Trust for info and training. Joe will follow-up.

Joe passed in a list of equipment priorities for a function studio and playback. Joe handed out Phase 1 list of equipment (about \$68,000)

John announce that Dean Eggert Esq. Is the attorney for MCAM and is review the Lease for 540 Commercial. His rate is \$145 per hour.

Letter of Intent/Lease was sent to owner John Madden for review.

In the previous week, a prospective contractor conducted an initial construction walk-thru. Quotes for the door requirements came back at about \$4000. Boar had concerns regarding soundproofing and audio acoustics.

Comcast hook-up situation was discussed; Joe handed out an explanative letter from Bryan Christianson of Comcast.

Linda asked for a cost breakdown and a budget comparing individual cost of item compared to the big picture.

Joe expressed concerns of “board burn-out” and asked that the board maintain stability and preservation. Board resolved to holding two meetings a month, one in the early morning, one in the afternoon at 540 Commercial St.

Respectfully submitted,

Joseph Lahr, acting-Secretary
MCAM Board of Directors

May 18, 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 1st.

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 1st.

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 1st and start paying rent on June 1st. We will be open for business on July 1st.

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 13th. John said we will still have a meeting the 1st week of May, and then a longer work meeting on the 2nd 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 1st 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