

## --- FAQ 4 U: Spectrum Bulk-Services and Adjustments To ROA Assessments ---

*December 21<sup>st</sup>, 2019*

### **Spectrum Bulk-Services Review and Changes To ROA Assessments – Frequently Asked Questions**

On October 1st, 2019, the ROA Board unanimously approved a bulk-services contract with Spectrum to provide high-speed Internet and cable television service to all residential dwellings in Stevens Plantation.

As you may be aware, the contractual agreement between CenturyLink and Stevens Plantation expired on June 30th. With this previous agreement, each resident was granted 5Mbps Internet as part of the fees collected in the non-ad valorem taxes for Stevens Plantation CDD. Stevens Plantation ROA and our legal counsel attempted to advance contractual discussions with CenturyLink in the years leading up to contract termination, with the goal of improving services and providing upgrades to the 15-year old infrastructure. However, an agreement could not be reached and the ROA Board decided to decline renewal of the contract rather than allowing residents to continue paying for sub-standard service.

In conjunction with agreement to decline renewal, the ROA Board sent a survey to all residents to determine which services and feature residents would like to receive either individually or through a bulk/neighborhood-wide contract. Based on that feedback, the Board created a request for proposal (RFP) which was delivered to major Internet and television service providers that cover the Stevens Plantation area.

At the conclusion of the RFP, CenturyLink and Spectrum were the most viable bidders and a "best and final" offer was provided by each. The ROA Board deliberated and unanimously approved to enter into a 5-year, low-cost contractual agreement with Spectrum to provide both high-speed Internet and digital television to all residents.

On December 3rd, 2019, the ROA Board completed discussions concerning the proposed budget and changes to the assessment collections that now cover the additional cost of the new bulk-services contract.

Below is a list of frequently asked questions (FAQ) that covers details concerning the Spectrum contract, the changes to assessment collections, and how this differs from the previous bulk-services agreement with CenturyLink.

#### **What is the Spectrum bulk-services contract?**

On October 1st, 2019, the ROA Board unanimously approved to enter into a contract with Spectrum to provide high-value, low-cost Internet connectivity and television service to all residential dwellings in Stevens Plantation. This decision was based on initial surveys that were conducted by the ROA, as well as completing a request for proposal (RFP) with Internet/television service providers in the area.

#### **What is included with the Spectrum bulk-services?**

The new Spectrum contract will provide all Stevens Plantation residents with high-speed Internet and cable television.

- For Internet service, Spectrum will be providing 400Mbps down/20Mbps up. This includes one Internet modem/wireless router device.
- Television service will provide Spectrum's "Platinum" channel line-up with over 375 channels. Also includes is your choice of either three HD set top boxes (STBs) or two HD STBs and one HD DVR box.

#### **Are other services and equipment available?**

Yes. At request, residents may individually subscribe to additional services or rent additional equipment. The difference in cost for those services would be billed directly to the resident and would not be part of your ROA quarterly assessments.

- An optional upgrade of 950 Mbps Internet service is available for a retail cost of \$60.00/month.

- A la carte television options (such as HBO, Showtime, Starz, etc.) may be subscribed to at retail rates provided by Spectrum.
- Additional HD STBs are \$6.99/month per device, and additional HD DVR devices are \$12.99/month per device.
- Optional home phone service is available at \$9.99/month.

**How much does the Spectrum bulk-services contract cost?**

During the RFP, Spectrum provided their "best and final" offer while competing with other providers in the bidding. The rate is \$48/month/house until the beginning of 2021. Each subsequent year, an applicable increase to the rate is possible, but is not to exceed 5% total per year. When the contract was initiated in mid-November 2019, Spectrum provided a "ramp-up" period for the first four months of the contract of just \$5/month/house while they complete infrastructure upgrades.

**I already have another provider for Internet and/or television. Is there an option to opt-out?**

No. With bulk-service contracts, the greatest value is provided because all dwellings are contributing together as a whole for those services. As such, there is no option to opt-out.

**I prefer to use another provider for television and/or Internet. I understand I need to pay for my portion of the bulk-services, but do I need to switch to Spectrum?**

No, you are not required to use Spectrum's services if you wish to remain with another provider. However, because the bulk-services agreement provides the service to all residents, you do not have the option to opt-out of the contract and your portion of the cost.

**How do I begin service with Spectrum under the new contract?**

At this time, Spectrum is finalizing infrastructure upgrades in and around the Stevens Plantation neighborhood. These upgrades are designed to reduce the number of homes per node (where the signals are transmitted to blocks of homes) and provide adequate bandwidth for all residents.

Spectrum currently estimates they will complete their upgrades by January 15th, 2020. Once complete, Spectrum will mail a letter to each home in Stevens Plantation with details concerning the new bulk-services and instructions for electing the service.

**Why did my ROA annual assessment increase? Why is it now collected quarterly?**

Recently, the budget was adjusted to include the cost of Spectrum bulk-services for Stevens Plantation. During the October 1st and December 3rd ROA meetings, the ROA Board discussed options for increasing the annual assessments in alignment of the budget. As a result, the annual assessment was increased to \$600. This covers your standard dues for ROA maintenance and administrative costs, as well as the new bulk-services contract.

To make it easier for residents to pay their annual assessment, the ROA Board agreed to switch to a quarterly collection in evenly divided increments of \$150/quarter.

The current assessment schedule is as follows:

- January 1st, 2020 - \$150 due
- April 1st, 2020 - \$150 due
- July 1st, 2020 - \$150 due
- October 1st, 2020 - \$150 due

Instructions regarding forms of payment and auto-pay options have been mailed with the payment coupon books to each residence. You should have received this coupon book by now. If you have not yet received a coupon book for your assessment, please contact Leland Management's Resident Support Department at (407) 781-1188 or via email: [residentsupport@lelandmanagement.com](mailto:residentsupport@lelandmanagement.com) You may also contact Stevens Plantation's Leland Community Association Manager at (407) 459-7477.

### **Why do I need to pay for services that aren't available yet?**

When bulk-service contracts are created, it is not uncommon for services to be collected on prior to their availability for consumption. This can often be due to the implementation costs, such as installation of a new lines to support the services to be rendered, or to upgrade existing infrastructure to support contracted services. Often times, a provider may offer a discount, known as a "ramp-up period" rate, to provide a further reduced rate that covers non-service costs.

For Stevens Plantation, Spectrum has offered a \$5/month/house ramp-up period of 4 months. For this reason, the ROA must collect dues ahead of Spectrum having services available to be used by residents. Spectrum has agreed to have services available within a maximum of 90 days from contract approval. Spectrum made note of this in the RFP, as well as to all residents that attend the ROA meeting on October 1<sup>st</sup>, 2019.

### **I thought I was paying for bulk-service Internet in my taxes. Why is the ROA collecting for this new bulk-service contract?**

Before the ROA was established in 2008, the City of Saint Cloud initially established a contractual agreement with CenturyLink (then Embarq) to provide fiber-to-the-home (FTTH) bulk Internet service to each residential dwelling. When the ROA was established and the City transferred control, an agreement was made with the Osceola County Tax Collector to collect the dues from each homeowner for their share of the bulk-service contract.

By doing so, the ROA was relieved of the burden to collect and prevent a bankruptcy of the ROA while the community was still building. Stevens Plantation CDD served solely as a collector of the funds, on behalf of the ROA. As a result, the contract cost was part of the non-ad valorem tax assessment for the CDD, which appears on every homeowner's tax bill each year.

Today, the ROA is well established and has the financial strength to pay for the bulk-service agreement with Spectrum and collect ROA assessments directly. As a result, the CDD no longer needs to collect for the ROA, and each homeowner's non-ad valorem assessment decreased.

### **How is this bulk-service contract different from CenturyLink's?**

CenturyLink previously provided just 5Mbps Internet service. Spectrum has agreed to provide Internet services 80 times faster, as well as over 375 HD channels and equipment for roughly \$10 more than the cost residents were paying for CenturyLink via the CDD non-ad valorem assessments.

Additionally, Spectrum's contract is only limited to five years, with a 5% cap on annual increases (if any). Spectrum has also stipulated that if their greater metro area is enhanced to support better speeds and services, we will receive an increase in those speeds and services at no additional cost. In other words, if 500Mbps is achievable two years from now in the area with Spectrum, they will provide that speed increase to Stevens Plantation subscribers at no additional cost.

### **Why wasn't I notified of these changes before they happened?**

The selection of Spectrum to provide bulk-services to Stevens Plantation has been in the making for over a year. It started with the ROA Board attempting to have contractual discussions with CenturyLink, the provider of the bulk-Internet service previously provided. Due to lack of agreement, the Board decided to decline a renewal of the 15-year old contract to prevent residents from paying for sub-standard service.

Simultaneously, the board began surveys and evaluating the opinion of residents to determine what option may be best. At the conclusion of that analysis, it was determined that another bulk-services agreement was favorable by the majority of residents participating, and an RFP was created to solicit providers.

Throughout the process, the ROA Board has openly communicated during meetings about the process and path forward. Additional information has also been disseminated to residents via newsletter mailings and website postings here, as well as unofficially on Nextdoor. Meeting minutes are also available for review on the website when you sign in with your account so you can remain informed of the Board's discussions and actions.

**I would like to attend the next ROA Board meeting. When is it and where is it held?**

The ROA Board meets publicly on the first Tuesday every other month starting in February.

The next ROA Board Meeting will be held at the Saint Cloud Senior Center, 3101 17th Street, Saint Cloud, FL 34769. The meeting starts at 7:00 P.M.