

January 5, 2006

George Portlock, President, GRF

Reference: **Our Internet Service Concerns**

Mr. President and GRF Board Members:

The purpose of this letter is to convey the concerns of our 2500 members and other community computer users about the continuity, quality, and cost of our Internet service - if you decide to sell the Broadband Services. There is also concern that with the technical, financial, and political complexity of the digital television situation, our high speed Internet needs may not receive fair and equal consideration.

Internet Service Implementation Success: Only two years ago, GRF voted to implement the Broadband Services proposal to provide high-speed cable Internet to the community. Planned repayment of the approved funding over three years was based on achieving a subscriber base of 500. In just two years, however an overwhelming response of 2500 subscribers has enabled the system to be self supporting, and GRF has lowered the monthly fee from \$29.95 to \$19.95. As current residents learn to appreciate the value of a high speed Internet connection, and as new residents join LWV, it is not unreasonable to expect the subscriber base to grow to 4000 by 2008, with an increase in positive cash flow.

High-Speed Internet Support: All of the up-to-date computers in LWV's computer facilities are connected to LWV's cable Internet service, and West Coast Internet provides Internet service at no cost to the PC and Mac Clubs. These computer centers are an integral part of the Broadband system and are unique in the nation. Their importance to the community is evidenced by the fact that in 2005 over 35,000 LWV residents signed-in to use the facilities.

The Future: Just ten years ago the Internet and email were virtually unknown in the business and consumer worlds. Even then, however, the Internet had a lot of information to offer, but few had access, and using it was difficult and slow. Now, with increasingly powerful computers and the exploding availability of high speed connections to the Internet, consumers are finding new ways to enjoy and be productive on their computers. Today, about 40% of consumers in the U.S. enjoy high speed Internet access – even though the U.S. has been lagging other countries in the adoption of Broadband.

Virtually everyone in the business world today uses a computer – and having learned all that it offers, they have one at home. For most of these users, their computer is already a more rapid and broader source of everyday news than their TV – and it offers an infinitely greater source of information – when they want it. While we have no statistics, it would not be unreasonable to speculate that use of the Internet is becoming one of the most desired and most used (hours per week) tools in the community – and this use will continue to grow.

Easily available, competitive rate, high speed Internet access is an amenity that every LWV resident (current and potential) is going to expect. High speed Internet access benefits our whole community – and this benefit will only become more evident as new Internet applications become available. LWV's Internet access was implemented as an asset (not as a community shared-cost amenity), but it would not be unreasonable to expect that some degree of shared-cost funding might be implemented in the future.

Summary: With our everyday involvement, we are very aware, focused, and sensitive about the growing benefits of the Internet to our members and to the people in this community. **Before You Sell**, please reflect on how much has been achieved, the high growth pace of high speed Internet users, and the everyday value and importance of this service to an increasing number of our residents. We are certain that continuing to have readily available high speed Internet access at a competitive rate will be of vital importance to the future success of this community.

Laguna Woods Village PC Club

Laguna Woods Village Mac Club

Roger Turner, President

Charles Clark, President