

Southwood Internet Task Force Meeting
April 7, 2011 6:00PM
Southwood Community Center

The meeting was opened by the Task Force Chairman at 6:03PM.

The Task Force chairman started the meeting by making a quick announcement regarding the presentation of offers from vendors.

Eric Miller, Regional Vice President for Century Link made a presentation to the Task Force and Homeowners who were in attendance. Mr. Miller commented on recent service disruptions that had occurred in the providing of internet service within Southwood. Century Link does measure their service and has performance metrics. Mr. Miller commented that 96.7% of the time, a service ticket is resolved within 24 hours.

The presentation continued and Mr. Miller explained that the equipment in the subdivision cannot be upgraded. The provider of the hardware which was installed in the early part of the century, has since gone out of business and no one is manufacturing upgrades for the existing hardware. The cost of the upgrade to increase speed can be done one of two ways. The cost to upgrade would run about 1.0 to 1.5 million dollars. The Century Link proposal to upgrade internet speeds within Southwood would involve installing new communication lines between the box at the curb and each house. The cost of this service to the neighborhood at a group rate could not be provided at the meeting because it required a higher level of approval than what Mr. Miller possessed. Mr. Miller did offer that Century Link could provide 5 Mbps service for \$16.00 per month and would allow up to a 10% opt-out. The full 10 Mbps service speed pricing will be available on or after April 18th, after Mr. Miller returns from a trip to meet with his supervisors. The installation could begin between 60 and 90 days after signing a new contract and Mr. Miller promised that the entire installation would be completed by the first quarter of 2012. Mr. Miller's presentation ended at 6:30PM.

Between presentations from Century Link and Comcast, there was a short time frame which was used by the Chairman to go over the results of the survey that had concluded on March 31st. The survey returned 594 forms which were filled out including street addresses. The represented an approximately 45% return rate for the Southwood neighborhood. Of the surveys returned, 494 expressed their desire for a master agreement to provide internet service and 100 stated that they did not want a master agreement. This calculated to a bit more than 83% wanting a master contract. Task Force members and the Homeowners in attendance mostly agreed that the Task Force should attempt to have a master agreement to provide internet service. A few members of the Task Force stated they were opposed to a master agreement. The number of persons opposed to a master agreement versus for an agreement on the Task Force closely resembled the results of the survey.

At approximately 7:00 PM, Comcast was introduced to the Task Force and Homeowners in attendance. The Comcast team presented their best and final offer. Comcast stated that at the first meeting in February they were under the impression that the offer they were making then was to be their best offer because a decision would be made shortly after the presentation. Their offer of 24.95 per month for 10Mbps service was discussed. KC Williams of Comcast pointed out that their offer included a provision on the pricing where the price offered could be increased during the contract period of three years by the same percentage as an increase in residential service in the region. This would be contingent upon the Comcast service price increasing for all customers in the Tallahassee, FL region.

This provision was discussed extensively by the Task Force. The uncertainty of a price increase was debated at length and KC Williams agreed that the provision would have a maximum increase of 3% per year and no more than that even if residential service prices were raised more than 3%.

The discussion moved to how the service would be transitioned from Century Link to Comcast. Comcast stated that they could finish the transition work in 30 days for all homes. They stated that they would set up in the Southwood neighborhood to do appointments and to help speed the transition. The issue of performance of service was brought up and the Comcast team mentioned that they have a team that watches the speed and performance of their system daily. The service is constantly monitored. Comcast stated that they have overbuilt the neighborhood system in Southwood so that their equipment can handle the proposed service load and presumably would be able to handle increased service demands in the future. The Comcast team distributed contact numbers for the purpose of addressing future service issues.

The concept of bundling of services provided by Comcast was discussed. Since homeowners may wish to have more than just the internet service through Comcast. The Task Force asked how this would be handled for pricing to ensure that the discount from the master agreement internet service was preserved for Homeowners. A Task Force member explicitly stated that he was concerned that Comcast would charge more for other services and the Homeowner would be paying the same price for the combined services as if they had just contracted the entire set of services without the master agreement. KC Williams promised that Comcast would work with each Homeowner on a case-by-case basis. This concluded the Comcast presentation and Task Force discussion with Comcast.

The Task Force discussed the two offers that had been made and the direction that the group should take. Discussion was extensive and covered the need for the average Homeowner in terms of internet speed. The issue of each provider's transition time and level of effort required was discussed as well as the financial aspect of each offer. The Chairman stated that the purpose of the meeting was to develop a final decision which would be transmitted to the full Homeowner's Association Board as the Task Force recommendation. A vote of the Task Force was taken and it was decided that a recommendation would be made to the full Homeowner's Association Board to pursue a master contract to provide internet service.

This concluded the meeting and work of the Task Force.

The meeting was adjourned at 8:30PM.

Respectfully Submitted,

Carl Mikyska