

## The Corporation of the Town of Saugeen Shores

### By-law 41 - 2026

Being a By-law to Authorize entering into a Water Services Agreement with Chippewas of Saugeen First Nation

**Whereas** Sections 21(1) and (2) of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, authorizes municipalities to enter into contracts for the supply of water within the limits of a reserve that is beyond a municipality's geographical boundary; and

**Whereas** The Corporation of the Town of Saugeen Shores and Chippewas of Saugeen First Nation are parties to a Memorandum of Agreement dated May 30, 2006 whereby the Town supplies domestic water to the Saugeen First Nation #29 Reserve; and

**Whereas** the Memorandum of Agreement expires on May 30, 2026; and

**Whereas** Chippewas of First Nation wish to continue to receive water from the Town, and the Town wishes to continue to provide water to the Chippewas of First Nation on the terms and conditions contained herein;

**Now Therefore Be It Resolved** that the Council of the Corporation of the Town of Saugeen Shores enacts as follows:

1. That the Council of the Corporation of the Town of Saugeen Shores hereby authorizes the entering into the Water Services Agreement with Chippewas of Saugeen First Nation on such terms and conditions contained in the agreement attached hereto as Schedule "A" and forming part of this By-law.
2. That the Mayor and Clerk are hereby authorized and directed to execute, deliver, sign and seal the said agreement forming part of this By-law.
3. That this By-law shall come into force and take effect upon the final reading thereof.

Read and Finally Passed and Sealed this 27<sup>th</sup> day of April, 2026.

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Diane Huber, Deputy Mayor

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Kaitlin Bos, Clerk

## **WATER SERVICE AGREEMENT**

This agreement made this 27 of April 2026 (the “**Effective Date**”)

### **BETWEEN:**

#### **THE CORPORATION OF THE TOWN OF SAUGEEN SHORES**

(hereinafter called the “**Town**”)

#### **AND**

#### **CHIPPEWAS OF SAUGEEN FIRST NATION**

(hereinafter call the “**First Nation**” or “**SFN**”)

(individually, a “**Party**” and collectively, the “**Parties**”)

### **WHEREAS:**

A. The First Nation’s Band Council has approved this Agreement by passing Band Council Resolution Motion No. 2 at its meeting held on April 13, 2026 in accordance with the provisions of the Indian Act. A certificate of the Band Council Resolution is attached to this Agreement as Schedule A.

B. Council for the Town has approved this Agreement by passing By-law No. 41 - 2026 at its meeting held on April 27, 2026. A copy of the By-law is attached to this Agreement as Schedule B.

C. The Town is a municipal corporation incorporated pursuant to the Municipal Act and owns and operates a water supply and distribution system that services the residents of Saugeen Shores. In accordance with Sections 21(1) and (2) of the Municipal Act, the Town is authorized to enter into contracts for the supply of water within the limits of a reserve that is beyond the Municipality’s geographical boundary.

D. First Nation is geographically located along the Saugeen River and in the Bruce Peninsula in Ontario, immediately adjacent to the Town’s northerly geographical boundary. First Nation installed a pumphouse and a reservoir on the First Nation Reserve for the purpose of connecting to the Town’s Municipal Water System to receive water from the Town and to distribute water to properties in and around the First Nation Reserve.

E. The First Nation has been relying upon the Municipal Water System for its domestic water supply pursuant to a twenty (20) year Memorandum of Agreement dated May 30, 2006.

F. The Town and First Nation are subject to Wijiwenyidiwaad Miinwa Zgaabiignigan (Friendship Accord) signed January 31, 2025, wherein the said Parties mutually acknowledged a commitment to collaborate on key interests in economic and social development - increasing connection, tourism, building complete communities and business development.

G. The Wijiwenyidiwaad Miinwa Zgaabiignigan reflects a shared understanding between the Town and First Nation to work collaboratively in the best interests for both of their communities and the region as a whole. Specifically, priority areas were identified, and a commitment was made regarding the First Nation's inclusion in the Town's water and sanitary sewer master planning. This Agreement represents a tangible connection between our communities and is a result of our shared commitment.

H. The First Nation wishes to continue to receive water from the Town, and the Town wishes to continue to provide water to the First Nation. As a result, the Parties deem it to their mutual interest to enter into this agreement on the terms and conditions contained herein.

I. The Parties acknowledge and agree that the rights of the First Nation under this Agreement are limited to the existing Municipal Water System. Any further construction or operation of any other water supply or source, other than the Municipal Water System, and its connection to any plumbing service where such plumbing service or any part of it is connected to the municipal water distribution system, is not permitted under this Agreement.

**THEREFORE, THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, the PARTIES hereto agree as follows:**

## **1.0 INTERPRETATION**

### **1.1 Definitions**

In this agreement, including this section, the recitals and schedules hereto, unless the context otherwise requires:

**“Agreement”** means this agreement, including the recitals and schedules hereto, as amended and supplemented from time to time.

**“Applicable Law and Instruments”** means the Municipal Act, Indian Act, Safe Drinking Water Act, and all present and future statutes, acts, regulations, by-laws, ordinances, codes, rules, directives, orders, decrees, judgments, standards, specifications, and any other requirements or determinations of any governmental, regulatory, or administrative authority having jurisdiction, whether federal, provincial, territorial, municipal or otherwise, that are legally binding upon the parties or applicable to the subject matter of this Agreement.

**“Bi-Monthly”** means every even month (February, April, June, August, October and December).

**“Bi-Monthly Fixed Water Capital Contribution”** means the monetary amount payable by the First Nation to the Town, calculated using the Reserve Fund Rate, to be applied toward long-term capital improvements or upgrades to the Municipal Treatment Plant and Intake System in accordance with this Agreement and Schedule “C”.

**“Business Day”** means Monday to Friday, inclusive of each week, excluding days which are statutory holidays in the Province of Ontario.

**“Commencement Date”** means May 30, 2026, being the date on which the Term of this Agreement begins.

**“Effective Date”** means the date inserted on page one of this Agreement, being the date of signing of the last signatory of this Agreement.

**“Equivalent Household Unit”** or **“EHU”** means a standardized weighting factor applied to a specific Property Type connected to the First Nation Water System, as set out in Schedule “C”, used solely for the purpose of calculating the Bi-Monthly Fixed Water Capital Contribution.

**“Exceedance Rate”** means the per-unit monetary amount used to calculate the charge payable by the First Nation for any Volume of Water consumed in excess of the Maximum Daily Demand, as determined in accordance with Section 4.7 and Schedule “C”.

**“Expiration Date”** means May 30, 2046, being the date on which the Term of this Agreement expires unless earlier terminated in accordance with this Agreement.

**“Fees and Charges By-law”** means Town of Saugeen Shores’ By-law 112-2025, being a by-law to set Fees and Charges for the Provision of Services or Activities for the Town of Saugeen Shores for 2026, as amended or replaced from time to time.

**“First Nation”** or **“SFN”** has the meaning given to it in the recitals to this Agreement.

**“First Nation Pumphouse and Reservoir”** means collectively the pumphouse and water storage reservoir installed by First Nation on the First Nation Reserve and connected to the Municipal Water System.

**“First Nation Reserve”** means the geographical boundaries of the Saugeen First Nation #29 which is a reserve within the meaning of the Indian Act.

**“First Nation Sampling Site(s)”** means the best available location(s) within the First Nation Reserve, as determined in consultation with the Town, at or near the Point of Connection to yield samples of water representative of the conditions of the Municipal Water System as a whole location as it enters the First Nation Water System.

**“First Nation Service Area”** is the geographical area within the First Nation Reserve that is serviced by the First Nation Water System, as identified in Schedule “F”, as amended from time to time in accordance with this Agreement.

**“First Nation Water Meters”** means the point of entry water meter in the First Nation Pumphouse and Reservoir pursuant to the MOA and located within the First Nation Reserve, and any other water meters requested by the Town from time to time, and used to measure the Volume of Water supplied by the Municipal Water System to the First Nation Pumphouse and Reservoir.

**“First Nation Water System”** means the system of lateral supply pipes, watermains and related appurtenances, constructed by the First Nation on the First Nation Reserve for the provision of water services to the First Nation Service Area under this Agreement and for the purposes of this Agreement includes the First Nation Pumphouse and Reservoir and First Nation Water Meters.

**“Indian Act”** means the *Indian Act*, RSC 1985, c.1-5.

**“Maximum Daily Demand”** means the maximum volume of water, expressed in cubic meters per day, that may be supplied by the Town to the First Nation Pumphouse and Reservoir during any single twenty-four (24) hour period, as set out in Section 4.5.

**“MECP”** means the Minister of the Environment, Conservation and Parks, or any of its servants or agents authorized to act on its behalf for the purposes of this Agreement.

**“MOA”** means the Memorandum of Agreement between the Town and First Nation dated May 30, 2006.

**“Municipal Act”** means the *Municipal Act, 2001*, SO 2001, c.25.

**“Municipal Treatment Plant and Intake System”** means the Town-owned facilities, equipment and infrastructure used to withdraw raw water from its source, treat such water to potable standards, and convey treated water into the Municipal Water System, including intake works, treatment processes, pumping facilities and associated appurtenances, but excluding the First Nation Water System.

**“Municipal Water System”** means the Town’s system of water mains and pipes, pumps, and other facilities and equipment used to supply potable water.

**“Municipal Specifications”** means the engineering and design standards as required by the Town from time to time.

**“Notice”** has the meaning given to it in Section 18 of this Agreement.

**“Point of Connection”** means the physical location where water supplied by the Municipal Water System is transferred to the First Nation Water System.

**“Potability”** or **“Potable”** means the suitability of water for drinking purposes.

**“Property Types”** has the meaning given to it in Schedule “C”.

**“Review Rate Study”** means the Town’s formal study conducted for the purpose of reviewing and determining water rates among other rates, including any successor or replacement study, as approved by Town Council.

**“Safe Drinking Water Act”** means *Safe Drinking Water Act, 2002*, SO 2002, c.32, and its regulations.

**“Saugeen Shores”** means the geographical boundaries within the jurisdiction of the Corporation of the Town of Saugeen Shores.

**“Services”** means the supply of potable water to the Point of Connection and related obligations of the Town as described in Section 4.1.

**“Section 19 Review”** means the review conducted by First Nation and the Town, as contemplated in Section 19.

**“SFN Payments”** mean any monetary amounts required to be paid by the First Nation to the Town in accordance with the terms of this Agreement.

**“Term”** means the period of time which this Agreement remains in force and effect, as described in Section 3.1.

**“Town”** has the meaning given to it in the recitals to this Agreement.

**“Town Sampling Site”** means the best available location, as determined by the Town, within Saugeen Shores, at or near its boundary with the First Nation Reserve, to yield samples of water representative of the conditions of the Municipal Water System as it enters the First Nation Water System.

**“Volume of Water”** means the quantity of water supplied by the Town to the First Nation Pumphouse and Reservoir during a billing period, as measured by the First Nation Water Meters.

**“Water Charge”** means the amount payable by the First Nation to the Town for the supply of water, calculated by multiplying the Volume of Water by the applicable Water Rate, to be applied towards the operations of the Municipal Water System, in accordance with this Agreement and Schedule “C”.

**“Water Rate”** means the per-unit monetary amount established by the Town from time to time pursuant to its Fees and Charges By-law, which is applied to the Volume of Water for the purpose of calculating the Water Charge.

**“Water Reserve Fund”** means an account holding all amounts received from all users of the Town Water System, including the Bi-Monthly Fixed Water Capital Contribution, which is collected for the sole purpose of being applied to long-term capital improvements or upgrades to the Municipal Treatment Plant and Intake System.

**“Water Reserve Fund Rate”** – means the per-unit monetary amount applied by the Town for the purpose of calculating the Bi-Monthly Fixed Water Capital Contribution, as determined in accordance with this Agreement and Schedule “C”.

## 1.2 Headings

Headings that precede sections are provided for the convenience of the reader only and shall not be used in constructing or interpreting the terms of this Agreement.

## 1.3 Lists

Whenever a statement or provision in this Agreement is followed by words denoting inclusion of examples and then lists or references specific items such list or reference should not be read as to limit the generality of that statement or provision even if words such as ‘without limiting the generality of the foregoing’ do not precede such list or reference.

## 1.4 Reference to Statutes

References herein to any statute or any provision thereof includes such statute or provision thereof as amended, revised, re-enacted and/or consolidated from time to time and any successor statute thereto.

## 1.5 Recitals

The Parties hereby irrevocably acknowledge and declare that the foregoing Recitals are true and correct in substance and fact, and form part of this Agreement.

## 2.0 SCHEDULES

2.1 The following schedules form part of this Agreement:

SCHEDULE “A” - Band Council Resolution

SCHEDULE “B” – Town of Saugeen Shores’ By-law

SCHEDULE “C” – SFN Payments

SCHEDULE “D” – Dispute Resolution Process

SCHEDULE “E” – Co-operation and Data Sharing Protocol

SCHEDULE “F” – First Nation Service Area

## 3.0 TERM

3.1 Subject to earlier termination under Sections 6.4 and 13.1 herein, this Agreement shall be for a twenty (20) year term, commencing on May 30, 2026 (“**Commencement Date**”) and expiring on May 30, 2046 (“**Expiration Date**”).

3.2 Failure to enter into a new Agreement at the Expiration Date, or to provide earlier termination thereof, places the Parties in overholding status, and all agreements and obligations herein remain in effect on a month-to-month basis.

3.3 This Agreement is subject to review, as per Section 19 herein.

#### **4.0 OBLIGATIONS**

4.1 During the Term, the Town will provide the following:

- (a) supply potable water to the Point of Connection, which will then be distributed by the First Nation to service the First Nation Service Area; and
- (b) perform bacteriological sampling at the Town Sampling Site for quality measurement purposes; and
- (c) share any sampling results taken from the Town's Sampling Site as per the protocols outlined in Schedule "E",

collectively referred to as the "**Services**".

4.2 At its sole cost, the First Nation will:

- (a) construct, maintain and repair any works, for the purpose of:
  - i. connecting to the Municipal Water System, to the Town's satisfaction;
  - ii. redistributing potable water received from the Municipal Water System to the First Nation Service Area; and
  - iii. ensuring the water remains potable once it connects to the First Nation Water System; and
- (b) take samples of the water, as required by this Agreement, the Safe Drinking Water Act and any other Applicable Law and Instruments; and
- (c) monitor the quantity of water received from the Municipal Water System as required by this Agreement, the Safe Drinking Water Act and any other Applicable Law and Instruments.

4.3 Any required extension of, or connection by, the First Nation to the Municipal Water System on Town property or within a Town highway or right of way will become the property of the Town upon certification by the Town of the completion of such works to Municipal Specifications and the standards required under this Agreement.

4.4 The quality of the Services provided by the Town under this Agreement will be substantially the same as the quality of Services provided by the Town to the users of such Services on non-First Nation Reserve lands within Saugeen Shores and in accordance with its obligations pursuant to the Safe Drinking Water Act and Applicable Law and Instruments.

4.5 The quantity of water provided by the Town to First Nation under this Agreement shall be of sufficient quantity to satisfy a maximum daily demand of 925 m<sup>3</sup>/day, or such other amount as agreed by the parties following a Section 19 Review (“**Maximum Daily Demand**”).

4.6 The First Nation acknowledges and agrees that the Town is not obliged to provide Services at a greater level or degree than the level or degree to which the same Services are provided elsewhere within the Town, or as agreed upon by the Town. The Town makes no representation or warranty that the level or degree of Services provided under this Agreement will be maintained or continued to any particular standard, other than as stated expressly herein. The First Nation acknowledges and agrees that there may be, from time to time, interruptions or reductions in the level of Services, and that the Town will not be held liable for any losses, costs, damages, claims or expenses arising from or connected with a temporary interruption or reduction in the level of Services provided under this Agreement.

4.7 If the Volume of Water supplied to the First Nation Pumphouse and Reservoir due to First Nation’s use, exceeds the Maximum Daily Demand for seven (7) consecutive days, or more than fifteen (15) days in any three (3) consecutive months, the Town shall send written notice to First Nation, and may, for the Volume of Water over and above the Maximum Daily Demand, apply an Exceedance Rate.

4.8 Notwithstanding Section 4.7 above, the Parties acknowledge that from time to time there may be unforeseen circumstances, such as firefighting or water main breaks, that may necessitate the Volume of Water to exceed the Maximum Daily Demand allotted in this Agreement. In those unforeseen circumstances, First Nation shall notify the Town in writing as soon as practicable and provide the cause of the exceedance. The Town, in those circumstances, and at its sole discretion, may waive the Exceedance Rate.

## **5.0 PAYMENT FOR SERVICES**

5.1 Commencing on the Commencement Date, and during the Term of this Agreement, the First Nation will pay the Town the following:

- (a) Water Charge, as per Schedule “C”; and
  - (b) Bi-Monthly Fixed Water Capital Contribution, as per “Schedule C”,
- collectively referred to as “**SFN Payments**”.

5.2 There shall be no deduction to any SFN Payments on account of a rupture, leak, breakdown, malfunction of the First Nation Water System or due to firefighting services, unless stipulated otherwise in this Agreement, or as agreed to by the Town after consultation with First Nation.

## 6.0 INVOICING

6.1 The Town will invoice the First Nation for the supply of water, in accordance with this Agreement and Schedule "C".

6.2 An invoice provided by the Town to the First Nation shall include the following:

- (a) The total Water Charge amount and the Bi-Monthly Fixed Water Capital Contribution amount, which will be identified separately on the invoice;
- (b) Each invoice, as it relates to the Water Charge amount, will include the Volume of Water supplied for a particular month, the applicable Water Rate and the resultant Water Charge; and
- (c) Any other details, as agreed between the Parties acting reasonably that are reasonable and may be required for the purpose of facilitating provincial and/or federal funding for the First Nation.

6.3 The First Nation shall pay any invoice issued by the Town by the due date stipulated on the invoice; failing which the Town shall be permitted to apply interest on any outstanding balance at a rate of 1.25% per month until paid in full.

6.4 In the event that an invoice remains unpaid, the Town may serve written notice of the default ("**Notice of Default**"), and if the invoice remains unpaid within thirty (30) days from the date of the Notice of Default, the Town may, upon four (4) months' written notice, terminate the Services and may at its sole discretion terminate this Agreement.

6.5 If First Nation disputes the amount of an invoice, it shall provide a notice of objection to the Town ("**Notice of Objection**") within ten (10) days of receipt of the said invoice. The Notice of Objection shall include sufficient particulars of the reason for the objection along with any relevant supporting documentation. If the Parties are unable to resolve the dispute within twenty (20) days from receipt of the Notice of Objection, the Parties shall utilize the Dispute Resolution Process outlined in Schedule "D". A dispute related to an invoice does not negate the First Nation's obligation to pay the undisputed amount of any invoice by its due date, or any other undisputed invoices issued by the Town in accordance with this Agreement. The First Nation agrees to pay the undisputed amount of any invoice by the due date indicated on the disputed invoice conditional on the outcome of the Dispute Resolution Process.

## **7.0 FIRST NATION WATER SYSTEM**

7.1 The First Nation Water System, including any extension of First Nation Water System and any replacement of First Nation Water System made necessary by accidental loss, wear and tear, breakdown, malfunction or obsolescence, must be constructed at the sole cost of the First Nation and must comply with the Safe Drinking Water Act and Applicable Law and Instruments.

7.2 If any additions, replacements, modifications and/or repairs of the First Nation Water System is required during the term of this Agreement, the First Nation will retain a Professional Engineer to design and to provide engineering services for the said work, and when completed, the Engineer shall certify to the Town that such works have been constructed to comply with the Safe Drinking Water Act and Applicable Law and Instruments. The Engineer's certification must be delivered to the Town, along with all of the Engineer's inspection records and as-built drawings before any new First Nation Water System may be connected to the Municipal Water System.

7.3 The First Nation shall at all times retain ownership of the First Nation Water System, and no interest, right or title to the First Nation Water System shall be conveyed to the Town under this Agreement, save and except if constructed within Saugeen Shores, unless expressly agreed otherwise.

7.4 Except for those connections required herein to provide Services in accordance with this Agreement, the Town will not utilize the First Nation Water System or establish any new connection(s) thereto without prior written consent of the First Nation.

## **8.0 SAMPLING SITES**

8.1 At its own cost, and within six (6) months of execution of this Agreement, the Town will install a Town Sampling Site on the Municipal Water System at or near the Point of Connection within Saugeen Shores for the purpose of collecting water distribution samples, as required by Applicable Law and Instruments.

8.2 The First Nation shall be responsible for collecting its own samples from First Nation Sampling Sites within the First Nation Reserve, as required by Applicable Law and Instruments, and to ensure that the water at all times meets the requirements of the Safe Drinking Water Act.

8.3 The Parties shall ensure that the other is provided with copies of all sampling results taken from their respective sampling sites and will comply with protocol outlined in Schedule "E".

## **9.0 FIRST NATION WATER METERS**

9.1 First Nation shall install and maintain First Nation Water Meters on the First Nation Reserve to measure the flow of water received from the Town on a daily total basis.

Records of these daily totals shall be provided to the Town monthly in a form prescribed by the Town.

9.2 The First Nation Water Meters shall be installed and maintained by the First Nation, at its sole cost, and to the Town's satisfaction, in accordance with Applicable Law and Instruments.

9.3 The maintenance requirements for the First Nation Water Meters, as required under Sections 9.1 and 9.2 above shall include, but not necessarily be limited to, annual calibration by an authorized representative, service provider, or equivalent of each flow meter manufacturer. A copy of each calibration report shall be provided to the Town on an annual basis.

9.4 The First Nation shall not construct or cause, intentionally or unintentionally, any mechanism whatsoever that may cause an inaccurate measurement or reading from a flow meter, including but not limited to, any piping bypass around it.

9.5 The First Nation shall perform annual maintenance and calibration checks on First Nation Water Meters, with at least eleven (11) months separating the previous maintenance and check. These maintenance and calibration checks shall be performed by a qualified professional, who shall produce a report and provide a copy to the Town. If the annual maintenance and calibration check has not been completed by the end of December each year, the Town has the option to complete the work. If the Town completes the work, the First Nation agrees that the Town may invoice the First Nation for reimbursement of its costs.

## **10.0 REPAIRS AND MAINTENANCE**

10.1 During the Term of the Agreement, the Town will provide all necessary repairs and maintenance of the Municipal Water System, including any preventative maintenance that the Town considers to be necessary.

10.2 During the Term of the Agreement, the First Nation will provide all necessary repairs and maintenance of the First Nation Water System, including any preventative maintenance that the Town considers to be necessary.

10.3 If the Town is required to perform the repairs and maintenance on the First Nation Water System, either at the request of the First Nation or as a result of any term contained herein, upon receipt of an invoice from the Town, the First Nation will reimburse the Town for all expenses incurred, whether for materials, equipment or labour, in relation to the repair and maintenance of the First Nation Water Systems, unless the Town waives this requirement as per Schedule "E" - Section E.2.2.

10.4 The First Nation will promptly notify the Town of any breakdown in the First Nation Water System that requires any repair or maintenance work.

## **11.0 REPORTING**

11.1 The Parties agree to follow the Co-operation and Data Sharing Protocol in Schedule "E".

## **12.0 MUNICIPAL ACCESS**

12.1 If the Town requires access to the First Nation Reserve, the Town will contact the First Nation to arrange a time for Town Representatives to enter upon the First Nation Reserve on Business Days, and during business hours, meaning 8:30 a.m. to 5 p.m., or such other times as agreed upon, unless in case of an after-hours emergency, for the purposes of,

- (a) collecting its own samples from the First Nation Sampling Site for, including but not limited to, verification purposes. Any samples collected by the Town are in addition to any other sampling required by First Nation pursuant to the terms of this Agreement; or
- (b) providing any of the Services required in accordance with this Agreement as outlined by Section 4; or
- (c) inspecting the First Nation Water System and ensuring compliance with Municipal Specifications and this Agreement.

12.2 The Town Representative agrees to provide notice twenty-four (24) hours in advance of any attendance on the First Nation Reserve, except in the case of an emergency. In the event of an emergency, Town Representatives will make best efforts to inform First Nation prior to its attendance at the First Nation Reserve and for its intended purpose; however, if unable to do so, Town representatives will inform First Nation as soon as possible after its attendance of when they attended and for what purpose.

12.3 If access to, on, under or within a Town highway or Right of Way is required for the purpose of constructing any works or services required under this Agreement, the First Nation will consult with the Town in advance of any work being performed and shall follow any applicable Town procedures. The Town reserves the right to deny such access at its sole discretion.

## **13.0 TERMINATION FOR BREACH OF AGREEMENT**

13.1 Should either party be in breach of its covenants or undertakings under this Agreement, other than a failure by the First Nation to pay the SFN Payments, which remain un-rectified for a period of six (6) months following written notification of such breach, the party not in breach may, at its option and without prejudice to any other rights or remedies it might have, immediately terminate this Agreement.

## 14.0 ABSENCE OF TOWN LIABILITY

14.1 The Town does not warrant or guarantee the continuance or quality of any Services provided under this Agreement. The Town shall not be liable for any damages, expenses, or losses arising directly or indirectly from a suspension or discontinuance of Services due to circumstances beyond the Town's reasonable control. Such circumstances include, but are not limited to:

- Acts of God
- Pandemics
- Forces of nature
- Soil erosion
- Landslides
- Lightning
- Washouts
- Floods
- Storms
- Serious accidental damage
- Strikes or lockouts
- Vandalism
- Negligence in the design, supervision, or construction of the First Nation Water System
- Cross contamination as a result of secondary water sources in the First Nation Water System
- Negligence in the manufacture of any materials used in the First Nation Water System
- Other similar circumstances

Additionally, the Town shall not be liable to the First Nation for any damages, expenses, or losses directly or indirectly resulting from the quality of water (i.e. contamination or lack of Potability) once the water has entered the First Nation Water System at the Point of Connection.

14.2 First Nation shall indemnify and hold harmless the Town and, as applicable, their elected officials, officers, employees, agents, contractors, successors and assigns (the "Indemnified Persons") from and against all claims, demands, losses, expenses, costs (including legal fees), actions, suits or proceedings ("**Claims**") by whomsoever made, brought or prosecuted in any manner, arising out of, or in connection with this Agreement including First Nation's performance of or failure to perform any of its obligations within this Agreement or as required by law. Notwithstanding any other provision of this Agreement to the contrary, the First Nation shall have no obligation to provide indemnification in respect of Claims to the extent the same arise as a result of a breach of this Agreement, by or on behalf of the Town, or the negligence or willful act or omission of the Town.

14.3 The Town shall indemnify and save harmless the First Nation and, as applicable, their elected officials, officers, employees, agents, contractors, successors and assigns from and against all Claims by whomsoever made, brought or prosecuted in any manner, arising out of, or in connection with the Town's performance of or failure to perform any of its obligations within this Agreement or as required by law. Notwithstanding any other provision of this Agreement to the contrary, the Town shall have no obligation to provide indemnification in respect of Claims to the extent the same arise as a result of a breach of this Agreement by or on behalf of the First Nation or the negligence or willful act or omission of the First Nation.

## **15.0 COMMUNICATIONS AND CONTRACT PROTOCOL**

15.1 All the Parties to this Agreement will appoint one or more representatives, with notice to the other Parties of such appointments as the principal contacts for official communications about this Agreement, and as the principal contacts for operational matters pursuant to this Agreement.

15.2 The Parties agree to be bound by the communications protocol outlined in Schedule "E" of this Agreement.

## **16.0 DISPUTE RESOLUTION**

16.1 In the interest of cooperative and harmonious co-existence, the Parties agree to use their best efforts to avoid conflict and to settle any disputes arising from or in relation to this Agreement. The Parties acknowledge and agree that this Section 16.1 does not limit either Party's respective rights under Section 16.2.

16.2 If there are any terms in this Agreement in dispute, and the Parties are unable to resolve the dispute as between themselves, the Parties will seek a settlement of the conflict by utilizing the dispute resolution methods outlined in Schedule "D" attached, and recourse to the Courts will be a means of last resort, except when public health or safety is concerned.

## **17.0 ACKNOWLEDGEMENT OF RIGHTS**

17.1 Nothing contained in this Agreement will be deemed to limit or affect any other Aboriginal rights or claims the First Nation may have at law or in equity. Nothing contained in this Agreement will be deemed to limit or affect the legal rights and duties of obligations of the Town. The Parties agree that nothing in this Agreement will affect the cooperation, or consultation covenants the Parties have entered into pursuant to other Agreements, if applicable.

## 18.0 NOTICE

18.1 The address for delivery of any notice or other written communication required or permitted to be given in accordance with this Agreement, including any notice advising the other Party of any change of address, shall be as follows:

(a) to Town:

*The Corporation of the Town of Saugeen Shores  
600 Tomlinson Dr.,  
Box 880  
Port Elgin, ON  
N0H 2C0*

*Attention: Clerk  
Email: [Clerk@saugeenshores.ca](mailto:Clerk@saugeenshores.ca)  
Telephone: 519-832-2008*

(b) to First Nation:

*Saugeen First Nation Governance Building  
R.R.#1  
6 Cameron Drive,  
Southampton, ON N0H 2L0*

*Attention: Band Administrator  
Email: [roy.perreault@saugeen.org](mailto:roy.perreault@saugeen.org)  
Telephone: 519-797-2781*

18.2 Any notice mailed shall be deemed to have been received on the fifth (5<sup>th</sup>) Business Day following the date of mailing. Any notice faxed or emailed will be deemed to have been received on the first (1<sup>st</sup>) Business Day following the date of transmission.

18.3 The Parties may change their address for delivery of any notice or other written communication in accordance with Section 18.1.

## 19.0 REVIEW

19.1 The Parties acknowledge that the Town is required by Applicable Law and Instruments to undertake a comprehensive review of its water rates on a periodic basis, typically every five (5) years (a “**Rate Review Study**”).

19.2 To align with the timing of the Rate Review Study, the Parties agree that, during the Term of this Agreement, they shall meet no later than six (6) months prior to the commencement of a Rate Review Study to conduct a review of this Agreement (the

**“Section 19 Review”**). The Section 19 Review is intended to be consultative in nature and shall include consideration of the following matters, as applicable:

- (a) the provisions of this Agreement and its overall performance;
- (b) population projections of each Party for the upcoming five (5) year period;
- (c) anticipated infrastructure developments of each Party for the upcoming five (5) year period, including new residential, institutional, commercial or recreational uses and water infrastructure;
- (d) the First Nation’s actual water usage data from the preceding five (5) year period; and
- (e) changes to, or planned changes in, the Town’s capital infrastructure that relate to provision of the Services.

19.3 The Parties acknowledge and agree that the completion of a Section 19 Review does not, in and of itself, result in any amendment to this Agreement. Any changes identified through the Section 19 Review shall be implemented only if the Parties mutually agree, in writing, to amend this Agreement in accordance with Section 21.1.

19.4 Where proposed amendments, as contemplated herein, arising from the Section 19 Review include an increase to the Maximum Daily Demand or an expansion of the First Nation Service Area, such amendments will address any applicable requirements relating to capacity, capital improvements, cost sharing, Water Reserve Fund contributions, and regulatory approvals.

## **20.0 SEVERANCE**

20.1 In the event that any provision of the Agreement should be found to be invalid, the provision shall be severed and the Agreement read without reference to that provision.

20.2 Where any provision of the Agreement has been severed in accordance with Section 20.1 and that severance materially affects the implementation of this Agreement, the Parties agree to meet to resolve any issues as may arise as a result of that severance and to amend this Agreement accordingly.

## **21.0 GENERAL PROVISIONS**

21.1 The Agreement shall not be varied or amended except by written agreement of both Parties.

21.2 No waiver of the terms, conditions, warranties, covenants, and agreements set out herein shall be of any force and effect unless the same is reduced to writing and executed by all parties hereto and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar) and no waiver will constitute a continuing waiver unless otherwise expressly provided.

21.3 The provisions of this Agreement will be governed and interpreted in accordance with the law of the Province of Ontario or the law of Canada, as applicable.

21.4 The rights and obligations of the Parties may not be assigned or otherwise transferred. An amalgamation by a Party does not constitute an assignment.

21.5 The Agreement shall be binding upon and shall enure to the benefit of the Town and First Nation and their respective heirs, executors, administrators and successors.

21.6 This Agreement constitutes the entire Agreement between the Parties and there are no undertakings, representations or promises express or implied, other than those expressly set out in this Agreement.

21.7 This Agreement supersedes, merges, and cancels any and all pre-existing agreements and understandings in the course of negotiations between the Parties.

21.8 The First Nation may use this Agreement as supporting material in applications for funding related to the subject matter herein. In those circumstances, First Nation shall notify the Town in writing at least ten (10) days in advance of applying for the funding, as the Town may be in a position to provide support for the application.

## **22.0 COUNTERPART**

22.1 This Agreement may be executed and delivered in any number of counterparts each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. The delivery of an executed counterpart copy of this Agreement by email transmission or facsimile will be deemed to be the equivalent to delivery of an original executed copy.

## **23.0 FREEDOM OF INFORMATION AND PROTECTING PRIVACY**

23.1 First Nation acknowledges that the Town is bound by the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.M.56, as amended, and that this Agreement and any information provided to the Town in connection with the First Nation Water System or in connection with this Agreement may be subject to disclosure in accordance with such Act.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**IN WITNESS WHEREOF** the Parties hereto have executed this Agreement.


**The Corporation of the Town of Saugeen Shores**

\_\_\_\_\_  
Luke Charbonneau, Mayor

\_\_\_\_\_  
Kaitlin Bos, Clerk

We have authority to bind the Town.

**Saugeen First Nation**

  
\_\_\_\_\_  
[Position] Chief Conrad Ritchie

\_\_\_\_\_  
[Position]

I/We have authority to bind the First Nation.

SCHEDULE A



**SAUGEEN FIRST NATION # 29  
BAND COUNCIL RESOLUTION  
OGIMAKANUK ENENBAM NOWAD**

**Saugeen Band  
Ph: (519) 797-2781  
Fax: (519) 797-2978**

The Council of the Saugeen First Nation # 29  
Ogimahkanuk Sauking

6 Cameron Drive Southampton

Ontario, NOH 2L0

13                      April                      AD 2026  
Day - Kejick    Month - Geesis

MOTION No.22

Moved by Sonya Roote  
Seconded by Lester Anoquot

**BE IT RESOLVED**

**SAUGEEN FIRST NATION  
(the "First Nation")  
RESOLUTIONS OF THE CHIEF AND COUNCIL**

Resolutions consented to by a quorum of the Chief and Council of the First Nation (the "Chief and Council") at a meeting of the **Chief and Council** duly convened on the 13<sup>th</sup> day of 2026.

**WHEREAS:**

- A. Saugeen has negotiated an agreement for the provision of water services from the Town of Saugeen Shores to the First Nation's reserve, substantially on the form which is attached to this BCR as Schedule "A" (the "Agreement");
- B. The Chief and Council are of the opinion that it is in the best interest of the First Nation to enter into, execute and deliver the Agreement, and shall perform all of the necessary obligations thereunder;

**BE IT RESOLVED THAT:**

- 1. The Chief and council hereby approve and support the First Nations's acquisition of water services from the Town of Saugeen Shores.
- 2. The First Nation enter into the Agreement and execute and deliver the Agreement.
- 3. The Chief of the First Nation (the "Chief") is hereby authorized and directed to execute and deliver the Agreement.
- 4. The Chief is hereby authorized and directed to take all such further actions, to sign and deliver further agreements and to do all such other acts and things as in his opinion may be necessary to give effect to the foregoing resolutions.
- 5. The foregoing resolutions may be executed in one or more counterparts, each of which will be deemed to be original and all of which together will be deemed to be one and the same instrument.

The foregoing resolutions are hereby consented to in writing by a quorum of the members of the Chief and Council as evidenced by their signatures hereto. The foregoing resolutions may be executed in one or more counterparts, each of which will be deemed to be and original and all of which together will be deemed to be one and the same instrument.

6 in favor  
Carried

[Redacted Signature]

(Ogimah-Conrad Ritchie)

[Redacted Signature]

(Anikeh-Ogimah-Sonya Roote)

[Redacted Signature]

(Anikeh-Ogimah-Cheree Urscheler)

(Anikeh-Ogimah-)

[Redacted Signature]

(Anikeh-Ogimah-Theresa Root)

[Redacted Signature]

(Anikeh-Ogimah-)

[Redacted Signature]

(Anikeh-Ogimah-Letitia Thompson)

[Redacted Signature]

(Anikeh-Ogimah-Lester Anoquot)

[Redacted Signature]

(Anikeh-Ogimah -Randall Kahgee )

(Anikeh-Ogimah - Fay Roote)

**SCHEDULE B**

**Town By-law**

## SCHEDULE C

### SFN PAYMENTS

C.1 During the Term of this Agreement, the First Nation shall pay Water Charge and Bi-Monthly Fixed Water Capital Contribution in accordance with the Town's current practice, which is outlined below, and in accordance with the terms contained in this Agreement.

#### C.2 Invoicing

C.2.1 Further to Section 6.0, the Town shall invoice the First Nation Bi-Monthly each calendar year for the Term of this Agreement, or such other dates as agreed upon by the parties in writing.

#### C.3 Water Charge

C.3.1 Further to Section 5.1 (a), during the Term of this Agreement, the First Nation shall pay Bi-Monthly an amount representing a consumption charge for all residential and non-residential properties, based on the metered volume of water actually consumed, as calculated by the First Nation Water Meters (the "**Water Charge**").

C.3.2 The Town shall calculate the Water Charge using the following formula:

$$\text{Volume of Water X Water Rate} = \text{Water Charge}$$

C.3.3 The Water Rate used to calculate the Water Charge is subject to change to reflect any amendments to the Town's Fees and Charges By-Law implemented by Council from time to time and following a Rate Review Study, which is conducted every five (5) years.

#### C.4 Bi-Monthly Fixed Water Capital Contribution

C.4.1 Further to Section 5.1(b), during the Term of this Agreement, the First Nation shall pay Bi-Monthly an amount to be applied towards any capital improvements or upgrades to the Town's Water Treatment Plant and Intake System ("**Bi-Monthly Fixed Capital Contribution**"), as deemed necessary by the Town in its sole discretion from time to time, subject to providing the First Nation with a statement identifying the amount applied from the Water Reserve Fund and for what purpose.

C.4.2 The Bi-Monthly Fixed Capital Contribution shall be calculated by utilizing the table (**Figure 1**) outlined below:

<b>Figure 1</b>		
<b>Property Type</b>	<b>Equivalent Household Unit (EHU) Factor Applied Per Unit</b>	<b>Bi-Monthly Fixed Water Capital Contribution</b>
Single family residential, semi-detached & condominium units	1	56.68
Campground sites - per site	0.3	17.00
Motel rooms - per room	0.2	11.34
Cabins and cottage courts – per cabin or cottage - 3 or more units	0.4	22.68
Apartments	0.5	28.34
Retirement lodges/nursing homes - per room	0.2	11.34

C.4.3 As identified in Figure 1, Equivalent Household Unit (EHU) represents the value to apply to a specific type of land use (“**Property Type**”) connected to the First Nation Water System.

C.4.4 Within five (5) Business Days of execution of this Agreement, and as requested by the Town from time to time (to coincide with the Town’s Rate Review Study), the First Nation shall provide the Town the total number of each Property Type, as well as the total number of Equivalent Household Units, as identified in Figure 1, to be utilized by the Town to calculate the Bi-Monthly Fixed Water Capital Contribution.

## C.5 Exceedance Rate

C.5.1 The Exceedance Rate provided in Section 4.7 is intended to encourage compliance with the established Maximum Daily Demand by imposing a financial consequence when this threshold is surpassed. This mechanism helps ensure the sustainability of water usage and promotes responsible management practices by all parties involved. The Exceedance Rate to be paid by the First Nation to the Town if the First Nation exceeds the Maximum Daily Demand, shall be an amount equivalent to multiplying the excess Volume of Water by 1.5.

## SCHEDULE D

### DISPUTE RESOLUTION PROCESS

D.1. The Parties will utilize all reasonable efforts to resolve any dispute in regard to the rights and duties of the Parties, or any other matter arising out of or connected with this Agreement (hereinafter “**Dispute**”), promptly and in a good faith manner by negotiation. Upon receipt of notice of a Dispute, the Parties agree to meet within five (5) Business Days either in person or virtually to discuss the Dispute and attempt to negotiate a resolution.

D.2. If the Parties are unable to resolve the Dispute within ten (10) Business Days from when the Dispute first arose, either Party may by notice in writing to the other Party submit the matter to mediation. Immediately upon delivery of such notice, the Parties will make a reasonable, good faith effort to identify a mutually acceptable mediator. If the Parties cannot agree upon a mediator within a period of ten (10) Business Days, or, having selected and met with the mediator cannot resolve the Dispute within ten (10) Business Days thereafter, either Party may by notice in writing to the other Party direct the matter to arbitration pursuant to subsection D.3. below.

D.3. Any arbitration shall be undertaken before a panel of three (3) arbitrators. Each Party shall select one (1) arbitrator within ten (10) Business Days of receipt of a notice for arbitration, and the arbitrators so chosen will select the third arbitrator within a further period of five (5) Business Days. The third arbitrator will chair the arbitration panel. Upon the appointment of the third arbitrator, each Party shall, forthwith, submit its argument in writing, and make oral argument should the arbitration panel so require. The arbitration panel shall make its decision and so inform the Parties in writing within fifteen (15) Business Days from the completion of argument. In so doing, the arbitration panel shall be restricted to construing the terms and conditions of this Agreement. The arbitration award cannot under any circumstances exceed the remedies available under this Agreement. Each Party will bear its own costs of the arbitration and share equally the costs of the arbitration panel, unless the arbitration panel in its discretion, and pursuant to representations by the Parties, awards some or all of the costs of the arbitration to one of the Parties. The decision of the arbitration panel shall be by majority vote and final and binding on both Parties. Any award by the arbitration panel may be filed in court and enforced as a judgment of the court.

D.4. All documents created in the course of, or for the purposes of, the mediation and arbitration contemplated herein, including the arbitration award, shall be kept completely confidential and shall not be disclosed by the Parties to any other party (excluding their respective legal counsel and advisors) without the prior written consent of the other Party. The mediation and arbitration proceedings shall be undertaken in a location determined by the mediator or the arbitration panel, as applicable. The arbitration shall be governed by the arbitration rules and procedures of the then current *Arbitration Act* of the Province of Ontario.

D.5. Notwithstanding the above provisions contained in this Schedule “D”, neither Party is precluded from seeking from a court of competent jurisdiction interim relief, including injunctive relief.

## SCHEDULE E

### COOPERATION AND DATA SHARING PROTOCOL

#### E.1. Data Sharing

##### E.1.1. Day to Day Communications

- The Town and the First Nation shall each designate an employee as their representative to be their point of contact for any day-to-day or minor operational communications. Any changes to the representative and/or the representative's contact information shall be provided as soon as reasonably possible.

##### E.1.2 Annual Water System Reports

- The Town shall provide the Municipal Water System Annual Report to the First Nation annually, as soon as reasonably possible following its presentation to Town Council.
- The First Nation shall provide the First Nation Water System Annual Report to the Town as soon as reasonably possible following its presentation to Band Council.

##### E.1.3 Weekly Sampling Results

- The Town shall circulate weekly bacteriological and chlorine residual sampling results taken from the Town's Sampling Site to the First Nation upon receipt.
- The First Nation shall circulate weekly bacteriological, and chlorine residual sampling results taken from the First Nation Sampling Sites to the Town upon receipt.

##### E.1.4 Additional Water Chemistry Results

- The Town will provide the First Nation with other water chemistry sample results upon receipt, including but not limited to those required under Schedule 23 and Schedule 24 of Ontario Regulation 170/03, and results from the Ontario Ministry of the Environment's Drinking Water Surveillance (DWS) Program.

##### E.1.5 Annual Capital Projects List

- The Town shall continue to provide the First Nation with the annual list of capital projects related to the Municipal Water System by February 28 of each year.

### E.1.6 Adverse Water Quality Incidents

- Both Parties agree to notify the other of any Adverse Water Quality Incidents, as defined in Ontario Regulation 170/03, as soon as possible.

### E.1.7 Notification of Unusual Conditions (“Unforeseen Circumstances” as per Section 4.8)

- In the event of unusual conditions of a significant nature that are affecting or may adversely affect the normal operation of either Parties’ Water Systems, both parties agree to notify the other as soon as possible and to share any required information.

#### Examples of Unusual Conditions

- Without limiting the generality of the above, the following events shall be considered unusual conditions warranting notification:
  - i. Watermain breaks impacting or potentially impacting supply volume, quality, or pressure.
  - ii. Excessive consumption potentially due to an undetected watermain break or other causes.
  - iii. Reduced pressure or flow, or degraded water quality, including but not limited to aesthetic concerns (appearance, taste, odour), turbidity, or decreased chlorine residuals.  
Ongoing or planned firefighting usage.

## **E.2. Cooperation**

### E.2.1 Primary Communication Channels

- The initial means of communication shall be from the Town’s Overall Responsible Operator (ORO) or on-call operator to the First Nation’s Overall Responsible Operator (ORO) or on-call operator. The Parties shall exchange contact information prior to the Commencement Date and shall ensure that the contact information remains up to date.

### E.2.2 Troubleshooting and Maintenance Coordination

- The parties agree to cooperate in troubleshooting issues such as those listed above.
- The Parties further agree to coordinate third-party maintenance tasks, such as water meter calibration, where feasible, to reduce costs for both parties.
- Where needed, to provide mutual assistance, Town staff resources and equipment may be requested to assist the First Nation in responding to a watermain break or other issue which exceeds the First Nation’s capacity to address. Similarly, First

Nation staff resources and equipment may be requested to assist the Town. In such cases, the Parties agree to hold each other harmless from any liability or claim arising from the work, except in the case of gross negligence. Further the parties agree that such assistance will be provided free of charge for labour and equipment usage, with Town materials being invoiced at the Town's discretion.

#### E.2.3 Annual Operational Meeting

- The Parties agree to meet annually at the Operating Authority level prior to April 30th, at the First Nation Pumphouse.
- This meeting shall include licensed operators, the respective Overall Responsible Operators, and any other Town or First Nation technical staff with an interest in water system operations and/or capital projects.

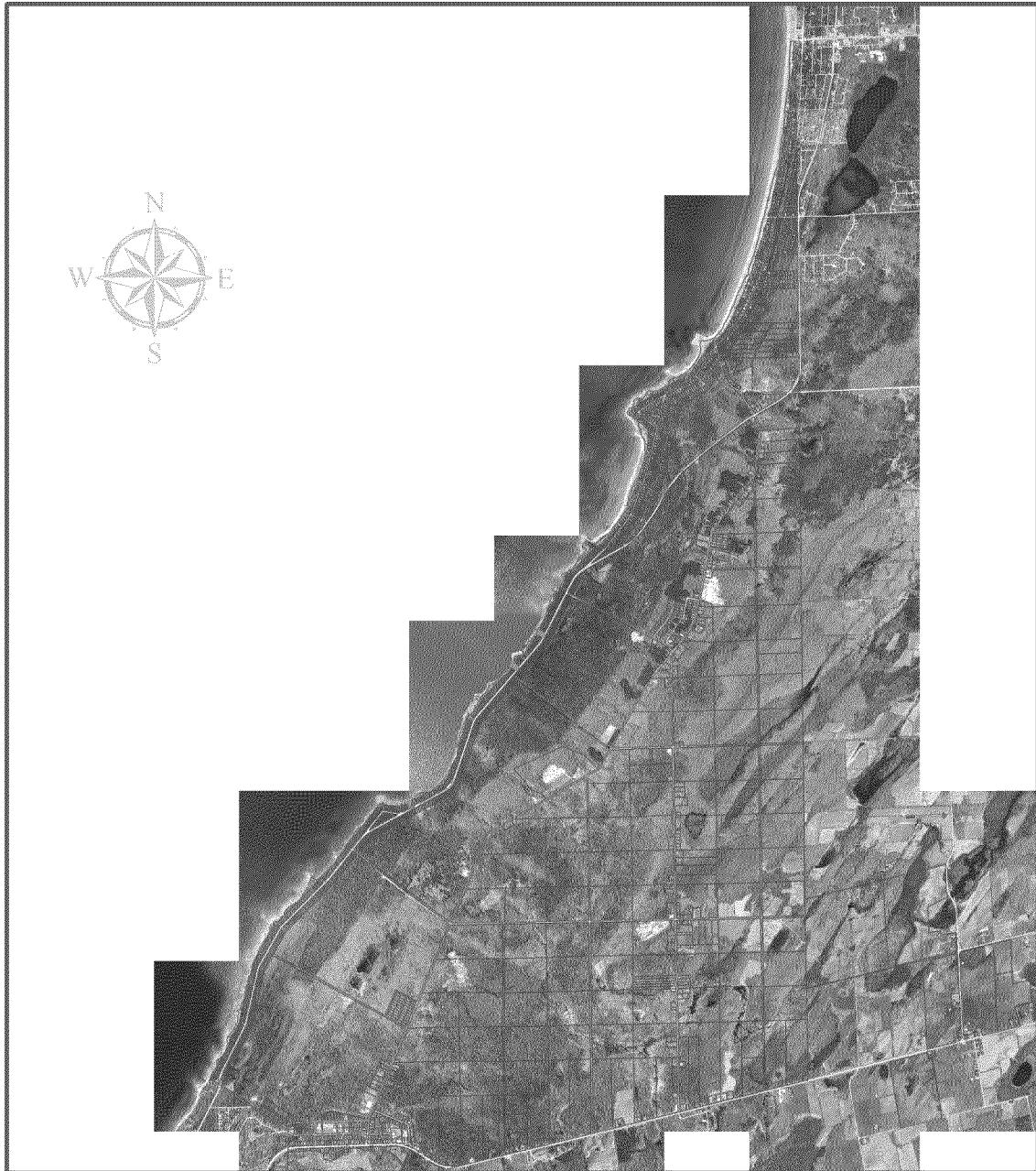
#### E.2.4 Capital Planning Coordination

The Parties agree to collaborate in the creation of any future Servicing Master Plan(s), which may include providing additional capacity and services to meet the needs of the First Nation, subject to the Town Water System capacity.

SCHEDULE F

RESERVE SERVICE AREA MAP

**Saugeen First Nation**



0 0.35 0.7 1.4 2.1 2.8 Kilometers