AT&T Contract Considerations

From: Dag Forssell dagc@forssell.com Dec 22, 2023

All documents referred here at https://www.forssell.com/menlo/Governing/ATT_Contract/

The MC board (Loughlin administration) discussed the AT&T contract in the fall of 2021. Ann Mueller, who was contract administrator, said that it was a five year contract and that when the five years were up the contract would be reviewed and reconsidered.

A five year contract made sense back in 2017 since AT&T was investing in Menlo Commons by replacing existing Cable TV, instead installing Internet fiber distribution and equipment.

In late January I got fed up with AT&T, collected my thoughts and wrote the board on March 2 about Legality, Fraud, Property Values, HOA subsidies / AT&T Coercion and a Win-win solution. See *ThoughtsATT_Contract.pdf*.

In the February 2 board meeting Brian Pirzadeh asked during Open Forum about the AT&T contract. Ann Mueller cut him off, saying AT&T was not on the agenda. (Not consistent with Ann's claim that Open Forum serves as Workshop, with vigorous debate.) Brian persisted. Ann said the contract auto-renews every year. Brian asked for copies of the contracts. The Manor supplied them. It turns out that Hal Harbatkin signed the latest contract on March 29, 2017 and five years were up on March 29, 2022. The board could give notice of termination 90 days ahead, on December 29, 2021. Again in 2022 and now in 2023.

Brian demanded to be let out of the bulk contract. The board referred his request to a Berding Weill attorney, who responded March 27 with a letter supporting the board. See *LetterToUnitC208.pdf*.

Obviously, the board chose to NOT provide the attorney with my analysis. Seems to me the attorney made two major mistakes

1) Cable TV is not the same at all. 2) The attorney did not read our CCRs.

The attorney provided the justification the board wanted. The attorney works for the board, not the association at large.

I don't think the attorney would have supported the board if the board had forwarded my analysis, alerting the attorney to the fact that AT&T meters and charges separately. That was not possible with Cable TV.

Given that the contract is illegal, outside of the MC board's authority per the current CCRs and even more so the coming 2024 CCRs (if the board is willing to read the CCRs) the board MUST notify AT&T and cancel the contract by December 29, 90 days before March 29.

The board is usually extremely sensitive about potential liability. Not so in this case. Going forward, there are at least a dozen members who have had the privilege of paying around \$1,100 per year for AT&T service they never used. Will they sue the association for refunds?

Be sure to share your experience and thoughts with the board.

This report: https://www.forssell.com/menlo/Governing/ATT_Contract/ATT_Considerations.pdf