

Montana University Research and Education Network (MUREN)

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The Dilemma

The MUS has a narrow window of opportunity to join its higher education partners to the east (North and South Dakota) and west (Idaho and Washington) to secure a dark fiber asset running across Montana. Securing this asset will assure that for the next 20 years the MUS has the national and international network access it needs, at a price it can afford – truly a once in a lifetime opportunity. Prior to the 2007 legislative session the MUS and State/ITSD agreed to ask the Legislature for funding to secure this asset for use by both the MUS and ITSD, and through ITSD all state agencies. The Legislature rejected the State/MUS plan, but in a hastily devised compromise provided partial funding (\$1.1M of the estimated one time cost of \$1.6M) to help secure the asset for a “university only” network. Unfortunately language in the compromise includes a critical ambiguity in specifying how the resulting network can and cannot be used. The MUS has taken immediate action to try to resolve the ambiguity, but it seems clear that with an ambiguous statement in the legislation there is no resolution that will satisfy all concerned. Proceeding in this context makes it virtually certain that controversy will ensue. This presents the dilemma – how can the MUS proceed with what is virtually an obligation to secure a critical strategic asset, while at the same time taking care to avoid unnecessary and unproductive controversy?

Proposed Action

Though we are grateful to all those who worked hard to put together the legislative compromise, and who have worked since then to resolve the ambiguity, we think that it would be a disservice to all concerned to simply move forward with the use of State money as things now stand. We recommend the following as an alternative.

1. Fiscal Analysis. Perform fiscal “due diligence” to determine whether there are fiscal advantages for the MUS in utilizing “owned fiber networks” vs. vendor based services:
 - (a) formalize estimated costs under the owned fiber model, while
 - (b) initiating a process to determine what capabilities vendors can provide that are comparable to what the MUS would acquire through an "owned-fiber network".
2. Ambiguity Resolution. Continue efforts to find resolution to allow State funds to be used in securing the fiber asset as part of a Montana University Research and Education Network.
3. Funding Alternatives. Develop two different funding alternatives to cover the one-time costs of creating the MUREN:
 - (a) for the \$0.5M required if State money is used, and
 - (b) for the entire \$1.6M cost.
4. Decision Point. Set October 15, 2007 as the date to make two critical decisions.
 - (a) If fiscal analysis from #1 indicates that there are advantages in the owned fiber approach, continue with #4-b; otherwise, shift focus to a discussion of how the State’s \$1.1M might be utilized on vendor related services.
 - (b) If ambiguity resolution in #2 has been successful, finalize plans to proceed with the option identified in #3-(a); otherwise continue with the option identified in #3-(b).

This plan is one which can be implemented quickly, assures fiscal responsibility no matter what final decisions are made, and represents a viable solution to the current dilemma.