

VILLAGE OF SUGAR GROVE BOARD REPORT

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: SCOTT KOEPEL, VILLAGE ADMINISTRATOR
MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: RESOLUTION APPROVING FRANCHISE SETTLEMENT
AGREEMENT WITH METRONET
AGENDA: APRIL 15, 2025, REGULAR BOARD MEETING
DATE: APRIL 4, 2025

ISSUE

Should the Village approve a resolution approving a franchise settlement agreement with MetroNet.

DISCUSSION

In 2024, the Village Board discussed the potential franchise settlement agreement and asked the Village Administrator to seek an improved deal. Staff was able to secure speed increases for the Village and other units of local government along with the original \$29,350.95 to terminate the agreement. All of the speed increases are for 36 months and as follows.

Sugar Grove Community Building

- Current Internet Plan: 100 Mbps/100 Mbps Business Fiber Standard - \$99.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$99.95/month

Sugar Grove Fire Department

- Current Internet Plan: 100 Mbps/100 Mbps Business Fiber Standard - \$99.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$99.95/month

Sugar Grove Park District

- Current Internet Plan: 125 Mbps/25 Mbps Business Fiber Standard - \$129.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$129.95/month

Sugar Grove Township Road District

- Current Internet Plan: 100 Mbps/100 Mbps Business Fiber Standard - \$99.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$99.95/month

Sugar Grove Township TWP Office

- Current Internet Plan: 225 Mbps/225 Mbps Business Fiber Standard - \$219.95/month
- Current Internet Plan: 1 Gbps/1Gbps Business Fiber Standard - \$219.95/month

Village of Sugar Grove

- Current Internet Plan: 100 Mbps/100 Mbps Business Fiber Standard - \$99.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$99.95/month

Sugar Grove Public Works #1

- Current Internet Plan: 225 Mbps/225 Mbps Business Fiber Standard - \$219.95/month
- Current Internet Plan: 1 Gbps/1 Gbps Business Fiber Standard - \$219.95/month

Sugar Grove Public Works #2

- Current Internet Plan: 100 Mbps/100 Mbps Business Fiber Standard - \$99.95/month
- Current Internet Plan: 500 Mbps/500 Mbps Business Fiber Standard - \$99.95/month

COST

There are no associated costs.

RECOMMENDATION

The Village Board approve a Resolution Approving a Franchise Settlement Agreement with MetroNet.



VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINIOIS

RESOLUTION NO. 20250415AD

RESOLUTION AUTHORIZING THE EXECUTION OF A FRANCHISE SETTLEMENT AGREEMENT
WITH METRONET

WHEREAS, the Village of Sugar Grove Board of Trustees finds that entering into a franchise settlement agreement with Metronet is in the village's best interest.

NOW, THEREFORE, BE IT RESOLVED, by the President and the Board of Trustees for the Village of Sugar Grove, Kane County, Illinois, as follows:

The Village President and Village Clerk are hereby authorized to execute said agreement on behalf of the Village and take such further actions as are necessary to fulfil the terms of said agreement.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois on this 15th day of April 2025.

Jennifer Konen
President of the Board of Trustees of
The Village of Sugar Grove,
Kane County, Illinois

ATTEST:

Tracey R. Conti
Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Matthew Bonnie				
Trustee Sean Herron				
Trustee Heidi Lendi				
Trustee Michael Schomas				
Trustee Sean Michels				
Trustee James F. White				

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made this 15 day of April 2025, by the Village of Sugar Grove, Illinois ("Village") and CMN-RUS, Inc. (hereinafter "Metronet"). The Village and Metronet shall sometimes be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

1. The Village granted a Non-Exclusive Cable Television Franchise Ordinance ("Franchise") to Metronet on July 31, 2018 in accordance with a certain Cable Television Franchise Agreement between the parties ("Franchise Agreement").
2. The Franchise term is set to expire on July 31, 2028 ("Expiration Date").
3. Metronet has notified the Village that it does not intend to continue to offer cable television services in the Village due to escalating costs and low customer adoption rates.
4. Metronet therefore desires to terminate the Franchise prior to the Expiration Date and the Village is not opposed subject to terms of this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, considerations, and mutual promises contained herein and other good and valuable mutual consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, and intending to be legally bound, the Parties agree as follows:

AGREEMENT

1. **FRANCHISE TERMINATION DATE.** The Parties hereby agree to terminate the Franchise effective December 10, 2024 ("Termination Date"). The provisions of Section 10 of the Franchise Agreement shall nevertheless survive the termination of the Franchise.
2. **NOTICE TO CUSTOMERS.** Not less than 60 days prior to the Termination Date, Metronet shall notify all customers in the Village of its intention to cease offering cable television services. In addition to its obligations pursuant to Paragraph 3 hereof, Metronet shall also provide any assistance to the Village to address any customer complaints or request for additional information related to Metronet's termination of cable services.
3. **CONTACT.** Metronet shall have the obligation to respond to its customers with respect to any complaints or requests for assistance and will provide a phone number and e-mail address for a Metronet employee who may be contacted for technical questions or customer services issues related to the termination of cable television services by Metronet.
4. **FEES AND COSTS.** Metronet shall pay to the Village all Franchise Fees due in accordance with Section 5 of the Franchise Agreement up to and including the Termination Date. Metronet shall, within thirty (30) days of the date of adoption of this Agreement, make a one-time payment to the Village of twenty-nine thousand three hundred fifty dollars and ninety-five cents

(\$29,350.95) to terminate this Agreement and fully reimburse the Village for the Village's reasonable costs and expenses, including attorney fees, in connection with the preparation and review of this Agreement. MetroNet shall honor the 7 business agreements with Village and, other local government agencies within the Village, sent to MetroNet by the Village via email on April 3, 2025.

5. **VOLUNTARY AGREEMENT.** This Agreement is freely and voluntarily executed by each Party, without any duress or coercion, and after each Party has consulted with its counsel. Each Party has carefully and completely read all the terms and provisions of this Agreement.

6. **BINDING EFFECT.** This Agreement will inure to the benefit of and be binding upon the Parties and respective successors and assigns. The Parties for themselves and their respective successors, assigns agree to join in or execute any instruments and to do any other act or thing necessary or proper to carry into effect this or any part of this Agreement.

7. **GOVERNING LAW.** This Agreement, and any controversies arising hereunder, shall be interpreted and adjudicated in accordance with the laws of the State of Illinois, whose courts shall have exclusive jurisdiction thereof.

8. **ENTIRE AGREEMENT.** This Agreement represents the entire understanding and agreement between the parties as to the subject matter hereof and may be modified or waived only by a separate writing.

9. **HEADINGS.** All headings are herein provided for the convenience of reference only and do not affect the meaning or interpretation of this Agreement.

10. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which is an original and all of which together constitute one and the same document.

11. **COPIES.** PDF copies of the executed Agreement may be treated as original documents.

IN WITNESS WHEREOF, the parties have executed this Agreement as their free and voluntary acts and deeds, effective as of the date first above written.

VILLAGE OF SUGAR GROVE, IL

CMN-RUS, INC.

By: _____

By: _____

Its: _____

Its: _____