

Staff Report

Presented By: Matt Prentice, Director, Operations
Meeting Date: April 27, 2026
Subject: Saugeen First Nation Water Service Agreement
Attachment(s): None

Recommendation

That Council adopt By-law 41-2026, being a By-law to authorize the entering into of a Water Service Agreement with Saugeen First Nation.

Report Summary

The Memorandum of Agreement dated May 2006 between the Town and Saugeen First Nation (SFN) expires on May 30, 2026. The SFN desires to continue to receive water from the Town's municipal water system on the terms and conditions contained in the Water Service Agreement attached to By-law 41-2026 in the By-law section of the Agenda.

Background/Analysis

The Town of Saugeen Shores (the "Town") and the Saugeen First Nation ("SFN") entered into a Memorandum of Agreement dated May 2006 wherein the Town agreed to supply water to Saugeen First Nation Reserve. This was a 20-year agreement, which is set to expire on May 30, 2026.

A new water supply agreement has been negotiated with SFN, as the MOA was outdated and did not reflect the Town's current standards and processes. The new agreement provides the following:

- A term of 20 years, subject to 5-year reviews
- Rates to align with Town user rates
- A billing process that aligns with the Town's current billing process
- A Maximum Daily Flow of 925m³/day
- An Exceedance Charge, if Maximum Daily Flow is exceeded, subject to exceptions
- Mutual Reporting Requirements
- Standard indemnification provisions
- Standard insurance requirements

Linkages

- Strategic Plan Alignment: Pillar 3: Building Valued Relationships
- Business Plan Alignment: Operations Business as Usual

Financial Impacts/Source of Funding

Estimated revenues associated with this updated agreement will be included in the 2027 Business Plan for Council consideration.

Prepared By: Matt Prentice, Director, Operations

Reviewed By: Tammy Grove, Municipal Solicitor

Approved By: Kara Van Myall, Chief Administrative Officer