

Southgate City Council Agenda

Council Chambers

14400 Dix-Toledo Rd., Southgate, Michigan 48195

Wednesday February 4, 2026

6:30pm **Work Study Session**

1. CASE Commission – Love Story Contest Winner
2. Proclamation – Black History Month
3. Officials Reports
4. 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 January 21, 2026
 2. Regular City Council Meeting Minutes dated January 21, 2026

Scheduled Persons in the Audience:

Consideration of Bids:

1. Letter from Mayor; Re: Purchase and Delivery of Trees

Page 7

Scheduled Hearings:

Communications "A"

1. Memo from Administrator; Re: Renewal of DirectTV Video Service Local Franchise Agreement
2. Memo from ACA/Finance Dir.; Re: Request for public hearings
 1. Southgate Wyandotte operation/Maintenance/Capital Service
 2. Water and Sewer Rates
3. Memo from ACA/Finance Dir.; Re: Proposed Schedule – FY 2026/27 Budget Process
4. Letter from Mayor; Re: Purchase of 2 Police Vehicles (Waiver of Bid)

Page 14

Page 27

Page 28

Page 29

Communications "B" – (Receive and File):

Ordinances:

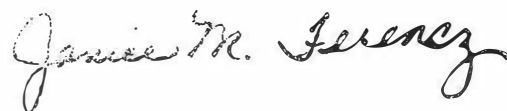
Old Business:

New Business:

Unscheduled Persons in the Audience:

Claims & Accounts: Warrant #1538 \$8,383,623.90

Adjournment:



Janice M. Ferencz, City Clerk

PROCLAMATION

WHEREAS: During Black History Month, we celebrate the many achievements and contributions made by African Americans to our economic, cultural, spiritual, and political development; and

WHEREAS: Black History Month grew out of the establishment, in 1926, of Negro History Week by Carter G. Woodson and the Association for the Study of African American Life and History; and

WHEREAS: the observance of Black History Month calls our attention to build a society that lives up to its democratic ideals; and

WHEREAS: the City of Southgate continues to work toward becoming an inclusive community in which all citizens—past, present, and future—are respected and recognized for their contributions and potential contributions to our community, the state, the country, and the world; and,

WHEREAS: the City of Southgate is proud to honor the history and contributions of African Americans in our community, throughout our state, and nation.

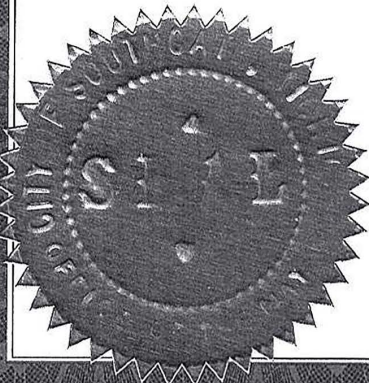
Now, therefore, in recognition of African Americans – past and present – in our community and throughout this Great Nation I, Joseph G. Kuspa, Mayor of the City of Southgate, Michigan, do hereby proclaim February to be:

Black History Month

I encourage all citizens to celebrate our diverse heritage and culture, and continue our efforts to create a world that is more just, peaceful, and prosperous for all.

GIVEN UNDER MY HAND AND SEAL

This 4th day of February, two-thousand and twenty-six.



Joseph G. Kuspa, Mayor

City Council

Work Study Session

January 21, 2026

An Informal Meeting of the Council of the City of Southgate was held on January 21, 2026 at 6:30 P.M. and called to order by Council President Zoey Kuspa.

Present: Priscilla Ayres-Reiss, Edward Gawlik, Jr., Karen George, Christian Graziani, Zoey Kuspa, Adriene Price, Phil Rauch

Absent:

Also Present: Mayor Joseph G. Kuspa, City Attorney Edward Zelenak, City Administrator Daniel Marsh, Assistant City Administrator/Finance Director Doug Drysdale, City Clerk Janice Ferencz, City Treasurer Chris Rollet, Police Chief Mark Mydlarz, Fire Chief Justin Graves, DPS Director Kevin Anderson, Recreation Director Julie Goddard, Building Director Tim Leach

Mayor Kuspa announced the winners of the Christmas Home Decorating Contest.

- *3rd Place Kaye & Shaun Ross, 13611 Peach*
- *2nd Place The Creech Family, 15254 Fordline*
- *1st Place Keith Damron & Susan Dakin, 13478 Kerr*

Discussed the following agenda items:

- Sale of 14282 Fordline
- Southgate Tower Park & Bridge Conditions of Development
- Southgate Tower Park Lease Agreement
- Fiscal Year 2025-26 Budget Amendment #2026-02
- Bid Extension for Cross Connection Control Program-Waiver of Bid
- Contract Extension for Sand, Top Soil & 21A Limestone-Waiver of Bid
- Change Order No. 1 – CDBG Sanitary Sewer Lining Program
- 2026 Poverty Exemption Guidelines and Application
- March 2026 Board of Review Dates
- Appointments to Plan Commission
- Legal Services for Southgate Public Schools v. City of Southgate

This meeting ended at 6:55 p.m.

City of Southgate

Regular City Council Meeting

January 21, 2026

A Regular Meeting of the Council of the City of Southgate was held on Wednesday, January 21, 2026 in the Southgate City Hall Council Chambers and was called to order at 7:00 PM by Council President Zoey Kuspa.

This meeting began with the Pledge of Allegiance.

Present: Priscilla Ayres-Reiss, Edward Gawlik, Jr., Karen George, Christian Graziani, Zoey Kuspa, Adriene Price, Phil Rauch

Absent:

Also Present: Mayor Joseph G. Kuspa, City Attorney Edward Zelenak, City Administrator Daniel Marsh, Assistant City Administrator/Finance Director Doug Drysdale, City Clerk Janice Ferencz, City Treasurer Chris Rollet, Police Chief Mark Mydlarz, Fire Chief Justin Graves, DPS Director Kevin Anderson, Recreation Director, Building Director Tim Leach

Minutes:

Moved by George, supported Ayres-Reiss, RESOLVED, that the minutes of the City Council Work Study Session dated January 7, 2026 be approved as presented. Motion carried unanimously.

Moved by Ayres-Reiss, supported by Rauch, RESOLVED, that the minutes of the Regular City Council Meeting dated January 7, 2026 be approved as presented. Motion carried unanimously.

Moved by Rauch, supported by George, RESOLVED, that the minutes of the Public Hearing dated January 7, 2026 be approved as presented. Motion carried unanimously.

Consideration of Bids:

1. Memo from Administrator; Re: Sale of 14282 Fordline moved by George, supported by Ayres-Reiss, RESOLVED THAT the Southgate City Council award the bid for Purchase and Redevelopment of 14282 Fordline to Pizzo Construction Co (Grosse Ile, MI) in the amount of \$10,000 and that they will use brick on all exterior walls. Motion carried unanimously.

Communications "A":

1. Memo from Administrator; Re: Southgate Tower Park 7 Bridge Conditions of Development moved by Gawlik, supported by Ayres-Reiss, THAT the Southgate City Council approve and authorize the City Administrator to sign the attached agreement between the City of Southgate and Southgate Tower, LLC for the development of a public park and pedestrian bridge. Motion carried unanimously.
2. Memo from Administrator; Re: Southgate Tower Park Lease Agreement moved by Gawlik, supported by Price, RESOLVED THAT the Southgate City Council approve and authorize the Mayor and Clerk to sign the attached lease agreement between the City of Southgate and Southgate Tower, LLC for the public park located at 16333 Trenton Road for a period of twenty years at one dollar per year. Motion carried unanimously.
3. Memo from Administrator; Re: Fiscal Year 2025-26 Budget Amendment #2026-02 moved by Rauch, supported by Ayres-Reiss, RESOLVED THAT the Southgate City Council approve proposed Budget Amendment #2026-02 as detailed on the attached report. Motion carried unanimously.

Regular City Council Meeting January 21, 2026

4. Letter from Mayor; Re: Bid Extension for Cross Connection Control Program-Waiver of Bid moved by Graziani, supported by Rauch, RESOLVED THAT the Southgate City Council waive the bidding process and approve the bid extension for the Cross Connection Control Program with HydroCorp Inc. for a three-year period commencing February 1, 2026 in the annual amounts of \$35,479.70, \$36,543.80 and \$37,639.60, respectively. Motion carried unanimously.
5. Letter from Mayor; Re: Contract Extension for Sand, Top Soil & 21A Limestone-Waiver of Bid moved by George, supported by Gawlik, RESOLVED THAT the Southgate City Council waive the bidding process and approve the one-year bid extension through January 31, 2027 with Freeport Supply Co. (original contract was awarded Jan 6, 2021) for sand, top soil and 21A aggregate in the amounts of \$10.74/ton, \$14.95/ton and \$10.40/ton, respectively. Motion carried unanimously.
6. Letter from Mayor; Re: Change Order No. 001 – CDBG Sanitary Sewer Lining Program moved by Graziani, supported by George, RESOLVED THAT the Southgate City Council approve Change Order No. 001 with DVM utilities in the amount of \$134,905.00, plus 10% contingency in the amount of \$13,490.50, for sewer repairs required as part of the sewer lining project. Motion carried unanimously.
7. Memo from ACA/Fin. Dir.: Re: Approve 2026 Poverty Exemption Guidelines and Application moved by Rauch, supported by Price, RESOLVED THAT the Southgate City Council approve the 2026 Poverty Exemption Guidelines and Application, based on guidance from the Michigan State Tax Commission. Motion carried unanimously.
8. Memo from ACA/Fin. Dir.: Re: Approve March 2026 Board of Review Dates moved by Gawlik, supported by Ayres-Reiss, RESOLVED THAT the Southgate City Council approve the March 2026 Board of Review dates per the Deputy City Assessor's memo dated January 5, 2026, the Board of Review member's compensation in the amount of \$200.00 per day or \$100.00 per half-day, and the amount up to \$200.00 per day for additional expenses. Motion carried unanimously.
9. Letter from Mayor; Re: Appointments to Plan Commission moved by George, supported by Rauch, RESOLVED THAT the Southgate City Council concur with the Mayor's Appointments of Andrew Moul, Chad Godbout & Mark Nemeth to the Plan Commission with a term expiring December 2028. Motion carried unanimously.
10. Memo from Administrator; Re: Legal Services for Southgate Public Schools v. City of Southgate moved by Rauch, supported by George, RESOLVED THAT the Southgate City Council engage Garan Lucow Miller P.C. for legal assistance to represent the City of Southgate in the lawsuit Southgate Public Schools v. City of Southgate, case no. 25-015186-CZ in the not to exceed amount of \$30,000.00. Motion carried unanimously.

Claims and Accounts:

Moved by Rauch, supported by George, RESOLVED, that Claims and Accounts be paid as outlined on Warrant #1537 for \$1,546,291.66. Motion carried unanimously.

Adjournment:

Moved by Ayres-Reiss, supported by Gawlik, RESOLVED THAT this Regular Meeting of the Southgate City Council be adjourned at 7:14 P.M. Carried unanimously.

Regular City Council Meeting
January 21, 2026

Zoey Kuspa
Council President

Janice M. Ferencz
City Clerk

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.

January 30, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Purchase and Delivery of Trees

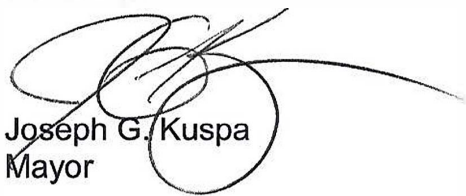
Ladies and Gentlemen:

It is recommended by the DPS Director and I concur, that we award this contract to Schlichtel's Nursery, Inc., Springville, NY, through December 31, 2026. Schlichtel's Nursery is the lowest bidder for this contract and is our current contractor.

There are adequate funds available for these services in the General Fund.

Your favorable consideration to this recommendation would be greatly appreciated.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

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ZOEY KUSPA
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ADRIENE PRICE

ED GAWLIK JR.

MEMORANDUM

TO: The Honorable Mayor and City Council
FROM: Douglas Drysdale, Assistant City Administrator / Finance Director *DWD*
DATE: January 30, 2026
RE: Recommendation to Award Bid for Purchase and Delivery of Trees

I have reviewed the above with the Director of Public Service, and concur with his recommendation to award the bid for the purchase and delivery of trees to Schichtel's Nursery, Inc. (Springville NY) through December 31, 2026.

Schichtel's is our current contractor and has provided excellent service to the city; in addition, they were the low bidder for this contract.

Adequate funds are available in the General Fund for these services.

Proposed Motions

Award bid for the purchase and delivery of trees to Schichtel's Nursery, Inc., expiring December 31, 2026.

From the Desk of:
Kevin Anderson
Director, D.P.S.
January 29, 2026

To: Dan March, City Administrator
Doug Drysdale, Finance Director

Re: Bid Recommendation for Purchase and Delivery of Trees

I respectfully request to award the bid for Purchase and Delivery of Trees to Schichtel's Nursery, Inc., 7420 Peters Road, Springville, NY 14141. They are our current contractor and have provided excellent service to the city. They are also the lowest bidder for this contract.

Schichtel's Nursery, Inc. 7420 Peters Road Springville, NY 14141
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If you have any questions, please contact me.

Sincerely,



Kevin Anderson,
DPS Director

KA/sb
bid tabulation attached

2026 TREE PURCHASE BIDS

	Schichitel's Nursery	North Branch Nursery	North Branch Nursery ⁷	Artman's Nursery
Powder Keg Sugar Maple	136.00	187.00 ¹	177.65 ¹	378.00
Sienna Glen Freeman Maple	120.00	174.00	165.30	360.00
Heritage River Birch	136.00	111.00	105.45	286.00
Yellowwood	153.00	199.00	189.05	420.00
Autumn Gold Ginkgo	153.00	226.00	214.70	474.00
Magyar Ginkgo (columnar tree)	153.00	226.00 ²	214.70 ²	480.00
Tuliptree	136.00	145.00	137.75	326.00
Elizabeth Magnolia (can be multi-stemmed)	159.00	146.00 ³	138.70 ³	324.00
Galaxy Magnolia (can be multi-stemmed)	166.00	200.00	190.00	324.00
Lois Magnolia (can be multi-stemmed)	166.00	146.00 ⁴	138.70 ⁴	450.00
Prairie Fire Crabapple	110.00	158.00	150.10	258.00
Exclamation London Planetree	120.00	177.00	168.15	281.00
Swamp White Oak	126.00	178.00	169.10	329.00
Burr Oak	120.00	151.00	143.45	391.00
Lincoln Linden	136.00	170.00 ⁵	161.50 ⁵	342.00
Accolade Elm	126.00	164.00	155.80	313.00
Northern Empress Elm	126.00	181.00 ⁶	171.95 ⁶	360.00
Frontier Elm	126.00	181.00	171.95	287.00

1. Green Mountain Maple-substitution
2. Princeton Sentry Ginkgo-substitution
3. Saucer Magnolia MS-substitution
4. Merrill Magnolia-substitution
5. Redmond Linden-substitution
6. Frontier Elm-substitution
7. North Branch Nursery 5% discount for 5 or more trees per variety

Low bid

- All trees are to be "Balled & Burlapped" and shall be 1½"-2" caliber (minimum) – tree form – no columnar or clump forms, unless otherwise noted.
- Trees to be purchased: 40-60 trees per season

Latin Name	Common Name	B & B 1 ½ -2" Unit Cost
Acer saccharum 'Whit XLIX'	Powder Keg Sugar Maple	\$ 136.00
Acer x freemanii 'Sienna Glen'	Sienna Glen Freeman Maple	\$ 120.00
Betula nigra 'Cully'	Heritage River Birch	\$ 136.00
Cladrastis kentukea	Yellowwood	\$ 153.00
Ginkgo biloba 'Autumn Gold'	Autumn Gold Ginkgo	\$ 153.00
Ginkgo biloba 'Magyar'	Magyar Ginkgo (columnar tree)	\$ 153.00
Liriodendron tulipifera	Tuliptree	\$ 136.00
Magnolia 'Elizabeth'	Elizabeth Magnolia (can be multi-stemmed)	\$ 159.00
Magnolia 'Galaxy'	Galaxy Magnolia (can be multi-stemmed)	\$ 166.00
Magnolia x brooklynensis 'Lois'	Lois Magnolia (can be multi-stemmed)	\$ 166.00
Malus 'Prairie Fire'	Prairie Fire Crabapple	\$ 110.00
Platanus acerifolia 'Exclamation'	Exclamation London Planetree	\$ 120.00
Quercus bicolor	Swamp White Oak	\$ 126.00
Quercus macrocarpa	Burr Oak	\$ 120.00
Tilia americana 'Lincoln	Lincoln Linden	\$ 136.00
Ulmus davidiana var japonica "Morton"	Accolade Elm	\$ 126.00
Ulmus davidiana var. japonica 'Burgundy Glow'	Northern Empress Elm	\$ 126.00
Ulmus x 'Frontier'	Frontier Elm	\$ 126.00

Latin Name	Common Name	B & B 1 1/2"-2" Unit Cost
	- N/A -	

Total Bid:	Depends on Quantities Purchased.
Company Name:	Schichtel's Nursery Inc.
Address:	7420 Peters Rd.
City / State / Zip code:	Springville NY 14141
Telephone (with area code):	716-592-9383 x 127
Fax # (with area code):	716-592-4282
E-mail address:	Nicole@Schichtels.com
Authorized Representative:	Nicole Sage (Print or Type Name)
Signature & Title:	Nicole Sage - Assistant Secretary (Authorized Representative)
Date:	01/02/2025

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

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ADRIENE PRICE

ED GAWLIK JR.

Memorandum

To: Honorable Mayor and City Council Members

From: Dan Marsh, City Administrator

Date: January 29, 2026

Re: Renewal of DirectTV Video Service Local Franchise Agreement

On September 7, 2016 the City Council authorized the renewal of the DirectTV (formerly AT&T) Video Service Local Franchise Agreement for a 10 year period. DirectTV is requesting a renewal for an additional 10 year term. The extension will include the 5% video service provider fee of 5.0% which is the maximum cities may charge. The attached agreement has been reviewed by our City attorneys and is recommended for approval.

If you have any questions please contact me.

Proposed Motion: To authorize the renewal of the DirectTV Video Service Local Franchise Agreement for a ten year period, to establish the franchise fee at five percent, and to authorize the City Administrator to sign on behalf of the City

UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

THIS UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT ("Agreement") is made, pursuant to 2006 PA 480, MCL 484.3301 *et seq.*, (the "Act") by and between the City of Southgate, a Michigan municipal corporation (the "Franchising Entity"), and DIRECTV, LLC, a California corporation doing business as DIRECTV, LLC.

I. Definitions

For purposes of this Agreement, the following terms shall have the following meanings as defined in the Act:

- A. "Cable Operator" means that term as defined in 47 USC 522(5).
- B. "Cable Service" means that term as defined in 47 USC 522(6).
- C. "Cable System" means that term as defined in 47 USC 522(7).
- D. "Commission" means the Michigan Public Service Commission.
- E. "Franchising Entity" means the local unit of government in which a provider offers video services through a franchise.
- F. "FCC" means the Federal Communications Commission.
- G. "Gross Revenue" means that term as described in Section 6(4) of the Act and in Section VI(D) of the Agreement.
- H. "Household" means a house, an apartment, a mobile home, or any other structure or part of a structure intended for residential occupancy as separate living quarters.
- I. "Incumbent video provider" means a cable operator serving cable subscribers or a telecommunication provider providing video services through the provider's existing telephone exchange boundaries in a particular franchise area within a local unit of government on the effective date of this act.
- J. "IPTV" means internet protocol television.
- K. "Local unit of government" means a city, village, or township.
- L. "Low-income household" means a household with an average annual household income of less than \$35,000.00 as determined by the most recent decennial census.
- M. "METRO Act" means the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, 2002 PA 48, MCL 484.3101 *et seq.*
- N. "Open video system" or "OVS" means that term as defined in 47 USC 573.
- O. "Person" means an individual, corporation, association, partnership, governmental entity, or any other legal entity.
- P. "Public rights-of-way" means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easements dedicated for compatible uses.
- Q. "Term" means the period of time provided for in Section V of this Agreement.
- R. "Uniform video service local franchise agreement" or "franchise agreement" means the franchise agreement required under the Act to be the operating agreement between each franchising entity and video provider in this state.
- S. "Video programming" means that term as defined in 47 USC 522(20).
- T. "Video service" means video programming, cable services, IPTV, or OVS provided through facilities located at ~~least in part~~ in the public rights-of-way without regard to delivery technology, including internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in 47 USC 332(d) or provided solely as part of, and via, a service that enables users to access content, information, electronic mail, or other services offered over the public internet.
- U. "Video service provider" or "Provider" means a person authorized under the Act to provide video service.
- V. "Video service provider fee" means the amount paid by a video service provider or incumbent video provider under Section 6 of the Act and Section VI of this Agreement.

II. Requirements of the Provider

- A. An unfranchised Provider will not provide video services in any local unit of government without first obtaining a uniform video service local franchise agreement as provided under **Section 3 of the Act** (except as otherwise provided by the Act).
- B. The Provider shall file in a timely manner with the Federal Communications Commission all forms required by that agency in advance of offering video service in Michigan.
- C. The Provider agrees to comply with all valid and enforceable federal and state statutes and regulations.
- D. The Provider agrees to comply with all valid and enforceable local regulations regarding the use and occupation of public rights-of-way in the delivery of the video service, including the police powers of the Franchising Entity.
- E. The Provider shall comply with all Federal Communications Commission requirements involving the distribution and notification of federal, state, and local emergency messages over the emergency alert system applicable to cable operators.
- F. The Provider shall comply with the public, education, and government programming requirements of Section 4 of the Act.
- G. The Provider shall comply with all customer service rules of the Federal Communications Commission under 47 CFR 76.309 (c) applicable to cable operators and applicable provisions of the Michigan Consumer Protection Act, 1976 PA 331, MCL 445.901 to 445.922.
 - i. Including but not limited to: MCL 445.902; MCL 445.903 (1)(a) through 445.903(1)(cc); MCL 445.903(1)(ff) through (jj); MCL 445.903(2); MCL 445.905; MCL 445.906; MCL 445.907; MCL 445.908; MCL 445.910; MCL 445.911; MCL 445.914; MCL 445.915; MCL 445.916; MCL 445.918.
- H. The Provider agrees to comply with in-home wiring and consumer premises wiring rules of the Federal Communications Commission applicable to cable operators.
- I. The Provider shall comply with the Consumer Privacy Requirements of 47 USC 551 applicable to cable operators.
- J. If the Provider is an incumbent video provider, it shall comply with the terms which provide insurance for right-of-way related activities that are contained in its last cable franchise or consent agreement from the Franchising Entity entered before the effective date of the Act.
- K. The Provider agrees that before offering video services within the boundaries of a local unit of government, the video Provider shall enter into a Franchise Agreement with the local unit of government as required by the Act.
- L. The Provider understands that as the effective date of the Act, no existing Franchise Agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the Agreement.
- M. The Provider provides an exact description of the video service area footprint to be served, pursuant to **Section 2(3)(e) of the Act**. If the Provider is not an incumbent video Provider, the date on which the Provider expects to provide video services in the area identified under **Section 2(3)(e) of the Act** must be noted. The Provider will provide this information in Attachment 1 - Uniform Video Service Local Franchise Agreement.
- N. The Provider is required to pay the Provider fees pursuant to **Section 6 of the Act**.

III. Provider Providing Access

- A. The Provider shall not deny access to service to any group of potential residential subscribers because of the race or income of the residents in the local area in which the group resides.
- B. It is a defense to an alleged violation of Paragraph A if the Provider has met either of the following conditions:
 - i. Within 3 years of the date it began providing video service under the Act and the Agreement; at least 25% of households with access to the Provider's video service are low-income households.
 - ii. Within 5 years of the date it began providing video service under the Act and Agreement and from that point forward, at least 30% of the households with access to the Provider's video service are low-income households.
- C. **[If the Provider is using telecommunication facilities]** to provide video services and has more than 1,000,000 telecommunication access lines in Michigan, the Provider shall provide access to its video service to a number of households equal to at least 25% of the households in the provider's telecommunication

service area in Michigan within 3 years of the date it began providing video service under the Act and Agreement and to a number not less than 50% of these households within 6 years. **The video service Provider is not required to meet the 50% requirement in this paragraph until 2 years after at least 30% of the households with access to the Provider's video service subscribe to the service for 6 consecutive months.**

- D. The Provider may apply to the Franchising Entity, and in the case of paragraph C, the Commission, for a waiver of or for an extension of time to meet the requirements of this section if 1 or more of the following apply:
- i. The inability to obtain access to public and private rights-of-way under reasonable terms and conditions.
 - ii. Developments or buildings not being subject to competition because of existing exclusive service arrangements.
 - iii. Developments or buildings being inaccessible using reasonable technical solutions under commercial reasonable terms and conditions.
 - iv. Natural disasters
 - v. Factors beyond the control of the Provider
- E. The Franchising Entity or Commission may grant the waiver or extension only if the Provider has made substantial and continuous effort to meet the requirements of this section. If an extension is granted, the Franchising Entity or Commission shall establish a new compliance deadline. If a waiver is granted, the Franchising Entity or Commission shall specify the requirement or requirements waived.
- F. The Provider shall file an annual report with the Franchising Entity and the Commission regarding the progress that has been made toward compliance with paragraphs B and C.
- G. Except for satellite service, the provider may satisfy the requirements of this paragraph and Section 9 of the Act through the use of alternative technology that offers service, functionality, and content, which is demonstrably similar to that provided through the provider's video service system and may include a technology that does not require the use of any public right-of-way. The technology utilized to comply with the requirements of this section shall include local public, education, and government channels and messages over the emergency alert system as required under Paragraph II(E) of this Agreement.

IV. Responsibility of the Franchising Entity

- A. The Franchising Entity hereby grants authority to the Provider to provide Video Service in the Video Service area footprint, as described in this Agreement and Attachments, as well as the Act.
- B. The Franchising Entity hereby grants authority to the Provider to use and occupy the Public Rights-of-way in the delivery of Video Service, subject to the laws of the state of Michigan and the police powers of the Franchising Entity.
- C. The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by the Act within 15 business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the Franchise Agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
- D. The Franchising Entity shall have 30 days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under **Section 3(3) of the Act**, the Franchise Agreement shall be considered complete and the Franchise Agreement approved.
- i. If time has expired for the Franchising Entity to notify the Provider, The Provider shall send (via mail: certified or registered, or by fax) notice to the Franchising Entity and the Commission, using Attachment 3 of this Agreement.
- E. The Franchising Entity shall allow a Provider to install, construct, and maintain a video service or communications network within a public right-of-way and shall provide the provider with open, comparable, nondiscriminatory, and competitively neutral access to the public right-of-way.
- F. The Franchising Entity may not discriminate against a video service provider to provide video service for any of the following:
- i. The authorization or placement of a video service or communications network in public right-of-way.
 - ii. Access to a building owned by a governmental entity.
 - iii. A municipal utility pole attachment.
- G. The Franchising Entity may impose on a Provider a permit fee only to the extent it imposes such a fee on incumbent video providers, and any fee shall not exceed the actual, direct costs incurred by the Franchising Entity for issuing the relevant permit. A fee under this section shall not be levied if the Provider already has

paid a permit fee of any kind in connection with the same activity that would otherwise be covered by the permit fee under this section or is otherwise authorized by law or contract to place the facilities used by the Provider in the public right-of-way or for general revenue purposes.

- H. The Franchising Entity shall not require the provider to obtain any other franchise, assess any other fee or charge, or impose any other franchise requirement than is allowed under the Act and this Agreement. For purposes of this Agreement, a franchise requirement includes but is not limited to, a provision regulating rates charged by video service providers, requiring the video service providers to satisfy any build-out requirements, or a requirement for the deployment of any facilities or equipment.
- I. Notwithstanding any other provision of the Act, the Provider shall not be required to comply with, and the Franchising Entity may not impose or enforce, any mandatory build-out or deployment provisions, schedules, or requirements except as required by **Section 9 of the Act**.
- J. The Franchising Entity is subject to the penalties provided for under Section 14 of the Act.

V. Term

- A. This Franchise Agreement shall be for a period of 10 years from the date it is issued. The date it is issued shall be calculated either by (a) the date the Franchising Entity approved the Agreement, provided it did so within 30 days after the submission of a complete franchise agreement, or (b) the date the Agreement is deemed approved pursuant to **Section 3(3) of the Act**, if the Franchising Entity either fails to notify the Provider regarding the completeness of the Agreement or approve the Agreement within the time periods required under that subsection.
- B. Before the expiration of the initial Franchise Agreement or any subsequent renewals, the Provider may apply for an additional 10-year renewal under **Section 3(7) of the Act**, or the parties may mutually agree to a shorter renewal period.

VI. Fees

- A. A video service Provider shall calculate and pay an annual video service provider fee to the Franchising Entity. The fee shall be 1 of the following:
 - i. If there is an existing Franchise Agreement, an amount equal to the percentage of gross revenue paid to the Franchising Entity by the incumbent video Provider with the largest number of subscribers in the Franchising Entity.
 - ii. At the expiration of an existing Franchise Agreement or if there is no existing Franchise Agreement, an amount equal to the percentage of gross revenue as established by the Franchising Entity of 5.0 % (percentage amount to be inserted by Franchising Entity which shall not exceed 5%) and shall be applicable to all providers
- B. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- C. The Franchising Entity shall not demand any additional fees or charges from a provider and shall not demand the use of any other calculation method other than allowed under the Act.
- D. For purposes of this Section, "gross revenues" means all consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by the provider from subscribers for the provision of video service by the video service provider within the jurisdiction of the franchising entity.
 - 1. **Gross revenues shall include all of the following:**
 - i. All charges and fees paid by subscribers for the provision of video service, including equipment rental, late fees, insufficient funds fees, fees attributable to video service when sold individually or as part of a package or bundle, or functionally integrated, with services other than video service.
 - ii. Any franchise fee imposed on the Provider that is passed on to subscribers.
 - iii. Compensation received by the Provider for promotion or exhibition of any products or services over the video service.
 - iv. Revenue received by the Provider as compensation for carriage of video programming on that Provider's video service.
 - v. All revenue derived from compensation arrangements for advertising to the local franchise area.
 - vi. Any advertising commissions paid to an affiliated third party for video service advertising.
 - 2. **Gross revenues do not include any of the following:**
 - i. Any revenue not actually received, even if billed, such as bad debt net of any recoveries of bad debt.
 - ii. Refunds, rebates, credits, or discounts to subscribers or a municipality to the extent not already offset by subdivision (D)(i) and to the extent the refund, rebate, credit, or discount is attributable to the video service.

- iii. Any revenues received by the Provider or its affiliates from the provision of services or capabilities other than video service, including telecommunications services, information services, and services, capabilities, and applications that may be sold as part of a package or bundle, or functionality integrated, with video service.
 - iv. Any revenues received by the Provider or its affiliates for the provision of directory or internet advertising, including yellow pages, white pages, banner advertisement, and electronic publishing.
 - v. Any amounts attributable to the provision of video service to customers at no charge, including the provision of such service to public institutions without charge.
 - vi. Any tax, fee, or assessment of general applicability imposed on the customer or the transaction by a federal, state, or local government or any other governmental entity, collected by the Provider, and required to be remitted to the taxing entity, including sales and use taxes.
 - vii. Any forgone revenue from the provision of video service at no charge to any person, except that any forgone revenue exchanged for trades, barter, services, or other items of value shall be included in gross revenue.
 - viii. Sales of capital assets or surplus equipment.
 - ix. Reimbursement by programmers of marketing costs actually incurred by the Provider for the introduction of new programming.
 - x. The sale of video service for resale to the extent the purchaser certifies in writing that it will resell the service and pay a franchise fee with respect to the service.
- E. In the case of a video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the video Provider's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the Provider can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.
- F. Revenue of an affiliate shall be included in the calculation of gross revenues to the extent the treatment of the revenue as revenue of the affiliate has the effect of evading the payment of franchise fees which would otherwise be paid for video service.
- G. The Provider is entitled to a credit applied toward the fees due under **Section 6(1) of the Act** for all funds allocated to the Franchising Entity from annual maintenance fees paid by the provider for use of public rights-of-way, minus any property tax credit allowed under **Section 8 of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act (METRO Act)**, 2002 PA 48, MCL 484.3108. The credits shall be applied on a monthly pro rata basis beginning in the first month of each calendar year in which the Franchising Entity receives its allocation of funds. The credit allowed under this subsection shall be calculated by multiplying the number of linear feet occupied by the Provider in the public rights-of-way of the Franchising Entity by the lesser of 5 cents or the amount assessed under the **METRO Act**. The Provider is not eligible for a credit under this section unless the provider has taken all property tax credits allowed under the **METRO Act**.
- H. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- I. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- J. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(1) of the Act**, applied against the amount of the subscriber's monthly bill.
- K. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

VII. Public, Education, and Government (PEG) Channels

- A. The video service Provider shall designate a sufficient amount of capacity on its network to provide for the same number of public, education, and government access channels that are in actual use on the incumbent video provider system on the **effective date of the Act** or as provided under **Section 4(14) of the Act**.
- B. Any public, education, or government channel provided under this section that is not utilized by the Franchising Entity for at least 8 hours per day for 3 consecutive months may no longer be made available to the Franchising Entity and may be programmed at the Provider's discretion. At such a time as the Franchising Entity can certify a schedule for at least 8 hours of daily programming for a period of 3 consecutive months, the Provider shall restore the previously reallocated channel.
- C. The Franchising Entity shall ensure that all transmissions, content, or programming to be retransmitted by a video service Provider is provided in a manner or form that is capable of being accepted and retransmitted by a Provider, without requirement for additional alteration or change in the content by the Provider, over the

particular network of the Provider, which is compatible with the technology or protocol utilized by the Provider to deliver services.

- D. The person producing the broadcast is solely responsible for all content provided over designated public, education, or government channels. The video service Provider shall not exercise any editorial control over any programming on any channel designed for public, education, or government use.
- E. The video service Provider is not subject to any civil or criminal liability for any program carried on any channel designated for public, education, or government use.
- F. If a Franchising Entity seeks to utilize capacity pursuant to **Section 4(1) of the Act** or an agreement under **Section 13 of the Act** to provide access to video programming over one or more PEG channels, the Franchising Entity shall give the Provider a written request specifying the number of channels in actual use on the incumbent video provider's system or specified in the agreement entered into under **Section 13 of the Act**. The video service Provider shall have 90 days to begin providing access as requested by the Franchising Entity. The number and designation of PEG access channels shall be set forth in an addendum to this agreement effective 90 days after the request is submitted by the Franchising Entity.
- G. A PEG channel shall only be used for noncommercial purposes.

VIII. PEG Fees

- A. The video service Provider shall also pay to the Franchising Entity as support for the cost of PEG access facilities and services an annual fee equal to one of the following options:
 - 1. If there is an existing Franchise on the effective date of the Act, the fee (enter the fee amount _____) paid to the Franchising Entity by the incumbent video Provider with the largest number of cable service subscribers in the Franchising Entity as determined by the existing Franchise Agreement;
 - 2. At the expiration of the existing Franchise Agreement, the amount required under (1) above, which is 0.0 % of gross revenues. (The amount under (1) above is not to exceed 2% of gross revenues);
 - 3. If there is no existing Franchise Agreement, a percentage of gross revenues as established by the Franchising Entity and to be determined by a community need assessment, is _____% of gross revenues. (The percentage that is established by the Franchising Entity is not to exceed 2% of gross revenues.); and
 - 4. An amount agreed to by the Franchising Entity and the video service Provider.
- B. The fee required by this section shall be applicable to all providers, pursuant to Section 6(9) of the Act.
- C. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- D. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- E. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- F. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(8) of the Act**, applied against the amount of the subscriber's monthly bill.
- G. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

IX. Audits

- A. No more than every 24 months, a Franchising Entity may perform reasonable audits of the video service Provider's calculation of the fees paid under **Section 6 of the Act** to the Franchising Entity during the preceding 24-month period only. All records reasonably necessary for the audits shall be made available by the Provider at the location where the records are kept in the ordinary course of business. The Franchising Entity and the video service Provider shall each be responsible for their respective costs of the audit. Any additional amount due verified by the Franchising Entity shall be paid by the Provider within 30 days of the Franchising Entity's submission of invoice for the sum. If the sum exceeds 5% of the total fees which the audit determines should have been paid for the 24-month period, the Provider shall pay the Franchising Entity's reasonable costs of the audit.
- B. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the provider shall be made within 3 years from the date the compensation is remitted.

X. Termination and Modification

This Franchise Agreement issued by a Franchising Entity may be terminated or the video service area footprint may be modified, except as provided under **Section 9 of the Act**, by the Provider by submitting notice to the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XI. Transferability

This Franchise Agreement issued by a Franchising Entity or an existing franchise of an incumbent video service Provider is fully transferable to any successor in interest to the Provider to which it is initially granted. A notice of transfer shall be filed with the Franchising Entity within 15 days of the completion of the transfer. The Provider will use Attachment 2, when notifying the Franchising Entity. The successor in interest will assume the rights and responsibilities of the original provider and will also be required to complete their portion of the Transfer Agreement located within Attachment 2.

XII. Change of Information

If any of the information contained in the Franchise Agreement changes, the Provider shall timely notify the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XIII. Confidentiality

Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL**.

- A. The Provider may specify which items of information should be deemed "confidential." It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:
 "[insert PROVIDER'S NAME]
 [CONFIDENTIAL INFORMATION]"
- B. The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
- C. Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.

XIV. Complaints/Customer Service

- A. The Provider shall establish a dispute resolution process for its customers. Provider shall maintain a local or toll-free telephone number for customer service contact.
- B. The Provider shall be subjected to the penalties, as described under **Section 14 of the Act**, and the Franchising Entity and Provider may be subjected to the dispute process as described in **Section 10 of the Act**.
- C. Each Provider shall annually notify its customers of the dispute resolution process required under **Section 10 of the Act**. Each Provider shall include the dispute resolution process on its website.
- D. Before a customer may file a complaint with the Commission under **Section 10(5) of the Act**, the customer shall first attempt to resolve the dispute through the dispute resolution process established by the Provider in **Section 10(2) of the Act**.
- E. A complaint between a customer and a Provider shall be handled by the Commission pursuant to the process as described in **Section 10(5) of the Act**.
- F. A complaint between a Provider and a franchising entity or between two or more Providers shall be handled by the Commission pursuant to the process described in **Section 10(6) of the Act**.
- G. In connection with providing video services to the subscribers, a provider shall not do any act prohibited by Section 10(1)(a-f) of the Act. The Commission may enforce compliance to the extent that the activities are not covered by **Section 2(3)(l) in the Act**.

XV. Notices

Any notices to be given under this Franchise Agreement shall be in writing and delivered to a Party personally, by facsimile or by certified, registered, or first-class mail, with postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed as follows:

If to the Franchising Entity:
(must provide street address)

City of Southgate:

14400 Dix Toledo Hwy.

Southgate, MI 48195

Attn: City Administrator
Cc:

E-Mail Address(es): dmarsh@southgatemi.gov

If to the Provider:
(must provide street address)

DIRECTV, LLC

2260 E. Imperial Highway

El Segundo, California 90245

Attn: LEGAL / EXTERNAL AFFAIRS
Scott J. Alexander, Senior Director – External Affairs

E-Mail Address: scott.alexander@directv.com

Or such other addresses or facsimile numbers as the Parties may designate by written notice from time to time.

XVI. Miscellaneous

- A. **Governing Law.** This Franchise Agreement shall be governed by, and construed in accordance with, applicable Federal laws and laws of the State of Michigan.
- B. **The parties to this Franchise Agreement** are subject to all valid and enforceable provisions of the Act.
- C. **Counterparts.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute on and the same agreement.
- D. **Power to Enter.** Each Party hereby warrants to the other Party that it has the requisite power and authority to enter into this Franchise Agreement and to perform according to the terms hereof.
- E. **The Provider and Franchising Entity** are subject to the provisions of 2006 Public Act 480.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Franchise Agreement.

City of Southgate, a Michigan municipal corporation

By

Print Name

Title

Address

City, State, Zip

Phone

Fax

Email

DIRECTV, LLC, a California limited liability company

By



Print Name

Scott J. Alexander

Title

Senior Director – External Affairs

Address

2260 E. Imperial Highway

City, State, Zip

El Segundo, California 90245

Phone

(214) 202-3185

Fax

None

Email

scott.alexander@directv.com

FRANCHISE AGREEMENT
(Franchising Entity to Complete)

Date submitted:

Date completed and approved:

ATTACHMENT 1

UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT (Pursuant To 2006 Public Act 480)

(Form must be typed)

Date: June 9, 2025		
Applicant's Name: DIRECTV, LLC		
Address 1: 2260 E. Imperial Highway		
Address 2:		Phone: (310) 612-6886
City: El Segundo	State: California	Zip: 90245
Federal I.D. No. (FEIN): 95-4511940		

Company executive officers:

Name(s): Brian M. Regan
Title(s): Senior Vice President and Assistant Secretary

Person(s) authorized to represent the company before the Franchising Entity and the Commission:

Name: Scott J. Alexander or his designee(s)		
Title: Senior Director - External Affairs		
Address: 2260 E. Imperial Highway, El Segundo, California 90245		
Phone: (214) 202-3185	Fax: None	Email: scott.alexander@directv.com

Describe the video service area footprint as set forth in Section 2(3e) of the Act. (An exact description of the video service area footprint to be served, as identified by a geographic information system digital boundary meeting or exceeding national map accuracy standards.)

DIRECTV, LLC

SEE ATTACHED MAP LABELED AS ATTACHMENT A

The Video Service Area Footprint is set forth in a map, attached as Attachment A, which is created using Expanded Geographic Information System (EGIS) software and thus, meets the requirements of Section 2(3)(e) of Act 480. The map identifies the Video Service Area Footprint in terms of wire centers or exchanges serving the City of Southgate, and such boundaries are overlaid onto a map with the municipal boundaries of the City of Southgate.

[**Option A:** for Providers that Options B and C are not applicable, a description based on a geographic information system digital boundary meeting or exceeding national map accuracy standards]

[**Option B:** for Providers with 1,000,000 or more access lines in Michigan using telecommunication facilities to provide Video Service, a description based on entire wire centers or exchanges located in the Franchising Entity]

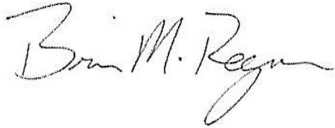
[**Option C:** for an Incumbent Video Service Provider, it satisfies this requirement by allowing the Franchising Entity to seek right-of-way information comparable to that required by a permit under the METRO Act as set forth in its last cable franchise or consent agreement from the Franchising Entity entered into before the effective date of the Act]

Pursuant to Section 2(3)(d) of the Act, if the Provider is not an incumbent video Provider, provide the date on which the Provider expects to provide video services in the area identified under Section 2(3)(e) (the Video Service Area Footprint).

For All Applications:

**Verification
(Provider)**

I, Brian M. Regan, of lawful age, and being first duly sworn, now states: As an officer of the Provider, I am authorized to do and hereby make the above commitments. I further affirm that all statements made above are true and correct to the best of my knowledge and belief.

Name and Title (printed): Brian M. Regan, Senior Vice President and Assistant Secretary	
Signature: 	Date: June 9, 2025

(Franchising Entity)

City of Southgate, a Michigan municipal corporation

By

Print Name

Title

Address

City, State, Zip

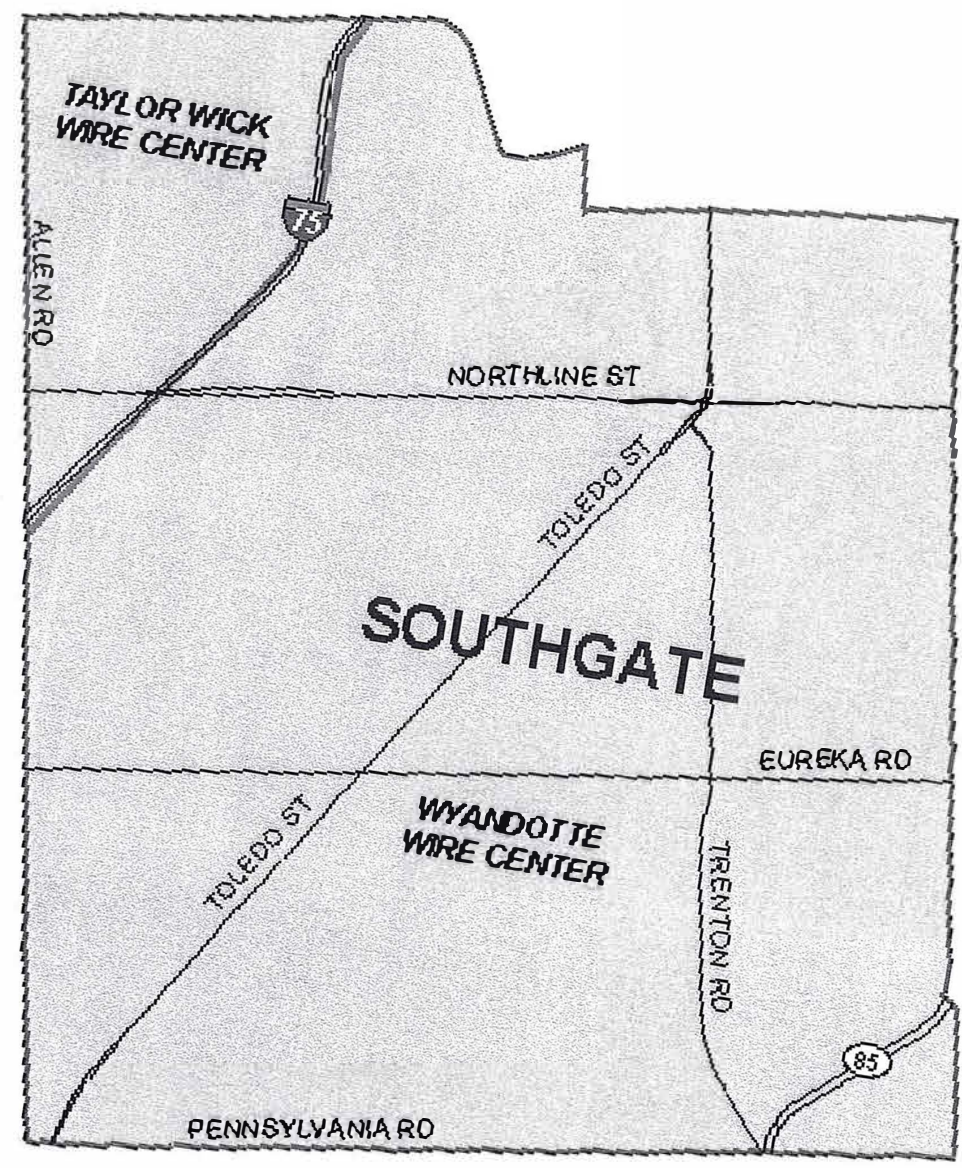
Phone

Fax

Email

Date

Southgate, Michigan



- Legend**
- Roads
 - Municipal Boundary
 - Wire Center
 - AT&T Michigan Wire Center Bounds

Note: The street names of certain municipal...

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

DATE: January 13, 2026

RE: Request for Public Hearings:

1. Southgate-Wyandotte Operation / Maintenance / Capital Special Assessment Costs
2. Water and Sewer Rates

As part of the Fiscal Year 2026/27 budget process, Administration is requesting that City Council schedule separate public hearings on Wednesday, May 6, 2026 for the following items:

1. Proposed 2026/27 Special Assessment Costs for the Southgate-Wyandotte Operations and Maintenance Fund;
2. Proposed 2026/27 Water and Sewer Rates for the City's Water & Sewer Fund.

The May 6th hearing is required in order to entertain comments from interested individuals regarding the "Special Assessment" costs associated with the Southgate – Wyandotte Operation and Maintenance and Capital Improvement charges.

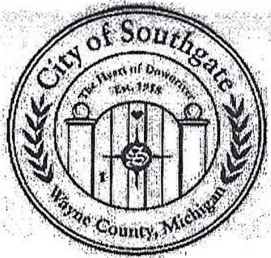
The May 6th hearing is required in order to entertain comments from interested individuals regarding the proposed Water and Sewer rates to become effective July 1, 2026.

Your favorable consideration in this matter is therefore requested.

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer



City of Southgate

- CITY COUNCIL -

ZOBY KUSPA
Council President

CHRISTIAN GHAZIANI

KAREN E. GEORGE

PHILLIP J. RAUCH

PRISCILLA AYRES-REISS

GREG KOWALSKY

MEMORANDUM

TO: Honorable Mayor and City Council

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

DATE: January 13, 2026

RE: Proposed Schedule – FY 2026/27 Budget Process

The following schedule is proposed regarding the process for review and approval of the budget for fiscal year commencing July 1, 2026:

Budget Workshop	Saturday, April 25, 2026	8:00 AM
Public Hearing on Budget	Wednesday, May 6, 2026	7:00 PM
Adoption of Budget by City Council	Wednesday, May 20, 2026	7:00 PM

A resolution authorizing the establishing of such dates is requested.

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.

January 30, 2026

To the Honorable
City Council
Southgate, Michigan 48195

Re: Purchase of 2 Police Vehicles – **Waiver of Bid**

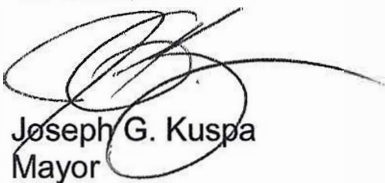
Ladies and Gentlemen:

It is recommended by the Police Chief and I concur, that the bid procedure be waived and to award the purchase of two (2) 2026 Police Interceptor Utility AWD Vehicles for a total amount of \$88,896.00 to Southgate Ford. Southgate Ford has agreed to match the State of Michigan Bid Price under the MiDeal program.

Adequate funds are available for this purchase in the Capital Projects Fund.

Your favorable consideration of this matter is greatly appreciated.

Sincerely,



Joseph G. Kuspa
Mayor

JGK/law

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: The Honorable Mayor and City Council

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

DATE: January 30, 2026

RE: Request to Approve Purchase of Two (2) Police Vehicles (**WAIVER OF BID**)

I have reviewed the above with the Chief of Police and concur with his recommendation to waive the city bidding process and purchase two (2) 2026 Ford Police Interceptor Utility AWD patrol vehicles in the total amount of \$88,896.00. Southgate Ford has agreed to match the State of Michigan bid award price under the MiDEAL program.

Adequate funds are available in the Capital Projects Fund budget.

Proposed Motion

Waive the city bidding process, accept the State of Michigan MiDEAL bid award price, and approve the purchase from Southgate Ford of two (2) 2026 Ford Police Interceptor Utility AWD patrol vehicles in the total amount of \$88,896.00.



SOUTHGATE POLICE DEPARTMENT MEMO

To: Honorable Mayor Joseph G. Kuspa

From: Mark A. Mydlarz, Chief of Police

Re: **Request for Purchase Approval**

Date: January 15th, 2026

Dear Mayor,

The Police Department is requesting to purchase (2) two 2026 Ford Police Interceptor Utility AWD patrol vehicles. Adequate funding has been set aside by the Finance Director for this purpose.

Southgate Ford has agreed to match the State of Michigan bid award price (State Reference #3003-POL) for each Ford Police Utility Patrol Vehicle. The two vehicles will be 2026 Ford Police Utility Interceptor all black, with All Wheel Drive, the total cost per vehicle is \$44,448.00 per vehicle.

It is my recommendation that the purchase of (2) two 2026 Ford Police Utility Interceptor AWD Black in color, be awarded to Southgate Ford, 16501 Fort St., Southgate, Michigan in the amount of \$88,896.00. With your concurrence, I respectfully request this item be placed on the City Council's agenda for the meeting scheduled on January 21th, 2026 for purpose of purchase approval.

Sincerely,

A handwritten signature in cursive script that reads "Mark A. Mydlarz".

Mark A. Mydlarz
Chief of Police

cc: Finance Director, City Administrator, COA Pres. Klonowski, MAP Union Pres. Parsons,
Public Safety Commission (7), file

SOUTHGATE FORD



"The Home Of Quality Sales & Service"
16501 Fort St. • Southgate, Michigan 48185
Phone 734-282-3636 • Fax 734-282-1770



January 7, 2026

City of Southgate
Attention: Mark Mydlarz
Chief of Police

Dear Mark,

The following bid (with attachment) reflects the State Bid Award for:
2026 Ford Police Interceptor Utility AWD (State Reference #3003-POL).

Your Price = \$44,448.00 (per vehicle) with the following breakdown:

State Bid Award = \$41,398.00
2026 Model Price Increase = \$1865.00
Destination/Delivery Price Increase = \$100.00
City of Southgate Upgrades = \$1070.00
Title Fee = \$15.00

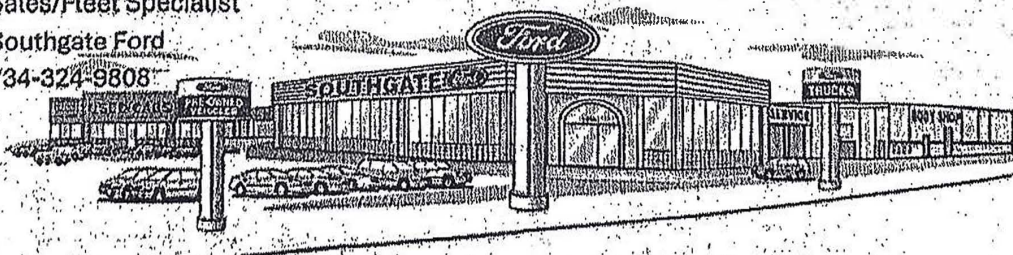
A total of 2 Police Interceptor Utility's requested = \$88,896.00 Total Due

Delivery may be expected within 2-5 months.

Sincerely yours,

Don Daniel

Sales/Fleet Specialist
Southgate Ford
734-324-9808





Preview Order 4856 - K8A - Police Inter Utility AWD: Order Summary Time of Preview: 01/05/2026 09:27:17 Receipt: 12/22/2025

Dealership Name: Southgate Ford

Sales Code: F48026

Dealer Rep.	donald daniel jr	Type	Fleet	Vehicle Line	Explorer	Order Code	4856
Customer Name	CITY OF SGTE	Priority Code	84	Model Year	2026	Price Level	615

DESCRIPTION	MSRP	DESCRIPTION	MSRP
K8A0 POLICE INTER UTILITY AWD	\$48550	SPOT LAMP LED DUAL - WHELEN	\$880
.119 INCH WHEELBASE	\$0	KEYED ALIKE -KEY CODE B	\$50
AGATE BLACK METALLIC	\$0	REAR DR HNDL AND LOCKS INOPR	\$80
CLOTH BUCKETS/VINYL REAR SEATS	\$0	REAR CONSOLE MOUNTING PLATE	\$60
ONYX INTERIOR	\$0	SPECIAL DEALER ACCOUNT ADJUSTM	\$0
EQUIPMENT GROUP 500A	\$0	FUEL CHARGE	\$0
.FM STEREO	\$0	NATIONAL FLEET INCENTIVE (56M)	\$0
3.3L TI-VCT V6 ENGINE	\$0	NET INVOICE FLEET OPTION (B4A)	\$0
10-SPEED AUTO TRANSMISSION	\$0	PRICED DORA	\$0
FORD FLEET SPECIAL ADJUSTMENT	\$0	ADVERTISING ASSESSMENT	\$0
FLEET ADVERTISING CREDIT	\$0	DESTINATION & DELIVERY	\$1695
50 STATE EMISSIONS	\$0		
TOTAL BASE AND OPTIONS			MSRP \$51315
DISCOUNTS			NA
TOTAL			\$51315

ORDERING FIN: QD688 END USER FIN: QD688 PO NUMBER: PER MARK

Customer Name:
Customer Address:

CITY OF SOUTHGATE
14719 SCHAFER CT
SOUTHGATE, MI
48195

Customer Email:

Customer Phone:

MMYDIARZ@SOUTHGATEMI.GOV
734-258-3040

Customer Signature

Date

This order has not been submitted to the order bank.
This is not an invoice.