

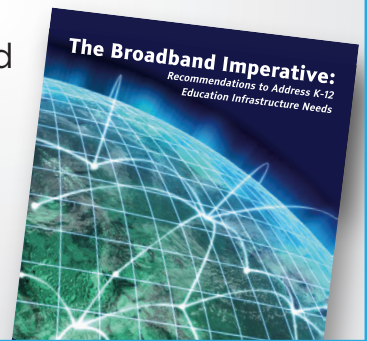
# Community Broadband Creates *Public Savings*

Schools, libraries, and other community anchor institutions have an acute need for high capacity telecommunications connections, but the cost of leasing these networks can break their budgets. And budgets are under pressure to shrink while their demand for networks increases.

Local governments that have built their own networks are seeing **tremendous savings and better reliability**. By owning the network, local governments have greater certainty over future costs because they determine the upgrade cycle.

We have highlighted cost savings for this fact sheet, but the benefits of public ownership go far beyond budgets. Owning the network allows the community to take advantage of technological innovations on its own timetable, not one set by a distant corporation.

A 2012 report from the State Educational Technology Directors Association recommends 1 Gbps connections between school district facilities by 2014-15 and 10 Gbps by 2017-18. Many of the communities profiled below have found cost-effective ways to deliver these connections.



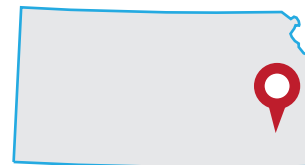
## Martin County, Florida

When Comcast proposed increasing Martin County's price for dark fiber by over 800% over five years, the County built its own network. Now it has a more reliable network at lower costs and no more fear of rate hikes. Projected **savings are \$30 million over 20 years** for the whole county.

After its initial capital investment in the fiber asset is paid off in 2017, the Martin County School District will **save over \$340,000 a year**. It will pay just over \$6,000 per year for a gigabit connection to 26 locations, a rock bottom rate.

### Case Study:

[www.ilsr.org/florida-fiber-gigabit/](http://www.ilsr.org/florida-fiber-gigabit/)



## Chanute, Kansas

Schools pay just \$250/month per site for a gigabit wide area network, allowing them to collapse IT costs and share common expenses. These connections run thousands of dollars per location in other cities.

Neosho County Community College also pays \$250/month per site to connect its facilities with a gigabit wide area network. And by using the municipal network to access the Internet, it **saves \$19,200 each year** compared to AT&T prices for a similar, but inferior connection.

### Case Study:

[www.ilsr.org/chanute-rural-gigabit/](http://www.ilsr.org/chanute-rural-gigabit/)



### Bristol, Virginia

A study in 2008 found that the local government had **saved \$1 million from 2003-2008** simply by self-provisioning phone service. Bristol schools have had gigabit connections for 10 years already. Overall savings across the community approached **\$10 million**.

**Case Study:**

[www.ilsr.org/broadband-speed-light/](http://www.ilsr.org/broadband-speed-light/)



### Lafayette, Louisiana

Schools transitioned from 1.5 Mbps T.1 lines to 100 Mbps from municipal network. Cost went from \$340/month per site to \$390/month per site – a **modest price increase for a 70x increase in capacity**. The network also connected the high schools with a gigabit.

**Case Study:**

[www.ilsr.org/broadband-speed-light/](http://www.ilsr.org/broadband-speed-light/)



### Martinsville, Virginia

The city **saves between \$130,000 and \$150,000 annually** in telephone charges because they do not need to lease telephone lines. The City Telecommunications Director says, "It's one of the best investments the city has made."



### Medina County, Ohio

Highland Public Schools used to pay Time Warner Cable \$100,000 per year for its data needs. In 2012, it switched to the Medina County municipal network at a cost of about \$18,000 per year for comparable services, **saving at least \$82,000 each year**.



### Washington, D.C.

After 9/11, the municipal government built DC-Net for increased reliability and public safety. The extensive network serves community anchor institutions including schools, libraries, and government facilities. The **additional cost to reproduce this network using leased lines would be \$4-5 million**. And DC-Net provides higher reliability than leased lines.



### Portland, Oregon

In 2009, Qwest provided 10 Mbps connections to the public schools for \$1,310 per month. The district switched to a publicly owned network, IRNE, spending only \$616 per month for a 400 Mbps connection – **less than half the price for 40 times the capacity**.



### Greenacres, Florida

The City was leasing a 1.5 Mbps connection for \$33,360 a year. The Palm Beach County network now provides 10 Mbps connection for \$8,400 per year. Greenacres will **save \$124,800 over five years for six times the speed**.

For more information, visit [MuniNetworks.org](http://MuniNetworks.org)

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