



CITY COUNCIL WORK SESSION MEETING

AGENDA SECTION	WORK SESSION
MEETING DATE	FEBRUARY 2, 2026

ITEM:	Update On Metronet/T-Mobile Acquisition of USI. (10 Minutes)	
<i>Jesse Hauf – IT Director</i>		
DEPARTMENT: IT Department	BY/DATE: Jesse Hauf / February 29, 2026	
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an “X” in front of the selected text below)</i></p> <p>X_ Community that Grows with Purpose and Equity X_ Engaged, Effective and Forward-Thinking</p> <p>_ High Quality Public Spaces _ Resilient and Prosperous Economy</p> <p>_ Safe, Accessible and Built for Everyone X_ Inclusive and Connected Community</p>		

BACKGROUND

USI (U.S. Internet) is a Minneapolis-based internet service provider that delivers high-speed fiber-optic broadband to residential and commercial customers throughout the Twin Cities metropolitan area. Founded in 1995, USI has built a strong reputation for innovation, customer service, and community partnerships. The company operates one of the region’s most expansive and advanced fiber networks, offering symmetrical gigabit speeds and scalable solutions to meet modern connectivity demands.

USI has partnered with multiple municipalities to support smart-city initiatives, public Wi-Fi, and infrastructure improvements. Its emphasis on reliability, low-latency service, and localized support has made it a valued partner for both government and private-sector clients.

In 2025, USI completed construction of subterranean fiber-optic plant cable in the southeastern portion of the City. This infrastructure will provide internet connectivity to residents once service is activated in 2026.

SUMMARY OF CURRENT STATUS

City staff has been monitoring the acquisition of USI, which occurred in the second half of 2025. IT Director Hauf and City Engineer Widmer met with representatives from Metronet, who provided details regarding their acquisition of USI.

Metronet is owned through a joint venture between T-Mobile and KKR (Kohlberg Kravis Roberts & Co.), a private equity firm. Under this structure, Metronet builds and maintains the physical fiber network, while T-Mobile manages residential sales, marketing, and customer service under the T-Mobile Fiber brand. KKR provides financial backing for the venture.

Mailers have already been distributed, and residents will begin seeing T-Mobile branding on these mailings. Utility vehicles will display a mix of USI and Metronet branding through 2026 as the transition is completed.

IT Director Hauf and City Engineer Widmer will continue coordinating with Metronet. The typical construction season runs from March 15 through November 1, and Metronet will resume work where USI left off. The same project manager previously assigned by USI will remain on the project.

Opportunities may exist for the City to partner with Metronet on connectivity initiatives. Staff will bring potential partnership opportunities to the City Council in 2026.

Requested Council Action/ Discussion Topics / Key Questions

(Briefly state the specific action staff is requesting of the City Council, if any. For example: provide direction, discuss options, or review information.)

This is an informational item, and staff are not seeking any specific input.