

Southgate City Council Agenda

Council Chambers

14400 Dix-Toledo Rd., Southgate, Michigan 48195

Wednesday October 7, 2026

6:30pm **Work Study Session**

1. Officials Reports
2. Discussion of Agenda Items

7:00 pm **Regular Meeting**

Pledge of Allegiance

Roll Call: Ayres-Reiss, Gawlik, George, Graziani, Kuspa, Price, Rauch

Minutes:

1. Work Study Meeting Minutes dated September 16, 2026
2. Regular City Council Meeting Minutes dated September 16, 2026

Scheduled Persons in the Audience:

1. Jeff Grauer - Presentation
2. Max Sturgeon

Consideration of Bids:

Scheduled Hearings:

Communications "A"

1. Letter from Mayor; Re: Purchase of Police Prep Radios (**Waiver of Bid**)
2. Letter from Mayor; Re: Tree Removal (**Waiver of Bid**)
3. Letter from Mayor; Re: Tree Pruning and Maintenance Services (**Wavier of Bid**)
4. Letter from Mayor; Re: Cybersecurity Penetration Testing Services (**Waiver of Bid**)
5. Letter from Mayor; Re: Approval of Concessions Agreement – Southgate Ice Arena

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Communications "B" – (Receive and File):

1. Memo from Administrator; re: Southwinds Club House Lease

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Ordinances:

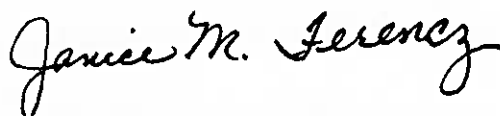
Old Business:

New Business:

Unscheduled Persons in the Audience:

Claims & Accounts: Warrant #1554 \$22,808,695.17

Adjournment:



Janice M. Ferencz, City Clerk

Request to Speak at Council Meeting

TODAY'S DATE: 9/15/2026

YOUR NAME: Jeff Grauer
PLEASE PRINT

ADDRESS: 11330 MORNINGVIEW
SOUTHGATE, MI

PHONE #: 734-545-3025

DATE OF MEETING YOU WISH TO SPEAK AT:

9/16/2026

SUBJECT YOU WISH TO ADDRESS:

WATER BILLING
2nd METER FOR IRRIGATION

*Attach additional information if desired.

SIGNATURE: Jeff Grauer

Request to Speak at Council Meeting

TODAY'S DATE: 9/22/26

YOUR NAME: MAX STURGEON
PLEASE PRINT

ADDRESS: 15845 WESTCOTT DR.
SOUTHGATE, MI

PHONE #: 518-248-9818

DATE OF MEETING YOU WISH TO SPEAK AT:

10/7/26

SUBJECT YOU WISH TO ADDRESS:

REPLACEMENT OR EASEMENT BUILD OF
FENCE ON REECK RD. WHICH THE CITY
OF SOUTHGATE CITY COUNCIL HAD ERECTED IN 1968.

*Attach additional information if desired.

SIGNATURE: Max Sturgeon

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

September 29, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Purchase of Police Patrol Prep Radios (**WAIVER OF BID**)

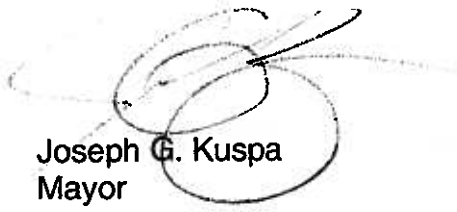
Ladies and Gentlemen:

It is recommended by the Police Chief and I concur, that the bid process be waived and approve the purchase of Police Patrol Prep Radios from Digicom Global 911, Inc. in Troy, Michigan in the amount of \$238,170.94 under the State of Michigan MiDeal contract #210000000896.

Funds for this purchase will come from a combination of sources, including a \$222,000.00 Legislative Directed Spending Grant from State of Michigan and a \$10,000.00 credit from Digicom and DMA/Wayne County Homeland Security credit funds. If necessary, additional funds are available in the Police Department Budget.

Your favorable consideration of this matter is requested.

Sincerely,


Joseph G. Kuspa
Mayor

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DWD*

DATE: September 29, 2026

RE: Approve Purchase of Police Prep and Mobile Radios (**WAIVER OF BID**)

I have reviewed the above with the Chief of Police and concur with his recommendation to waive the city bid process and approve the purchase of portable prep and mobile radios for the police department from Digicom Global 911 Inc. (Troy MI) in the amount of \$238,170.94, under the State of Michigan MiDeal contract #210000000896. MiDEAL is the State of Michigan's extended purchasing program that allows Michigan cities, townships, villages, counties, school districts, universities, colleges, and nonprofit hospitals to buy goods and services from state contracts.

Funds for this purchase will come from a combination of sources, including a \$222,000.00 Legislative Directed Spending Grant from the State of Michigan, a \$10,000.00 credit from Digicom, and DMA/Wayne County Homeland Security credit funds. Additional funds, if necessary, are available in the Police Dept budget.

Proposed Motion

Waive the city bid process and approve the purchase of portable prep and mobile radios for the police department from Digicom Global 911 Inc. in the amount of \$238,170.94, under the State of Michigan MiDeal extended purchasing program.



SOUTHGATE POLICE DEPARTMENT MEMO

TO: Honorable Mayor Joseph G. Kuspa
FROM: Mark A. Mydlarz, Chief of Police
DATE: September 24th, 2026
REF: Request to Purchase Prep Radios and Mobile Radios
Mayor Kuspa,

The DMA is collectively switching to the State MPSCS radio system which is expected to take place in early 2027. Our current Motorola portable radios and in-car mobile radios will work on the new system however, they are no longer repairable should an issue arise. Further, we have been informed that updates and upgrades to the current Motorola radios will not be supported in the near future.

In March of 2025 City Council authorized the purchase of (26) Kenwood VP5000 portable radios from Digicom Global to replace a portion of the aging Motorola radios for our patrol officers. To date those (26) units have been received, programmed, placed into service, and are working well for our officers.

I have received quotes from Digicom to replace the remainder of our portable radios as well as the in-car mobile radio units. I am requesting an additional (22) Kenwood VP5000 portable radios which includes the chargers, batteries, and programming, etc. to ensure the radios work on our current radio network as well as the State MPSCS system. In addition, I am requesting (25) Kenwood Viking mobile in-car radios which includes (16) units for patrol cars, (8) covert units for our Detective fleet, and (1) base station for the command desk.

Digicom provided quotes using the MIDeal State purchasing program for both the portable and mobile in-car units. The replacement cost of the (22) portable radios is \$93,128.56. The replacement cost of the mobile in-car units is \$145,042.38 for a total combined cost of \$238,170.94. To make this purchase we will be using a blend of funds including a \$222,000 Legislative Directed Spending Grant from the State of Michigan, a \$10,000 credit that we currently have with Digicom, and DMA/Wayne County Homeland Security credit funds. Additional funds are available in the Police Department budget if necessary.

It is my recommendation that we waive the bid process and purchase portable and mobile radio units from Digicom Global under the MIDeal purchasing program in the total cost of \$238,170.94. With your concurrence, I respectfully request for this item to be placed on City Council agenda for the meeting scheduled on October 07st, 2026 for the purpose of purchase approval.

Respectfully,

A handwritten signature in black ink that reads "Mark A. Mydlarz".

Mark A. Mydlarz
Chief of Police



27TH DISTRICT
P.O. BOX 30014
LANSING, MI 48909-7514

MICHIGAN HOUSE OF REPRESENTATIVES

RYLEE LINTING
STATE REPRESENTATIVE

PHONE: (517) 373-0478
FAX: (517) 373-5884
RyleeLinting@house.mi.gov

City of Southgate
14400 Dix-Toledo Road
Southgate, MI 48195

Dear Mayor Kuspa, Members of the Southgate City Council, and Chief of Police Mark Mydlarz,

I am pleased to share that the City of Southgate has received \$222,000 in the Fiscal Year 2026-27 State Budget, which has now been signed into law. This funding will support critical upgrades to the Southgate Police Department's radio communications system, helping ensure officers have reliable, modern technology to safely and effectively serve the community.

When we work together to bring home wins for Downriver, it makes a real difference in the lives of our residents. This funding is a prime example of what can be accomplished through strong state and local partnerships.

I want to sincerely thank the City of Southgate for your partnership throughout this process. Your advocacy, collaboration, and commitment to communicating the department's needs were instrumental in securing this investment.

Thank you again for your continued partnership and for the outstanding service the Southgate Police Department provides to its residents and the entire Downriver region.

Sincerely,

Rylee Linting
State Representative
House District 27

Estimate

Date	Estimate #
9/20/2026	6189

Ship To
Southgate Police Department CHIEF Mark A. Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
Quote 6189 prepared for Chief Mydlarz Prices are Valid for 90 days from 9-22-26 resent quote CHIEF Mark A. Mydlarz mmydlarz@southgatemi.gov Phone: 734-258-3040 PORTABLE QUOTE VP5430 Adjusted -to 22 portables -added 10 desk chargers -2 6 unit rack chargers -added current specials running thru March 2027 Question - Notes —Must revisit the Tactical Radio Headset (poss. Part number PT-PTTV1-11HW-A). only needs the cable Service charges may change based on where the DMA is with the migration to the strictly 800 system. Giving you the worst case scenario here. VP5430F2 700/800, Model 2 Standard Keypad, Transflective Color Display, 3 watts, 1024 Channels, 255 Zones, IP 67/68 & Mil Spec C/D/E/F/G. 3 Year Warranty. Includes P25 Conventional and Phase1 Trunking. Radio ONLY.	22 22	1,632.00	0.00 35,904.00
		Subtotal	
		Sales Tax (6.0%)	
		Total	

Digicom Global 911 Inc.

Estimate

675 East Big Beaver
Suite 105
Troy, Mi. 48083

Date	Estimate #
9/20/2026	6189

Name / Address
Southgate Police Department 14710 Reaume Southgate, Mi. 48195

Ship To
Southgate Police Department CHIEF Mark A. Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
VIK PROMO -\$100 5000s -3-2027 Save \$100 per radio on VP / VM EFJ 5000 series Radios - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27 **Quoter must enter as a -1 quantity**	-22	100.00	-2,200.00
VIK 8323000004 AES Multi Key4 DES-OFB and AES256 (includes Multikey) FIPS140-2 encryption module includes DES Note for VP5000 must purchase KWD-AE30K AES Encryption Module	22	448.00	9,856.00
VIK PROMO -\$75 8323000004 AES M- 3-2027 Discount of \$75 on AES Multi Key VIK 8323000004 AES M - PDR 5136473 promo is in effect thru 03/31/27	-22	75.00	-1,650.00
VIK KWD-AE30K KIT AES FIPS140-2 & DES Encryption Mod. KWD-AE30K..	22	290.40	6,388.80
8324000002 P25 OTAR (Over the Air Re-Keying)	22	712.00	15,664.00
VIK PROMO -\$235 8324000002 OTAR- 3-2027 Discount of \$235 per unit on OTAR Over the Air Rekey VIK 8324000002 OTAR - PDR 5136473 promo is in effect thru 03/31/27	-22	235.00	-5,170.00
VIK 8322000006 P25 Phase 2 / TDMA , License key. All radios require P25 Phase 1 Trunking.	22	380.00	8,360.00
VIK PROMO -\$75 8322000006 P25 PHASE 2 / TDMA - 3-2027 Discount of \$75 - PDR 5136473 promo is in thru 03/31/27. MUST ENTER AS - OF QUANTITY	-22	75.00	-1,650.00
KRA-32K 700 800 MHz antenna	22	37.44	823.68
KNB-L11M Li-ion 3900 mAh (High Capacity) battery. Requires the KSC-52AK single bay charger or KSC-526K charger equipped with KSC-52PAK A-Pocket charger insert.	44	192.80	8,483.20
KMC-70M Mil Spec IP67 (Immersion) Intrinsically safe speaker mic with Active Noise Reduction,3 programmable buttons (One is emergency) and 3.5 mm audio jack	22	139.36	3,065.92
VIK 2990600013 EFJ 2 year extended warranty	22	164.00	3,608.00
Performed by Digicom	22	35.00	770.00
		Subtotal	
		Sales Tax (6.0%)	
		Total	

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Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
Radio Programming by Herkimer - Portables, Base, Dash, Single head Remote, Dual Head remote, Estimate not sure if it will be needed. DMA has offered to pay to put radios on the system. Herkimer bills \$60 per radio or est \$346 for batches of 16-29. will vary with quantity and timing that the 800 state system migration is taking place.	22	60.00	1,320.00
MPSCS \$250.00 one time programming fee good for the life of the radio	22	250.00	5,500.00
MiDeal Pricing per EFJ / Kenwood Michigan State Contract # 210000000896 or (21*896). This State Contract Number must be listed somewhere on the PO.	22	0.00	0.00
VP5430 Black AES Multikey Portable Radios SUBTOTAL:			89,073.60
KSC-52AK Rapid single charger with A- Pocket insert for VP8000 radio Compatible with KNB-L11X	10	85.60	856.00
Your first purchase was 26 radios leaving 10 slots open for charging based on what you own now.	2		
KSC-526K Rapid rate 6-unit charger. VP Series radios Note: Requires 6 charger pockets of styles KSC-52PAK, KSC-52PBK or KSC-52CK	2	724.96	1,449.92
KSC-52PAW Charger Pocket A for KSC-52 single bay replacement /KSC-526K 6 bay, charger. Compatible with KNB-L11M	12	9.60	115.20
KSC-526K GROUP SUBTOTAL - KSC-526 with 6 KSC-52PAW charger pockets for KNB-L11			1,565.12
Subtotal			
Sales Tax (6.0%)			
Total			

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Description	Qty	Rate	Total
CG PT-PTTV1-11HW-A Tactical radio amplified PTT for headset- Ops-Core, Otto, 3M Peltor Comtac, XPI, MSA, Helicopter ect. EFJ V_P5000, VP6000 VP8000 series	4	358.46	1,433.84
Vik Voice Ann 2nd Pass Dual System: Voice Annunciation audio library coordination for WAV Files Required before Work order submission. Service was paid for prior and good for future radios no charge		0.00	0.00
Shipping will vary based on quantity purchased - this is an estimate. May have to deliver to Herkimer than to you.	1	200.00	200.00
		Subtotal	\$93,128.56
		Sales Tax (6.0%)	\$0.00
		Total	\$93,128.56

Digicom Global 911 Inc.

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Date	Estimate #
9/20/2026	6191

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Ship To
Southgate Police Department Chief Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
22 Portables (on other quote) 16 single head remotes 1 base 8 covert handheld remotes Quote 6191 prepared for Chief Mydlarz / Pricing is valid for 90 days from 9-20-26 CHIEF Mark A. Mydlarz mmydlarz@southgatemi.gov Phone: 734-258-3040 MOBILE RADIO SINGLE HEAD REMOTE, HAND HELD REMOTE AND 1 BASE Program related Service charges may change based on where the DMA is with the migration to the strictly 800 system. Giving you the worst case senario here.			0.00
VM5930BF Viking Mobile Deck Only 700/800, 762-806MHz, 806-870MHz, Transflective Color Display, 35 watts, 1024 Channels, 255 Zones, IP 54/55 & Mil Spec C/D/E/F/G. 3 Year Warranty. Includes P25 Conventional and Phase1 Trunking. .	16		
VIK PROMO -\$100 5000s -3-2027 Save \$100 per radio on VP / VM EFJ 5000 series Radios - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27 **Quoter must enter as a -1 quantity**	16	2,248.00	35,968.00
VIK 8322000006 P25 Phase 2 / TDMA , License key. All radios require P25 Phase 1 Trunking. Base radios requite KMC-59C desk mic with this feature	-16	100.00	-1,600.00
	16	380.00	6,080.00
Subtotal			
Sales Tax (6.0%)			
Total			

Digicom Global 911 Inc.

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Description	Qty	Rate	Total
VIK PROMO -\$75 8322000006 P25 PHASE 2 / TDMA - 3-2027 Discount of \$75 - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27. MUST ENTER AS - OF QUANTITY	-16	75.00	-1,200.00
VIK 8323000004 AES Multi Key4 DES-OFB and AES256 (includes Multikey) FIPS140-2 encryption module includes DES if requested ON EFJ ORDER CENTER. Note for VP5000 must purchase KWD-AE30K AES Encryption Module	16	448.00	7,168.00
VIK PROMO -\$75 8323000004 AES M- 3-2027 Discount of \$75 on AES Multi Key VIK 8323000004 AES M - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-16	75.00	-1,200.00
8324000002 P25 OTAR (Over the Air Re-Keying)	16	712.00	11,392.00
VIK PROMO -\$235 8324000002 OTAR- 3-2027 Discount of \$235 per unit on OTAR Over the Air Rekey VIK 8324000002 OTAR - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-16	235.00	-3,760.00
VIK 8324000004 OTIP Over the INTRANET programming. MUST INCLUDE DONGLE AND USB ADAPTOR FOR REMOTE UNITS / VM8000 WILL NEED SPECIAL ANTENNA	16	188.00	3,008.00
KCH-19VM SCD Basic Control Panel for dash mount. EFJ line.	16	192.80	3,084.80
KCT-71M2 (17ft) Remote Control Cable.	16	75.28	1,204.48
KMC-65M standard palm microphone for a base or mobile	16	55.92	894.72
KRK-14HV KCH-19 Rear Panel EFJ model	16	169.60	2,713.60
KCT-23M3 DC Cable (35-50W Remote Mount; pos. 23ft, neg 3.3ft leads)	16	57.84	925.44
KMB-33M: Standard mounting bracket for NX-5000, VP series does not fit NX below the 5000	16	15.12	241.92
KRK-17BF Remote Kit FOR A VM7000 deck	16	149.60	2,393.60
VIK 597539077901 USB Micro A-B Cable. USB Micro Type B male To USB Micor Type B female extension cable.	16	0.00	0.00
KCT-46 Ignition sense cable (plugs directly into mobile chassis ignition sense line).	16	14.72	235.52
Subtotal			
Sales Tax (6.0%)			
Total			

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Description	Qty	Rate	Total
KES-5A External speaker 12-15 Watt Output. 9 ft lead 5" x 5" x 2-9/16" OK with this model per Chief 9-21-26	16	75.92	1,214.72
KAP-2 Home Alert / P.A. Relay Option	16	67.53	1,080.48
VIK 2990600013 EFJ 2 year extended warranty	16	164.00	2,624.00
MAG MMSU-1 Magnetic mic single unit for hand mics	16	35.00	560.00
Removing 16 Trim plates. Havis C-EB25-KNG-1P / C-EB25-KNX-1P @36. the radios should fit in the current plate.			
Not sure if you will need the below Antenna Kit it will be determined case by case depending on if the condition of the current one is adequate. If not needed will use an adaptor @ \$12			
ANT 386825: TRAB7603 LAIRD 760-870 MHz BLACK Phantom 3 dB low visibility black antenna. Order Motorola style mount and cable separately.	16	61.00	976.00
Cable MB8U Cable or NMO58U-NC Solid Center 0-960 Mhz 3/4" Brass Mount / NMO/ non / Conn. For roof mount RG58. 17 ft	16	23.08	369.28
Conn-36421 N Male for Solid Center RG-58 silver plated, gold connector	16	8.53	136.48
OTIP Wifi related parts			
VIK 8360600156 Micro USB Male to USB Female adaptor cable Use with OTIP Dongle	16	13.52	216.32
VIK USB433WACDB WiFi Dongle Required with OTIP	16	96.80	1,548.80
Service-Two Way Radio INSTALL Mobile, Base, Dash, Single head Remote, Dual Head remote, **Only 14 will be installed 2 will be spares and one a desk top**	14	380.00	5,320.00
		Subtotal	
		Sales Tax (6.0%)	
		Total	

Digicom Global 911 Inc.

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Net 30	DEB

Description	Qty	Rate	Total
Radio Programming Fee - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT	16	35.00	560.00
Radio Programming by Herkimer - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT. Estimate not sure if it will be needed. DMA has offered to pay to put radios on the system. Herkimer bills \$60 per radio or est \$346 for batches of 16-29. will vary with quantity and timing that the 800 state system migration is taking place.	16	60.00	960.00
MPSCS \$250.00 one time programming fee good for the life of the radio	16	250.00	4,000.00
	16		0.00
MiDeal Pricing per EFJ / Kenwood Michigan State Contract # 210000000896 or (21*896). This State Contract Number must be listed somewhere on the PO.	16	0.00	0.00
VM5930 SHR w/Comps SUBTOTAL			87,116.16
HAND HELD REMOTE HEAD			
VM6930BF Viking Mobile Deck Only 700/800, 762-806MHz, 806-870MHz, Transflective Color Display, 35 watts, 1024 Channels, 255 Zones, TP 54/55 & Mil Spec C/D/E/F/G. 3 Year Warranty.	8	2,368.00	18,944.00
VIK PROMO -\$200 6/7/8000s -3-2027 PROMO CODE PDR 5136473 Save \$200 per radio on Mobile and Portable series 6000 / 7000 / 8000 radios Special in effect 4-30-26-3-31-27 **Quoter must enter as a -1 quantity**	-8	200.00	-1,600.00
VIK 8322000002 License key for P25 conventional for VP-6000/7000/8000 series. Kit price given field price \$480.	8	332.00	2,656.00
VIK 8322000005 License key for P25 Phase 1 trunking for VP-6000/7000/8000 series EFJ 8322000005 Kit or Field price	8	116.00	928.00
Subtotal			
Sales Tax (6.0%)			
Total			

Digicom Global 911 Inc.

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Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
VIK 8322000006 P25 Phase 2 / TDMA , License key. All radios require P25 Phase 1 Trunking. Base radios require KMC-59C desk mic with this feature	8	380.00	3,040.00
VIK PROMO -\$75 8322000006 P25 PHASE 2 / TDMA - 3-2027 Discount of \$75 - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27. MUST ENTER AS - OF QUANTITY	-8	75.00	-600.00
VIK 8323000004 AES Multi Key4 DES-OFB and AES256 (includes Multikey) FIPS140-2 encryption module includes DES if requested ON EFJ ORDER CENTER. Note for VP5000 must purchase KWD-AE30K AES Encryption Module	8	448.00	3,584.00
VIK PROMO -\$75 8323000004 AES M- 3-2027 Discount of \$75 on AES Multi Key VIK 8323000004 AES M - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-8	75.00	-600.00
8324000002 P25 OTAR (Over the Air Re-Keying)	8	712.00	5,696.00
VIK PROMO -\$235 8324000002 OTAR- 3-2027 Discount of \$235 per unit on OTAR Over the Air Rekey VIK 8324000002 OTAR - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-8	235.00	-1,880.00
VIK 8324000004 OTIP Over the INTRANET programming. MUST INCLUDE DONGLE AND USB ADAPTOR FOR REMOTE UNITS / VM8000 WILL NEED SPECIAL ANTENNA	8	188.00	1,504.00
KCH-21RVM Handheld Control Head, EFJ 14 character color, 5 line display, 7 LED's, Dpad and DTMF keypad	8	1,064.00	8,512.00
KCT-77M2 HHC cable (Hand held control)	8	196.16	1,569.28
KCT-23M3 DC Cable (35-50W Remote Mount; pos. 23ft, neg 3.3ft leads)	8	57.84	462.72
KMB-33M: Standard mounting bracket for NX-5000, VP series does not fit NX below the 5000	8	15.12	120.96
KRK-17BF Remote Kit FOR A VM7000 deck	8	149.60	1,196.80
VIK 597539077901 USB Micro A-B Cable. USB Micro Type B male To USB Micor Type B female extension cable.	8	0.00	0.00
		Subtotal	
		Sales Tax (6.0%)	
		Total	

Digicom Global 911 Inc.

Estimate

675 East Big Beaver
Suite 105
Troy, Mi. 48083

Date	Estimate #
9/20/2026	6191

Name / Address
Southgate Police Department 14710 Reaume Southgate, Mi. 48195

Ship To
Southgate Police Department Chief Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
KCT-46 Ignition sense cable (plugs directly into mobile chassis ignition sense line).	8	14.72	117.76
KES-8K: External speaker, 10W, 4-Ohm, 3.5mm phone plug with 10 Ft of Cord. VM series connects to rear of deck - 10 watt output 4.3 x 2.6 x 2.16 Changed per Chief email 9-21	8	61.68	493.44
Not sure if you will need the below Antenna Kit it will be determined case by case depending on if the condition of the current one is adequate. If not needed will use an adaptor @ \$12	8		0.00
ANT 386825: TRAB7603 LAIRD 760-870 MHz BLACK Phantom 3 dB low visibility black antenna. Order Motorola style mount and cable separately.	8	61.00	488.00
Conn-36421 N Male for Solid Center RG-58 silver plated, gold connector	8	8.53	68.24
Cable MB8U Cable or NMO58U-NC Solid Center 0-960 Mhz 3/4" Brass Mount / NMO/ non / Conn. For roof mount RG58. 17 ft	8	23.08	184.64
MAG MMSU-1 Magnetic mic single unit for hand mics	8	35.00	280.00
VIK 2990600013 EFJ 2 year extended warranty	8	164.00	1,312.00
Wifi related items			
VIK 8360600156 Micro USB Male to USB Female adaptor cable Use with OTIP Dongle	8	13.52	108.16
VIK USB433WACDB WiFi Dongle Required with OTIP	8	96.80	774.40
Service-Two Way Radio INSTALL Mobile, Base, Dash, Single head Remote, Dual Head remote, ETC Explorers, Ford Edges and a couple of Chevy products	8	380.00	3,040.00
Radio Programming Fee - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT	8	35.00	280.00
Subtotal			
Sales Tax (6.0%)			
Total			

Digicom Global 911 Inc.

Estimate

675 East Big Beaver
Suite 105
Troy, Mi. 48083

Date	Estimate #
9/20/2026	6191

Name / Address
Southgate Police Department 14710 Reaume Southgate, Mi. 48195

Ship To
Southgate Police Department Chief Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
Radio Programming by Herkimer - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT. Estimate not sure if it will be needed. DMA has offered to pay to put radios on the system. Herkimer bills \$60 per radio or est \$346 for batches of 16-29. will vary with quantity and timing that the 800 state system migration is taking place.	8	60.00	480.00
MPSCS \$250.00 one time programming fee good for the life of the radio	8	250.00	2,000.00
	8		0.00
VM6930BF3 Sub total for above items			53,160.40
Command desk			
VM5930BF Viking Mobile Deck Only 700/800, 762-806MHz, 806-870MHz, Transflective Color Display, 35 watts, 1024 Channels, 255 Zones, IP 54/55 & Mil Spec C/D/E/F/G. 3 Year Warranty. Includes P25 Conventional, Phase1 Trunking ARC4 /ADP .	1	2,248.00	2,248.00
VIK PROMO -\$100 5000s -3-2027 Save \$100 per radio on VP / VM EFJ 5000 series Radios - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27 **Quoter must enter as a -1 quantity**	-1	100.00	-100.00
VIK 8322000006 P25 Phase 2 / TDMA , License key. All radios require P25 Phase 1 Trunking. Base radios require KMC-59C desk mic with this feature	1	380.00	380.00
VIK PROMO -\$75 8322000006 P25 PHASE 2 / TDMA - 3-2027 Discount of \$75 - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27. MUST ENTER AS - OF QUANTITY	-1	75.00	-75.00
VIK 8323000004 AES Multi Key4 DES-OFB and AES256 (includes Multikey) FIPS140-2 encryption module includes DES if requested ON EFJ ORDER CENTER. Note for VP5000 must purchase KWD-AE30K AES Encryption Module	1	448.00	448.00
Subtotal			
Sales Tax (6.0%)			
Total			

Digicom Global 911 Inc.

Estimate

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Name / Address
Southgate Police Department 14710 Reaume Southgate, Mi. 48195

Ship To
Southgate Police Department Chief Mydlarz 14710 Reaume Southgate, Mi. 48195

Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
VIK PROMO -\$75 8323000004 AES M- 3-2027 Discount of \$75 on AES Multi Key VIK 8323000004 AES M - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-1	75.00	-75.00
8324000002 P25 OTAR (Over the Air Re-Keying)	1	712.00	712.00
VIK PROMO -\$235 8324000002 OTAR- 3-2027 Discount of \$235 per unit on OTAR Over the Air Rekey VIK 8324000002 OTAR - PDR 5136473 promo is in effect from 04/30/26 thru 03/31/27	-1	235.00	-235.00
KCH-19VM SCD Basic Control Panel for dash mount. EFJ line.	1	192.80	192.80
KMC-59C Desk Mic TDMA / Phase 2 8-PIN modular jack. Recommended for P25 Phase II, DMR TDMA, and other systems for superior noise rejection.	1	204.40	204.40
KPS-15 DC power supply (117/230 VAC; 23A max. continuous, 25A peak)	1	185.60	185.60
KCT-23M Cable (DC cable) 10 feet M-Power. 35-50W	1	42.00	42.00
KMB-34 Control Station Mounting Case (for KPS-15 psu, hardware included) Replacement for discontinued KMB-24. NON ST CON PR 7-31-25	1	65.68	65.68
VIK 2990600013 EFJ 2 year extended warranty	1	164.00	164.00
ADPT 95810 / RFU-625 N Male to Mini UHF Female Moto to Kenwood adaptor. This will utilize your current antenna. If new antenna is needed must quote	1	13.34	13.34
Radio Programming Fee - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT	1	35.00	35.00
Radio Programming by Herkimer - Portables, Base, Dash, Single head Remote, Dual Head remote, ECT	1	60.00	60.00
MPSCS \$250.00 one time programming fee good for the life of the radio	1	250.00	250.00
		Subtotal	
		Sales Tax (6.0%)	
		Total	

Digicom Global 911 Inc.

Estimate

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Southgate Police Department 14710 Reaume Southgate, Mi. 48195

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Terms	Rep
Net 30	DEB

Description	Qty	Rate	Total
MiDeal Pricing per EFJ / Kenwood Michigan State Contract # 210000000896 or (21*896). This State Contract Number must be listed somewhere on the PO. VM5930BF Base SUBTOTAL	1	0.00	0.00
			4,515.82
Vik Voice Ann 2nd Pass Dual System: Voice Annunciation audio library coordination for WAV Files Required before Work order submission. Service was paid for prior and good for future radios no charge		0.00	0.00
Shipping	1	250.00	250.00
		Subtotal	\$145,042.38
		Sales Tax (6.0%)	\$0.00
		Total	\$145,042.38

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

September 29, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Tree Removal **Waiver of Bid**

Ladies and Gentlemen:

It is recommended by the DPS Director and I concur, that the contract for Tree and Stump Removal be extended for a two year period with CHOP Tree Services. The contract will commence January 1, 2027 and expire December 31, 2028 for services with 5% rate increases annually.

Funds for this contract award are derived from the General Fund and Major & Local Street Fund.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DWD*

DATE: September 28, 2026

RE: Recommendation for 2-Year Extension for Tree Removal Services (**WAIVER OF BID**)

I have reviewed the above with the Director of Public Services, and concur with his recommendation to waive the bid process and extend the city's contract with CHOP Tree Services (Milford, MI) for tree removal services with 5% rate increases annually, for a two-year period commencing January 1, 2027 and expiring December 31, 2028.

This bid was originally awarded in 2023 and pricing has remained the same since the original award.

Adequate funds are budgeted in the General Fund, and Major & Local Street Funds for these services.

Proposed Motion

Waive the city bid process and approve a 2-year extension with CHOP Tree Services for tree removal services with 5% rate increases annually, commencing January 1, 2027 and expiring December 31, 2028.

From the Desk of:
Phil Ferro
Director, D.P.S.
September 28, 2026

To: Dan Marsh,
City Administrator

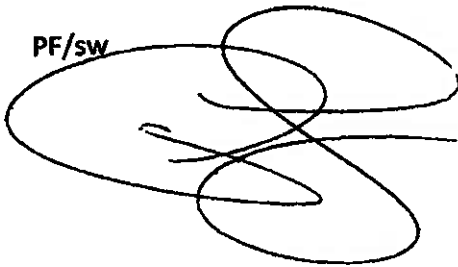
Doug Drysdale,
Finance Director

Re: Bid Extension Recommendation for Tree Pruning, Removal & Maintenance

I respectfully request to extend the bid for Tree Pruning, Removal & Maintenance for CHOP Tree Services. They originally won the low bid for Tree Removal & Maintenance in January 2023 and have held their prices for the last 4 years. They are willing to extend their bid for 2 years, expiring December 31, 2028, with only a minimal 5% increase each year for removals only. They will honor the current tree trimming pricing for the life of contract. Please see included email from CHOP.

I believe this to be in the best interest of the City as they have always provided excellent service and respond rapidly to all service calls. If you have any questions, please contact me.

PF/sw

A handwritten signature in black ink, consisting of a large, stylized 'P' and 'F' intertwined, with a horizontal line extending to the right.

Phil Ferro

From: John Huizenga <john@we-chop.com>
Sent: Thursday, September 24, 2026 11:06 AM
To: Jerry Stacy; Phil Ferro; Jacob Ruoff
Cc: Elvis Peacock Sr
Subject: [EXTERNAL] Southgate renewal and trims

CAUTION: This email originated from outside of City of Southgate email server. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning, Jerry,

Per our conversation, CHOP tree would be willing to complete the trim work at the pricing agreed upon, listed below through the end of the year.

0-10" \$90
11-17" \$90
18-24" \$130
25-30" \$200
31-39" \$200
40"+ \$350

Additionally, we would like to extend our removal contract and continue our partnership with the City of Southgate, with the following adjustments.

For 2027 an increase of 5%, and for 2028 an increase of 5%. We have worked at steady pricing for several years, and these increases over the next 2 years will allow us to account for increased costs due to labor and fuel.

We would also be willing to take over the trim contract with the city for those additional years with no increase in 2027 and 2028.

Thank you!

John M. Huizenga
East Region Supervisor
ISA Certified Arborist MI 4196A
3144 YEW
MILFORD, MI 48281
616-648-4704
www.we-chop.com

CHOP

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

September 29, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Tree Pruning and Maintenance Services **Waiver of Bid**

Ladies and Gentlemen:

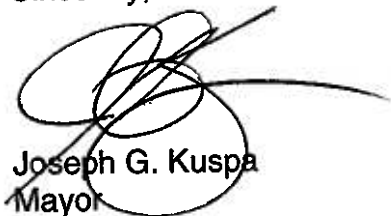
It is recommended by the DPS Director and I concur, to waive the bid process and approve an agreement with CHOP Tree Services, (Milford, MI) for tree pruning and maintenance services through December 31, 2028.

The current vendor is unable to complete their contract for a period ending June 30, 2027. Chop Tree Services has agreed to honor the rates approved under the previous contract through December 31, 2028.

Funds for this contract award are derived from the General Fund and Major & Local Street Fund.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

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PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DD*
DATE: September 28, 2026
RE: Recommendation for Agreement for Tree Pruning & Maintenance Services (**WAIVER OF BID**)

I have reviewed the above with the Director of Public Services, and concur with his recommendation to waive the city bid process and approve an agreement with CHOP Tree Services (Milford MI) for tree pruning and maintenance services, through December 31, 2028.

This bid was originally awarded to Limb Walkers Tree & Snow for a period ending June 30, 2027, who recently notified the city that due to financial difficulties they are unable to complete the contract. CHOP Tree Services has agreed to honor the rates approved under the previous contract through December 31, 2028.

Adequate funds are budgeted in the General Fund, and Major & Local Street Funds for these services.

Proposed Motion

Waiver the city bid process and approve an agreement with CHOP Tree Services for tree pruning and maintenance services through December 31, 2028, at the rates approved under the agreement with the previous contractor Limb Walkers Tree & Snow.

From the Desk of:
Phil Ferro
Director, D.P.S.
September 28, 2026

To: Dan Marsh,
City Administrator

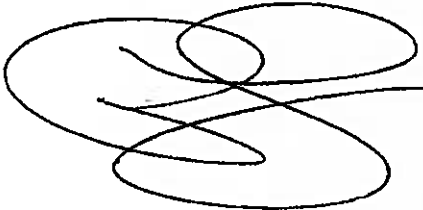
Doug Drysdale,
Finance Director

Re: Bid Recommendation for Tree Pruning & Maintenance

In light of Limb Walkers termination of their contract, CHOP has agreed to assume tree pruning and Maintenance services for the remainder of the Limb Walker contract, which expires June 30, 2027. They have also agreed to honor Limb Walkers pricing. Please see the included email from CHOP.

If you have any questions, please contact me.

PF/sw

A handwritten signature in black ink, consisting of several loops and a horizontal line extending to the right.

Phil Ferro

From: John Huizenga <john@we-chop.com>
Sent: Thursday, September 24, 2026 11:06 AM
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18-24" \$130
25-30" \$200
31-39" \$200
40"+ \$350

Additionally, we would like to extend our removal contract and continue our partnership with the City of Southgate, with the following adjustments.

For 2027 an increase of 5%, and for 2028 an increase of 5%. We have worked at steady pricing for several years, and these increases over the next 2 years will allow us to account for increased costs due to labor and fuel.

We would also be willing to take over the trim contract with the city for those additional years with no increase in 2027 and 2028.

Thank you!

John M. Huizenga
East Region Supervisor
ISA Certified Arborist MI 4196A
3144 YEW
MILFORD, MI 48281
616-648-4704
www.we-chop.com

CHOP

DBH	Unit Price
0" - 10"	90
11" - 17"	90
18" - 24"	130
25" - 30"	200
31" - 39"	300
40" +	350

Emergency Work

Weekdays, 8:00 am - 5:00 pm
 Weekends, Holidays, and after 5:00 pm

Hourly Rate \$ 200.00
 Hourly Rate \$ 450.00

Name of Company	Limb Walker tree & snow
Address	10073 Blywood
City, State, Zip	Avoca, MI 48006 <u>AVOCA</u>
Telephone Number	810-304-4665
Fax Number	N/A
E-mail Address	limb-walker@yahoo.com
Authorized Representative	Samantha Carlin
Title	owner
Signature and Date	Samantha Carlin 4-13-22

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

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PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

October 1, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Cybersecurity Penetration Testing Services **Waiver of Bid**

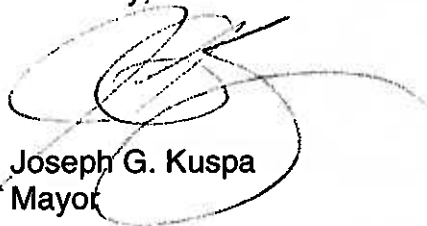
Ladies and Gentlemen:

It is recommended by the Director of Information Technology and I concur with his recommendation to waive the bid procedure and approve the proposal from CNWR, Inc, Toledo, Ohio for cybersecurity penetration testing in an amount not to exceed \$20,000.00.

The city has been awarded a Michigan State Police / FEMA State and Local Cybersecurity grant in the amount of \$25,000.00; these funds will be used for this cybersecurity testing.

Your favorable consideration of this matter is requested.

Sincerely,

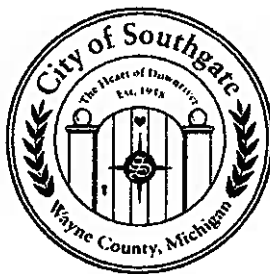


Joseph G. Kuspa
Mayor

JOSEPH G. KUSPA
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City of Southgate

- CITY COUNCIL -

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KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DWD*

DATE: October 2, 2026

RE: Approve Proposal for Cybersecurity Penetration Testing Services (**WAIVER OF BID**)

I have reviewed the above with the Director of Information Technology and concur with his recommendation to waive the city bid process and approve the proposal from CNWR, Inc. (Toledo OH) for cybersecurity penetration testing in an amount not to exceed \$20,000.00.

The city has been awarded a Michigan State Police / FEMA State and Local Cybersecurity Grant in the amount of \$25,000.00; these funds will be used for this cybersecurity testing.

Proposed Motion

Waive the city bid process and approve the proposal from CNWR, Inc. for cybersecurity penetration testing in an amount not to exceed \$20,000.00, with funding provided by a Michigan State Police / FEMA State and Local Cybersecurity Grant in the amount of \$25,000.00



City Of Southgate

Department of Information Technology

14710 Reaume Parkway
Southgate, MI 48195
734.284.3800



Director of Information Technology & Cyber Security

Jason Rucker

To: Dan Marsh, City Administrator

CC: Doug Drysdale, Finance Director / Asst. City Administrator

From: Director Jason Rucker

Subject: Recommendation and Request for Approval for Cybersecurity Penetration Testing Services

Date: Thursday, October 1st, 2026

Dan/Doug,

I am requesting approval to contract with **CNWR, Inc.** to conduct a third-party cybersecurity penetration test of the City of Southgate's technology environment at a total cost **not to exceed \$20,000**.

The purpose of this testing is straightforward: to have an independent cybersecurity company safely act as a real-world attacker and determine how well the City's existing cybersecurity protections work. The testing will help determine whether an attacker could gain access to City systems, how far they could potentially progress, what information or systems could be at risk, and what additional improvements should be made. All testing will be controlled and designed to avoid disruption or damage to City systems.

The IT Department conducted extensive market outreach and requested proposals and/or pricing from numerous cybersecurity firms. Pricing varied significantly, with the five proposals receiving final consideration ranging from **\$15,000 to \$27,887.50**, while other options considered exceeded **\$50,000** and, in some cases, **\$125,000+**. Because each company offered different levels of service, proposals were evaluated based on **both cost and the ability to satisfy the City's requested scope of work**, rather than price alone.

Following my review of the proposals and Statements of Work, I recommend **CNWR, Inc.** at **\$20,000**. Although a lower-priced proposal was received, it did not provide the complete services requested by the City. **CNWR represents the lowest-cost proposal determined by the IT Department to meet or exceed the City's required scope of work.** Their proposal also includes follow-up testing after identified issues have been addressed, allowing the City to verify that corrective actions were successful.

Sufficient funds are available within the Information Technology Department's approved budget for this request. Additionally, the City has been awarded **\$25,000 through the Michigan State Police/FEMA State and Local Cybersecurity Grant Program (SLCGP) FY24** for this project. Eligible costs will be submitted for reimbursement through the grant; therefore, the recommended **\$20,000 expenditure is fully within the City's grant award**.

I respectfully request approval to proceed with **CNWR, Inc.** for an amount **not to exceed \$20,000** and to forward this recommendation to the Mayor and City Council for consideration and approval, including waiver of the normal bid process as appropriate.

Respectfully,

Jason Rucker

Director of Information Technology





City of Southgate

Penetration Testing

Prepared by CNWR
Prepared for: **Jason Rucker**

Statement of Work

Executive Summary

The City of Southgate has asked CNWR to perform an assumed-breach penetration test against its hybrid Microsoft environment, supported by external reconnaissance, identity and cloud configuration review, and a targeted phishing campaign. The guiding question the City wants answered is a practical one: if an attacker gets a foothold on the internal network, how far can they actually get before they run out of road.

This is a fixed level of effort engagement. CNWR commits to a defined number of testing and reporting hours rather than to an exhaustive review of every asset. Testing prioritizes the paths most likely to produce privilege escalation, lateral movement, and widespread impact, and stops when the hours in the level of effort table are consumed. Work outside that box is handled through change order.

The environment is a hybrid Microsoft estate: on-premises Active Directory and AD CS synchronized to Microsoft 365 GCC and Entra ID, roughly 175 end users across 5 primary sites, approximately 375 active IPs across 11 VLANs, 7 servers largely virtualized on 2 VMware ESXi hosts, and approximately 125 workstations. Not all VLANs and assets will be in scope. The final target list is set during the scoping call described below.

Objectives

The City's stated goals drive the test plan. In priority order:

- Obtain Domain Admin or equivalent privileged access, or demonstrate why that path is blocked.
- Compromise or abuse Active Directory and AD CS, including certificate services attack paths.
- Reach critical servers and sensitive file shares, and document what data is exposed at each step.
- Demonstrate lateral movement and establish the realistic blast radius from an initial foothold.
- Establish whether a targeted phishing campaign can bypass current technical controls and user training.

Findings are mapped to the NIST Cybersecurity Framework, with CJIS Security Policy relevance called out where a finding touches public safety systems or data.

Scope of Work Terms

The agreement is limited to the following scope and the deliverables described in this agreement. Any explicit exclusions have been listed in the exclusions section below.

Scope Inclusions

Hours

- Initial Testing
 - 60 hours for testing (estimated as 2 CNWR resources, 30 hours each)
 - 10 hours for reporting.
- Retesting
 - 25 hours for retest
 - 5 hours for updated reporting.
 - The retest verifies remediation of findings documented in the original report. It is scoped to the specific systems and findings the City identifies as remediated, and it is not a new penetration test. No new discovery, no new

Statement of Work

- attack path development, and no repeat of the phishing campaign are included in the retest hours.
- The retest produces a short remediation validation report stating, finding by finding, whether the issue is resolved, partially resolved, or still present. The retest must be scheduled within 180 days of delivery of the original report. Past that window, environment drift makes verification unreliable.
- Retest hours can be allocated to initial test if not needed.

External reconnaissance and asset discovery

- The City will provide known in-scope targets, IP ranges, VLANs, domains, and systems. CNWR performs independent discovery on top of that provided list to identify assets the City may not be tracking. Discovery covers the two primary domains, southgatemil.gov and 28dc.com, plus subdomains and externally reachable services surfaced during reconnaissance.
- Newly discovered assets are reported back to the City. Anything discovered outside the agreed ranges is documented and flagged, not tested, until the City confirms ownership and authorizes it.

Assumed-breach internal penetration test

- This is the core of the engagement and consumes the majority of the testing hours. CNWR starts from the position of an attacker who already has a foothold on the internal network, then works outward:
 - Internal network enumeration, service identification, and segmentation testing across the in-scope VLANs.
 - Active Directory attack path analysis, including delegation abuse, credential exposure, share permissions, Kerberos attacks, and privilege escalation chains.
 - Active Directory Certificate Services review and exploitation of misconfigured templates and enrollment paths.
 - Host-level privilege escalation on Windows 11 workstations and Windows Server systems.
 - Lateral movement toward the designated goal systems, including file shares and production-critical servers.
 - VMware ESXi and network infrastructure review where reachable from the assumed-breach position, including switches, wireless infrastructure, and firewall controls.
- The City has asked that defensive controls not be broadly bypassed. CNWR will work against live controls by default and request targeted allowlisting only where a blocked test would leave a real question unanswered. That decision is made jointly and documented. Where a control visibly stops an attack path, that gets written up as part of the narrative, since it is useful information and it explains why the path ended. What is not included is systematic measurement of control performance across every technique attempted. See the additional scope section below.

Identity and cloud configuration review

- Microsoft 365 GCC and Entra ID are in scope as an identity attack surface rather than as a full cloud security assessment. Work here covers administrative role assignments and standing privilege, including the 5 Global Administrator assignments currently in place, Conditional Access policy gaps, hybrid identity and sync configuration, credential exposure, and paths that lead from on-premises compromise into the tenant or the reverse.
- No Azure subscription or VNet testing is included, because the City confirmed no Azure-hosted virtual machines or significant VNet infrastructure are in use.

Phishing campaign

- A targeted, adversary-style phishing campaign against an approved list of up to approximately 175 users. Success is measured by whether messages bypass Microsoft 365 GCC email controls and whether users interact with a link, attachment, or credential-harvesting simulation.
- No actual credential compromise, password change, password reset, malware deployment, or destructive payload occurs. The two designated protected privileged accounts are excluded from targeting. Results are reported in aggregate, with individual data available to the City on request.

Rules of engagement

- Testing is permitted during business hours and after hours. There is no fixed blackout window, but any high-risk or

Statement of Work

potentially disruptive activity is scheduled and coordinated with the City in advance.

- The following are prohibited for the duration of the engagement: destructive testing, denial of service or distributed denial of service, encryption of data, deletion or modification of production data, and any technique reasonably likely to affect production availability. Domain controllers, AD CS and certificate authority systems, public safety and CJIS-related systems, and production-critical servers are treated as sensitive and tested with additional care and coordination.
- Two designated privileged accounts identified by the City are protected. They will not be compromised, reset, locked out, or have credentials extracted, and they are excluded from phishing targeting.
- CNWR maintains a communication channel with the City for the duration of testing. Critical findings that represent an active or imminent risk are reported immediately rather than held for the final report. If CNWR encounters evidence of a prior or ongoing compromise, testing pauses and the City is notified the same day.

Scope Exclusions

- Formal detection and response assessment. Where testing is visibly blocked or an action draws a response, CNWR notes it in the attack path narrative as a matter of course. What is excluded is the systematic work: action-by-action timestamped logging, correlation against SentinelOne, Huntress, Microsoft, and network appliance log sources after the fact, and a per-technique determination of what was caught, missed, or partially caught.
- Vishing and telephone-based social engineering.
- Public Wi-Fi networks, and legacy networks or circuits scheduled for decommissioning.
- Third-party and vendor-managed systems or applications, unless specifically agreed in writing during final scoping.
- Dedicated web application penetration testing. Web applications surfaced during normal reconnaissance may be evaluated as part of the broader engagement, but no standalone application assessment is included.
- Dedicated web service and API assessment. Same treatment as above.
- IoT and embedded device hardware testing.
- Docker, Kubernetes, and container orchestration testing.
- Source code review.
- Physical security testing and physical site intrusion.
- Red team style long-duration adversary emulation. This is a time-boxed penetration test.
- Remediation work. CNWR documents findings and provides remediation guidance. Implementing fixes is a separate engagement.

Assumptions & Risks

Assumptions

This scope and the associated pricing assume the following. If any of them do not hold, the level of effort changes and CNWR will raise it before spending hours against it.

- A scoping call is held before testing begins, at which the City finalizes the in-scope IP ranges, subnets, VLANs, target list, protected accounts, and phishing target list.
- The City provides written authorization to test, signed by an individual with authority to grant it, before any testing activity starts.
- CNWR is provided the agreed initial foothold access for the assumed-breach portion within the first day of the testing window. Delay in providing access consumes engagement hours.
- The City provides a named technical point of contact reachable during testing hours.
- Where third-party or vendor-managed systems fall inside the agreed target ranges, the City obtains any required vendor authorization in advance.
- Testing occurs against production. The City accepts that penetration testing against production carries inherent risk, which CNWR mitigates through the prohibited-technique list above but cannot eliminate.
- The reported environment size is accurate to within reasonable variance. A materially larger in-scope footprint than

Statement of Work

described in the scoping questionnaire is a change in scope.

Risks

- **Authorization to test.** The City confirms that the individual signing the authorization has the authority to grant it, and confirms whether a council resolution is required. CNWR does not begin testing on an authorization of uncertain standing.
- **Election systems.** The November 3, 2026 general election falls inside the reasonable window for this engagement and any retest. The City confirms with the Clerk's office what election-related or voter registration systems exist in the environment, and those systems are either excluded in writing or authorized in writing with the Clerk's knowledge. CNWR does not test election infrastructure on a general authorization.
- **Public safety systems.** Dispatch, CAD, radio, and related 911 infrastructure are treated as life-safety systems, not production systems. Any testing that could touch them is scheduled in advance with a named on-call contact reachable for the duration. Disruption here is not a business interruption, and the scope is built to avoid it. Failure to provide the list of equipment poses it being tested.
- **Cyber insurance conditions.** The City confirms that its cyber liability policy does not impose notice or approval conditions on authorized penetration testing.
- **Hypervisor concentration.** Roughly 7 servers run on 2 ESXi hosts, so most City services sit on two machines. If a hypervisor-level attack path is identified, demonstrating it carries materially more risk than the same finding would in a larger estate. CNWR will document the path and coordinate with the City before exercising it rather than proving it unilaterally.

Delivery Terms

Testing is scheduled based on availability, with early November being the most likely start date. A single written report covering all in-scope workstreams will be delivered within 10 business days of testing completion. We anticipate delivering the report no later than 12/15/26. The report includes:

- An executive summary written for the City Administrator and elected officials, not for engineers.
- A technical findings section with each finding ranked by risk, including affected systems, reproduction steps, and supporting evidence.
- Attack path narratives showing the actual chains used, from initial foothold to maximum achieved access, with the blast radius documented at each step. Where a path ended because a control stopped it, the narrative says so.
- Phishing campaign results with aggregate metrics and commentary on email control effectiveness.
- Prioritized remediation guidance, ordered by risk reduction per unit of effort rather than by severity alone.
- Mapping of findings to NIST CSF functions and categories, with CJIS Security Policy relevance noted where applicable.
- A live readout call with the City's technical staff and executive sponsor is included in the reporting hours.

Change control

- Any addition to the in-scope systems, workstreams, or deliverables described here is handled as a written change order with its own hours and price, agreed before the work begins. CNWR will not consume engagement hours on out-of-scope work and then bill for it after the fact.

Billing for the penetration test will be as follows:

- 50% billed upon signing
- 50% billed upon project completion

Statement of Work

Service & Fee Schedule

This Statement of Work ("SOW No. 005569 ") dated 09/14/2026 is effective only upon execution by CNWR and City of Southgate. Each party hereto warrants and represents that this SOW No. 005569, the Agreement constitute the legal, valid and binding obligation of such party as of the SOW Effective Date.

Services

Description		Price	Qty	Ext. Price
Penetration Testing and Assessment				
Service - Fixed Fee	Initial Testing & Assessment (Estimated 2 resources at 30 hours each)	\$200.00	60	\$12,000.00
Service - Fixed Fee	Reporting and deliverable preparation	\$200.00	10	\$2,000.00
Service - Fixed Fee	Retest, if exercised	\$200.00	25	\$5,000.00
Service - Fixed Fee	Retest reporting	\$200.00	5	\$1,000.00
Section Subtotal				\$20,000.00
Subtotal:				\$20,000.00

Penetration Testing



Prepared by:
CNWR
Heather Slagle
(419) 724-2697
heather@cnwr.com

Prepared for:
City of Southgate
14710 Reaume Parkway
Southgate, MI 48195
Jason Rucker
(734) 284-3800
JRucker@SouthgateMI.gov

Quote Information:
Quote #: 005569
Version: 1
Delivery Date: 09/17/2026
Expiration Date: 10/31/2026

Quote Summary

Description	Amount
Services	\$20,000.00
Total: \$20,000.00	

Payment Options

Description	Payments	Interval	Amount
Term Options			
1 Year	1	One-Time	\$20,000.00

Taxes and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.

This acceptance is subject to the General Terms and Conditions of Sale of CNWR, Inc. as attached hereto and incorporated herein (the "Terms and Conditions") and is hereby incorporated by reference into and made a part of this acceptance. Customer acknowledges it has read and agrees to be bound by such Terms and Conditions. In the event of any conflict between the terms of this acceptance and the Terms and Conditions, the Terms and Conditions will prevail.

CNWR

City of Southgate

Signature: Heather Slagle
Name: Heather Slagle
Title: Sales Executive
Date: 09/17/2026

Signature: _____
Name: Jason Rucker
Date: _____

GENERAL TERMS AND CONDITIONS OF SALE

1. SCOPE.

(a) These terms and conditions of sale (these "**Terms**") are the only terms which govern the sale of products ("**Products**") and services ("**Services**") by CNWR, Inc., an Ohio corporation ("**CNWR**"), to the customer ("**Customer**") named on the accompanying order form or other order documentation (including, without limitation, statements of work) (the "**Order**").

(b) The Order and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. In the event of any conflict between the terms of any Order and these Terms, these Terms will prevail. These Terms also prevail over any of Customer's general terms and conditions of purchase regardless whether or when Customer has submitted its purchase order or such terms. Fulfillment of Customer's order does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms.

(c) Notwithstanding anything to the contrary contained in this Agreement, CNWR may, from time to time change the Services without the consent of Customer provided that such changes do not materially affect the nature or scope of the Services, or the fees or any performance dates set forth in the Order. CNWR also reserves the right to substitute hardware, to the extent applicable to an Order, with hardware of a similar or better specification, as CNWR deems appropriate in its sole discretion.

2. TERMINATION.

(a) If either party breaches in any material respect any of its material obligations under this Agreement, in addition to any other right or remedy, the non-breaching party may terminate this Agreement in the event that the breach is not cured within thirty (30) days after receipt by that party of written notice of the breach.

(b) In addition to any remedies that may be provided under these Terms or at law, CNWR may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (i) fails to pay any amount when due under this Agreement and such failure continues for 30 days after Customer's receipt of written notice from CNWR of non-payment; or (ii) becomes insolvent, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

(c) Upon any termination of this Agreement, Customer shall immediately uninstall (if the Products are software) and cease to use the Products and, upon CNWR's written request, immediately return such Products to CNWR, together with all related documentation, and copies thereof. Upon CNWR's written request, Customer shall promptly certify in writing to CNWR that all copies of the Products have been returned, and that any copies not returned have been destroyed.

(d) Following the termination of this Agreement, Customer shall pay all amounts and expenses due and owing under this Agreement for Products delivered and Services performed prior to the termination of this Agreement.

(e) CNWR may terminate any license granted for a Deliverable (as defined below) if (i) Customer does not pay CNWR for that Deliverable in accordance with the terms of this Agreement, or (ii) if Customer breaches any part of Section 4.

3. PAYMENT AND DELIVERY.

(a) Customer shall pay all invoiced amounts due to CNWR on receipt or, if applicable, as specifically set forth on CNWR's invoice(s) to Customer ("**Fees**").

(b) All Fees are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Customer. Customer shall be responsible for all such charges, costs, and taxes; provided, that, Customer shall not be responsible for any taxes imposed on, or with respect to, CNWR's income, revenues, gross receipts, personal or real property, or other assets.

(c) Customer agrees to pay or reimburse CNWR for all reasonable travel and out-of-pocket expenses incurred by CNWR in connection with the performance of the Services.

(d) Customer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Customer shall reimburse CNWR for all costs incurred in collecting any late payments, including, without limitation, reasonable attorneys' fees. In addition to any remedies that may be provided under these Terms or at law (which CNWR does not waive by the exercise of any rights hereunder), CNWR shall be entitled to suspend the delivery of any Products or performance of any Services if Customer fails to pay any amounts when due hereunder and such failure continues for 30 days following written notice thereof. Customer's obligation to pay undisputed amounts due for Products and Services and CNWR's right to all such amounts are absolute and unconditional. Any dispute or question regarding Fees in an invoice shall be raised in writing to CNWR within thirty (30) days of the invoice due date. Any billing dispute or question that is not asserted in writing within such thirty (30) day period shall be null and void.

(e) Customer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with CNWR, whether relating to CNWR's breach, bankruptcy, or otherwise.

(f) All Products are FOB shipping point.

(g) CNWR reserves the right by notice in writing to Customer to increase the Fees on any of its Products and Services, no more than once annually, by an amount not to exceed the lesser of (i) 5%, or (ii) the percentage increase in the Consumer Price Index for All Urban Consumers, U.S.

City Average, for all items, 1982-84=100 (published by the United States Department of Labor), plus 2%.

4. INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIAL INFORMATION.

4.1. Intellectual Property.

(a) All intellectual property rights, including copyrights, patents, patent disclosures and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works and all other rights (collectively, "**Intellectual Property Rights**") in and to all documents, work product, and other materials that are delivered to Customer under this Agreement or prepared by or on behalf of CNWR in the course of performing the Services, including any items identified as such in the Order (collectively, the "**Deliverables**") except for any Confidential Information of Customer shall be owned by CNWR. CNWR hereby grants Customer a license to use all Intellectual Property Rights on a non-exclusive, non-transferable, non-sublicensable, fully paid-up, royalty-free, and perpetual basis to the extent necessary to enable Customer to make reasonable use of the Deliverables and the Services. For the avoidance of doubt, CNWR owns all right, title, and interest in the Deliverables, including all Intellectual Property Rights embodied therein. Nothing in this Agreement is intended to or will have the effect of vesting in or transferring to Customer rights in CNWR's or its suppliers' software, methods, know-how, or other intellectual property, regardless of whether such intellectual property was created, used, or first reduced to practice or tangible form in the course of performing the Services, whether solely by CNWR or jointly with Customer.

(b) CNWR or its licensors retain all right, title, and interest in any and all intellectual property, informational, industrial property, and moral rights in the Products, and copies thereof. CNWR neither grants nor otherwise transfers any rights of ownership in the Products to Customer. The Products are protected by applicable copyright and trade secrets laws, and other forms of intellectual property, informational, and industrial property protection.

(c) Any Products that consist of software provided to Customer by CNWR as a reseller for a third party that are licensed to Customer under a separate software license agreement with such third party shall continue to be governed by the applicable software license agreement between Customer and such third party. The performance of the Services shall not relieve or alter the obligations or responsibilities of either party or of any third party in regard to such Products licensed under such software license agreement.

(d) Customer may only use the Products in accordance with the terms of this Agreement. CNWR reserves all rights in and to the Products not expressly granted in this Agreement. Customer may not distribute the Products to any third party (whether by rental, lease, sublicense, or other transfer) or operate the Products in an outsourcing or service provider business to process the data of third parties. Additional usage restrictions may apply to certain third-party files or programs embedded in the Products. Such restrictions will be contained in the applicable installation instructions or release notes.

4.2 Confidentiality.

(a) "Confidential Information" means all non-public, confidential, or proprietary information of a party ("**Discloser**") disclosed or made available to the other party ("**Recipient**"), or to any of such Recipient's employees, officers, directors, partners, shareholders, agents, attorneys, accountants, or advisors (collectively, "**Representatives**"), whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, and whether or not marked, designated, or otherwise identified as "confidential," including, without limitation:

(i) all information concerning Discloser's and its customers', suppliers', and other third parties' past, present, and future business affairs including, without limitation, finances, customer information, supplier information, products, services, organizational structure and internal practices, forecasts, sales and other financial results, records and budgets, and business, marketing, development, sales, and other commercial strategies;

(ii) unpatented inventions, ideas, methods, and discoveries, trade secrets, know-how, unpublished patent applications, and other confidential intellectual property;

(iii) all designs, specifications, documentation, components, source code, object code, images, icons, audiovisual components and objects, schematics, drawings, protocols, processes, and other visual depictions, in whole or in part, of any of the foregoing;

(iv) any third-party confidential information included with, or incorporated in, any information provided by Discloser to Recipient; and

(v) the terms of this Agreement.

(b) Except as required by applicable federal, state, or local law or regulation, "Confidential Information" shall not include information that, at the time of disclosure: (i) is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any breach of this Section by Recipient or any of its Representatives; (ii) is, or thereafter becomes, available to Recipient on a non-confidential basis from a third-party source, provided that such third party was not prohibited from disclosing such Confidential Information; (iii) was known by or in the possession of Recipient or its Representatives before being disclosed by or on behalf of Discloser; or (iv) was or is independently developed by Recipient or its Representatives without using Discloser's Confidential Information.

(c) Recipient shall:

(i) protect and safeguard the confidentiality of Discloser's Confidential Information with at least the same degree of care as Recipient would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care;

(ii) not use Discloser's Confidential Information, or permit it to be accessed or used, for any purpose other than to perform its obligations under this Agreement, or otherwise in any manner to Discloser's detriment,

including, without limitation, to disassemble, decompile, reverse engineer, or design around Discloser's proprietary services, products, and/or confidential intellectual property;

(iii) not disclose any such Confidential Information to any person or entity, except to Recipient's Representatives who (A) need to know the Confidential Information to assist Recipient, or act on its behalf, to exercise its rights or perform its obligations under this Agreement; (B) are informed by Recipient of the confidential nature of the Confidential Information; and (C) are subject to confidentiality duties or obligations to Recipient that are no less restrictive than the terms and conditions of this Agreement; and

(iv) be responsible for any breach of this Section caused by any of its Representatives.

(d) Recipient may disclose Discloser's Confidential Information under applicable federal, state, or local law, regulation, or a valid order issued by a court or governmental agency of competent jurisdiction, provided that Recipient shall first make commercially reasonable efforts to provide Discloser with:

(i) prompt written notice of such requirement so that Discloser may seek, at its sole cost and expense, a protective order or other remedy; and

(ii) reasonable assistance, at Discloser's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

(e) At any time during or after the term of this Agreement, at Discloser's written request, Recipient and its Representatives shall promptly return to Discloser all copies, whether in written, electronic, or other form or media, of Discloser's Confidential Information, or destroy all such copies and certify in writing to Discloser that such Confidential Information has been destroyed. Notwithstanding the foregoing, Recipient may retain copies of Confidential Information that are stored on the Recipient's IT backup and disaster recovery systems until the ordinary course deletion thereof. Recipient shall continue to be bound by the terms and conditions of this Agreement with respect to such retained Confidential Information.

(f) Each party acknowledges and agrees that money damages might not be a sufficient remedy for any breach or threatened breach of this Section by such party or its Representatives. Therefore, in addition to all other remedies available at law (which neither party waives by the exercise of any rights hereunder), the non-breaching party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach, and the parties hereby waive any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such claim.

5. LIMITATION OF LIABILITY.

5.1. Disclaimer of Damages. EXCEPT FOR LIABILITY FOR BREACH OF CONFIDENTIALITY OR LIABILITY FOR INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY SPECIAL,

INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

5.2. Limitation of Liability. IN NO EVENT SHALL CNWR'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO CNWR PURSUANT TO THE APPLICABLE ORDER IN THE 12-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

6. SERVICES-SPECIFIC TERMS.

6.1. All Necessary Rights. If, as part of CNWR's performance of Services, CNWR is required to use, copy, or modify any third party system (hardware, software, or other technology) provided or licensed to Customer, then prior to CNWR's performance of such Services, Customer shall acquire all rights necessary for CNWR to perform such Services.

6.2. Limited Warranty.

(a) CNWR represents and warrants to Customer that it shall perform the Services in a professional and workmanlike manner in accordance with generally recognized industry standards for software services.

(b) CNWR shall not be liable for a breach of the limited warranty set forth in Section 6.2(a) unless Customer gives written notice of the defective Services, reasonably described, to CNWR within 90 days from completion of such Services.

(c) CNWR shall not be liable for a breach of the limited warranty set forth in Section 6.2(a) if Customer or its employees, contractors, or agents alters or modifies any Deliverable or Product without the prior written consent of CNWR.

(d) Subject to Section 6.2(b) and Section 6.2(c), CNWR shall, in its sole discretion, either: (i) re-perform any non-conforming portion of the Services or (ii) credit or refund the price of such Services at the pro rata contract rate.

(e) THE REMEDIES SET FORTH IN SECTION 6.2(d) SHALL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND CNWR'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 6.2(a).

(f) EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 6.2(a), CNWR MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY OR (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

6.3. Intellectual Property Indemnification.

(a) **Infringement Claims.** CNWR shall defend, indemnify, and hold harmless Customer and its directors, officers, shareholders, and employees (collectively, "**Customer Indemnified Parties**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, that are awarded against Customer Indemnified Parties in a final non-appealable judgment (collectively, "**Customer Losses**") arising out of or in connection with any third-party claim that any Customer Indemnified Party's use or possession of the Deliverables or use of the Services infringes or misappropriates the patent, copyright, trade secret, or other intellectual property right of any third party.

(b) **Exceptions and Limitations on Intellectual Property Indemnification.** Notwithstanding anything to the contrary in this Agreement, CNWR is not obligated to indemnify, hold harmless, or defend any Customer Indemnified Party against any claim (whether direct or indirect) if such claim or corresponding Customer Losses arise out of or result from, in whole or in part, any Customer Indemnified Party's: (i) gross negligence or more culpable act or omission (including recklessness or willful misconduct); (ii) bad faith failure to materially comply with any of its obligations set forth in this Agreement; (iii) use of the Deliverables in any manner that does not materially conform with the then-current usage instructions, guidelines, or specifications; (iv) marketing, advertising, promotion, or sale of any product containing the Deliverables; (v) use of the Deliverables in combination with any products, materials, or equipment supplied to a Customer Indemnified Party by a person or entity other than CNWR, if the infringement would have been avoided by the use of the Deliverables not so combined; or (vi) any modifications or changes made to the Deliverables by or on behalf of any person or entity other than CNWR, if the infringement would have been avoided without such modification or change.

(c) **Intellectual Property Indemnification Procedures.** Customer Indemnified Parties shall give CNWR prompt written notice (a "**Customer Claim Notice**") but in no event more than three (3) days of becoming aware of a claim of any Customer Losses or discovery of facts on which Customer Indemnified Parties intend to base a request for indemnification under Section 6.3. Each Customer Claim Notice must contain a description of the third-party claim and the nature and amount of the related Customer Losses (to the extent that the nature and amount of the Customer Losses are known at the time). Customer Indemnified Parties shall furnish promptly to CNWR copies of all papers and official documents received in respect of any Customer Losses. All indemnification obligations in this Section 6.3 are conditioned upon Customer Indemnified Parties: (i) promptly delivering the Customer Claim Notice and related documents under this Section 6.3; (ii) allowing CNWR, if CNWR so requests, to undertake, conduct, and control, through reputable independent counsel of its own choosing, the defense, appeal, or settlement of any third-party claim that is reasonably likely to give rise to an indemnification claim under this Section 6.3; (iii) cooperating with CNWR in the defense of any such claim or liability and any related settlement negotiations; and (iv) not compromising or settling any claim or liability without prior written consent of CNWR.

(d) **Remedies.** SUBJECT TO SECTION 5, SECTION

6.3 SETS FORTH THE ENTIRE LIABILITY AND OBLIGATION OF CNWR AND THE SOLE AND EXCLUSIVE REMEDY FOR EACH CUSTOMER INDEMNIFIED PARTY FOR ANY CUSTOMER LOSSES COVERED BY SECTION 6.3.

6.4. Mutual General Indemnification.

(a) Each party (the "**Indemnifying Party**") shall defend, indemnify, and hold harmless the other party and its directors, officers, shareholders, and employees (collectively, the "**Indemnified Parties**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs (collectively "**Losses**"), arising out of any third-party claim alleging: (i) any material breach of this Agreement; (ii) any grossly negligent or more culpable act or omission of the Indemnifying Party (including any reckless or willful misconduct) in connection with the performance of its obligations under this Agreement; or (iii) any bodily injury, death of any person, or damage to real or tangible personal property caused by the grossly negligent or more culpable acts or omissions of the Indemnifying Party (including any reckless or willful misconduct).

(b) Notwithstanding anything to the contrary in this Agreement, the Indemnifying Party is not obligated to indemnify, hold harmless, or defend the Indemnified Parties against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from, in whole or in part, any Indemnified Party's: (i) gross negligence or more culpable act or omission (including recklessness or willful misconduct); or (ii) bad faith failure to materially comply with any of its obligations set forth in this Agreement.

(c) The Indemnified Parties shall give the Indemnifying Party prompt written notice (a "**Claim Notice**") of becoming aware of a claim of any Losses or discovery of facts on which the Indemnified Parties intend to base a request for indemnification under Section 6.4. All indemnification obligations in this Section 6.4 are conditioned upon Indemnified Parties: (i) promptly delivering the Claim Notice under this Section 6.4 and (ii) not compromising or settling any claim or liability without prior written consent of the Indemnifying Party.

6.5. Mutual Non-Solicitation. Each party agrees that during the term of this Agreement and for a period of six (6) months thereafter, neither party shall directly or indirectly, for itself or on behalf of another person or entity, solicit for employment or otherwise induce, influence, or encourage to terminate employment with the other party or employ or engage as an independent contractor, any employee of the other party, with whom a party had more than incidental contact or who became known to a party in connection the Services performed under this Agreement, except (a) pursuant to a general solicitation through the media or by a search firm, in either case, that is not directed specifically to any employees of the other party, unless such solicitation is undertaken as a means to circumvent the restrictions contained in or conceal a violation of this Section 6.5 or (b) if the other party terminated the employment of such employee before the soliciting party having solicited or otherwise contacted such employee or discussed the employment or other engagement of such employee.

7. MISCELLANEOUS PROVISIONS.

7.1. Insurance.

(a) During the term of this Agreement, CNWR shall, at its own expense, maintain and carry in full force and effect at least the following types and amounts of insurance coverage: (i) worker's compensation with limits no less than the minimum amount required by applicable law; (ii) employer's liability with limits no less than \$1,000,000 for each occurrence; (iii) commercial general liability with limits no less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate; (iv) commercial automobile liability with limits no less than \$1,000,000, combined single limit for each occurrence involving personal injuries and/or property damage; and (v) professional liability with limits no less than \$1,000,000 for each occurrence and in the aggregate.

(b) During the term of this Agreement, Customer shall, at its own expense, maintain and carry in full force and effect, cyber liability insurance with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

7.2. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

7.3. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

7.4. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile or email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

7.5. Verification. Upon CNWR's written request, Customer will provide CNWR with a certification signed by an officer of Customer verifying that the Products and/or Deliverables are being used pursuant to the terms of this Agreement, including, without limitation, the licensed capacity of the Products and/or Deliverables. CNWR may, at its expense, audit Customer's use of the Products and/or the Deliverables to confirm Customer's compliance with the terms of this Agreement. Any such audit will be conducted during regular business hours at Customer's facilities and will not unreasonably interfere with Customer's business activities. If an audit reveals that Customer has underpaid Fees to CNWR, Customer shall pay such underpaid Fees. If the underpaid Fees exceed 5% of the Fees paid, then Customer shall also pay CNWR's reasonable costs and expenses of conducting the audit.

7.6. Assignment. Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of CNWR. Any purported assignment or delegation in violation of this Section is null and void.

7.7. Waiver. No waiver by any party of any of the provisions in this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

7.8. Force Majeure. CNWR shall not be liable or responsible to Customer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of CNWR, including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, pandemic, epidemic, lock-outs, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

7.9. Export Controls. Customer shall cooperate with CNWR as reasonably necessary to permit CNWR to comply with the laws and regulations of the United States and all other relevant countries relating to the control of exports (collectively, the "Export Laws"). Customer shall not import, export, or re-export, directly or indirectly, including via remote access, any part of the Products into or to any country for which a validated license is required for such import, export, or re-export under applicable Export Laws without first obtaining such a validated license.

7.10. Publicity; References. Customer agrees that CNWR may identify Customer as a customer of CNWR to third parties in announcements, statements, or other publicity or marketing materials. Customer also agrees to instruct appropriate personnel within its organization that Customer has agreed to receive and participate in calls, from time to time, with potential customers of CNWR who wish to evaluate the technical specifications of the Products.

7.11. Governing Law; Arbitration.

(a) This Agreement, and all controversies, claims and disputes arising out of or relating to this Agreement, including claims for breach of contract and related causes of action, shall be governed by the laws of the State of Ohio, without reference to its choice of law principles. The parties agree that the United Nations Convention on Contracts for the International Sale of Products does not apply to this Agreement.

(b) In any dispute between or among the parties arising out of or related to this Agreement or its breach or the subject matter of this Agreement, the exclusive procedure for resolving the dispute shall be binding arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules before one arbitrator in Toledo, Ohio. Judgment on the award rendered by the arbitrator may be entered in any court with jurisdiction. Absent good cause or the parties' agreement, the award shall be rendered within six months of the arbitrator's selection. The arbitrator shall award reasonable attorneys' fees and costs to the prevailing party. Except as may be required by law, neither party nor the arbitrator may disclose the existence, contents, or results of anything related to the arbitration, including, without limitation, pleadings, motions, briefs, discovery, depositions, hearings, or awards without all the parties' prior written consent. The only exception to the exclusive procedure of arbitration is that either party may bring in court an action for injunctive relief pending arbitration. Each party consents to personal jurisdiction and venue in the state or federal courts in Toledo, Ohio, which shall be the exclusive venue for any court action between the

parties. Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination, shall be referred to and finally resolved by arbitration.

7.12. Survival. Provisions of these Terms, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of this Agreement including, without limitation, Sections 2, 4, 5, 6, and 7.

7.13. Amendment and Modification. This Agreement may only be amended or modified in a writing which specifically states that it amends this Agreement and is signed by an authorized representative of each party.

7.14. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOEY KUSPA
Council President

CHRISTIAN GRAZIANI

KAREN E. GEORGE

PRISCILLA AYRES-REISS

PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

October 1, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Approval of Concessions Agreement – Southgate Ice Arena

Ladies and Gentlemen:

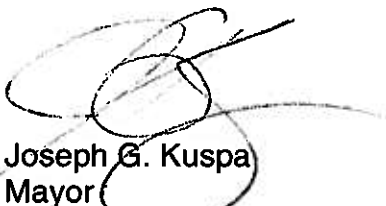
I concur with the recommendation from the Parks & Recreation Director to renew the concessions agreement with Sin Bin Concessions for a one-year period beginning September 1, 2026 through August 31, 2027.

Under the agreement, Sin Bin Concessions will pay the City a 2.5% commission on the net profit from concession stand operations.

The City attorney has reviewed and approved the agreement.

Your favorable consideration of this matter is requested.

Sincerely,



Joseph G. Kuspa
Mayor

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

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PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DWD*

DATE: October 2, 2026

RE: Approve Renewal of Concessions Agreement – Southgate Ice Arena

I have reviewed the above with the Parks & Recreation Director and concur with her recommendation to renew the agreement with Sin Bin Concessions for a one-year period beginning September 1, 2026 through August 31, 2027 to manage concessions at the Southgate Ice Arena.

Under the agreement, Sin Bin Concessions will pay the City a 2.5% commission on net profit from concession stand operations.

The city attorney has reviewed the agreement and has approved the terms and language.

Proposed Motion

Approve one-year renewal of concession vendor agreement with Sin Bin Concessions, beginning September 1, 2026 through August 31, 2027, for concessions operations at the Southgate Ice Arena.

Southgate Michigan

PARKS & REC

14700 Reaume Parkway—Southgate, MI 48195 (734)258-3035

To: Dan Marsh, City Administrator
From: Julie Goddard, Parks & Recreation Director
Date: September 18th, 2026
Re: Renewal of Sin Bin Concessions Agreement - Southgate Ice Arena

I am respectfully requesting and recommending approval to renew the concession vendor agreement with Sin Bin Concessions for the Southgate Ice Arena for an additional one-year term, beginning September 1, 2026, through August 30, 2027.

Throughout their time as the concession vendor at the Southgate Ice Arena, Sin Bin Concessions has provided consistent and dependable service to our arena patrons, including our resident hockey teams, figure skaters, families, spectators, tournament participants, and other visitors to the facility.

The Parks & Recreation Department has been very pleased with the improvements and updates Sin Bin Concessions has made to the concession stand. They have taken pride in the appearance and operation of the space.

In addition to the physical improvements to the concession area, Sin Bin Concessions has demonstrated a strong commitment to customer service and has maintained a positive working relationship with the Parks & Recreation Department, our arena staff, resident organizations, and facility users.

Based on their performance over the past year, the improvements they have made to the concession operation, and the quality of service they continue to provide, I believe renewing the agreement with Sin Bin Concessions is in the best interest of the Southgate Ice Arena.

Respectfully Submitted,



Julie Goddard
Parks & Recreation Director
City of Southgate

CONCESSION STAND AGREEMENT

This Concession Stand Agreement (“Agreement”) dated _____ is made between City of Southgate Parks & Recreation Department (“City”) and SIN BIN Concessions (“Organization”), operated and owned by Brenda Presnell and Melissa Aldridge. The City and the Organization are referred to collectively herein as the “Parties”.

1. Purpose

This Agreement serves as a renewal agreement between the Parties, setting forth the renewal terms and conditions under which the Organization shall operate the existing concession stand inside the City of Southgate Ice Arena located at 14700 Reaume Parkway, Southgate, MI 48195 (“Premises”).

2. Term and Termination

2.1 Term: This Agreement shall commence on September 1st, 2026 and remain in effect for a period of one year.

2.2 Termination: Either party may terminate this Agreement by providing thirty [30] days written notice. The City may terminate immediately for cause. Cause includes, but is not limited to:

- Violation of local, state, or federal health or safety regulations.
- Failure to obtain or maintain required permits or licenses.
- Failure to submit required payments within ten (10) business days after notice of delinquency.
- Misuse or damage of City property or premises.
- Operating outside approved hours or in violation of building rules.
- Acts of gross negligence, fraud or criminal activity.

3. Payment

3.1 The Organization shall pay the City through its Parks & Recreation Department a 2.5% commission on net profit from concession stand operations.

3.2 Payment shall be made on or before the 10th day of the following month and shall be accompanied by a revenue report detailing sales for the applicable month.

3.3 Payment shall be submitted to the Southgate Parks & Recreation Office at the address above.

3.4 The City reserves the right to request any and all supporting documentation (e.g. point of sale summaries) to verify reported revenues. The Organization shall provide requested documentation to the City within ten (10) business days after notice.

4. Rules

The Organization shall comply with the following:

- Maintain the location in a clean and sanitary condition.
 - Operate the concession stand in a safe and responsible manner.
 - Comply with all applicable laws, regulations, and permits and have a copy on file of all permits with the City of Southgate Parks & Recreation Department.
-

5. Access to Premises

The City grants the Organization access to the Premises during its regular hours, subject to when the Premises has rentals/bookings and staff. The City shall inform the Organization on a monthly basis on the 1st of every month as to the hours and days the Organization is allowed access to the Premises. The Organization shall not access the Premises outside of the hours and days the City so provides.

6. Utilities and Equipment

6.1 The City will provide access to electric, gas and water services at no additional cost to the Organization, provided the Organization's usage remains within reasonable, customary operating limits.

6.2 The City reserves the right to assess additional charges if utility usage is determined to be excessive or unrelated to normal concession operations.

6.3 Equipment and materials provided by the City remain City property. Prior to operations commencing, a detailed log of all existing City equipment and materials shall be created and acknowledged by both Parties.

6.4 The Organization may not make permanent modifications to the premises without prior written approval from the City.

6.5 Any equipment or supplies purchased by the Organization may be removed at the end of the Agreement, provided no damage is caused to City property.

7. Liability and Insurance

- 7.1** The Organization shall release, indemnify, defend, and hold harmless the City, its elected officials, officers, agents, representatives, and employees from and against any and all lawsuits, claims, liabilities, loss and damage of any nature whatsoever including but not limited to: death, injury or property damage occurring to a patron or visitor of the Arena; theft or vandalism; damage to property of the Organization; or other adverse occurrence arising out of any operations or actions of the Organization and its agents, representatives, employees or the like under this Agreement.
- 7.2** The Organization shall maintain general liability insurance coverage of not less than one million dollars (\$1,000,000) and shall name the City of Southgate as additionally insured. A copy of the policy should be provided to the City at the commencement of operations and kept current throughout the Agreement term.

8. Compliance with Laws

The Organization shall comply with all applicable federal, state, and local laws, ordinances, and regulations, including those related to nondiscrimination, safety, and labor.

9. Independent Contractor

The Organization is an independent contractor and not an employee or agent of the City. Nothing in this Agreement shall be construed as creating a partnership or joint venture.

10. Entire Agreement

This Agreement constitutes the entire renewal understanding between the Parties. Any amendments must be in writing and signed by both Parties.

11. Governing Law

This Agreement shall be governed by the laws of the State of Michigan.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above and accept and agree to the terms herein:

City of Southgate Parks & Recreation

By: _____
Name: Julie Goddard
Title: Parks & Recreation Director

SIN BIN Concessions

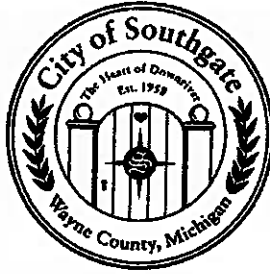
By: _____
Name: Brenda Presnell
Title: Owner/Operator

By: _____
Name: Melissa Aldridge
Title: Owner/Operator

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

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PHILLIP J. RAUCH

ADRIENE PRICE

ED GAWLIK JR.

Memorandum

To: Honorable City Council Members

From: Dan Marsh, City Administrator

Date: September 29, 2026

Re: Southwinds Club House Lease

The current lease agreement with Crystal Gardens for the Southwinds Club House is set to expire on October 1, 2026.

Crystal Gardens has agreed to extend the lease through November 1, 2026, at the current lease rate, with an option to continue operating through December 1, 2026, also at the current rate.

This memorandum is provided to Council for informational purposes and no action is required by Council.