Rosedale Master Homeowners Association www.rosedalemasterhoa.com

Rosedale Cable Committee

Cablegram

Hotwire Migration Update # 2. April 29, 2022

By now, many of you have noticed some Hotwire activity in Rosedale as Hotwire is moving quickly to get us up and running by September 30, 2022. As a result, you will start to see some equipment being deployed in various locations, some construction equipment, etc. Make no mistake, this is a major undertaking so between now and September we will all be impacted to some degree. The end result however will be a far superior product offering with state of the art technology deployed within Rosedale.

Now that it has become "real" we want to again share the following document that Jim Lamy, Chair of the Cable Committee, shared several times in March shortly after our decision was made. This review is also on the web site with all of the March 10 Board meeting minutes and Committee Reports.

The following update provides a clear timeline and review of the processes and decisions made by our resident volunteers on the Committee, who by the way are all subject matter experts in this arena, that brought us to where we are today. And as always, if you have questions, please refer to our website or send a message via the website to the Communications Committee.

Cable Committee Report

March 10, 2022

We have selected a company called Hotwire Communications as our new provider. I will tell you more about them a bit later. But we want you to know how we came to that selection and, importantly, why we have chosen to change providers from Charter Communications – which we know as Spectrum.

As you may remember, we did a survey of all residents asking, among other things, our level of satisfaction with Spectrum's Cable TV service, its Internet service, and its overall customer service. More than 80% of us replied positively to these three questions. I have observed that puppies and kittens do not get that level of approval. Our bias, therefore, as we proceeded with our assessments, was to remain with the incumbent.

It's important to add a little backdrop here. First, the association did not negotiate with Spectrum in the past. We did so with Brighthouse Networks, which was acquired by Spectrum's parent a few years back. The contract was signed when the Links was not quite 50% built out. Stick a pin in this factoid. It is important later.

Next, regardless of our provider, we would be committing to a multiyear contract. We believed that it was important for us to prepare our community for the technology that would come our way in the next decade or so. The term of art is "future proofing" our community. Fiber to the home [FTTH] service presented itself as far superior to the hybrid fiber/coax we presently have and is readily available in contrast to wireless alternatives such as 5G or satellite technology, both of which are not quite ready. These observations led us to tailor our requests for proposals [RFPs] towards fiber solutions. We issued RFPs to four firms we had identified.

We received prompt responses from three of the firms but had to jolt Spectrum into responding to us. Personnel changes had removed our contact with no replacement identified. We had to request that they assign one to us. We then retransmitted the RFP and issued a letter from the Board President to their executive team asking them please be responsive to our requests. This did work.

Spectrum indicated that they would not consider fiber service for us. We interpreted them as being adamantly opposed a fiber offering. They instead offered a continuation of their current technology albeit with some enhancements to speed and channel lineup, and at a lower cost than the fiber proposals. We of course had to consider their offer.

The committee conducted technical reviews of each service provider – all via Zoom. I can report that one firm's technology stood apart from the rest, namely Hotwire. We had asked that Spectrum be prepared to address concerns in our neighborhood with chronic internet

outages and latency issues. So, during their review, they indicated that they would take concrete steps to address these issues, namely by adding some 14 nodes to the 5 presently installed in our community. This effectively would quadruple the infrastructure, but with a dated technology.

Now, the committee was reporting this to the board and therefore the community throughout, so this is technically not new news. But it is important for us all to line up all the details in a row. I mentioned that when the contract with Brighthouse was signed, the Links was only half built out. The committee had two take aways. First, needing to quadruple the infrastructure to meet service needs is viewed as a tacit acknowledgment that their infrastructure was inadequate. And second, if we are going to be adding significantly to the infrastructure of the neighborhood, then installing old technology seemed to be a mistake.

We began negotiating with Hotwire, seeking concessions on price, channels, speed, and service commitments. Negotiations were proceeding smoothly.

Spectrum somehow came to understand that the contact was lost to them and reconsidered their position on fiber. They gave us their proposal during Thanksgiving week last year. It was frankly an offer we could not refuse. While the technology was a bit inferior to Hotwire's and there were aspects that did not measure up, we had the benefit of incumbency and a price structure that we had to accept. We politely excused ourselves from Hotwire and entered negotiations with Spectrum.

Their proposed contract arrived in late December for our review.

I bring up dates here for a reason. Were we to changes service providers, the new provider would need adequate time to get their equipment installed to meet in-service dates, in this case, October 1, 2022. We had been made aware that a common practice of incumbents stalls the ball and runs out the clock.

I am leaving a few details out here, but we returned our "redlined" version of the contract to Spectrum in early January. We had a few "asks" for more boxes, lower prices, and the like, which we could have lived without. And then we waited. And waited. We were assured several times that our redlines were in the main acceptable to them. And finally, they scheduled the walkthrough of the contract for a Zoom on Tuesday, February 15. We assumed this would be a perfunctory

meeting with a bit of give and take, culminating in a contract both parties could sign. We were not prepared for what happened next.

Spectrum withdrew its offer. They instead offered some unusual hybrid technology we were not familiar with and cited "supply chain problems" as the reason for their change. BTW, we were introduced to yet a third intermediate manager on their team. We asked them to provide us a quote based on keeping the existing service for a year to resolve supply chain issues and then provide fiber next year. Subsequently, they did so, with increased costs and attenuated service but have not followed up with proposed contracts.

The next day, February 16, we contacted Hotwire to inquire whether they had a sufficient interval to proceed. They replied in the affirmative and during negotiations made a number of concessions to us. The contract we have in hand is a good one. The Board reviewed and approved this contract at last Friday's emergency meeting, which was the last day before the board changes out. We thought that the board that was in this from the start should have final review.

Our punchline in this entire narrative is that we tried to keep Spectrum with every bit of effort we could muster but they just could not take yes for an answer. So, to the 80% of us who have been happy with Spectrum, that is why we have moved on.

So, Hotwire. What about them

(Editor's note: The following has been broken down by bullets to add clarity.)

- Our internet speed will be increased five-fold for downloads and fifty-fold for uploads.
- The channel line up is difficult to characterize in few words but includes nearly all the base channels from spectrum and quite a few more. The Spectrum channel, Bay News 9, will no longer be available.
- DVR service will be whole house, with 200 hours of programming stored on their cloud-based network.
- You will have three wireless DVR set top boxes instead of two from Spectrum. The retail services are comparable to those of Spectrum.
- The latest Wi-Fi technology for your house.

• The MHOA will also receive an incentive bonus payment of about \$277K [equivalent to \$250 per installation/household].

Some other input. We spoke with other communities that have gone with Hotwire and the reviews from them are excellent. High degree of satisfaction with the service and with the installation process. Hotwire deals exclusively with HOA's. They have no individual retail service; they are organized to deal with communities like ours.

They have named an installation manager who will oversee all aspects of the transition, including communications with all residents, town hall meetings, schedules, and the like. They will be meeting with our committee shortly and have named a dedicated person for our account.

Finally, we believe that Hotwire really wants our business. They have been extremely anxious to accommodate our requests. This is in stark contrast to the other company. BTW, our board president issued a letter to the CEO of Charter expressing our opinion on their action.