



A New Initiative from the SWCA Board

Evaluating Technology Infrastructure Improvements For Our Community

Technology Infrastructure Program (*TIP*)—Newsletter #3 (2/17/17)

Welcome to the TIP Newsletter #3. When we launched the newsletter process, we said that we would supply timely information on the Technology Infrastructure Program [TIP]. In addition to the Newsletter, we have created a section on the SWCA website to collect and publish TIP related information. We have also established an email address where you can submit questions or express any concerns you might have. More on both of these later.

Before we cover new items, we would like to address a query from several of our residents:

Which providers are being considered and why? We have sent our request for bid to five (5) providers; those are, alphabetically, CenturyLink, Comcast, Hotwire, Litestream and Summit Broadband. These are the only companies that are providing service to SWFL. The TIP Committee inquired about bringing other providers (AT&T or Verizon) into our market but those efforts were unsuccessful.

Now to the new items for this issue of the Newsletter.

Why Move Toward A Fiber Infrastructure?

Our community's existing Internet and TV cables and equipment have been in place since the first shovels went into the ground to build Shadow Wood in the late 1990's. While this infrastructure may have been well-suited for its time, there have been significant changes in both technology and customer demand requiring more flexible and more reliable facilities.

Customers no longer simply want basic phone and cable TV service; instead they rely more and more each day on high speed broadband connectivity. This connectivity supports Internet and email access, streaming and on-demand video, security and home automation products like Amazon's Echo (Alexa), Nest thermostats, etc. The demand for additional broadband capacity and speed will continue to grow at an ever-increasing rate - not only to support in-home requirements, but additional mobility needs as well.

Please visit the TIP section on the SWCA website for a [broader discussion](#) regarding Shadow Wood's options as we continue into this technology transformation.

What Is A “Bulk” Contract?

Many of you have had questions regarding the concept of a bulk contract. In the context of the TIP project, a bulk contract is simply an agreement between the SWCA on behalf of all its residents and a provider of telecommunications infrastructure and content. The agreement is exclusive to the provider and is for a negotiated number of years. As you might imagine, many factors impact the structure of the agreement and the term.

Why would a provider require a bulk contract? To justify the investment in replacing our aging copper wire with a new technology, i.e., optical fiber, any provider will require a contract for all of Shadow Wood over some specified length of time.

Why would Shadow Wood agree to a bulk contract? Shadow Wood will benefit in several ways. First, it is anticipated there will be significant cost savings over our current "retail" environment. Second, there will be a single provider to maintain/upgrade the infrastructure. A new fiber infrastructure brings us up to current standards providing improvements in reliability while also being capable of handling increasing future demands and

technologies. Third, under a bulk agreement, the providers normally make available a separate customer support service center located and staffed here in the United States.

What are the downsides to a bulk contract? To some, the requirement to obtain telecommunications services from the selected provider is perceived as a negative. First, entering into a bulk agreement will limit individual flexibility in selecting an Internet/video provider. This is true, although because the way cable providers are currently regulated, the only choices our residents have now are Comcast, DIRECTV, DishTV and video streaming. A homeowner can always continue to subscribe to any of these providers and use the bulk provider for Internet only--but will still be required to pay the full monthly bulk charges through their annual assessment from SWCA. While the saving for the services covered by the bulk agreement are expected to be significant, for the limited number of homeowners who are here for 3-4 months or less per year, there may be only minimal savings, or in some cases, a slight cost increase.

Can bulk services be suspended? No, bulk services cannot be suspended. As a result, all services covered by the bulk contract will remain active year-round. Any additional services purchased individually by the homeowner can be suspended (although a small fee may be required to do this).

Does Shadow Wood have any other bulk contracts? No, not in the strict sense of the definition. However, all of our other utilities (electricity, water, gas, etc.) function as bulk agreements—or perhaps regulated monopolies. However, these arrangements are open-ended and contain no restrictions on future rate increases. This will not be the case with any bulk Internet/video agreement; i.e. the bulk agreement will specify year-over-year price escalation and will be for a fixed period.

Resident Infrastructure Survey Results

Many thanks to the 925 residents in Shadow Wood (60+) who recently completed the TIP Resident Survey; we value your input and comments and would like to share some of the initial findings. Here are some of the results which we hope you will find interesting and informative.

Who is your current TV provider? Comcast 82%, DIRECTV 15%, CenturyLink, Dish & all others < 2% each.

Who is your current Internet provider? Comcast 85%, CenturyLink 10%, all others 5%.

Who is your current landline Telephone provider? Comcast 48%, CenturyLink 19%, wide mixture of others such as cellular, VOIP or "none".

Who is your current Security provider? Considerable variety of providers with no one major clear winner.

What types of communication and technical equipment do people use? Items mentioned included: Computers, Tablets & Smart phones: each > 90%; Streaming devices: 44%; In-home automation 24%.

What video services do you use? On demand 72%, Streaming devices 56%, Downloading to mobile devices 28%.

Do you think home prices are impacted by availability of high speed Internet? Well, 70% of you said "yes" and 30% "no". Interestingly, in an article published in 2015 ([click here](#)), a survey by researchers from the University of Colorado and Carnegie Mellon University of over half a million homes illustrated that indeed high speed fiber optic cable resulted in an average increase of 3.1% in home values.

These results clearly demonstrate that Shadow Wood is a digital community with a high reliance on the Internet for our communications and entertainment needs. We will be providing additional information emerging from the survey in future Newsletters after additional analysis has been completed, with a focus on the 20% who provided verbatim comments (both pro and con) giving additional insight into your views of the TIP initiative.

Terms & Definitions:

With this issue of the Newsletter we are initiating a section to help with terms and definitions that are commonly used in discussing technology infrastructure. We know we have a wide range of familiarity with this subject in our community and we want to make sure everyone understands the most important and frequently used terms.

What do the terms bandwidth and broadband mean? Bandwidth and broadband both refer to capacity to move electronic signals through some form of transmission network. This can be visualized as being similar to a pipeline—i.e. the larger the diameter of the pipeline, the more fluid that can be transmitted through it over a given period of time. The equivalent is that in systems with a high bandwidth capacity (i.e. “broadband”) electronic signals can be transmitted at faster speed and in higher volumes.

What do upload and download mean? Uploading is the transmission of digital information, usually from a personal computer/ tablet/etc. to another usually larger computer system located elsewhere on the Internet. From a reverse perspective, downloading is receiving requested information from another computer located elsewhere on the Internet.

FAQ Section of TIP Website Launched:

The Frequently Asked Questions (FAQ) area on the TIP portion of the SWCA website has been launched. This area will provide answers to questions that come from our residents (see next paragraph), questions the TIP team has encountered that would be of interest to the entire community, and questions our consultant has provided based on their experience with other clients. You are encouraged to check [this portion](#) of the website often. The question(s) you have might already be answered there.

TIP Email Address Being Utilized:

The TIP email address has seen limited activity to date. Responses have been provided to the questions received. Shadow Wood residents are reminded that this is a good way to submit any questions or concerns you might have regarding the TIP project. The team will monitor this in-box and provide answers directly if they are resident specific or, if they are broad in nature, provide an answer in a future TIP Newsletter or in the FAQ section of the website. The email address is TIPquestions@swcahome.com.

Next Steps

The TIP committee will continue analyzing the data from the resident survey in preparation for review/evaluation of the proposals expected from the five solicited providers in late February. The communication committee will continue to populate the website with additional information and prepare information for the next TIP newsletter which is targeted for early March. They will also be monitoring the TIPquestions@swcahome.com inbox and determine the most appropriate approach for responding to the questions submitted there. The contract and technology sub-committees will continue to set direction related to their areas of expertise within the project.

THE SWIC & THE SWCA BOARD