



Saginaw City Council Regular Meeting Agenda

Andersen Enrichment Center
[120 Ezra Rust Dr.](#)
March 23, 2026
12:00 PM

Prayer and Pledge of Allegiance

Roll Call

Announcements

Public Hearings

Public Input

(A list will be provided following submittal deadline.)

Remarks of Council

Reports From Manager

1. Saginaw Promise Update.
2. Public Safety Update, Brandon Hausbeck, Fire Chief, Saginaw Fire Department, and Robert Ruth, Police Chief, Saginaw Police Department.

Consent Agenda

1. Approve the March 9, 2026 regular meeting minutes.
2. Approve the departmental recommendations to the 2026 SLSA objections filed.
3. Approve the donation of a highly trained police canine for the Police Department, Patrol Services, K9 Division.
4. Approve the purchase with Lifeloc Technologies, Inc. for \$3,294 for ten Lifeloc FC10 Professional Breath Alcohol Tester Units for the Police Department, Patrol Services.
5. Approve the Software and Service Agreement with Windcave for Credit Card Processing Services for the Hancock Parking Structure located at 100 N. Hamilton, and to further authorize the City Manager or his designee to execute any necessary contracts and to issue purchase orders as outlined in the rate and fees agreement for the Department of Neighborhood Services and Inspections, Parking Operations and Maintenance Division.
6. Approve the Electrical Facilities Easement Agreement with Consumers Energy for the Public Works Department, Engineering Division.
7. Approve the purchase with The Collins Group Inc. for \$3,234 for U.S. Flag Grave Markers for the Cemeteries Division.

8. Approve the purchase with D & K Truck Company for \$108,410 for a 2027 Freightliner 108SD Plus Hook Loader Plow Truck; and with Truck and Trailer Specialties, Inc. for \$191,745 for the upfitting of a salter, brine tanks, and front plow, for a total amount of \$300,155 for the Public Services Department, Streets Division.
9. Approve the purchase with Todd Wenzel Buick GMC of Westland for \$61,024 for a 2026 GMC Sierra 2500HD Pickup truck for the Public Services Department, Streets Division.
10. Approve the purchase with Todd Wenzel Buick GMC of Westland for \$61,024 for a 2026 GMC Sierra 2500HD Pickup truck for the Public Services Department, Streets Division.
11. Approve to increase the blanket purchase order with Larry's Auto Supply by \$8,000, for a new total of \$68,000, for vehicle part services for the Public Services Department, Motor Pool Division.
12. Approve to increase the blanket purchase order with Geyer's Pennzoil by \$1,500, for a new total of \$11,500, for routine and preventative vehicle maintenance services for the Public Services Department, Motor Pool Division.
13. Approve to increase the blanket purchase order with Elite Aerial Compliance by \$700, for a new total of \$5,100, for vehicle inspection services for the Public Services Department, Motor Pool Division.
14. Approve to increase the blanket purchase order with Michigan Truck Spring by \$1,500, for a new total of \$11,500, for vehicle repair services for the Public Services Department, Motor Pool Division.
15. Approve to increase the blanket purchase order with W.W. Williams by \$2,000, for a new total of \$67,000, for vehicle repair services for the Public Services Department, Motor Pool Division.
16. Approve the purchase with Hotsy of Mid-Michigan, a sole source, for \$10,750 for a Hotsy Portable Power Washer 1280SS for the Public Services Department, Streets Division.
17. Approve the purchase with Fisher Scientific for \$3,421 for a laboratory refrigerator at the Water and Wastewater Services Department, Treatment and Pumping Division.
18. Approve to increase blanket purchase order #522468 with JWC Environmental by \$20,000, for a new total of \$60,000, for preliminary treatment process equipment replacement parts for the Water and Wastewater Treatment Services Department, Wastewater Treatment and Pumping Division.
19. Approve the purchase with L & S Electric for \$8,600 for three motor protection relays for the Water and Wastewater Treatment Services Department, Remote Facilities Division.

Board/Commission/Committee Reports

Appointment of Board/Commission/Committee Members

1. Approve the appointment of David Brown to the Downtown Development Authority with a term to expire December 31, 2027.
2. Approve the appointment of Chelsea Payne to the Housing Board of Appeals with a term to expire March 1, 2028.
3. Approve the reappointment of Dennis Morrison to the Human Planning Commission with a term to expire March 1, 2027.

Ordinance Introduction

Ordinance Adoption

Resolutions

1. Certify the 2026 Single Lot Assessment Tax Roll.
2. Authorize the City Of Saginaw to Seek FY 2029 Local Bridge Program Funds.
3. Decertify a portion of Wolcott Street.
4. Decertify a portion of 12th Street.
5. Decertify a portion of North Niagara Street.
6. Decertify/Vacate a portion of Congress Avenue.
7. Decertify a portion of Schaefer Street.

Unfinished Business

Miscellaneous Business

Adjournment



Accessibility Notice:

If you require accommodations to attend or participate in this meeting due to a disability, please contact the [City Clerk's Office](#) at [\(989\) 759-1480 ext. 6](tel:(989)759-1480) or visit in person at:

[Saginaw City Hall](#)
[1315 S. Washington Ave.](#)
[Saginaw, MI 48601](#)

Advance notice is appreciated to allow time to make arrangements.



To view tonight's presentations, scan the QR code or follow the link below.
saginaw-mi.com/presentations

A Regular Meeting of the Council of the City of Saginaw, Michigan, was held Monday, March 9, 2026, at 6:30 p.m. at the Andersen Enrichment Center, 120 Ezra Rust Drive, Saginaw, Michigan.

Prayer and Pledge of Allegiance

Council Member Seals offered a prayer and Council Member Hammond led the pledge of allegiance of the United States of America.

Roll Call

Mayor Moore called the meeting to order. Council Members present: Jacinta Seals, Michael Balls, Priscilla Garcia, Heidi Wiggins, Eric Braddock Sr., Carly Hammond, Brenda Moore: 7. Council Members absent: Tobias Young, Bill Ostash: 2.

Announcements

City Clerk Kristine Bolzman announced the following:

- The City's Convenience Station will be open this Saturday, March 14, from 8:00 a.m. to noon for city residents to drop off bulky or miscellaneous items for disposal.
- The next regular City Council meeting will be Monday, March 23, and will begin at noon due to Student Government Day.

Public Hearings

Clerk Bolzman announced the Public Hearing regarding the proposed Michigan Natural Resources Trust Fund (MNRTF) Development Grant application for improvements to the Saginaw Riverfront Park, located along South Water Street in Downtown Saginaw. Mayor Moore called for public comments. Jeff Kart, Grant Manager for Wade Trim, spoke in favor. Mayor Moore called for public comments two additional times. No further comment was made.

Moved by Council Member Balls, seconded by Council Member Seals to close the public hearing. 7 ayes, 0 nays, 2 absent.

Public Input

Members of the public that addressed the Council: Jose Barajas, Carolyn Bashans, and Michael Thompson.

Council Remarks

Remarks were heard from the following Council Members: Seals, Balls, Braddock, Wiggins, Hammond, Garcia, and Mayor Moore.

Reports from Manager

City Manager Tim Morales reported updates regarding various projects.

Manager Morales introduced Travis Hare, City Engineer, who provided an overview of ongoing Engineer projects.

Council Members Balls left the meeting at 7:31 p.m. and returned at 7:33 p.m.

Consent Agenda:

Moved by Council Member Seals, seconded by Council Member Wiggins to approve the consent agenda, allowing room for exceptions. No exceptions were made. 7 ayes, 0 nays, 2 absent. Motion approved.

1. Approve the February 23, 2026, regular council meeting minutes.
2. Approve the purchase with Kustom Signals, Inc. for \$13,330 for Raptor Traffic Safety Radar Units for the Police Department, Patrol Services.
3. Ratification of emergency blanket purchase order with Midstate Collision for \$15,000 for vehicle repairs for the Public Services Department, Motor Pool Division.
4. Approve to increase the blanket purchase order with Larry's Auto Supply by \$2,000, for a new total of \$7,000, for various shop supplies for the Public Services Department, Motor Pool Division.
5. Approve to increase the blanket purchase order with Wieland Truck Center by \$10,000, for a new total of \$45,000, for vehicle parts for the Public Services Department, Motor Pool Division.
6. Approve the purchase with Michigan CAT for \$186,266 for a Caterpillar 430F2 Backhoe/Loader for the Public Services Department, Maintenance and Service Division.
7. Approve the purchase with Hoffman's Power Equipment, Inc. for \$11,850, for a Billy Goat 35HP Leaf Blower for the Public Services Department, Park Division.
8. Approve the purchase with Hoffman's Power Equipment, Inc. for \$14,000 for a Toro 60" 5000 Z Master Turbo Mower for the Public Services Department, Parks Division.
9. Approve the purchase with Morgan Inland LLC for \$5,814 for replacement LED Electronic Drivers for the Public Services Department, Traffic Engineering Division.
10. Approve the Electrical Facilities Easement Agreement with Consumers Energy for the Public Works Department, Engineering Division.
11. Approve the professional services agreement with Bendzinski & Co., Municipal Financial Advisors for \$30,500 to act as the registered municipal advisors for the City in connection with the issuance of bonds for the City's water supply system that includes lead service line and water main replacement.
12. Approve the purchase with Kendall Electric Inc., a sole source, for \$5,953 for a remanufactured variable frequency drive for the Water and Wastewater Treatment Services Department, Treatment and Pumping Division.

Appointment of Board/Commission/Committee Members

Moved by Council Member Seals, seconded by Council Member Wiggins to approve the following appointments:

1. the appointment of Bill Ostash to the Riverfront Development Commission with a term to expire April 1, 2029.
2. the reappointment of John Strzynski to the Board of Examiners of Stationary Boiler Operators and Stationary Engineers with a term to expire December 31, 2028.
3. the appointment of Alberto Teneyuque to the Human Rights Commission with a term to expire March 1, 2029.

7 ayes, 0 nays, 2 absent. Motion approved.

Ordinance Introduction

Moved by Council Member Balls, seconded by Mayor Pro Tem Garcia to introduce an ordinance to amend the official city map to rezone, Lot 9 W 30 ft of Lot 10, inc. adj. vacated alley, blk 1, S. Remington's addition; lot 9, exc.W.70 ft., blk.2, S. Remington addition, also W ½ of vacated adjacent alley; Lot 10, exc. W.30 FT., blk.1,S. Remington's addition; W. 70 ft. of lot 9, blk.2, S. Remington's addition from R-1, Low-Density Residential to B-1, Neighborhood Business. 7 ayes, 0 nays, 2 absent. Motion approved.

Mayor Moore announced that the ordinance would be laid over pursuant to State Law.

Resolutions

Moved by Council Member Balls, seconded by Council Member Wiggins to adopt a resolution Authorizing the submission of a Michigan Department of Natural Resources Trust Fund Grant application for the Saginaw Riverfront Park improvements for the Public Services Department, Engineering Division. 7 ayes, 0 nays, 2 absent. Motion approved.

Adjournment

Moved by Mayor Pro Tem Garcia, seconded by Council Member Seals to adjourn the meeting at 7:55 p.m. 7 ayes, 0 nays, 2 absent. Motion approved.

Submitted by,

Kristine Bolzman, MiPMC/CMC
City Clerk

Council Communication

Item Number: 2.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: 2026 Single Lot Special Assessment Tax Roll
Prepared By: Kristine Bolzman, City Clerk

Manager's Recommendation:

Approve the departmental recommendations to the 2026 SLSA objections filed.

Justification:

City Council conducted a public hearing on February 23, 2026, on the Single Lot Special Assessment Tax Roll for: Sewer Connections, False Alarms, Demolitions, and Nuisances of Weed Cutting, Yard Violations, and Board Ups. Notice of the hearing was mailed to approximately 294 property owners affected by the assessments as shown on the City Assessor records. These assessments represent fees and expenses incurred by the City for improvements constructed, and for abatement of nuisances of which expenses are charged against individual properties.

My recommendation is based upon the appropriate department's research and response. A recap of the written objections filed with the City Clerk's Office and the oral objections presented to City Council up to the close of the public hearing is as follows:

Written objections received and filed with the City Clerk

Tax Roll # Property Property Owner Fee Due Code

17 0246 00000	606 S. Granger	Rennerb Properties LLC	\$537.00
YV26			

Objection: States that he did not own the property at the time of the violation and had purchased it from the County Tax Foreclosure auction.

Department Reply: The County foreclosure process cancels any special assessment that has been assessed on the property.

Recommendation: The single lot special assessment should be removed from the tax roll.

Tax Roll # Property Property Owner Fee Due Code

10 0130 00000	954 S. 12th	Yanisel Frias Rodriguez	\$1342.50
YV26			

Objection: States that the debris was present at the time of purchase in September 2024 and wasn't the result of neglect by current owners. Further states that they did not occupy the home until nearly a year after purchase and were not residing in the state at

the time that the violation notice was issued.

Department Reply: Property was purchased and Principle Residence Exemption was filed on 7/31/23. Notice of Violation was sent 1/14/25 and the city serviced the property on 2/24/25.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code

04 0013 00000	125 S. 6th	Daniel Kuk	\$75.00
PF26			

Objection: States that the property has never had an alarm system and that the property is a rental.

Department Reply: The false alarm in progress incident occurred on 5/23/25 and an officer was assigned.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code

10 1209 00000	1338 Crapo	Andrea Fitchett	\$79.12
WC26			

Objection: States that she maintains the property but recalls being out of town intermittently in June and July.

Department Reply: Total time to service the property was six minutes. The lot is an open parcel with no obstructions requiring minimal time and difficulty for the city to service.

Recommendation: The single lot special assessment should be reduced to \$50.00 and remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code

10 0698 00000	3101 Roberts	Shirley Castell	\$79.12
WC26			

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code

10 0694 00000	3025 Roberts	Shirley Castell	\$79.12
WC26			

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
10 0706 00000	3133 Roberts	Shirley Castell	\$79.12	WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
10 0692 00000	3017 Roberts	Shirley Castell	\$79.12	WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
10 0695 00000	3029 Roberts	Shirley Castell	\$79.12	WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
10 0693 00000	3021 Roberts	Shirley Castell	\$79.12	WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code
10 0704 00000 3123 Roberts Shirley Castell \$79.12
WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code
10 0691 00000 3013 Roberts Shirley Castell \$79.12
WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code
10 0701 00000 3111 Roberts Shirley Castell \$79.12
WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Tax Roll # Property Property Owner Fee Due Code
10 0699 00000 3105 Roberts Shirley Castell \$79.12
WC26

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
10 0697 00000	3041 Roberts	Shirley Castell		\$79.12
	WC26			

Objection: States that she should have been notified via telephone before the lot was cut.

Department Reply: Per §36.02(C) Posting public notice by publication in March will serve as the official and only notice by the city. Notice to cut noxious weeds was posted on social media on March 12, 2025, and published in the Saginaw News on March 13, 2025.

Recommendation: The single lot special assessment should remain on the tax roll.

Public comments presented during the Public Hearing on February 23, 2026

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
11 0074 00000	1912 Lincoln	Bill Waterman		\$537.00
	YV26			

Objection: States that the property was on land contract at the time of the violation, he should have been sent notification as a person still holding interest in the property, and pictures of what was removed have not been made available.

Department Reply: The notification was sent appropriately to the owner on file at the time of service. The bill for the violation remains with the property.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
21C0021 00000	1185 E. Outer	Lily Charlton		\$158.52
	WC26			

Objection: Objector Denise Charlton states that she has been cutting the grass every two weeks while her mother is in a nursing home and she would like to see photos to verify they aren't from 2023 when this occurred before.

Department Reply: Parks Foreman spoke with objector, Denise Charlton, regarding the 2025 photos that contain date and time stamps. Total time to service the property was eighteen minutes with structure, fencing, and obstacles.

Recommendation: The single lot special assessment should be rounded down to the fifteen-minute rate of \$79.12 and remain on the tax roll.

Department Recommendations based on inquiries received before the close of the Objection Period

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
07 0388 00000	615 S. Jefferson	Wolverine Baptist		\$675.00
	PF26			

Objection: Would like the bill reduced to \$125.00.

Department Reply: There were false alarm in progress incidents on 12/23/24, 12/26/24, 12/27/24, 1/3/25, 2/4/25,6/8/25,7/1/25, 7/4/25, and 9/23/25 where officers were assigned each time and charges assessed.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
21 0853 00000	3000 Birch Park	Birch Park Preservation II	\$25.00	
	PF26			

Objection: States that the multi-unit property does not allow renters to have alarm systems, therefore a false alarm could not have taken place.

Department Reply: The fire false alarm in progress incident occurred on 8/17/24 at 3076 Birch Park Dr. Single Lot Special Assessments remain with the property.

Recommendation: The single lot special assessment should remain on the tax roll.

<u>Tax Roll #</u>	<u>Property</u>	<u>Property Owner</u>	<u>Fee Due</u>	<u>Code</u>
11 1112 00000	1723 Gallagher	Mike Harper	\$75.00	
	PF26			

Objection: States that there is no alarm at the property.

Department Reply: The false alarm in progress incident occurred on 11/20/24 and officers were assigned. The property is a registered rental and Single Lot Special Assessments remain with the property.

Recommendation: The single lot special assessment should remain on the tax roll.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 3.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Saginaw Police Department K9 Donation Acquisition
Prepared By: Brian Rowell, Administrative Professional

Manager's Recommendation:

Approve the donation of a highly trained police canine for the Police Department, Patrol Services, K9 Division.

Justification:

The Saginaw Police Department K9 Fund will utilize funds donated to the K9 Unit, which are managed by the Saginaw Community Foundation, to acquire Vader, a highly trained police canine, to replace retired police canine Ares. The donated funds will cover any and all expenses related to the feeding, temporary lodging, and medical care of Vader, as they do for all of the Saginaw Police Department's (SPD) current police canines. Vader, is an 18-month-old Belgian Malinois, born and acquired from a Belgian Malinois rescue agency in California, and is trained in tracking and narcotics detection. The SPD K9 unit has been highly effective in the discovery and removal of dangerous narcotics in the community, as well as tracking lost children and vulnerable adults who wander away from their homes. The unit has proven to be invaluable in providing a pathway to establishing a foundation to stronger relationships within the community, particularly the youth in our community.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 4.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Lifeloc FC10 PBAT Purchase
Prepared By: Brian Rowell, Administrative Professional

Manager's Recommendation:

Approve the purchase with Lifeloc Technologies, Inc. for \$3,294 for ten Lifeloc FC10 Professional Breath Alcohol Tester Units for the Police Department, Patrol Services.

Justification:

Lifeloc Technologies, Inc. provided a quote for FC10MI Portable Breath Testers and accessories. The Lifeloc FC10 portable breath alcohol tester is a professional-grade, handheld portable breath tester widely utilized by law enforcement agencies to measure breath alcohol concentration and has been approved by the Michigan Department of State Police for law enforcement use in Michigan.

Lifeloc Technologies, Inc. was awarded Michigan State Contract number 071B6600035, for the sale of portable breath alcohol testing equipment to all Michigan police agencies.

Funding for this project is available through the U. S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance – FY24 Byrne Discretionary Community Project Funding Grant, approved by City Council on September 23, 2024.

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the General Fund, Community Public Safety – Police, Byrne Grant – Kildee No. 2, Equipment, Account No. 101-307.33-984.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 5.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Software Agreement with Windcave
Prepared By: Cassandra (Cassi) Zimmerman, Director of Planning & Economic Development

Manager's Recommendation:

Approve the Software and Service Agreement with Windcave for Credit Card Processing Services for the Hancock Parking Structure located at 100 N. Hamilton, and to further authorize the City Manager or his designee to execute any necessary contracts and to issue purchase orders as outlined in the rate and fees agreement for the Department of Neighborhood Services and Inspections, Parking Operations and Maintenance Division.

Justification:

On April 3, 2023, City Council approved the Hancock CSO Basin Wastewater System Improvements Project, which included necessary parking lot repairs and resurfacing at 100 North Hamilton Street. As part of the project scope, a new kiosk system was installed to transition the lot into a paid-parking facility.

On December 15, 2025, City Council established a parking rate structure for the lot at 100 North Hamilton Street beginning January 1, 2026. Due to construction delays and arrangement of agreements, the lot has continued to be available for free to the public.

The city has been working with Traffic and Safety to provide parking pay stations since 2022. The company was utilized for this project. Their preferred credit card processing partner is Windcave. This council communication is to approve a professional services agreement with Windcave to provide these services at a varying cost dependent on number of transactions at the parking structure.

This vendor meets all requirements of § 14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure", of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code" of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the General Fund, Department of Neighborhood Services and Inspections, Parking Operations and Maintenance Division, Professional Services Account 101-268.00-801.000.

I have approved the agreement as to substance and the City Attorney as to form.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

1. City of Saginaw MS Application (final)



Windcave

Merchant Application and Agreement

Merchant Application

Merchant Information					
Legal Name:					
Merchant Trading Name:					
Location Address: <small>(No P.O. Box)</small>		Address	City	State	Zip Code
Postal Address:		Address	City	State	Zip Code
Email Address:			Phone Number:		
Website:			EIN/TIN Number:		
Type of Business:		<input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company		<input type="checkbox"/> Individual/ Sole Proprietor	
		<input type="checkbox"/> 501(c)(3) Non-Profit <input type="checkbox"/> Partnership		<input type="checkbox"/> Government	
		<input type="checkbox"/> Publicly Traded If publicly traded, what is your ticker symbol? _____			
Description of Services:					
Nature of Business:					
<input type="checkbox"/> Administrative		<input type="checkbox"/> Arts and Recreation	<input type="checkbox"/> Construction	<input type="checkbox"/> Education	<input type="checkbox"/> Financial Services
<input type="checkbox"/> Food Services		<input type="checkbox"/> Health Care	<input type="checkbox"/> Hospitality/Lodging	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Media
<input type="checkbox"/> Parking/Car Wash		<input type="checkbox"/> Retail	<input type="checkbox"/> Technical Services	<input type="checkbox"/> Utility Services	<input type="checkbox"/> Wholesale
Have you ever had legal action taken against you by any federal or local regulatory agency?			<input type="checkbox"/> No	<input type="checkbox"/> Yes, Please Explain _____	
Have you ever been fined or had services suspended by a card network?			<input type="checkbox"/> No	<input type="checkbox"/> Yes, Please Explain _____	
Transaction Details					
Transaction Volume:		Average Ticket: \$	High Ticket: \$	Total Monthly Card Volume: \$	
Do you schedule/hold/ sponsor future-dated events?			<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Method of Card Acceptance (Total 100%):		Swipe, Contactless, or Inserted: %		Mo/To (Hand Keyed): %	
		E-commerce: %		Subscription or Recurring: %	
Which POS or Shopping Cart are you currently using?					
If your total "Swipe, Contactless, or Inserted" method of Card Acceptance is less than 100%, please complete the questionnaire below.					
What percentage of sales are to:		Business Consumers: %	Individual Customers: %	Who processes the order?	
		<input type="checkbox"/> Merchant	<input type="checkbox"/> Fulfillment Center	<input type="checkbox"/> Other _____	
Do you own the product/inventory?		<input type="checkbox"/> Yes	<input type="checkbox"/> No	Is the product stored at your business location?	
		<input type="checkbox"/> Yes	<input type="checkbox"/> No	If no, where is it stored? _____	
Who enters credit card information into the processing system?		<input type="checkbox"/> Merchant	<input type="checkbox"/> Consumer	Who ships the product?	
		<input type="checkbox"/> Merchant	<input type="checkbox"/> Fulfillment Center	If fulfillment center, please provide name and address: _____	
		<input type="checkbox"/> Fulfillment Center	<input type="checkbox"/> Other	How long until the product ships after charge authorization?	
				_____ Days	
Principal/Beneficial Owners (25% or greater ownership)					
Principal Owner #1					
First Name:		Last Name:		Title:	
Home Phone:		Email Address:		Percent Ownership	
SSN:		Date of Birth:		DL #/State:	
Home Address:		Address	City	State	Zip Code
Principal Owner #2					
First Name:		Last Name:		Title:	
Home Phone:		Email Address:		Percent Ownership	
SSN:		Date of Birth:		DL #/State:	
Home Address:		Address	City	State	Zip Code
Principal Owner #3					
First Name:		Last Name:		Title:	
Home Phone:		Email Address:		Percent Ownership	
SSN:		Date of Birth:		DL #/State:	
Home Address:		Address	City	State	Zip Code
Principal Owner #4					
First Name:		Last Name:		Title:	
Home Phone:		Email Address:		Percent Ownership	
SSN:		Date of Birth:		DL #/State:	
Home Address:		Address	City	State	Zip Code

Controlling Position				
First Name:		Last Name:		Title:
Home Phone:		Email Address:		Percent Ownership
SSN:		Date of Birth:		DL #/State:
Home Address:	Address	City	State	Zip

Rates and Fees

Payment network interchange, card scheme fees, and online debit network cost will be charged in addition to:

Card Fees		Other Fees		
	Credit:	Debit:		
Interchange Discount Rate	.50%	.50%	Chargeback Fee –Per Occurrence	\$25.00
Blended Discount Rate			Retrieval Request Fee –Per Occurrence	\$10.00
			Authorization Fee	\$0.10
			Batch Fee –Per Occurrence	\$0.75
Interchange Fees	Pass Through	Pass Through	Statement Fee –Monthly	\$10.00
Card Brand Scheme Fees	Pass Through	Pass Through	PCI-DSS Fee –Monthly	\$20.00

You, as Merchant, have the option of accepting MasterCard credit and debit cards, Visa credit and debit cards, and Discover Network cards. If Merchant does not specifically indicate otherwise, the Merchant Application will be processed to accept ALL MasterCard, Discover Network, and Visa card types

Elected Visa, Discover Network, or MasterCard Card types NOT to accept: _____

MERCHANT APPLICATION AND AGREEMENT ACCEPTANCE

Capitalized terms not defined in this section have the meanings set forth in the Terms and Conditions. By executing this Merchant Application ("Merchant Application"), on behalf of the merchant described above ("Merchant"), the undersigned authorized individual represents, warrants, acknowledges, and agrees that:

- i. all information supplied by Merchant to Windcave and Pinnacle Bank, a Tennessee bank, dba Synovus Bank ("Bank") and contained in this Merchant Application is true, correct and complete as of the date of this Merchant Application;
- ii. if Merchant is a corporation, limited liability company, or partnership, the individual(s) executing this Merchant Application have the requisite legal power and authority to complete and submit this Merchant Application on behalf of Merchant and to make and provide the acknowledgements, authorizations and agreements set forth herein on behalf of Merchant and individually and to bind Merchant to the terms of this Merchant Application, the Guaranty and the attached Terms and Conditions, as may be amended from time to time (collectively, the "Agreement");
- iii. the information contained in this Merchant Application is provided for the purpose of obtaining, or maintaining, a merchant account for Merchant with the Bank and Bank and Windcave will rely on the information provided herein in its approval process and in setting the applicable discount rate, approved average ticket, and approved monthly Card volume;
- iv. Bank is authorized to investigate, either through its own agents or through credit bureaus/agencies, the credit of Merchant and each person listed on this Merchant Application;
- v. Bank will determine all rates, fees and charges and notify Merchant of the approved fees and by Merchant's submission and acceptance of Merchant's first settled transaction, Merchant agrees to pay such fees in accordance with the terms of the Agreement;
- vi. the Agreement will not take effect until Merchant has been approved by Bank and a merchant identification number has been issued to Merchant. Merchant acknowledges that Windcave and Bank will conduct due diligence on Merchant before determining eligibility to receive services from Provider, and both Windcave and Bank may request further due diligence on Merchant at any time during the Term of the Agreement; and
- vii. Merchant and the undersigned have received, read and understood the Agreement, and Merchant agrees to be bound by the terms of the Agreement. Merchant acknowledges that this Agreement is being submitted to Bank, as the member bank of the Card Networks, and Windcave is also a party to this Agreement.

Merchant acknowledges that Windcave will rely on the representations and warranties set forth in this Agreement and unless otherwise specified or prohibited by the Network Rules or Law, Windcave will have certain rights under this Merchant Application and Agreement.

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to verify and record your identity. What this means for you: Windcave will ask for your name, address, date of birth, identifying documents, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. Further, to help the government fight financial crime, Federal regulation requires certain financial institutions to obtain, verify, and record information about the beneficial owners of legal entity customers. Legal entities can be abused to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes. By signing below, you attest that you have accurately provided the name, address, date of birth and Social Security Number (SSN) for the following individuals (i.e. the beneficial owners):

- i. Each individual, if any, who owns directly or indirectly, 25 percent or more of the equity interests of the legal entity customer (e.g., each natural person that owns 25 percent or more of the shares of a corporation); and
- ii. An individual with significant responsibility for managing the legal entity customer (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer).

The number of individuals that satisfy this definition of "beneficial owner" may vary. Under section (i), depending on the factual circumstances, up to four individuals (but as few as zero) may need to be identified. Regardless of the number of individuals identified under section (i), you must provide the identifying information of one individual under section (ii). It is possible that in some circumstances the same individual might be identified under both sections (e.g., the President of Acme, Inc. who also holds a 30% equity interest). Thus, a completed form will contain the identifying information of at least one individual (under section (i)), and up to five individuals (i.e., one individual under section (ii) and four 25 percent equity holders under section (i)).

BANK ACCOUNT INFORMATION: Checking Account Savings Account Bank Name: _____ **Attach voided check for the Account where funds are to be deposited**

Transit # (ABA Routing): _____ Account # (DDA): _____ Contact: _____ Phone #: _____
 * By providing the above referenced information, you are authorizing Bank to initiate ACH debit and credit transactions to said account

CONTINUING PERSONAL GUARANTY PROVISION ("GUARANTY") – PERSONAL GUARANTOR (Capitalized terms not defined in this Guaranty have the meanings set forth below in the Terms and Conditions) By signing below, each individual or entity ("Guarantor") jointly and severally (if there is more than one Guarantor) and unconditionally guarantees to Windcave and Bank the prompt payment and full and complete performance of all obligations of Merchant identified above under the Agreement, as amended from time to time, including, without limitation, all promises and covenants of the Merchant, and all amounts payable by Merchant under the Agreement, including, without limitation, charges, interest, costs and other expenses, such as attorneys' fees and court costs. This Guaranty means, among other things, that Windcave or Bank can demand performance or payment from any Guarantor if Merchant fails to perform any obligation or pay any amount Merchant owes under the Agreement. Each Guarantor agrees that his or her liability under this Guaranty will not be limited or canceled because: (1) the Agreement cannot be enforced against Merchant for any reason, including, without limitation, the initiation of bankruptcy proceedings; (2) either Windcave or Bank agrees to changes or modifications to the Agreement, with or without notice to Guarantor; (3) Windcave or Bank releases any other Guarantor or Merchant from any obligation under the Guaranty or Agreement, as applicable; (4) any Law affects the rights of either Windcave, Merchant, or Bank under the Agreement; and/or (5) anything else happens that may affect the rights of either Windcave or Bank against Merchant or any other Guarantor. Each Guarantor further agrees that: (a) Windcave and Bank each may delay enforcing any of their rights under this Guaranty without losing such rights; (b) Windcave and Bank each can demand payment from such Guarantor without first seeking payment from Merchant or any other Guarantor or from any security held by Bank; and (c) such Guarantor will pay all court costs, attorneys' fees, and collection costs incurred by either Windcave or Bank in connection with the enforcement of the Agreement or this Guaranty, whether or not there is a lawsuit, and such additional fees and costs as may be directed by a court. If Merchant is a corporation, limited liability company, partnership or other entity, this Guaranty must be executed by a principal of Merchant.

Principal #1 Signature: _____ Principal #2 Signature: _____



Print Name: _____	Print Name: _____
Date: _____	Date: _____

Bank Disclosure: Member bank information: Pinnacle Bank, a Tennessee bank, dba Synovus Bank, 33 W 14th Street, Columbus, GA 31901 Phone: 888-796-6887

Important bank responsibilities:

1. Pinnacle Bank, a Tennessee bank, dba Synovus Bank is the only entity approved to extend acceptance of Visa and MasterCard products under this Agreement directly to a Merchant
2. Pinnacle Bank, a Tennessee bank, dba Synovus Bank is responsible for educating merchants on pertinent Visa and MasterCard Network Rules with which Merchants must comply
3. Pinnacle Bank, a Tennessee bank, dba Synovus Bank, not Windcave, must hold, administer, and control all reserve funds derived from settlement
4. Pinnacle Bank, a Tennessee bank, dba Synovus Bank, not Windcave, must hold and administer funds for Merchant.
5. Pinnacle Bank, a Tennessee bank, dba Synovus Bank must be a party to the Agreement

Important Merchant Responsibilities:

1. Complying with Cardholder data security and storage requirements
2. Maintaining fraud and chargebacks below established thresholds
3. Reviewing and understanding the Agreement
4. Complying with the Network Rules

The responsibilities listed above do not supersede terms of the Agreement and are provided to ensure Merchant understands some important obligations of each party that Pinnacle Bank, a Tennessee bank, dba Synovus Bank, as the member bank, is the ultimate authority should Merchant have any problems.

<p>MERCHANT: Merchant Signature: _____</p> <p>Print Name: _____ Date: _____</p>	<p>WINDCAVE: By: _____</p> <p>Print Name: _____ Date: _____</p>
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<p>BANK:</p> <p>By: _____ Date: _____</p> <p>Name and Title _____</p>
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MERCHANT SERVICES TERMS

As provided by the Merchant Application, Merchant, Windcave Inc. ("Windcave") and Pinnacle Bank, a Tennessee bank, dba Synovus Bank ("Bank") have agreed to be bound by these terms and conditions. Bank and Windcave are collectively referred to herein as the "Provider" and, subject to the requirements of the Network Rules, Windcave and Bank allocate the duties and obligations allocated to Provider as they deem appropriate in their sole discretion and may jointly or individually assert or exercise the rights or remedies provided to Provider hereunder. Further to the foregoing, notwithstanding the foregoing or any other provision hereof, Merchant understands and agrees (A) that Bank does not sponsor Windcave into the American Express or Diners Club/Carte Blanche or JCB Network, is not providing or agreeing to provide Merchant any services hereunder with respect to American Express or Diners Club/Carte Blanche or JCB Network Card transactions, does not determine or approve or agree upon any fees, charges, pricing, or any other terms and conditions, relating to American Express or Diners Club/Carte Blanche or JCB Network Card transactions, and has no responsibility or liability to Merchant for American Express or Diners Club/Carte Blanche or JCB Network Card transactions; and (B) that Merchant Bank does not provide or agree to provide Merchant any services hereunder or have any responsibility or liability to Merchant with respect to any PIN-based debit or stored value or electronic benefit transfer transactions (except only to the extent, if any, required under Visa's or MasterCard's or Discover's or PayPal's {In-Store Checkout} Operating Rules or under any mandatory provisions of applicable law), or any other Card type transactions (other than Visa and MasterCard and Discover and PayPal {In-Store Checkout} credit and non-PIN based debit/stored value Card transactions), or any other services specified in the Application as covered in whole or in part by this Agreement but as not being provided by Bank; and (C) that to the extent applicable to American Express or Diners Club/Carte Blanche or JCB Network Cards or transactions, or to any of the other types of Cards, transactions or services referred to above or in the Application as not being provided by Bank, any reference herein or in any of the other documents constituting part of the "Agreement" (as defined below) to the terms "Provider" or "Bank" (except only to the extent the reference constitutes a complete disclaimer of responsibility or liability on the part of the Provider or Bank, or constitutes an obligation on the part of Merchant to indemnify, defend or hold harmless the Provider or Bank from or against any responsibility or liability) means Windcave only.

Bank, Windcave and Merchant agree as follows:

ARTICLE I – DEFINITIONS

In addition to terms otherwise defined in this Agreement, capitalized terms shall have the meaning ascribed to them in this Article I.

- 1.01** "Account" means a commercial checking or demand deposit account maintained by Merchant for the crediting of collected funds and the debiting of fees and charges under this Agreement.
- 1.02** "ACH" means the Automated Clearing House paperless entry system controlled by the Federal Reserve Board.
- 1.03** "Agreement" means the Merchant Application, the Guaranty and these Terms and Conditions, and any supplementary documents referenced herein, and schedules, exhibits and amendments to the foregoing.
- 1.04** "American Express" means the Cards bearing the Marks of, and Card Network operated by, American Express Travel Related Services Company, Inc. or its affiliates.
- 1.05** "Authorization" means a computerized function or a direct phone call to a designated number to examine individual Transactions to obtain approval from the Card Issuer to charge the Card for the amount of the sale in accordance with the terms of this Agreement and the Network Rules.
- 1.06** "Bank" has the meaning set forth on the Merchant Application.
- 1.07** "Card" means (i) a valid credit card or debit card in the form issued under license from a Card Network. ("Bank Card"); or (ii) any other valid credit card or debit card or other payment device approved by Bank and accepted by Merchant.
- 1.08** "Card Issuer" means the financial institution or company which has provided a Card to a Cardholder.
- 1.09** "Card Network" means Visa U.S.A., Inc., MasterCard International, Inc., American Express Travel Related Services Company, Inc., DFS Services LLC (the owner of Discover) and their affiliates, or any other payment networks approved by Bank and Windcave that provide Cards accepted by Merchant.
- 1.10** "Card Not Present" or "CNP" means transactions where the Cardholder and the Card are not present when processing a transaction.
- 1.11** "Cardholder" (sometimes referred to as "Card Member" in certain Card Network materials) shall mean any person authorized to use the Cards or the accounts established in connection with the Cards.
- 1.12** "Cardholder Information" means any non-public, sensitive information about a Cardholder or related to a Card, including, but not limited to, any combination of Cardholder name plus the Cardholder's social security number, driver's license or other identification number, or credit or debit card number, or other bank account number.
- 1.13** "Chargeback" means the procedure by which a Transaction (or disputed portion thereof) is returned to Provider by a Card Issuer for any reason, including, but not limited to, cases where such item does not comply with the applicable Network Rules.
- 1.14** "Credit Voucher" means a document executed by a Merchant evidencing any refund or price adjustment relating to Cards to be credited to a Cardholder account.
- 1.15** "Discover Card" means a Card bearing the Discover Marks and accepted as part of the DFS Services Network.
- 1.16** "Guarantor" has the meaning set forth on the Merchant Application.
- 1.17** "Guaranty" has the meaning set forth on the Merchant Application.
- 1.18** "Merchant Application" has the meaning set forth on the Merchant Application.
- 1.19** "Network Rules" means the rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Card Networks and related authorities, including without limitation, those of the PCI Security Standards Council, LLC and the National Automated Clearing House Association (including, with respect to EBT, the Quest Operating Rules and with respect to PIN debit cards, the rules, regulations, policies

and procedures of the applicable debit network).

- 1.20** "Offline" means the electronic equivalent of an imprint obtained by swiping a Card through a terminal and electronically capturing Card data and printing a Transaction Record.
- 1.21** "Provider" as provided by the introductory paragraph to these Terms and Conditions, means Windcave and Bank together.
- 1.22** "Transaction" means any sale of products or services, or credit for such, from a Merchant for which the Cardholder makes payment through the use of any Card and which is presented to Provider for collection.
- 1.23** "Transaction Record" means evidence of a purchase, rental or lease of goods or services by a Cardholder from, and other payments to, Merchant using a Card, including preauthorized orders and Recurring Transactions (unless the context requires otherwise), regardless of whether the form of such evidence is in paper or electronic form or otherwise.
- 1.24** "Voice Authorization" means a direct phone call to a designated number to obtain credit approval on a Transaction from the Card Issuer, whether by voice or voice-activated systems via interactive voice response, or IVR.
- 1.25** "Windcave" means Windcave Inc., an entity incorporated in California.

ARTICLE II - CARD ACCEPTANCE

- 2.01** **Honoring Cards.** Merchant will accept all valid Cards when properly presented by Cardholders in payment for goods or services, pursuant to this Agreement and subject to applicable Network Rules requiring Merchant to elect whether it will accept credit only, debit only or both debit and credit cards. Merchant's election is set forth in the Merchant Application. Except to the extent explicitly provided by the Network Rules, Merchant may not establish minimum or maximum amounts for Card sales as a condition for accepting any Card. Merchant may, subject to applicable Law and the Network Rules, (i) impose a surcharge, under certain conditions and with proper disclosure to a Cardholder who elects to use a Card in lieu of payment by cash, check or other method of payment, or (ii) offer cash discounts to Cardholders making payment by cash or check. Merchant shall not engage in any acceptance practice that discriminates against or discourages the use of a Card Network's Cards in favor of any other Card Network's Cards, or favor any particular Card Issuer over any other Card Issuers. Note, many states prohibit or limit cases where Merchant may surcharge a Cardholder or offer cash discounts and the Card Networks impose restrictions on surcharging and cash discounting. Therefore, Provider strongly recommends that Merchant carefully consider and comply with all applicable Law and the Network Rules before Merchant begins to surcharge Cardholders or offer any cash discount. Merchant may not engage in a Transaction (other than a mail, internet, telephone order, or preauthorized sale to the extent permitted under this Agreement) if (i) the person seeking to charge the purchase to his or her Card account does not present the Card to permit Merchant to compare the signature on the Card to the signature on the Transaction Record; or (ii) the Merchant does not obtain an Offline or otherwise use the physical Card to complete the Transaction.
- 2.02** **Advertising.** Subject to the Network Rules, Merchant will prominently display the promotional materials provided by Provider in its place(s) of business. Merchant's use of promotional materials and use of any trade name, trademark, service mark or logo type (collectively, the "Marks") associated with a Card is limited to informing the public that the Card will be accepted at Merchant's place(s) of business. During the term of this Agreement, Merchant may use promotional materials and Marks pursuant to and in strict compliance with the terms of this Agreement and the Network Rules. Upon notification by any Card Network or Provider, or upon termination of this Agreement, Merchant shall discontinue the use of such Card Network's Marks and return any inventory or promotional materials to Provider. Merchant may not use any promotional materials or Marks associated with the Card Network in any way which suggests or implies that a Card Network endorses any goods or services other than Card payment services. Merchant's website, if any, must prominently display the name of the Merchant and the name that will appear on the Cardholder statement.
- 2.03** **Card Acceptance.** When accepting a Card, Merchant will follow the steps and guidelines set forth in the Network Rules or otherwise provided by Provider from time to time for accepting Cards and in particular, will: (a) determine in good faith and to the best of its ability that the Card is valid on its face; (b) obtain Authorization from the Card Issuer to charge the Cardholder's account; (c) comply with the additional terms set forth in this Agreement with respect to Telephone Orders, Mail Orders, Internet, Preauthorized Orders and Installment Orders and with respect to any Card Not Present Transactions; (d) document the approved Transaction in accordance with this Agreement and the Network Rules; and (e) deliver a true and completed copy of the Transaction Record to the Cardholder at the time the goods are delivered or services performed or, if the Transaction Record is prepared by a point-of-sale terminal, at the time of the sale. Except to the extent otherwise provided for in this Agreement, each Transaction Record must contain the following information: (i) Merchant's legal name and/or registered trade name, Merchant's location, and the Merchant's merchant identification number designated by the Provider; (ii) the truncated version of the Card number as provided in the Network Rules; (iii) a brief description of the goods or services involved in the Transaction; (iv) the selling price, together with applicable taxes, other charges or gratuities, and the total amount of the Transaction; (v) signature of the Cardholder or authorized user as described in this Agreement, date of the Transaction and the Transaction approval number; (vi) any additional requirements of the Card Networks that may be applicable to specific merchant or transaction types, as amended from time to time; and (vii) such additional information which may from time to time be required by Provider, the Card Networks, or Card Issuers. Merchant will not transmit a Transaction Record to Provider until such time as: (i) the Transaction is completed; (ii) the goods or services have been shipped or provided, except as set forth in this Agreement and the Network Rules; or (iii) a Cardholder consent is obtained for a Recurring Transaction in accordance with terms of this Agreement and the Network Rules.
- 2.04** **Authorization.** Merchant will obtain an Authorization for all Transactions using a means approved by Provider. If Merchant cannot, for any reason, obtain an electronic Authorization through the use of a terminal, Merchant will request a Voice Authorization from Provider's designated authorization center and will legibly print the authorization number on the Transaction Record. Merchant will not obtain or attempt to obtain Authorization from Provider's authorization center unless Merchant intends to submit to Provider a Transaction for the authorized amount if Authorization for the Transaction is given. Merchant may not divide a single Transaction between two or more Transaction Records on a single Card to avoid Authorization limits that may be set by the Card Issuer. Merchant acknowledges that an Authorization provides only that the Cardholder account has sufficient credit available to cover the amount of the current sale and that an Authorization is not a guarantee that the Transaction will not be subject to dispute or Chargeback and does not

warranty the Cardholder's identity. Merchant may not attempt to obtain an authorization by successively decreasing the sale amount. Provider may refuse to process any Transaction Record presented by Merchant: (a) unless a proper authorization number or approval code has been recorded on the Transaction Record; (b) if Provider determines that the Transaction Record is or is likely to become uncollectible from the Cardholder to which the Transaction would otherwise be charged; or (c) if Provider has reason to believe that the Transaction Record was prepared in violation of any provision of this Agreement or the Network Rules. Merchant will use, and may not circumvent, fraud identification tools requested by Provider, including address verification system processing and CVV2 processing, and acknowledges that the use of these tools may prevent Merchant from accepting certain Cards as payment. Merchant acknowledges that its use of fraud identification tools may not prevent fraudulent Card usage, and agrees that any fraudulent Transaction may ultimately result in a Chargeback, for which Merchant retains full liability under this Agreement.

- 2.05 Retention and Retrieval of Cards.** Merchant will use its best efforts, by reasonable and peaceful means, to retain or recover a Card when receiving such instructions when making a request for Authorization or if Merchant has reasonable grounds to believe the Card is counterfeit, fraudulent or stolen. Merchant's obligations under this section do not authorize a breach of the peace or any injury to persons or property, and Merchant will hold Provider harmless from any claim arising from any injury to person or property or other breach of the peace in connection with the retention or recovery of a Card.
- 2.06 Multiple Transaction Records; Partial Consideration.** Merchant may not prepare more than one Transaction Record for a single sale or for a single item, but will include all goods and services purchased in a single Transaction in the total amount on a single Transaction Record except under the following circumstances: (a) for purchases in separate departments of a multiple department store; (b) for partial payment, installment payment, delayed delivery or an advance deposit; or (c) for delayed or amended charges governed by Network Rules for travel and entertainment merchants and related Transactions.
- 2.07 Telephone Orders, Mail Orders, Internet, Preauthorized Orders and Installment Orders.** Unless Merchant has been approved by Provider to accept mail, internet or telephone orders, Merchant warrants that it is a walk-in trade business, located in a retail business place where the public moves in and out freely in order to purchase merchandise or obtain services. If Merchant is not approved by Provider for Card Not Present Transactions and Provider determines Merchant has accepted unapproved Card Transactions which are placed by telephone, generated through telephone solicitation, mail order, internet sales or other means that does not create a Transaction Record that bears the Cardholder's signature, this Agreement may be immediately terminated by Provider and the value of all Transaction Records collected from the first day of processing may be charged back to Merchant and all funds therefrom held as provided in Article IV of this Agreement. Unless approved by Provider, this Agreement does not contemplate regular acceptance of Cards for sales accepted by mail, internet or telephone nor through preauthorized orders. Regardless of whether Merchant has been approved by Provider for Card Not Present Transactions, Merchant assumes all responsibility for identification of the Cardholder and the validity of the Card information for Card Not Present Transactions. Merchant agrees to identify separately any high-risk transactions Merchant submits. The high-risk transactions include, but are not limited to, any under Merchant Category Code 5967 – Direct Marketing – Inbound Telemarketing Merchants.
- 2.08 Lodging and Vehicle Rental Transactions.** For lodging and vehicle rental Transactions, Merchant must estimate and obtain Authorization for the amount of the Transaction based upon the Cardholder's intended length of stay or rental. Additional Authorization must be obtained and recorded for charges actually incurred in excess of the estimated amount. Regardless of the terms and conditions of any written preauthorization form, the Transaction Record amount for any lodging or vehicle rental Transaction must include only that portion of the sale, including any applicable taxes, evidencing a bona fide rental of real or personal property by Merchant to the Cardholder and may not include any consequential charges. Nothing contained herein is intended to restrict Merchant from enforcing the terms and conditions of its preauthorization form through means other than a Transaction.
- 2.09 Returns and Adjustments; Credit Vouchers.** Merchant's policy for the exchange or return of goods sold and the adjustment for services rendered will be established and posted in accordance with the Network Rules of the applicable Card Networks. Merchant will disclose, if applicable, to a Cardholder before a Transaction is made, that if merchandise is returned: (a) no refund, or less than a full refund, will be given; (b) returned merchandise will only be exchanged for similar merchandise of comparable value; (c) only a credit toward purchases will be given; or (d) special conditions or circumstances apply to the sale (e.g., late delivery, delivery charges, or other non-credit terms). If Merchant does not make these disclosures, a full refund in the form of a credit to the Cardholder's Card account must be given. Disclosures must be made on all copies of Transaction Records or invoices in letters approximately 1/4" high in close proximity to the space provided for the Cardholder's signature or on an invoice issued at the time of the sale or on an invoice being presented for the Cardholder's signature. Any change in Merchant's return or cancellation policy must be submitted in writing to Provider not less than fourteen (14) days prior to the change. Provider may refuse to process any Transaction Record made subject to a revised return or cancellation policy of which Provider has not been notified as required herein.
- 2.10 Cash Payments.** Merchant may not receive any payments from a Cardholder for charges included in any Transaction resulting from the use of any Card nor receive any payment from a Cardholder to prepare and present a Transaction for the purpose of effecting a deposit to the Cardholder's account.
- 2.11 Cash Advances; Scrip Purchase.** Unless otherwise approved in advance by Provider, Merchant may not deposit any Transaction for the purpose of obtaining or providing a cash advance either on Merchant's Card or the Card of any other party and may not accept any Card at a scrip terminal, and either action will be grounds for Provider's immediate termination of this Agreement.
- 2.12 Duplicate Transactions.** Merchant may not deposit duplicate Transactions. Provider may debit Merchant for any adjustments for duplicate Transactions and Merchant is liable for any Chargebacks resulting therefrom.
- 2.13 Deposit of Fraudulent Transactions.** Merchant may not accept or deposit any fraudulent or unauthorized Transactions and may not under any circumstances present for processing or credit, directly or indirectly, a Transaction which originated with any other merchant or any other source other

than Transactions arising from bona fide purchases from Merchant for the goods and services for which Merchant has been approved under this Agreement. If Merchant deposits any such fraudulent or unauthorized Transaction, Provider may: (a) immediately terminate this Agreement; (b) withhold funds and demand an escrow as provided in this Agreement; or (c) report Merchant to the applicable Card Network. Merchant's employees' and agents' actions are chargeable to Merchant under this Agreement.

2.14 **Collection of Pre-Existing Debt.** Merchant may not prepare and present to Provider any Transaction representing the refinancing of an existing Cardholder obligation, including, but not limited to, obligations: (a) previously owed to Merchant; (b) arising from the dishonor of a Cardholder's personal check or relating to a Chargeback; or (c) representing the collection of any other pre-existing indebtedness, including collection of delinquent accounts on behalf of third parties.

2.15 **Data Security/Personal Cardholder Information.** Except as otherwise provided by the Network Rules, Merchant may not, as a condition of sale, impose a requirement on Cardholders to provide any personal information as a condition for honoring Cards unless such information is required to provide delivery of goods or services or Merchant has reason to believe the identity of the person presenting the Card may be different than that of the Cardholder. Merchant will not, under any circumstances, release, sell or otherwise disclose any Cardholder Information to any person other than Provider or the applicable Card Network, except as expressly authorized in writing by the Cardholder, or as required by Law or the Network Rules.

(a) **Safeguards.** Merchant will maintain appropriate administrative, technical and physical safeguards for all Cardholder Information. These safeguards will (i) ensure the confidentiality of Cardholder Information; (ii) protect against any anticipated threats or hazards to the security or integrity of Cardholder Information; (iii) protect against unauthorized access to or use of Cardholder Information that could result in substantial harm or inconvenience to any Cardholder; and (iv) properly dispose of all Cardholder Information to ensure no unauthorized access to Cardholder Information. Merchant will maintain all such safeguards applicable to Merchant in accordance with applicable Law and the Network Rules.

(b) **Compliance with Card Network Rules.** Merchant represents, warrants and covenants that it is and will remain throughout the Term of this Agreement in compliance with (i) Network Rules related to data security, data integrity and the safeguarding of Cardholder Information, including the Payment Card Industry Data Security Standard ("PCI"), Discover Information Security Compliance ("DISC"), MasterCard's Site Data Protection Program ("SDP"), the American Express Data Security Requirements ("DSR"), and Visa's Customer Information Security Program ("CISP"), in effect and as may be amended, supplemented or replaced from time to time, and (ii) any data security guidelines or operating guide that Provider may provide to Merchant, as the same may be amended, supplemented or replaced from time to time. Merchant will cause all of its service providers, subcontractors and agents to comply with PCI, SDP, DISC, DSR and CISP requirements and any data security guidelines or operating guide provided by Provider at all times. Merchant will report any non-compliance immediately to Provider. To accomplish the foregoing, Merchant will encrypt all debit, credit or stored value card numbers whether in storage, transport or backup and will not store data security codes on its systems, network or software.

(c) **Annual Certification.** Merchant will provide an annual certification to Provider if requested by Provider (in a form acceptable to Provider) certifying compliance with the data security provisions of this Agreement, including compliance with applicable Card Network requirements such as PCI, SDP, DSR and CISP. Merchant will provide annual certifications for Merchant's service providers, subcontractors and agents.

(d) **Information Use Limitations.** Merchant may not sell, disclose, or otherwise make Cardholder Information available, in whole or in part, in a manner not provided for in this Agreement, without Provider's prior written consent. Merchant may, however, disclose Cardholder Information to its service providers, subcontractors and agents who have a need to know such information to provide the services described in this Agreement, provided that those individuals or entities have assumed confidentiality obligations in accordance with this Agreement, or when such disclosure is required by legal process or applicable Law, and Merchant and its relevant service provider, subcontractor, or agent have entered into a written agreement containing Merchant's and such individual's or entity's agreement to the foregoing data security provisions, including compliance with the Network Rules.

(e) **Response to Unauthorized Access.** Merchant will notify Provider within twenty four (24) hours after it becomes aware of any actual or potential breach in security resulting in an unauthorized access to Cardholder Information. Merchant will provide any assistance that Provider, Card Issuer, regulators, governmental authority or any Card Network deems necessary to contain and control the incident to prevent further unauthorized access to or use of Cardholder Information. Such assistance may include, but not be limited to, preserving records and other evidence and compiling information to enable Provider and the issuing bank(s) or the Card Network to investigate the incident and provide assistance and cooperation to:

(a) file suspicious activity reports (as applicable); (b) notify their regulators (as applicable); and (c) notify the affected Cardholder (as required). Unless the unauthorized access was due to Provider's acts or omissions, Merchant will bear the cost of notifying affected Cardholder.

(f) **Miscellaneous.** Merchant may not make a claim against Provider or hold Provider liable for the acts or omissions of other merchants, service providers, Card Issuers, Card Network, financial institutions or others that do not have a written contractual relationship with Provider or over which Provider has no control. These provisions supplement, augment and are in addition to obligations of indemnification, audit, confidentiality and other similar provisions contained in this Agreement. This Section and each of its subsections will survive this Agreement's termination. Merchant may not store in any system or in any manner discretionary Card read data including without limitation CVV2 data, PIN data, address verification data or any other information prohibited by Network Rules. Merchant agrees that Provider may disclose to any Card Network information regarding Merchant and Merchant's Transactions to any Card Network, and that such Card Network may use such information to perform its responsibilities in connection with its duties as a Card Network, promote the Card Network, perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes within the parameters of Card Network Card acceptance, and transactional or relationship communications from a Card Network. A Card Network may use the information about Merchant obtained in this Agreement at the time of setup to screen and/or monitor Merchant in connection with the Card Network marketing and administrative purposes. Merchant agrees it may receive messages from a Card Network, including important information about Card Network products, services, and resources available to its business. These messages may be sent to the mailing address, phone

numbers, email addresses or fax numbers of Merchant. Merchant may be contacted at its wireless telephone number and the communications sent may include autodialed short message service (SMS or "text") messages or automated or prerecorded calls. Merchant agrees that it may be sent fax communications.

- 2.16 Compliance with Laws and Network Rules.** Merchant will comply with and conduct its Card activities in accordance with all applicable local, state, and federal statutes, regulations, ordinances, rules and other binding law, as the same may be enacted or amended from time to time (collectively, "Laws") as well as all Network Rules. Merchant may not: (a) accept Cardholder payments for previous Card charges incurred at the Merchant location; (b) require a Cardholder to complete a postcard or similar device that includes the Cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed; (c) add any tax to transactions, unless applicable Law expressly requires that Merchant be permitted to impose a tax (any tax amount, if allowed, must be included in the transaction amount and not collected separately); (d) enter into interchange any Transaction Record for a Transaction that was previously the subject of a Chargeback to Provider and subsequently returned to Merchant, irrespective of Cardholder approval (Merchant may pursue payment from the Cardholder outside the Card Network system); (e) request or use an account number for any purpose other than as payment for its goods or services; (f) disburse funds in the form of travelers cheques, if the sole purpose is to allow the Cardholder to make a cash purchase of goods or services from Merchant; (g) disburse funds in the form of cash, unless:
- (i) Merchant is a lodging or cruise line merchant disbursing cash to a Cardholder, (ii) Merchant is dispensing funds in the form of travelers cheques, Cards, or foreign currency, or (iii) Merchant is participating in the Card Network cash back or Cash Over service; (h) accept a Card for manual cash disbursement;
 - (i) accept a Card to collect or refinance existing debt that has been deemed uncollectible by Merchant providing the associated goods or services; (j) enter into a Transaction that represents collection of a dishonored check; or (k) accept a Card for an unlawful Internet gambling transaction. Merchant will pay all Card Network fines, fees, penalties and all other assessments or indebtedness levied by Card Network to Provider which are attributable, at Provider's discretion, to Merchant's Transaction processing or business. The Card Network may require that Bank limit Merchant's participation in the applicable Card Network and/or terminate this Agreement.
- 2.17 Merchant's Business.** Merchant will notify Provider immediately if it intends to (a) transfer or sell any substantial part of its total assets, or liquidate; (b) change the basic nature of its business, including selling any products or services not related to its current business; (c) change ownership or transfer control of its business; (d) enter into any joint venture, partnership or similar business arrangement whereby any person or entity not a party to this Agreement assumes any interest in Merchant or Merchant's business; (e) alter in any way Merchant's approved monthly volume, average, or maximum ticket; (f) changes its return policies or to another fulfillment house different from those identified in Merchant Application; or (g) changes to its Account. Merchant will notify Provider promptly in writing if it becomes subject to any voluntary or involuntary bankruptcy or insolvency petition or proceeding. Merchant's failure to provide notice as required above may be deemed a material breach and will be sufficient grounds for termination of the Agreement and for Provider's exercise of all its rights and remedies provided by this Agreement. If any change listed above occurs, Provider may immediately terminate this Agreement.
- 2.18 Merchant's Representations and Warranties.** Merchant represents and warrants that: (a) all information contained in the Merchant Application or any other documents delivered to Provider in connection therewith is true and complete and properly reflects Merchant's business, financial condition and principals, partners, owners or officers (as applicable); (b) Merchant has power to execute, deliver and perform this Agreement, and this Agreement is duly authorized, and will not violate any provisions of Law, or conflict with any other agreement to which Merchant is subject; (c) Merchant holds all licenses, if any, required to conduct its business and is qualified to do business in every jurisdiction where it is required to do so; and (d) there is no action, suit or proceeding at law or in equity now pending or, to Merchant's knowledge, threatened by or against or affecting Merchant which would substantially impair its right to carry on its business as now conducted or adversely affect its financial condition or operations.
- 2.19 Merchant's Covenants.** Merchants covenants that: (a) each Transaction Record presented to Provider for collection is genuine and is not the result of any fraudulent activity, or a Transaction prohibited by a Card Network, or is not being deposited on behalf of any business other than Merchant as authorized by this Agreement; (b) each Transaction Record is the result of a bona fide purchase of goods or services from Merchant by the Cardholder in the total amount stated on the Transaction Record; (c) Merchant will perform all of its obligations to the Cardholder in connection with the Transaction evidenced thereby; (d) Merchant will comply with Provider's procedures for accepting Cards, and the Transaction itself will not involve any element of credit for any other purposes other than as set forth in this Agreement, and will not be subject to any defense, dispute, offset or counterclaim which may be raised by any Cardholder under the Network Rules, the Consumer Credit Protection Act (15 USC §1601) or other Law; and any Credit Voucher which Merchant issues represents a bona fide refund or adjustment on a Transaction by Merchant with respect to which a Transaction Record has been accepted by Provider.
- 2.20 Third Parties.** Merchant may desire to use a third-party service provider to assist Merchant with its Transactions. Merchant shall not utilize any such third parties unless Merchant has disclosed such use to Provider previously in writing, and unless such third party is fully compliant with all Laws and Network Rules. Any third party used by Merchant must be registered with the Card Network prior to the performance of any contracted services on behalf of Merchant. Further, as between the parties to the Agreement, Merchant will be bound by the acts and omissions of any third-party service provider and Merchant will be responsible for compliance by such third-party service provider with all Laws and Network Rules. Merchant will indemnify and hold harmless Provider from and against any loss, cost, or expense incurred in connection with or by reason of Merchant's use of any third parties, including third-party service providers. Provider is not responsible for any third-party service provider used by Merchant, nor is Provider required to process any Transaction which Provider receives from Merchant or its service providers in any format not approved by Provider. Provider has no responsibility for, and shall have no liability to Merchant in connection with, any hardware, software or services Merchant receives subject to a direct agreement (including any sale, warranty or end-user license agreement) between Merchant and a third party.
- 2.21 Recourse.** Merchant acknowledges that Windcave performs the services contemplated by this Agreement and Windcave is responsible to Merchant for any failure to perform such services in accordance with the terms of this Agreement. While Bank satisfies settlement files pursuant to instructions provided by Windcave, Bank is not responsible for independently verifying the accuracy of such settlement files. Accordingly, to the greatest extent

permitted by the Network Rules, Merchant's sole recourse for any failure by Provider under this Agreement is against Windcave (and not Bank).

- 2.22** **Pre-Authorized Transactions.** If Merchant agrees to accept a pre-authorized order, the Cardholder shall execute and deliver to Merchant a written request for such pre-authorization which will be retained by Merchant and made available upon request to Provider. Merchant will not deliver goods or perform services covered by a pre-authorization after receiving specific notification that the pre-authorization is cancelled or that the card covering the pre-authorization is not to be honored.
- 2.23** **Pre-Authorization Health Care Transactions.** If Merchant is a "Health Care Merchant" as indicated on the Merchant Application and accepts a pre-authorized health care Transaction(s) from a Cardholder, Merchant agrees to comply with any requirements in the Network Rules related to such Transactions.
- 2.24** **Recurring Transactions.** If Merchant agrees to accept a recurring transaction from a Cardholder for the purchase of goods or services which are delivered or performed periodically (a "Recurring Transaction"), the Cardholder shall complete and deliver to Merchant an order form containing a written request for such goods or services to be charged to the Cardholder's account, the frequency of the recurring charges and the duration of time for which such Cardholder's permission is granted. In the event a Recurring Transaction is renewed, the Cardholder shall complete and deliver to Merchant a subsequent order form for continuation of such goods or services to be charged to the Cardholder's account. A Recurring Transaction may not include partial payments made to Merchant for goods or services purchased in a single Transaction, nor may it be used for periodic payments of goods or services on which Merchant assesses additional finance charges. A copy of the order form must be retained for the duration of the recurring charges and provided in response to Provider's request. In addition, Merchant must record, retain, and promptly produce upon request the "ship to address" and address verification service code (where applicable) for each transaction. Merchant must not complete an initial or subsequent Recurring Transaction after receiving a cancellation notice from the Cardholder, the Card Issuer, Provider or other party or a response that the Card is not to be honored.
- 2.25** **Limited Acceptance.**

(a) If appropriately indicated on the Merchant Application, Merchant shall be a limited acceptance merchant, which means that Merchant has elected to accept only certain Visa and MasterCard Card types as indicated on the Merchant Application, or via later notification. The Visa or MasterCard credit acceptance option on the Merchant Application refers to Visa credit and business transactions, and is what MasterCard refers to as "Other Card" transactions. Notwithstanding anything to the contrary in the Merchant Application, Merchant can elect (i) to accept only Visa or MasterCard non-PIN based debit/stored value/electronic benefit transactions (sometimes referred to as "signature debit" transactions, whether or not an actual signature is required), (ii) to accept only Visa or MasterCard Credit transactions, or (iii) to accept all Visa or MasterCard credit and signature debit transactions; provided, however, that a Merchant who accepts any Visa or MasterCard Card types must accept all valid Visa or MasterCard Card types issued by a non-U.S. issuer. Merchant is not required to accept Cards of Card Networks other than Visa or MasterCard in order to accept Visa or MasterCard Cards (except that transactions using Diner's International Cards which also carry the MasterCard Mark must be accepted if Merchant accepts MasterCard Card transactions of the same type). Provider has no obligation other than those expressly provided under the Network Rules and applicable Law as they may relate to limited acceptance. Provider's obligations do not include policing card types at the point-of-sale. Merchant will be solely responsible for the implementation of its decision for limited acceptance including but not limited to policing the Card Network type(s) of transactions at the point-of-sale submitted for processing by Provider. Should Merchant submit a Transaction for processing for a card type it has indicated it does not wish to accept, Provider may process that Transaction and Merchant will pay the applicable fees, charges, and assessments associated with that Transaction. Merchant will comply with any applicable Laws and Network Rules and other applicable rules and regulations for the Card Network type processed.

(b) If Merchant has chosen to accept Discover Cards in the Merchant Application, Merchant must accept Discover Cards at all Merchant establishments, including in payment for purchases of goods and services, for charitable contributions and for Cash Over Transactions (subject to the terms of the Network Rules and other applicable rules and regulations), when properly presented for payment by a Cardholder. Subject to this section, Merchant must create a Transaction Record for each Discover Card Transaction and deliver at least one copy of the Transaction Record to the Cardholder. A Merchant may issue a Cash Over (subject to the terms of the Network Rules) in connection with a Discover Card Transaction. Merchant must deliver a single Authorization request for the aggregate total of the goods/services purchase amount and the Cash Over amount. In addition, the Transaction Record must include both the purchase amount and the Cash Over amount.

ARTICLE III - PRESENTMENT, PAYMENT, CHARGEBACK

- 3.01** **Acceptance.** Provider will accept from Merchant all Transaction Records deposited by Merchant under the terms of this Agreement and will present the same to the appropriate Card Issuers for collection against Cardholder accounts. Merchant must transmit Transaction Records and Credit Vouchers to Provider or its processing vendor on the same or next business day immediately following the day that such Transaction Records and Credit Vouchers have been originated. All presentment and assignment of Transaction Records, collection therefor and reassignment or rejection of such Transaction Records are subject to the terms of this Agreement and the Network Rules. Provider will only provisionally credit the value of collected Transaction Records to Merchant's Account and reserves the right to adjust amounts collected to reflect the value of Chargebacks (actual and anticipated), fees, penalties, late submission charges, reserve deposits, negative Transaction Record batch deposits and items for which Provider did not receive final payment.
- 3.02** **Endorsement.** By presenting Transaction Records to Provider for collection and payment, Merchant agrees to sell and assign all its right, title and interest in each Transaction Record completed in conformity with Provider's acceptance procedures. Merchant's presentment of Transaction Records to Provider constitutes an endorsement by Merchant to Provider of such Transaction Records. Provider may supply such endorsement on Merchant's behalf.

- 3.03 Prohibited Payments.** Provider may receive payment of any Transaction Record presented by Merchant and paid by Provider unless and until there is a Chargeback. Unless specifically authorized in writing by Provider, Merchant may not collect or attempt to collect any Transaction Record, including Chargebacks, and will hold in trust for Provider and promptly deliver in kind to Provider any payment Merchant receives, in whole or in part, of the amount of any accepted Transaction, together with the Cardholder's name and account number and any corresponding accompanying payment.
- 3.04 Chargebacks.** Merchant will accept responsibility for all Chargebacks related to Merchant's Transactions. Accordingly, Merchant will be liable to Provider in the amount of any Transaction disputed by the Cardholder or Card Issuer for any reason under the Network Rules. Merchant authorizes Provider to offset from funds due to Merchant or to debit the Account or, if applicable, the Reserve Account for the amount of all Chargebacks. Merchant agrees to fully cooperate with Provider in complying with the Network Rules regarding all Chargebacks. Merchant may not initiate a sale Transaction in an attempt to collect a Chargeback. Merchant will pay the current published fees for each Chargeback as listed on the Merchant Application and any other fines, fees, or assessments imposed by any Card Network or Card Issuer. Bank will make good faith, reasonable efforts to defend the position of Windcave and Merchant with respect to Chargebacks.
- 3.05 Reserve Account.** Notwithstanding anything to the contrary in this Agreement and in addition to any other legal rights or remedies available to Provider, Bank may establish (without notice to Merchant) and Merchant agrees to fund and/or allow Provider to fund from the Account or by way of offset of funds otherwise due to Merchant, a non-interest bearing Chargeback reserve account (the "Reserve Account") in an amount determined by Bank in its sole discretion. Such Reserve Account may be funded by all or any combination of the following, as determined by Bank: (i) one or more debits to Merchant's Account or any other accounts held by Bank or any of its affiliates in Merchant's name or on Merchant's behalf; (ii) one or more deductions or offsets to any payments otherwise due to Merchant; (iii) Merchant's delivery to Bank of a letter of credit; (iv) if Bank so agrees, Merchant's pledge to Bank of a freely transferable and negotiable certificate of deposit; or (v) Bank's demand of other security or increase of any discount rate, transaction fees or other fees. Any such letter of credit or certificate of deposit shall be issued by a financial institution reasonably acceptable to Bank. The Reserve Account may be established at any time or for any reason. Specific examples of reasons include: (a) Merchant engages in any Transaction processing that creates an overcharge to a Cardholder by duplicating Transactions; (b) any activity designed by Merchant to circumvent a "call center" message when attempting to process a Transaction; (c) Merchant breaches this Agreement, violates any representation, covenant or warranty herein, or violates any Network Rule or Law; (d) the Merchant Application is in any way inaccurate or becomes inaccurate subsequent to Provider's approval of the Merchant Application; (e) Merchant changes its type of business without Provider's prior written approval; (f) fraud, Merchant processes an unauthorized charge, or other action that violates Provider's applicable risk management standards or is likely to cause a loss; (g) Merchant has Chargebacks exceeding one percent (1%) of the total number of transactions completed by Merchant in any thirty (30) calendar day period; (h) excessive numbers of requests from Cardholders or Card Issuers to retrieve documentation; (i) Merchant's financial stability is in question or Merchant ceases doing business; or (j) Merchant terminates this Agreement. Once the Reserve Account is established, collected funds will be placed in the Reserve Account by Bank. Before releasing funds after this Agreement is terminated, Merchant will pay any equipment cancellation fees and any outstanding charges, losses or amounts, and Chargebacks for which Merchant has provided indemnification under this Agreement. Further, Bank may require Merchant to deposit additional amounts based upon Merchant's processing history and/or anticipated risk of loss to Bank into the Reserve Account. Once established, unless Bank determines otherwise at its sole discretion, the Reserve Account will remain in place for the later of (i) twelve (12) months, or (ii) such period thereafter during which Cardholder disputes may remain valid under the Network Rules. **The provisions of this Agreement relating to account debits and credits apply to the Reserve Account and survive this Agreement's termination until Bank terminates the Reserve Account. Any balance remaining after Chargeback rights have expired and all of Bank's other anticipated expenses, losses and damages have been paid will be disbursed to Merchant.**

ARTICLE IV - TERMINATION AND EFFECT OF TERMINATION

- 4.01 Term.** This Agreement will be effective once Provider accepts it and, unless otherwise terminated, will continue for one (1) year (the "Initial Term") with automatic one(1) year renewal terms thereafter (each a "Renewal Term," and together with the Initial Term, the "Term") unless and until Merchant provides written notice of non-renewal to Provider not less than ninety (90) days before the end of the then-current Term.
- 4.02 Termination.**
- (a) **Without Cause.** Provider, or Bank separately, or Windcave separately, or Merchant separately, may terminate this Agreement, without cause, upon thirty (30) days' advance written notice to the other party. Notwithstanding any terms to the contrary, if Windcave terminates this Agreement pursuant to this clause 4.02(a), Windcave may at its discretion determine that Merchant will not be required to pay termination penalties.
- (b) **For Cause.** Provider may terminate this Agreement in its sole discretion, effective immediately, upon written or verbal notice, or by closing Merchant's point-of-sale terminal, if Provider reasonably determines that any of the following conditions exists: (i) Merchant has violated any provision of this Agreement or Provider is otherwise entitled to terminate this Agreement pursuant to any provision of this Agreement; (ii) there is a material adverse change in Merchant's financial condition; (iii) if any case or proceeding is commenced by or against Merchant, its affiliates or principals under any Law dealing with insolvency, bankruptcy, receivership or other debt relief; (iv) any information which Merchant provided to Provider, including in the Merchant Application, was false, incomplete or misleading when received; (v) at any time during the Term, Merchant has had a monthly ratio of Chargebacks to total Transactions exceeding Card Network requirements or one percent (1%), or Chargebacks exceed three percent (3%) of any monthly dollar amount of total Transactions; (vi) an overdraft in the Account exists for more than three (3) days; (vii) Merchant or any of Merchant's officers or employees has been involved in processing Transactions arising from fraudulent or otherwise unauthorized Transactions; (viii) Merchant is or will be unable or unwilling to perform its obligations under this Agreement or applicable Law; or the Network Rules (ix) Merchant has failed to timely pay Provider any amount due; (x) Merchant has failed to promptly perform or discharge any obligation under its Account or the Reserve Account; (xi) any of Merchant's representations or warranties made in

connection with this Agreement was not true or accurate when given; (xii) Merchant has defaulted on any agreement it has with Provider; (xiii) Provider is served with legal process seeking to attach or garnish any of Merchant's funds or property in Provider's possession, and Merchant does not satisfy or appeal the legal process within fifteen (15) days of such service; (xiv) any Network Rules are amended in any way so that the continued existence of this Agreement would cause Provider to be in breach of those rules; (xv) any guaranty supporting Merchant's obligations is revoked, withdrawn, terminated or altered in any way; (xvi) if any circumstances arise regarding Merchant or its business that create harm or loss of goodwill to any Card Network; (xvii) termination is necessary to prevent loss to Provider or Card Issuers; (xviii) Merchant's type of business indicated on the Merchant Application or as conducted by Merchant could endanger Bank's safety or soundness; (xix) Merchant's owner, officer, Guarantor, or corporate entity has a separate relationship with Bank and that relationship is terminated, (xx) Merchant appears on any Card Network's security reporting; or (xxi) Provider's security for repayment becomes impaired.

4.03 **Effect of Bankruptcy.** Any account or security held by Provider will not be subject to any preference, claim or stay by reason of bankruptcy or similar Law. The parties expressly agree that the acquisition of Transactions hereunder is a financial accommodation and if Merchant becomes a debtor in any bankruptcy or similar proceeding, this Agreement may not be assumed or enforced by any other person and Provider will be excused from performance hereunder.

4.04 **Effect of Termination; Early Termination Fee.** If this Agreement is terminated, regardless of cause, Provider may withhold and discontinue the disbursement for all Cards and other Transactions in the process of being collected and deposited. If the Agreement is terminated for cause, Merchant acknowledges that Provider may be required to report Merchant's business name and the names and other identification of its principals to various Card Network and industry databases, including the Terminated Merchant File and the Merchant Alert to Control High Risk Merchants File ("MATCH"). **Merchant expressly agrees and consents to such reporting if Merchant is terminated for any reason requiring listing on the MATCH file.** To the extent allowed by law, Merchant waives and will hold harmless Provider from any claims that Merchant may raise as a result of Provider's MATCH file reporting. Upon termination of the Agreement, Merchant will immediately cease requesting Authorizations. If Merchant obtains any Authorization after termination, the fact that any Authorization was requested or obtained will not reinstate this Agreement. Further, Merchant will return all Provider property, forms, or equipment. All obligations for Transactions prior to termination (including payment for Chargebacks and Provider's expenses relating to Chargebacks) survive termination. Provider is not liable to Merchant for damages (including prospective sales or profits) due to termination. Following termination, Merchant will, upon request, provide Provider with all original and electronic copies of Transaction Records and Credit Vouchers, if any, that have been retained by Merchant as of the date of termination. Notwithstanding any terms to the contrary, if Windcave terminates this Agreement, Windcave may at its discretion determine that Merchant will not be required to pay early termination fees, and in such instance Merchant will not be required to pay early termination fees. Otherwise, upon termination, any amounts due to Provider will accelerate and be immediately due and payable, without any notice, declaration or other act whatsoever by Provider. The parties agree that if this Agreement is terminated before completion of the Initial Term for any reason other than a material uncured breach by Provider, Merchant will pay Windcave an early termination fee determined by multiplying (a) the number of months remaining from the date of termination to the end of the current Term, by (b) the average monthly processing fees paid by Merchant to Provider, plus Provider's costs and attorneys' fees incurred in connection with Merchant's termination of this Agreement. Merchant agrees that these damages are not a penalty but are a reasonable computation of the financial harm caused by the early termination of this Agreement.

ARTICLE V - MISCELLANEOUS

5.01 **Account Monitoring.** Merchant acknowledges that Provider will monitor Merchant's Transaction activity. In addition to Provider's right to fund a Reserve Account as set forth in Section 3.05, Provider may upon reasonable grounds suspend disbursement of Merchant's funds for any reasonable period of time required to investigate suspicious or unusual Transaction activity. Provider will make good faith efforts to notify Merchant promptly following such suspension. Provider is not liable to Merchant for any loss, either direct or indirect, which Merchant may attribute to any suspension of funds disbursement.

5.02 **Forms.** Merchant will use only the forms or modes of transmission of Transaction Records and Credit Vouchers that are provided or approved in advance by Provider, and Merchant may not use such forms other than in connection with Transactions.

5.03 **Indemnification.** To the extent allowed by law, Merchant will defend, indemnify and hold Provider and its officers, directors, members, shareholders, partners, employees, agents, subcontractors and representatives harmless from and against any and all fines, penalties, claims, damages, expenses, liabilities or fees of any nature whatsoever, including attorneys' fees and costs (collectively, "Damages"), asserted against or incurred by Provider arising out of, relating to or resulting from, either directly or indirectly:

(a) a breach of the security of the system safeguarding Cardholder Information resulting in unauthorized access to Cardholder Information caused by the gross negligence or willful misconduct of Merchant; (b) a breach of any representation, warranty or term of this Agreement by Merchant, including, but not limited to, the data security provisions by Merchant, or any service provider, subcontractor or agent of Merchant; (c) the negligence, gross negligence or willful misconduct of Merchant in the performance of its obligations under this Agreement, including, but not limited to, the data security provisions; (d) any violation of applicable Law or Network Rules by Merchant; and (e) all third-party claims arising from the foregoing. Notwithstanding the preceding, Merchant is not liable to Provider if Damages are caused by, related to or arise out of Provider's gross negligence or willful misconduct, or Provider's breach of this Agreement. Merchant will promptly reimburse Provider for any assessments, fines, fees or penalties imposed by any Card Network in connection with this Agreement, including the data security provisions, and authorizes Bank to deduct any such sums from the Account, the Reserve Account or amount to otherwise be cleared and settled with Merchant. Nothing herein shall constitute a waiver of Merchant's rights with regard to governmental immunity.

5.04 **Records.** In addition to any records Merchant routinely furnishes to Provider under this Agreement, Merchant will preserve Transaction Records and Credit Vouchers and any written authorization of the Cardholder for the longer of the following: (a) two years after the Transaction is completed, (b) the period required by Law or the Network Rules, (c) if a dispute is pending, until such dispute is resolved.

5.05 **Requests for Copies.** Immediately after Merchant receives the request by Provider, Merchant will provide to Provider either the original or a legible copy

(in a size comparable to the actual Transaction Record) of the paper Transaction Record and any other documentary evidence available to Merchant that Provider reasonably requests to meet Provider's obligations under Law (including its obligations under the Fair Credit Billing Act) or otherwise to respond to questions concerning Cardholder accounts.

5.06 **Exclusivity.** Deleted.

5.07 **Fees and Charges.** Merchant will pay to Provider the fees and charges set forth on the Merchant Application including any additional charges applied to transactions that fail to meet Card Network requirements for the lowest interchange levels. The fees and charges will either be debited from the Account through ACH or withheld from daily payments to Merchant for such amounts and for any other fees, charges or adjustments incurred by Merchant and associated with processing services. Provider may change fees, including adding fees for additional services utilized by Merchant, upon thirty (30) days' written notice to Merchant. If Merchant disputes any charge or funding, Merchant must notify Windcave within 60 days of the date of the statement where the charge or funding appears.

5.08 **Security Interest.** This Agreement constitutes a security agreement under the Georgia Commercial Code. To secure payment of Merchant's obligations under this Agreement, Merchant grants to Provider a security interest in all now existing or hereafter acquired: (a) Transactions, Transaction Records, Credit Vouchers and other items submitted to Provider for processing by or for Merchant; (b) accounts receivable and payment rights relating to or arising from this Agreement, including all amounts due Merchant (including any rights to receive credits or payments hereunder); (c) accounts maintained with Bank or any institution other than Bank, including without limitation the Account and the Reserve Account, in the name of or for the benefit of, Merchant or any Guarantor of Merchant's obligations under this Agreement; (d) deposits, regardless of source, to Merchant's or any Guarantor's accounts with Bank or any institution other than Bank, including the Account and the Reserve Account; (e) all deposits and all other property and funds deposited by Merchant or withheld by Bank, including funds and property withheld as the result of security monitoring; and (f) proceeds of the foregoing. If Provider reasonably determines that Merchant has breached any obligation under this Agreement, or that proceeds of Merchant's future Transactions are unlikely to cover anticipated Chargebacks, credits, fees and adjustments, as reasonably determined by Provider (whether because this Agreement has been terminated or for any other reason), Provider may setoff or otherwise exercise its security interest without notice or demand by immediately withdrawing from or freezing any account or otherwise exercising its rights under this Agreement or those rights available under the Network Rules, applicable Laws, including the Georgia Commercial Code, or in equity. In addition to the collateral pledged above, Provider may require Merchant to furnish such other and different security as Provider deems appropriate in its sole discretion to secure Merchant's obligations under this Agreement. Bank may fully or partially prohibit withdrawal by Merchant of funds from Merchant's Account with Bank or financial institutions other than Bank, pending Bank's determination from time to time to exercise its rights as a secured party against such accounts in partial or full payment of Merchant's obligations to Bank. Merchant will execute any documents and take any actions required to comply with and perfect any security interest under this paragraph, at Merchant's cost. Merchant represents and warrants that no other party has a security interest or lien in any of the collateral pledged above, and Merchant will obtain Bank's written consent before it grants a lien or security interest in that pledged collateral to any other person. Merchant shall not assign to any third party any payments due to it under this Agreement, and all indebtedness arising from Transactions will be for bona fide sales of goods and services (or both) at its business locations and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future Transaction receivables to Provider, its affiliated entities and/or any other cash advance funding source that partners with Provider or its affiliated entities, without consent from any Card Network. Notwithstanding the foregoing, Provider prohibits Merchant from selling or assigning future Transaction receivables to any third party without Provider's prior written consent.

5.09 **Modifications to Agreement.** From time to time Provider may amend any provision or provisions of this Agreement, including, without limitation, those relating to the discount rate or to other fees and charges payable by Merchant by mailing or emailing written notice to Merchant of the amendment at least thirty (30) days prior to the effective date of the amendment, and the amendment will become effective unless Provider receives Merchant's written notice of termination of this Agreement before such effective date. If Merchant continues to submit Transaction Records to Provider or otherwise continues to process Transactions with Provider after such thirty (30) day period (even if notice of objection was provided to Provider), then Merchant shall be deemed to have accepted and agreed to such amendment. In addition, Merchant acknowledges and agrees that this Agreement is subject to amendment by Provider to conform to the Network Rules and Law and that amendments required due to changes in either the Network Rules, Law or judicial decision may become effective on such shorter period of time as Provider may specify if necessary to comply with the applicable Network Rule, Law or decision. As a matter of clarification, Merchant may not terminate this Agreement if Provider amends the Agreement as necessary to comply with applicable Network Rules, Law or a judicial decision.

5.10 **Warranty Disclaimer.** PROVIDER MAKES NO WARRANTIES REGARDING THE USE, OPERATION OR PERFORMANCE OR NON- PERFORMANCE OF SOFTWARE AND SYSTEMS UTILIZED FOR THIS AGREEMENT, WHETHER EXPRESS OR IMPLIED, AND PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5.11 **Limitation of Liability.** Provider's liability with respect to any Transaction may not exceed the amount of the Transaction Record in connection with that Transaction less any applicable fees and charges. Merchant will be liable for all costs associated with Offline transactions, including but not limited to Chargeback costs. **In no event will Provider or its agents, officers, directors or employees be liable to Merchant for any indirect, incidental, exemplary, punitive, special or consequential damages whatsoever, including, but not limited to, lost profits.** Merchant waives all claims against Provider for any loss, claim, demand, penalty, action, delay, cost or expense (including reasonable attorneys' fees) of any kind unless Merchant provides written notice to Provider of the occurrence that gave rise to the alleged liability within thirty (30) days after Merchant knew or should have known of the occurrence. Merchant will indemnify and hold Provider harmless from any claim relating to any Transaction Record paid for by Provider as may be made by anyone by way of defense, dispute, offset, counterclaim or affirmative action, or for any damages of or losses that Provider may incur as a result of Merchant's

breach of this Agreement. Further, Merchant will reimburse Provider for all expenses and costs, including attorneys' fees, with regard thereto. Merchant acknowledges that the fees for the services provided to Merchant by Provider are very small in relation to the funds advanced to Merchant for Transactions and consequently Provider's willingness to provide these services is based on the liability limitations contained in this Agreement. Therefore, in addition to greater limitations on Provider's liability that may be provided elsewhere (including the per Transaction Record limitation above), any liability of Provider under this Agreement, whether to Merchant or any other party, whatever the basis of the liability, will not exceed, in the aggregate, an amount equal to the lesser of (a) the fees paid by Merchant to Provider during the last three (3) months, exclusive of fees and variable costs incurred by Provider to process Transactions, such as interchange costs, assessments and fees imposed by a third party or (b) **fifty thousand dollars (\$50,000)**.

- 5.12** **Waiver.** Provider's failure by Provider to enforce one or more of the provisions of this Agreement will not constitute a waiver of the right to enforce the same or other provision in the future.
- 5.13** **Written Notices.** All written notices and other written communications required or permitted under this Agreement will be deemed delivered immediately when hand-delivered or sent via facsimile or email and the sender obtains a fax or email confirmation receipt, and upon mailing when sent first class mail, postage prepaid, addressed as follows:
- (a) If to Bank: At the email or address provided at the top of the Merchant Application.
- (b) If to Windcave: At the email address, or address provided at the top of the Merchant Application.
- (b) If to Merchant: At the email address, or address provided as the billing address and to the contact listed on the Merchant Application.
- 5.14** **Choice of Law, Jurisdiction; Waiver of Jury Trial.** Michigan law governs this Agreement. Any claim or cause of action arising out of this Agreement against Provider must be initiated and maintained exclusively in the state or federal courts located in Atlanta, Georgia. To the extent permitted by applicable Law, Merchant and Provider waive any right to trial by jury in any action or proceedings regarding any litigation related to this Agreement and each agree that any such actions or proceedings will be tried by a judge without a jury.
- 5.15** **Entire Agreement; Assignability.** This Agreement expresses the entire understanding of the parties with respect to the subject matter hereof. This Agreement may be assigned by Bank without Merchant's or Windcave's consent. This Agreement may not be assigned, directly or by operation of law by either Merchant or Windcave, without Bank's prior written consent. This Agreement will be binding upon and inure to the benefit of the parties' respective heirs, personal representatives, successors and assigns.
- 5.16** **Deposit Account.** Merchant will at all times maintain an Account at a bank that is a member of the Federal Reserve ACH system and approved by Provider and will provide Provider with proper authorization to debit the Account. All credits for collected funds and debits for fees, payments and Chargebacks and other amounts for which Merchant is liable under the terms of this Agreement will be made to the Account. During the term of this Agreement and for a period of one (1) year after the termination of this Agreement, Merchant may not close or change the Account without prior written approval by Provider, which approval may not be unreasonably withheld. Merchant will be solely liable for all fees and costs associated with the Account and for all overdrafts. Merchant hereby grants to Provider a security interest in the Account to the extent of any and all fees, payments and Chargebacks and other amounts due which may arise under this Agreement, and Merchant will execute any document and obtain any consents or waivers from the bank at which the Account is maintained as requested by Provider to protect its security interests therein. Merchant will maintain sufficient funds in the Account to accommodate all Transactions contemplated by this Agreement and all other fees, charges, credits or other payments or amounts due under this Agreement.
- 5.17** **Credit and Financial Inquiries; Additional Locations; Inspections.** Provider may make, at any time, any credit inquires which it may consider necessary to accept or review acceptance of this Agreement or investigate Merchant's deposit or Card acceptance activities subsequent to acceptance of this Agreement. Such inquiries may include, but are not limited to, a credit and/or criminal check of Merchant and business including its proprietor, partners, principals, owners or shareholders or officers. Upon Provider's request, Merchant will provide the written consent of any person for which an inquiry has been or is to be made if such person has not executed this Agreement and will provide any financial statements, income tax and business tax returns and other financial information as Provider may consider necessary to perform initial or periodic reviews of Merchant's financial stability and business practices. Merchant may accept Cards only at locations approved by Provider. Additional locations may be added, subject to Provider's prior consent. Provider or Merchant may remove locations by providing notice as provided herein. Merchant will permit Provider, at any time and from time to time, to inspect locations to confirm that Merchant has or is adhering to the terms of this Agreement and is maintaining the proper facilities, equipment, inventory, records and license or permits (where necessary) to conduct its business. However, nothing in this paragraph may be deemed to waive Merchant's obligation to comply in all respects with the terms of this Agreement or the Network Rules. Provider, its internal and external auditors, and its regulators may audit compliance with this Agreement, compliance with Laws and Network Rules, including, but not limited to, relating to Card acceptance and Transaction processing, data security provisions and Card Network compliance. Merchant will make available its records maintained and produced under this Agreement, and Merchant's facilities will be made accessible, upon notice during normal business hours for examination and audit and shall cooperate with such audits or examinations. Nothing in this section may be construed to require Merchant to give access to its facilities, personnel or records in a manner that unreasonably interferes with its business operations. Each party will bear its own expenses of any audit.
- 5.18** **Marketing of Non-Card Services.** From time to time, Provider may offer to Merchant certain additional products and services which may or may not be related to the processing of credit card and debit card Transactions. If such offers are made, Merchant may decline the offers or be deemed to have accepted the offers and be liable for payment therefor. If any additional product or service is offered by Windcave independently of Bank, then Windcave (and not Bank) shall be responsible to deliver and perform such product and service and, accordingly, Merchant may not assert any claim against Bank as it relates to such additional product or service provided by Windcave. Likewise, if any additional product or service is offered by Bank independently of Windcave, then Bank (and not Windcave) shall be responsible to deliver and perform such product and service and, accordingly, Merchant may not assert

any claim against Windcave as it relates to such additional product or service provided by Bank.

- 5.19 Force Majeure.** The parties will be released from liability hereunder if they fail to perform any obligation where the failure occurs by reason of any act of God, fire, flood, storm, earthquake, tidal wave, communications failure, sabotage, war, military operation, terrorism, national emergency, mechanical or electronic breakdown, civil commotion or the order, requisition, request or recommendation of any governmental authority, or either party's compliance therewith, or governmental regulation, or priority, or any other similar cause beyond either party's reasonable control.
- 5.20 No Third-Party Beneficiary.** No other person or entity may be deemed to be a third-party beneficiary of this Agreement.
- 5.21 Severability; Conflict with Network Rules.** If any provision in this Agreement is for any reason held to be invalid or unenforceable, no other provision shall be effected thereby, and this Agreement shall be construed as if the invalid or unenforceable provision had never been a part of it. In the event of a conflict between this Agreement and the Network Rules, the Network Rules shall govern and control.
- 5.22 IRS Reporting Information.** Pursuant to Section 6050W of the Internal Revenue Code, merchant acquiring entities such as Bank and third-party settlement organizations are required to file an information return reflecting all payment card transactions and third-party network transactions occurring in a calendar year. This requirement applies to returns for all calendar years after December 31, 2010 and Merchant will receive a form 1099-K reporting Merchant's gross transaction amounts for each calendar year. In addition, amounts payable under Section 6050W are subject to backup withholding requirements. Merchant acquirers such as Bank, either itself or through third parties, are required to perform backup withholding by deducting and withholding income tax from reportable transactions if (a) the payee fails to provide the payee's taxpayer identification number (TIN) to the merchant acquirer; or (b) if the IRS notifies the merchant acquirer that the TIN (when matched with the name) provided by the payee is incorrect. Accordingly, to avoid backup withholding, it is very important that Merchant provides Bank with the correct name and TIN that Merchant uses when filing its income tax return that includes the transactions for Merchant's business. In addition to the fees set forth on the Merchant Application, if Merchant fails to comply with the obligations set forth in this section, Provider may charge Merchant additional amounts determined by Provider and may pass through any additional fines, costs or expenses incurred by Provider.
- 5.23 Confidentiality.** Merchant shall protect all information or other items proprietary to Provider that Merchant obtains knowledge of or access to as a result of Provider's provision of the services pursuant to this Agreement (collectively, "Provider Confidential Information") from unauthorized disclosure, publication, or dissemination with the same standard of care and discretion Merchant uses to protect similar confidential information of Merchant's own, but in no event less than reasonable care. Furthermore, Merchant shall not use, reproduce, distribute, disclose, or otherwise disseminate Provider Confidential Information, except in connection with the performance of Merchant's obligations under this Agreement or where required by law or court order. The Provider Confidential Information described in the previous sentence, shall include, but not be limited to, the following types of information and other information of a similar nature (whether or not reduced to writing): scientific, technical, or business information, product makeup lists, ideas, concepts, designs, drawings, techniques, plans, calculations, system designs, formulae, algorithms, programs, software (source and object code), hardware, manuals, test procedures and results, identity and description of computerized records, identity and description of suppliers, customer lists, processes, procedures, trade secrets, "know-how," marketing techniques and material, marketing and development plans, price lists, pricing policies, and all other financial information. The obligations of non-disclosure provided hereunder shall continue during the Term and, (i) with respect to Provider Confidential Information that does not constitute a trade secret, for a period of three (3) years thereafter and, (ii) with respect to Provider Confidential Information that rises to the level of a trade secret under applicable Law, for such period of time thereafter as the Provider Confidential Information shall retain its status as a trade secret under applicable law, and no less than three (3) years thereafter.

The Terms below will only apply for American Express transactions that Windcave settles to Merchant's Account. The Terms Below Are Additional Terms Applicable Specifically to American Express Card Acceptance (capitalized terms below not defined elsewhere in the Agreement shall have the meanings assigned in the American Express Network Rules and American Express OptBlue Program Operating Regulations ("Operating Regulations")). With respect to participation in an American Express acceptance program, in the event of a conflict between the terms below and other terms of this Agreement, the terms below shall control with respect to American Express transactions only. Merchant shall be bound by American Express Network Rules, including the Merchant Operating Guide which explains the policies and procedures related to accepting American Express Cards: www.americanexpress.com/merchantopguide as may be amended from time to time. The Merchant Operating Guide is incorporated into this Agreement by reference.

- A5.24 Transaction Data.** Merchant authorizes Windcave and/or its affiliates to submit American Express Transactions to, and receive settlement on such Transactions from, American Express or Bank on behalf of Merchant.
- A5.25 Marketing Message Opt-Out.** Merchant may opt-out of receiving future commercial marketing communications from American Express by contacting Windcave. Note that Merchant may continue to receive marketing communications while American Express updates its records to reflect this choice. Opting out of commercial marketing communications will not preclude Merchant from receiving important transactional or relationship messages from American Express.
- A5.26 Conversion to American Express Direct Merchant.** Merchant acknowledges that it may be converted from American Express Card OptBlue program to a direct relationship with American Express if and when it becomes a High CV Merchant. A Merchant becomes a High CV Merchant due to (i) growth in Charge Volume after it signs to participate in the Program; (ii) Windcave signing a Merchant that does not meet the eligibility criteria in Section 2.2, "Qualification Requirements" of the Operating Regulations; or (iii) any other reason. If this occurs, upon such conversion, (i) Merchant will be bound by American Express' then-current Card Acceptance Agreement; and (ii) American Express will set pricing and other fees payable by Merchant for Card acceptance.
- A5.27 American Express as Third Party Beneficiary.** Notwithstanding anything in the Agreement to the contrary, American Express shall have third-party beneficiary rights, but not obligations, to the terms of this Agreement applicable to American Express Card acceptance to enforce such terms against Merchant.
- A5.28 American Express Opt-Out.** Merchant may opt out of accepting American Express Cards at any time without directly or indirectly affecting its rights to accept Cards bearing Marks of other Card Networks and Other Payment Products. Merchants may elect to accept Other Payment Products without also accepting American Express Cards.
- A5.29 Refund Policies.** Merchant's refund policies for American Express purchases must be at least as favorable as its refund policy for purchase on any other Card Network or any Other Payment Products, and the refund policy must be disclosed to Cardholders at the time of purchase and in compliance with Applicable Law. Merchant may not bill or attempt to collect from any Cardholder for any American Express Transaction unless a Chargeback has been exercised, Merchant has fully paid for such Chargeback, and it otherwise has the right to do so.
- A5.30 Establishment Closing.** If Merchant closes any of its Establishments, Merchant must follow these guidelines: (i) notify Windcave immediately; (ii) policies must be conveyed to the Cardholder prior to completion of the Transaction and printed on the copy of a receipt or Transaction record the Cardholder signs; (iii) if not providing refunds or exchanges, post notices indicating that all sales are final (e.g., at the front doors, by the cash registers, on the Transaction record and on websites and catalogs); (iv) return and cancellation policies must be clearly disclosed at the time of sale; and (v) for Advance Payment Charges or Delayed Delivery Charges, Merchant must either deliver the goods or services for which Merchant has already charged the Cardholder or issue Credit for any portion of the Transaction for which Merchant has not delivered the goods or services.
- A5.31 Disclosure and Consents.** Merchant hereby consents (i) for Windcave to collect and disclose Transaction Data, Merchant Data, and other information about the Merchant to American Express; (ii) for American Express to use such information to perform its responsibilities in connection with the Program, promote the American Express Network, perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes within the parameters of the Program Agreement, and important transactional or relationship communications from American Express; and (iii) for American Express to use the information obtained in the Merchant's application at the time of setup to screen and/or monitor Merchant in connection with Card marketing and administrative purposes.
- A5.32 Data Quality.** Merchant agrees to cooperate with Provider as required to ensure data quality and that Transaction Data and customer information is processed promptly, accurately and completely, and complies with American Express Technical Specifications.
- A5.33 No assignment of payments.** Merchant agrees not to assign to any third party any payments due to it under this Agreement, and all indebtedness arising from Charges will be for bona fide sales of goods and services (or both) at its Establishments and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that the Merchant may sell and assign future Transaction receivables to Provider, its affiliated entities and/or any other cash advance funding source that partners with Provider or its affiliated entities, without consent of American Express.
- A5.34 Termination.** Provider may terminate the Merchant's right to accept American Express Cards if it breaches any of the provisions in this Agreement related to American Express or the Operating Guide. Provider has the right to immediately terminate a Merchant for cause or fraudulent or other activity, or upon American Express' request.
- A5.35 Compliance with Applicable Law.** Merchant must comply with all Applicable Laws, rules and regulations relating to the conduct of the Merchant's business. Merchant is responsible for being aware of and adhering to privacy and data protection laws and providing specific and adequate disclosures to Cardholders of collection, use, and processing of personal data.
- A5.36 Compliance with Security Requirements and Data Incidents.** Merchant must comply with the American Express Data Security Requirements (DSR) and Payment Card Industry Data Security Standard (PCI DSS), each as described in Chapter 15, "Data Security" of the Operating Regulations. Merchant must report all instances of a Data Incident immediately to Windcave after discovery of the incident.
- A5.37 American Express Licensed Marks.** Merchant must cease all use of, and remove American Express Licensed Marks from the Merchant's website and

wherever else they are displayed upon termination of this Agreement or the Merchant's participation in the American Express OptBlue Program.

Council Communication

Item Number: 6.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Consumers Energy Easement Agreement – 1781 Fordney St.
Prepared By: Travis Hare, City Engineer

Manager's Recommendation:

Approve the Electrical Facilities Easement Agreement with Consumers Energy for the Public Works Department, Engineering Division.

Justification:

The purpose of the easement agreement is to allow Consumers Energy to install, maintain, protect, repair, replace, and relocate the lines/electrical facilities, and cut, trim and remove roadway and vegetation within the easement. The easement is required to relocate and or provide power to the Boys and Girls Club.

Consumers Energy shall indemnify, defend, and hold the City harmless from and against liability for personal injuries or property damage to the extent proximately caused by Consumers willful misconduct or negligent acts or omissions in performing work on the City's property.

I have approved the easement agreement as to substance and the City Attorney as to form.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

1. MI91850_03112026_CityofSaginaw_REV_ESMT

EASEMENT FOR ELECTRIC FACILITIES

SAP# 1075623326/1075755220
Design# 11823268/11825254
Agreement# MI00000091850

CITY OF SAGINAW, a Michigan municipal corporation, whose address is 1315 South Washington Avenue, Saginaw, Michigan 48601 (hereinafter "Owner")

for \$1.00 and other good and valuable consideration [exempt from real estate transfer tax pursuant to MCLA 207.505(f) and from State real estate transfer tax pursuant to MCLA 207.526(f)] grants and warrants to

CONSUMERS ENERGY COMPANY, a Michigan corporation, One Energy Plaza, Jackson, Michigan 49201 (hereinafter "Consumers")

a permanent non-exclusive easement to enter Owner's land (hereinafter "Owner's Land") located in the City of Saginaw, County of Saginaw, and State of Michigan as more particularly described in the attached Exhibit A to construct, operate, maintain, inspect (including aerial patrol), survey, replace, reconstruct, improve, remove, relocate, change the size of, enlarge, and protect a line or lines of electric facilities in, on, over, under, across, and through a portion of Owner's Land (hereinafter "Easement Area") as more fully described in the attached Exhibit B, together with any pole structures, poles, or any combination of same, wires, cables, conduits, crossarms, braces, guys, anchors, transformers, electric control circuits and devices, location markers and signs, communication systems, utility lines, protective apparatus and all other equipment, appurtenances, associated fixtures, and facilities, whether above or below grade, useful or incidental to or for the operation or protection thereof, and to conduct such other activities as may be convenient in connection therewith as determined by Consumers for the purpose of transmitting and distributing electricity. Consumers may attach additional lines outside the Easement Area, running laterally from a line within the Easement Area to the North, South, East and West edges of Owner's Land, in which event the Easement Area shall include a 30.00-foot-wide strip of land, being 15.00 feet on each side of each such lateral line and a 12.00-foot-wide strip of land, being 6.00 feet on each side of each such lateral line.

Additional Work Space: In addition to the Easement rights granted herein, Owner further grants to Consumers, during initial construction and installation only, the right to temporarily use such additional work space reasonably required to construct said lines. Said temporary work space shall abut the Easement Area, on either side, as required by construction.

Compliance: Consumers agrees that its use of the Easement Area and Additional Work Space will comply with any applicable federal, state, or local statutes, regulations or ordinances or any applicable rules, regulations, or orders issues by any federal, state, or local agency or commission. Consumers expressly reserves the right to contest the applicability of any federal, state, or local statutes, regulations or ordinances or any rules, regulations, or orders issued by any federal, state, or local agency or commission.

Access: Consumers shall have the right to unimpaired access to said line or lines, and the right of ingress and egress on, over, and through Owner's Land for any and all purposes necessary, convenient, or incidental to the exercise by Consumers of the rights granted hereunder. Consumers shall not commence work within either Easement Area or Additional Work Space without having given Owner at least 30 days' written notice, unless such advance notice would prohibit Consumers from complying with any applicable law, ordinance, or regulation. Consumers may conduct emergency work without advance notice to Owner. Where 30 days' written notice cannot be provided to Owner prior to the commencement of work within either Easement Area due to Consumers compliance with an applicable law, ordinance, or regulation, or as a result of an emergency, Consumers shall provide Owner as much advance verbal and written notice as is feasible under the circumstances. All notices required herein shall be provided to the Public Works Director of the City of Saginaw.

Restoration: Consumers shall restore as reasonably as practicable all that portion of Owner's Land damaged by Consumers during their activities on Owner's Land pursuant to this Agreement to the condition existing immediately prior to Consumers' work within either the Easement Area or Additional Work Space. Restorations shall be completed within 30 days, weather permitting, following the completion of such installation, maintenance, repair, replacement, or removal of Consumers' facilities on Owner's Land.

Trees and Other Vegetation: Owner shall not plant any trees within the Facility Easement Area without a prior written agreement executed by Consumers' Real Estate Department expressly allowing the aforementioned, which approval will not be unreasonably withheld. Consumers shall have the right from time-to-time hereafter, upon providing Owner advanced written or verbal notice, to enter Owner's Land to trim, cut down, and otherwise remove and control any trees, brush, roots, and other vegetation within the Easement Area. Consumers shall have the right from time-to-time hereafter to enter Owner's Land to trim, cut down, and otherwise remove and control any trees, brush, or other vegetation located outside of the Easement Area. Consumers may conduct emergency work without advance notice to Owner. Where 30 days' notice cannot be provided to Owner prior to the commencement of the work within the Easement Area due to Consumers' compliance with an applicable law, ordinance, or regulation, or as a result of an emergency, Consumers shall provide Owner as much advance verbal or written notice as is feasible under the circumstances. All notices required herein shall be provided to the Public Services Director of the City of Saginaw.

Buildings/Structures: Consumers acknowledges that, notwithstanding anything to the contrary contained herein, Owner may currently own and shall continue to operate a walkway/trail system and/or other utilities adjacent to or near the Easement Area. Owner agrees not to build, create, construct, or permit to be built, created, or constructed, any obstruction, building, septic system, drain field, fuel tank, pond, swimming pool, lake, pit, well, foundation, engineering works, installation or any other type of structure within 20 feet on each side of the centerline Tas described in the attached Exhibit B, whether temporary or permanent, natural or man-made, without a prior written agreement executed by Consumers' Real Estate Department expressly allowing the aforementioned, which approval shall not be unreasonably withheld.

Ground Elevation: Owner shall not materially alter the ground elevation within 20 feet on each side of the centerline as described in the attached Exhibit B, without a prior written agreement executed by Consumers' Real Estate Department expressly allowing the aforementioned, which approval shall not be unreasonably withheld.

Crop Damage: Consumers shall pay compensation, based on market rates, for all growing crops situated on Owner's Land that are damaged or destroyed by Consumers during the original installation and/or subsequent maintenance, repair or removal of Consumers' facilities installed pursuant to this easement on Owner's Land. Growing crops shall not mean i) trees or ii) vegetation used in landscaping.

Exercise of Easement: Consumers' nonuse or limited use of this Easement shall not preclude Consumers' later use of this Easement to its full extent.

Insurance: Consumers maintains excess general liability insurance with substantial limits. Such coverage is subject to deductibles or self-insured retentions that are considered prudent and consistent with other utility companies of similar size and operations as Consumers. Consumers agrees to maintain this coverage while this Easement remains in effect.

Indemnity: Consumers shall indemnify, defend, and hold Owner harmless from and against liability for personal injuries or property damage to the extent proximately caused by Consumers' willful misconduct or negligent acts or omissions in performing work on Owner's Land pursuant to this Easement. Consumers shall not allow any lien as a result of Consumers' actions to be recorded against the Owner's interest in the Easement Area, and in the event that such a lien should result, Consumers, at its expense, shall work to have said lien released or bonded over.

Assumption of Risk: Consumers assumes all risk of damage, destruction, or theft to Consumers' property while stored on the Easement Area or Additional Work Space. Consumers acknowledges that Owner has made no representations or warranties as to the condition, safety or security of the Easement Area or Additional Work Space, and Consumers is using same at its own risk.

Ownership: Owner covenants with Consumers that is the lawful fee simple owner of the aforesaid lands, and it has the right and authority to make this grant, and that it will forever warrant and defend the title thereto against all claims whatsoever.

Successors: This Easement shall bind and benefit Owner's and Consumers' respective heirs, successors, lessees, licensees, and assigns.

Counterparts: This Easement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. It is not necessary that all parties execute any single counterpart if each party executes at least one counterpart.

Date: _____

Owner: CITY OF SAGINAW, a Michigan municipal corporation

Signature
By: _____
Print name
Its: _____
Print title

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,
on _____ by _____, _____ of
Date Name Title

City of Saginaw, a Michigan municipal corporation, on behalf of the corporation.

Notary Public
Print Name

County, _____
Acting in _____ County
My Commission expires: _____

**PROPERTY OWNERS MAIL
SIGNED EASEMENT TO:**

Cary Leslie
Consumers Energy Company
1 Consumers Energy Parkway
Clare, MI 48617
ROW Manager: Patrick Laverty

Prepared By:

Kelsea Reichard, 2/27/26 EP7-464
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201
Revised By: Kelsea Reichard 3/11/26

**REGISTER OF DEEDS OFFICE USE
ONLY**

Return recorded instrument to:
Carrie J. Main, EP7-464
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

Date: _____

CONSUMERS ENERGY COMPANY:

Signature
By: _____
Print name
Its: _____
Print title

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,
on _____ by _____, _____ of
Date Name Title

Consumers Energy company, a Michigan corporation, on behalf of the corporation.

Notary Public

Print Name

County, _____
Acting in _____ County
My Commission expires: _____

**PROPERTY OWNERS MAIL
SIGNED EASEMENT TO:**

Cary Leslie
Consumers Energy Company
1 Consumers Energy Parkway
Clare, MI 48617
ROW Manager: Patrick Laverty

Prepared By:
Kelsea Reichard, 2/27/26 EP7-464
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201
Revised By: Kelsea Reichard 3/11/26

**REGISTER OF DEEDS OFFICE USE
ONLY**

Return recorded instrument to:
Carrie J. Main, EP7-464
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

EXHIBIT A

Owner's Land

Land situated in the City of Saginaw, County of Saginaw, State of Michigan:

A part of the Southeast 1/4 of Section 26, Town 12 North, Range 4 East, described as: commencing at intersection of centerlines of Fordney Street and Webber Street, running thence Northerly along centerline of Fordney Street to a point on said Fordney Street centerline said point being 1766.00 feet Northerly measured at right angles of centerline of Webber Street; thence Westerly parallel with North line of Webber Street to Point of Beginning on West line of Fordney Street; thence North along West line of Fordney Street 121.13 feet; thence North 79 degrees 13 minutes 30 seconds West 300.00 feet; thence South 12 degrees 45 minutes 24 seconds West 157.24 feet to North line of the Y.M.C.A. of Saginaw parcel as described and recorded in the City of Saginaw Records, Ward 8, Property Description Number 8-917a-5, thence South 80 degrees 40 minutes 48 seconds East 126.78 feet; thence South 21 degrees 52 minutes 00 seconds West 58.51 feet; thence South 79 degrees 13 minutes 30 seconds East 182.64 feet to West line of Fordney Street; thence North 90.33 feet along West line of Fordney Street to Point of Beginning.

Also known as: 1781 Fordney Street, Saginaw, Michigan 48601

Parcel ID: 08 0917A01600

AND

A parcel of land in the Southeast 1/4 of Section 26, Town 12 North, Range 4 East, bounded on West by Saginaw River, on North by Ezra Rust Drive, on Eby Fordney Street, and on South by a line described as: commencing on West line of Fordney Street 1766.00 feet North of (measured at right angles) centerline of Webber Street, running thence North along said West Street line 121.13 feet to Point of Beginning of South boundary line, thence North 79 degrees 13 minutes 30 seconds West 300.00 feet to a pile line located on South bank of former Lake Linton intake channel, thence West along said pile line to East bank of Saginaw River and Point of Ending.

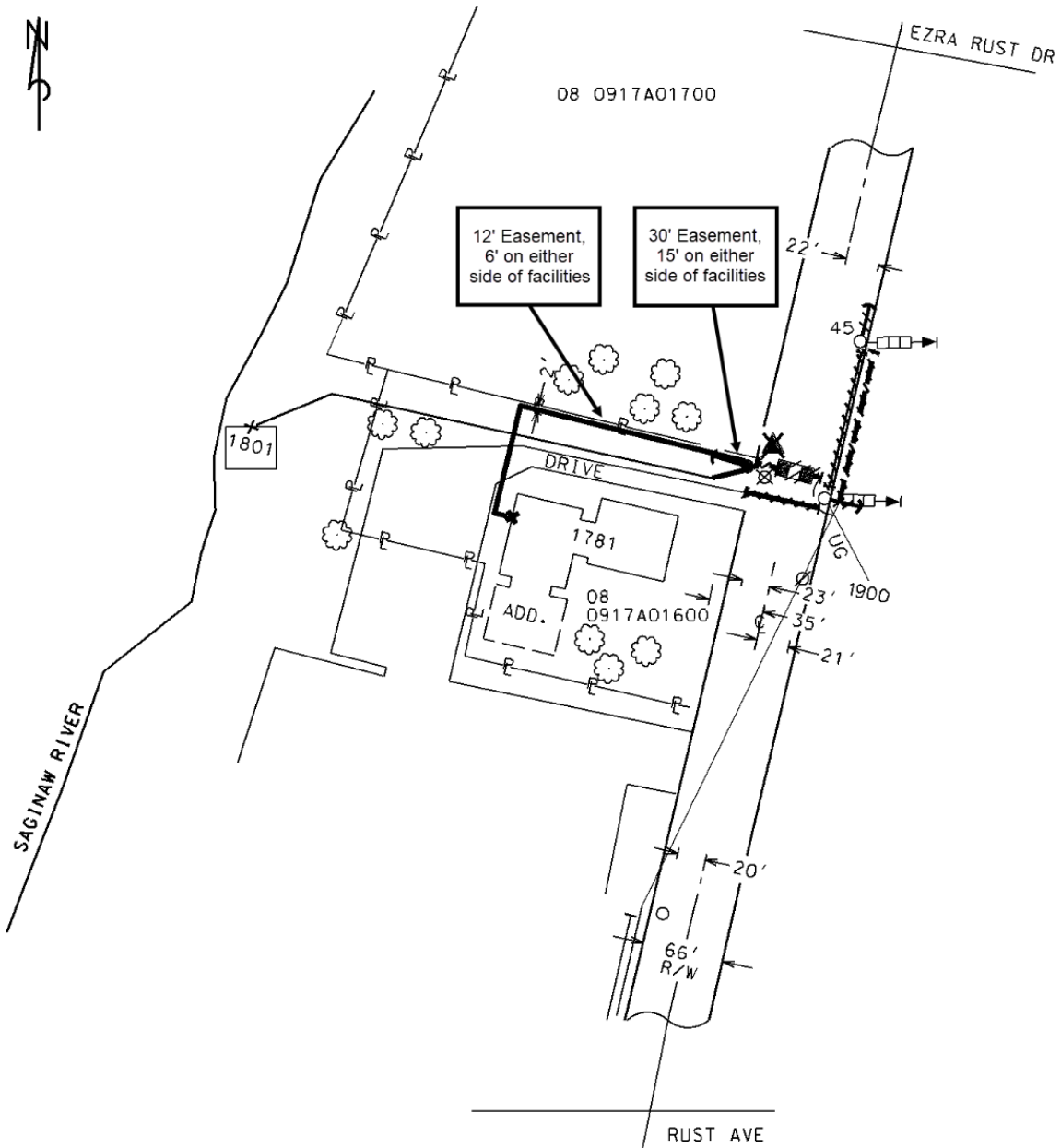
Also known as: 1721 Fordney Street, Saginaw, Michigan 48601

Parcel ID: 08 0917A01700

EXHIBIT B

Easement Area

A 30.00-foot-wide strip of land, being 15.00 feet on each side of the facilities of the line constructed on Owner's Land, the facilities to be located approximately as shown in the attached drawing and a 12.00-foot-wide strip of land, being 6.00 feet on each side of the facilities of the line constructed on Owner's Land, the facilities to be located approximately as shown in the attached drawing.



Council Communication

Item Number: 7.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: U.S. Grave Marking Flags, Cemeteries Division
Prepared By: Jay Gustin, Facilities Administrator

Manager's Recommendation:

Approve the purchase with The Collins Group, Inc. for \$3,234 for U.S. Flag Grave Markers for the Cemeteries Division.

Justification:

On January 24, 2023, the Public Services Department received bids for the purchase of 4,500 U.S. Flag Grave Markers. Each year, the Cemeteries Division provides flags to the local VFW and American Legion posts to be placed on veterans' grave sites for Memorial Day and the 4th of July holidays. The new flags will replace the flags used in past years and will be placed at all three City cemeteries by post volunteers. The Collins Group Inc. has agreed to hold FY2024 prices for FY2026.

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the General Fund, Department of Public Services, Cemeteries Operation Division, Parts and Supplies Account No. 101-567.00-742.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 8.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Replacement of Plow Truck – Streets
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve the purchase with D & K Truck Company for \$108,410 for a 2027 Freightliner 108SD Plus Hook Loader Plow Truck; and with Truck and Trailer Specialties, Inc. for \$191,745 for the upfitting of a salter, brine tanks, and front plow, for a total amount of \$300,155 for the Public Services Department, Streets Division.

Justification:

On March 2, 2026 and March 4, 2026, two quotes were received to purchase one plow truck for the Streets Division. The current plow truck being replaced is 2009 International plow truck with over 60,000 miles. The truck has extensive wear, rust, corrosion, and fatigue to the body's wiring, frames, and drivelines, along with mechanical issues that make the unit expensive to maintain for daily use. The old unit will be decommissioned and sold.

Plow trucks are a critical asset to the City's winter operations. The Motor Pool Division has experienced a significant increase in vehicle repairs due to the age of the current fleet. It is essential to maintain plow trucks on a replacement schedule. The average delivery time for new plow trucks is 2.5–3 years, which further accelerates fleet depreciation. This purchase will be made using MiDeal State bid pricing number #240000000095, D & K Freightliner/Western Star of Lansing and City of Rochester Hills contract pricing RFP-RH-20-023.

These vendors meet all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Major Street Fund, Winter Maintenance Division, Vehicles Account No. 202-449.03-982.000 \$225,116.25, Local Streets Fund, Winter Maintenance Division, Vehicles Account No. 203-449.03-982.000 \$75,038.75.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 9.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Replacement of Street Foreman Vehicle - 601
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve the purchase with Todd Wenzel Buick GMC of Westland for \$61,024 for a 2026 GMC Sierra 2500HD Pickup truck for the Public Services Department, Streets Division.

Justification:

On February 26, 2026, a quote was received from Todd Wenzel Buick GMC for the replacement of a current 2015 GMC Sierra pickup truck, Unit 53-0601 used by the Streets Foreman. The existing unit will be decommissioned and sold.

This vehicle is used in daily operations to assist with overseeing projects and departmental activities. Due to the extensive travel required to support operations throughout the city, this vehicle has 113,816 road miles, more mileage than the average municipal vehicle. This purchase will be made using MiDeal State bid pricing number #240000001205, Todd Wenzel Buick GMC of Westland

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Major Street Fund, Winter Maintenance Division, Vehicles Account No. 202-449.03-982.000 \$18,307.20, Major Street Fund, Routine Maintenance Division, Vehicles Account No. 202-449.02-982.000 \$18,307.20, Local Streets Fund, Routine Maintenance Division, Vehicles Account No. 203-449.02-982.000 \$12,204.80, and Local Streets Fund, Winter Maintenance Division, Vehicles Account No. 203-449.03-982.000 \$12,204.80.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 10.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Replacement of Street Foreman Vehicle - 602
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve the purchase with Todd Wenzel Buick GMC of Westland for \$61,024 for a 2026 GMC Sierra 2500HD Pickup truck for the Public Services Department, Streets Division.

Justification:

On February 26, 2026, a quote was received from Todd Wenzel Buick GMC for the replacement of a current 2015 GMC Sierra pickup truck, Unit 53-0602 used by the Streets Foreman. This vehicle is used in daily operations to assist with overseeing projects and departmental activities. Due to the extensive travel required to support operations throughout the city, this vehicle has 101,898 road miles, more mileage than the average municipal vehicle.

This purchase will be made using MiDeal State bid pricing number #240000001205, Todd Wenzel Buick GMC of Westland. The existing unit will be decommissioned and sold.

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Major Street Fund, Winter Maintenance Division, Vehicles Account No. 202-449.03-982.000 \$12,204.80, Major Street Fund, Routine Maintenance Division, Vehicles Account No. 202-449.02-982.000 \$18,307.20 and Rubbish Collection Fund, Administration Division, Vehicles Account No. 226-529.00-982.000 \$30,512.00.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 11.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase Blanket Purchase Order – Larry’s Auto Supply, Garage Parts
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve to increase the blanket purchase order with Larry’s Auto Supply by \$8,000, for a new total of \$68,000, for vehicle part services for the Public Services Department, Motor Pool Division.

Justification:

In FY 2026, the purchase order listed below was issued to Larry’s Auto Supply for \$60,000.00. To date, we have spent \$54,734.49, leaving a balance of \$5,265.51. The City’s Municipal Garage requires parts from this vendor for various vehicles repairs.

The City Municipal Garage works on a multitude of different series and applications of vehicles and equipment. Larry Auto helps sustain day-to-day operations by providing parts with a typically fast turnaround time, allowing the city to efficiently maintain in-house repairs that support public operations.

The original blanket purchase order information is as follows:

<u>PO Number</u>	<u>Vendor</u>	<u>Current Amount</u>	<u>Recommended Increase</u>	<u>New Total</u>
522270	Larry’s Auto Supply	\$60,000	\$8,000	\$68,000

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Motor Pool Operation Fund, Garage Operations Division, Motor Vehicle Supplies Account No. 661-272.03-737.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 12.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase Blanket Purchase Order — Geyer's Pennzoil
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve to increase the blanket purchase order with Geyer's Pennzoil by \$1,500, for a new total of \$11,500, for routine and preventative vehicle maintenance services for the Public Services Department, Motor Pool Division.

Justification:

In FY 2026, the purchase order listed below was issued to Geyer's Pennzoil for \$10,000.00. We have spent \$7,863.46 to date, leaving a balance of \$2,136.54. The City's Municipal Garage requires services from this vendor for various vehicles, particularly light-duty vehicles.

Due to limited staffing, Geyer's has enabled faster oil change response times and improved the completion rate of city vehicle preventative maintenance schedules. Additionally, Geyer's has assisted with minor services, such as replacing air filters, cabin filters, and wiper blades, ensuring the vehicles remain in optimal condition.

PO Number	Vendor	Current Amount	Recommended Increase	New Total
522245	Geyer's Pennzoil	\$10,000	\$1,500	\$11,500

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Motor Pool Operation Fund, Garage Operations Division, Motor Vehicle Repairs Account No. 661-272.03-931.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 13.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase Blanket Purchase Order - Elite Aerial, Vehicle Inspections
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve to increase the blanket purchase order with Elite Aerial Compliance by \$700, for a new total of \$5,100, for vehicle inspection services for the Public Services Department, Motor Pool Division.

Justification:

In FY 2026, the purchase order listed below was issued to Elite Aerial Compliance for \$2,800, with an additional increase of up to \$1,600 approved in previous months. There is currently one pending inspection task totaling \$5,045 awaiting approval.

Additional funds are required to maintain the City's fleet of vehicles and equipment that are subject to annual inspections in accordance with OSHA Standard 1926.453, including aerial lift trucks, cranes, forklifts, scissor lifts, derrick diggers, and SkyTrak units. Elite Aerial Compliance serves as the City's primary vendor for these annual inspections and provides mobile services, allowing for faster response times and reduced travel-related expenses.

<u>PO Number</u>	<u>Vendor</u>	<u>Current Amount</u>	<u>Recommended Increase</u>	<u>New Total</u>
522241	Elite Aerial Compliance	\$4,400	\$700	\$5,100

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Motor Pool Operation Fund, Garage Operations Division, Operating Services Account No. 661-272.03-805.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 14.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase Blanket Purchase Order – Michigan Truck Spring
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve to increase the blanket purchase order with Michigan Truck Spring by \$1,500, for a new total of \$11,500, for vehicle repair services for the Public Services Department, Motor Pool Division.

Justification:

In FY 2026, the purchase order listed below was issued to Michigan Truck Spring for \$10,000. We have spent \$7,880.60 to date, leaving a balance of \$2,119.40. The City's Municipal Garage relies on this vendor for services across a variety of vehicles, particularly heavy-duty units. This vendor handles the majority of the City's larger vehicle Suspension and Steering component repairs, including repairs to plow trucks, sewer jets, and packer trucks.

PO Number	Vendor	Current Amount	Recommended Increase	New Total
522250	Michigan Truck Spring	\$10,000	\$1,500	\$11,500

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Motor Pool Operation Fund, Garage Operations Division, Motor Vehicle Repairs Account No. 661-272.03-931.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 15.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase Blanket Purchase Order – W. W. Williams, Repair Services
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve to increase the blanket purchase order with W.W. Williams by \$2,000, for a new total of \$67,000, for vehicle repair services for the Public Services Department, Motor Pool Division.

Justification:

In FY 2026, the purchase order listed below was issued to W. W. Williams for \$40,000, with an additional increase of up to \$25,000 submitted in the previous month. We have spent \$63,495.61 to date, leaving a balance of \$1,504.39.

The City's Municipal Garage relies on this vendor for services across a variety of vehicles, particularly heavy-duty units. The vendor handles the majority of the City's larger vehicle repairs, including plow trucks, sewer jets, and packer trucks.

PO Number	Vendor	Current Amount	Recommended Increase	New Total
522256	W.W. Williams	\$65,000	\$2,000	\$67,000

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Motor Pool Operation Fund, Garage Operations Division, Motor Vehicle Repairs Account No. 661-272.03-931.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 16.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Replacement of Hotsy Pressure Washer – Streets Division
Prepared By: Alex Niedecken, Motor Pool Administrator

Manager's Recommendation:

Approve the purchase with Hotsy of Mid-Michigan, a sole source, for \$10,750 for a Hotsy Portable Power Washer 1280SS for the Public Services Department, Streets Division.

Justification:

On February 26, 2026, two quotes were received for a Hotsy portable pressure washer. The first quote was for \$3,313.20 for repair. The second quote was for a full replacement for \$12,750.00, with a \$2,000.00 trade-in allowance for the existing unit, bringing the total replacement cost to \$10,750.00.

The current Hotsy unit is 12 years old and is leaking a significant amount of diesel fuel from the heating element/burner assembly. The sales representative strongly recommended a replacement, as the proposed repair may only serve as a temporary fix and not fully resolve the underlying issue. This heated portable pressure washer is used daily for washing plow trucks (including the application of salt neutralizers) and other equipment, and portable operations such as bridge cleaning.

Mid-Michigan Hotsy is considered a sole-source vendor, as it is the only authorized distributor in the region that manufactures and services this specific product

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Major Street Fund, Winter Maintenance Division, Maintenance Equipment Account No. 202-449.03-978.000 \$5,750.00, and Major Street Fund, Routine Maintenance Division, Maintenance Equipment Account No. 202-449.02-978.000 \$5,000.00.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 17.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Laboratory Refrigerator
Prepared By: John Frollo, Superintendent of Wastewater Treatment

Manager's Recommendation:

Approve the purchase with Fisher Scientific for \$3,421 for a laboratory refrigerator at the Water and Wastewater Services Department, Treatment and Pumping Division.

Justification:

The purchase of a new laboratory refrigerator to replace the failing unit is necessary to support proper storage of temperature sensitive samples and reagents essential to routine wastewater testing. Reliable cold storage ensures sample integrity, supports accurate analytical results, and helps prevent disruptions to critical monitoring activities.

Maintaining dependable refrigerated storage is an important component of meeting National Pollutant Discharge Elimination System (NPDES) permit requirements. Investing in a stable and efficient refrigerator strengthens the facility's ability to maintain regulatory compliance and safeguard environmental quality.

On March 10, 2026, the City received five qualified bids. Following is a tabulation of the qualified bids received:

Fisher Scientific Pittsburgh, PA	\$3,420.94
Pacific Star Corporation Houston, TX	\$3,934.00
Morgan Inland Morgan Hill, CA	\$4,143.76
Concordance Healthcare Solutions Edison, NJ	\$4,165.90
Core & Main LP St. Louis, MO	\$4,221.00

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Sewer Operations and Maintenance Fund, Treatment and Pumping Division, Laboratory Equipment Account No. 590-542.02-977.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 18.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Increase to JWC Blanket Order for FY2026
Prepared By: John Frollo, Superintendent of Wastewater Treatment

Manager's Recommendation:

Approve to increase blanket purchase order #522468 with JWC Environmental by \$20,000, for a new total of \$60,000, for preliminary treatment process equipment replacement parts for the Water and Wastewater Treatment Services Department, Wastewater Treatment and Pumping Division.

Justification:

Due to equipment wear and component failures, the original blanket amount is no longer sufficient to support the needs of the preliminary treatment process. This process removes large debris, grit, and heavy solids through screening and grit removal, which exposes equipment to continuous abrasion and heavy mechanical loading. As a result, these components experience accelerated wear and require periodic and often unpredictable replacement.

JWC Environmental is the sole source for many of these components, and continued access to their OEM parts is essential to maintain regulatory compliance and ensure uninterrupted plant operations.

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Sewer Operations and Maintenance Fund, Treatment and Pumping Division's Parts and Supplies Account No. 590-542.02-742.00.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

Council Communication

Item Number: 19.

Date: March 23, 2026
From: Timothy Morales, City Manager
Subject: Storm Pump Relays
Prepared By: John Frollo, Superintendent of Wastewater Treatment

Manager's Recommendation:

Approve the purchase with L & S Electric for \$8,600 for three motor protection relays for the Water and Wastewater Treatment Services Department, Remote Facilities Division.

Justification:

The Weiss Retention Treatment Basin (RTB) plays a critical role in protecting the collection system during heavy rain events by providing temporary storage and treatment to prevent sewer backups. Its storm pumps are essential to maintaining that function, and the motor control relays are core components that allow those pumps to start, run, and respond reliably during high-demand conditions. With one relay already failed and the remaining two at the end of their 20-year service life, replacing all three at once is the most responsible and cost-effective approach to ensure uninterrupted pump operation.

Reliable pump performance is also directly tied to meeting NPDES requirements, as any failure that limits RTB capacity increases the risk of unauthorized discharges or sanitary sewer overflows. Proactively replacing these aging relays reduces operational risk, supports regulatory compliance, and ensures the RTB continues to function as intended during storm events. This purchase is necessary to maintain system reliability and protect both public infrastructure and environmental quality.

On February 24, 2026, the City received seven qualified bids for three motor protection relays. Following is a tabulation of the qualified bids received:

L & S Electric Schofield, WI	\$8,599.99
Technology International Lake Mary, FL	\$18,750.00
Holzberg Communications Totowa, NJ	\$19,936.00

Civic Bridges Twin Falls, ID	\$21,743.64
RXG Nexus LLC Towson, MD	\$24,147.00
Premier Power Maintenance Brighton, MI	\$24,396.00
Perceptive Controls Plainwell, MI	\$24,855.57

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Sewer Operations and Maintenance Fund, Remote Facilities Division Parts and Supplies Account No. 590-548.00-742.000.

Council Action:

Motion to approve the recommendation of the City Manager.

Attachments:

None

CERTIFYING THE 2026 SINGLE LOT SPECIAL ASSESSMENT TAX ROLL

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: the City Council has complied with the requirements of ordinances of the City relative to making special assessments to include Sewer Connections, False Alarms, Demolitions, and Nuisances of Board-Ups, Weed Cutting and Yard Violations; and

WHEREAS: a Public Hearing was conducted on February 23, 2026, during which objections were heard, and written objections were accepted until the time of said Hearing; and

WHEREAS: all objections have been reviewed, and determinations have been made.

NOW THEREFORE BE IT RESOLVED: that the City Clerk is hereby directed to transmit immediately said assessment rolls to the City Treasurer for collection of the assessments therein contained together with interest and penalties as provided in the City Charter and in Title III, Section 33.24, of the City of Saginaw Code of Ordinances; and

BE IT FURTHER RESOLVED: that all single lot special assessments assessed to properties owned by the Saginaw County Land Bank Authority shall be removed from the Tax Roll; and

BE IT FURTHER RESOLVED: that each assessment in the Sewer Connection roll is payable in 10 annual installments, and the rate of interest to be charged on unpaid installments shall be eight percent (8%) per annum. Demolition, False Alarms, and Nuisances of Board-Ups, Weed Cutting, and Yard Violations, are payable in one installment.

Ayes:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

From: Timothy Morales, City Manager
Subject: Local Bridge Program Funds Application
Prepared by: Travis J. Hare, Public Services Department

Manager’s Recommendation:

I recommend adoption of the resolution allowing the request for Local Bridge Program Funds from the Michigan Department of Transportation for preventative maintenance of the Court Street, Genesee Avenue, Holland Avenue, and Johnson Street bridges for FY 2029 for the Public Services Department, Engineering Division.

Justification:

The Local Bridge Program was enacted in 2004 and is federal legislation that provides funds for local agency bridges. The Michigan Department of Transportation (MDOT) has called for project applications from eligible communities who wish to participate in this program. The applications must meet certain criteria and because of funding limitations, the applications are evaluated by MDOT and ranked against these criteria.

Per the MDOT Local Bridge Program Guidelines, the total number of applications from any local agency is limited to three. The preventative maintenance projects are eligible for a maximum of 95 percent participation from federal and/or state funds. The City is requesting a total of \$6,736,000 for local bridge projects. The City is responsible for the 5 percent match (\$336,800) and all right-of-way, design engineering and construction engineering costs. Per the City’s most recent bi-annual bridge inspection reports, it is apparent that the Court Street, Genesee Avenue, Holland Avenue, and Johnson Street bridges are in need of some preventative maintenance.

Funds for the City’s share of the construction costs will be made available in the FY 2029 and FY 2030 Major Street Fund, Bridge Projects Division, Construction Projects Account No. 202-446.02-955.003, pending Council approval. Funds for design and construction engineering costs will be made available in the FY 2028, FY 2029 and FY 2030 Major Street Fund, Bridge Projects Division, Engineering Services Account No. 202-446.02-802.000, pending Council approval.

Council Action:

This council communication is for informational purposes only of the resolution to be adopted.

AUTHORIZING THE CITY OF SAGINAW TO SEEK FY 2029 LOCAL BRIDGE PROGRAM FUNDS

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: the Local Bridge Program Fund provides funding for repair, preventative maintenance and rehabilitation of local bridges; and

WHEREAS: a need for preventative maintenance on the Court Street, Genesee Avenue, Holland Avenue, and Johnson Street Bridges has been determined by recent engineering and bridge inspection reports done by Spicer Group, the City’s structural bridge consultant; and

WHEREAS: the cost of such preventative maintenance has yet to be determined, and will be once engineering estimates are prepared; and

WHEREAS: the deadline for submission of new funding applications for the State of Michigan and FY 2029 Local Bridge Program funds is April 1, 2026; and

WHEREAS: the applications will be prepared and reviewed for the purpose of procuring State and Federal Local Bridge Program Funds for such projects.

NOW, THEREFORE, BE IT RESOLVED, that the City of Saginaw is seeking Local Bridge Program Funds for preventative maintenance on the Court Street, Genesee Avenue, Holland Avenue, and Johnson Street Bridges, and is willing to participate in project cost and implementation.

Ayes:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

From: Timothy Morales, City Manager
Subject: ACT 51 Decertification/Vacation Resolution for Five Streets
Prepared by: Travis Hare, Public Services Department

Manager’s Recommendation:

I recommend the approval of the Michigan Department of Transportation (MDOT) Resolution for the Decertification/Vacation of Wolcott Street to the south, 12th Street from Carroll Street to the north, North Niagara Street from Madison Street to the south, Congress Avenue from North Niagara Street to west, and Schaefer at the Cul-de-sac to Hill Street, for the Public Services Department, Engineering Division.

Justification:

The Michigan Department of Transportation (MDOT) requires all municipalities when filing the ACT 51 Annual Report for Mileage Certification for Cities and Villages, to certify all street additions, deletions, vacation, and changes for the prior year. During 2025, MDOT reviewed each street and found streets on the ACT 51 map that are not accessible to the public. These are the required changes to bring it into compliance.

Wolcott Street south of Carter Street was shown that it extended past the gated section of the drive at 3100 Webber Street for the school.

12TH Street was vacated by Council on November 12, 1900.

North Niagara Street from Madison Street to the south was closed to traffic without vacating the right-of-way for the Hamilton Street Condos in 2017.

Congress Avenue west of North Niagara Street has been vacated by council on September 21, 2023, Ordinance O-258 and April 3, 2025, Ordinance O-269.

Schaefer Street to the south was reconstructed to a cul-de-sac and no longer intersects with Hill Street. The section that has been removed will need to be decertified by the City.

MDOT requires a City Council Resolution to formally decertify the road mileage and or vacate the street from the ACT 51 roadway system.

Council Action:

This council communication is for informational purposes only of the resolutions to be adopted.

DECERTIFICATION OF WOLCOTT STREET

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on Monday March 23, 2026, the following resolution was offered by, member _____, and supported by member _____;

NOW THEREFORE IT IS RESOLVED, the City of Saginaw does wish to decertify a portion of Wolcott Street. This decertification of Wolcott is located south of Carter Street for a total decertification of one hundred ninety-six (196) feet:

Yeas:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on Monday March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

DECERTIFICATION OF N 12th STREET

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on November 5, 1900, a resolution to vacate that part of 12th Street from Carroll Street to the P.M.R.R. was adopted; and

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on Monday March 23, 2026, the following resolution was offered by, member _____, and supported by member _____;

NOW THEREFORE IT IS RESOLVED, the City of Saginaw does wish to decertify a portion of 12th Street. This decertification of N 12th Street is located between the north right-of-way line of Carroll Street and the south right-of-way line of the C & O Rail Road for a total decertification of one hundred two (102) feet:

Yeas:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on Monday March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

DECERTIFICATION OF NORTH NIAGARA STREET

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on Monday March 23, 2026, the following resolution was offered by, member _____, and supported by member _____;

NOW THEREFORE IT IS RESOLVED, the City of Saginaw does wish to decertify a portion of North Niagara Street. This decertification of North Niagara Street is located west of the right-of-way of Madison Street for a total decertification of four hundred eighty six (486) feet.

Yeas:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on Monday March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

DECERTIFICATION/VACATION OF CONGRESS AVENUE

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: at a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on July 24, 2023, ordinance O-258 to vacate Congress Avenue was adopted and became effective on September 11, 2023; and

WHEREAS: at a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on February 10, 2025, ordinance O-269 to vacate Congress Avenue was adopted and became effective on March 24, 2025; and

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on Monday March 23, 2026, the following resolution was offered by, member _____, and supported by member _____;

NOW THEREFORE IT IS RESOLVED, the City of Saginaw does wish to decertify/vacate a portion of Congress Avenue. This decertification/vacation of Congress Avenue is located west of the right-of-way of North Niagara Street for a total decertification/vacation of five hundred twenty-six (526) feet:

- Yeas:
- Nays:
- Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on Monday March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk

DECERTIFICATION OF SCHAEFER STREET

Moved by Council Member _____, seconded by Council Member _____ to adopt the following resolution:

WHEREAS: At a regular meeting of the City Council of the City of Saginaw, Michigan, held at the City Hall on Monday March 23, 2026, the following resolution was offered by, member _____, and supported by member _____;

NOW THEREFORE IT IS RESOLVED, the City of Saginaw does wish to decertify a portion of Schaefer Street. This decertification of Schaefer Street is located at north of the right-of-way of Hill Street and south of the right-of-way of Schaefer Street for a total decertification of Twenty-Two (22) feet six (6) inches; and

NOW THEREFORE BE IT FURTHER RESOLVED, the City of Saginaw, Michigan, will seek formal street vacation subsequent to the adoption of this resolution:

- Yeas:
- Nays:
- Absent:

RESOLUTION DECLARED ADOPTED

I, Kristine Bolzman, City Clerk of the City of Saginaw, Michigan, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City of Saginaw, Saginaw County, State of Michigan, at a public meeting held on Monday March 23, 2026; the original thereof is on file in the records of my office; the meeting was conducted and public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, and minutes of this meeting were kept and will be made available as required.

Kristine Bolzman, MiPMC/CMC
City Clerk