



City Council Agenda Item Report

FROM: Ryan Cummins, City Manager

MEETING DATE: July 13, 2026

SUBJECT: Consent Agreement for Fire Department Sewer Connection and Request to Waive Fees

DESCRIPTION:

The Saugatuck Fire District station is located in Saugatuck Township. The station is currently served by a small septic system and wishes to connect to the sanitary sewer system. Sanitary sewer service is not available along Blue Star Highway. As a result, the Fire District has submitted a request to connect to the City's sanitary sewer main on Maple Street. The Fire District has also requested that connection fees be waived.

The 2012 Sewer Operations Agreement requires a consent agreement for this type of connection:

7.d. Property located in Saugatuck Township and subject to sewer connection pursuant to subparagraph (c) above shall be limited to properties one residential lot deep (typically 120 feet maximum). To the extent properties with depths greater than one residential lot of large acreage tracts are proposed to be connected pursuant to subparagraph (c), then such connection shall be permitted only after Saugatuck Township and the Installing Municipality negotiate a written consent agreement.

Staff was able to obtain water flow data from KLSWA to determine how much sewer flow is expected. The average flow per month is 20,000 gallons. The City's contractual engineer has reviewed the request and determined that the City has adequate infrastructure and available sewer capacity to accommodate the connection.

Updated Draft Agreement

Since the last review, the agreement was updated to add the Saugatuck Township Fire District as a party to the agreement and clarify capacity allocations. To summarize:

- The agreement establishes a 30-year term and provides that the Fire District's existing wastewater usage (based on a baseline average of 20,000 gallons per month) will count against the City's allocated treatment capacity.
- If flows exceed 115% of the established baseline, the additional capacity above that threshold will instead be charged against the Township's allocated treatment capacity.
- The agreement applies only to the Fire District property and does not authorize any additional Township properties to connect to the City's sanitary sewer system.
- The Fire District is responsible for obtaining any necessary easements or other permissions required for the connection, as well as all costs associated with constructing, operating, maintaining, repairing, and replacing the private sewer connection. The City shall remain responsible for operating, repairing, replacing, and maintaining all parts of the public portion of the Sewer System as provided by law.

Township and Fire District staff are supportive of the latest draft. Staff recommends approval and waiver of connection fees.

BUDGET ACTION:

None at this time.

LEGAL REVIEW:

Legal prepared the consent agreement and reviewed the changes.

SAMPLE MOTION:

Motion to approve the Saugatuck Fire District's request to connect to the City's sanitary sewer system via the Maple Street sanitary sewer main, waive applicable connection fees, and approve the consent agreement for sanitary sewer service.



SAUGATUCK TOWNSHIP FIRE DISTRICT

Proudly serving : Douglas | Saugatuck | Saugatuck Township



3342 Blue Star Highway
Saugatuck, MI 49453

May 11, 2026

Honorable Members of the Saugatuck City Council
City of Saugatuck
102 Butler Street
Saugatuck, MI 49453

Dear Members of the City Council,

As you may be aware, the Saugatuck Township Fire District (the "Fire District") is in the process of replacing its existing 40-year-old, obsolete two-inch domestic water main and septic system. This project also includes the installation of municipal water main hydrant infrastructure and a connection to the sanitary sewer system.

We understand that the City of Saugatuck has established a connection fee for new municipal water and sanitary sewer connections. Considering the public safety purpose of the Fire District that serves the City of Saugatuck, Saugatuck Township, and the City of the Village of Douglas, and the nature of this infrastructure upgrade, the Fire District respectfully requests a waiver of the applicable connection fee.

The Fire District is willing to revisit the connection fee in the event of any future expansion of the facility or a change in use that would increase demand on the City's utility systems.

Thank you for your consideration of this request. Please do not hesitate to contact me if you require any additional information.

Respectfully submitted,

Fire Chief / Fire Marshal
Saugatuck Township Fire District

CONSENT AGREEMENT FOR SANITARY SEWER SERVICE

This Consent Agreement for Sanitary Sewer Service (“Agreement”) is made this ____ day of _____, 2026 (the “Effective Date”), between the City of Saugatuck (the “City”), Saugatuck Township (the “Township”), and the Saugatuck Township Fire District (the “STFD”). The City, the Township, and STFD are sometimes referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the City and the Township are parties to the July 1, 2012, Sewer System Operations Contract (the “Sewer System Operations Contract”), which, among other things, deals with the use and operation of the Kalamazoo Lake Sewer and Water Authority (“Authority”) wastewater collection treatment system (the “Authority System”) which serves the local sanitary sewer systems of both the City and the Township;

WHEREAS, the Sewer System Operations Contract allocates capacity in the Authority System to the constituent municipalities of the Authority, which includes the City and the Township;

WHEREAS, the Sewer System Operations Contract provides that property owners within the Township which are located on a boundary street between the City and the Township in which the City has installed a sewer main may connect to the City’s sewer main upon payment of applicable fees and rates, at which point the capacity allocatable to the property owner will be charged against the City;

WHEREAS, the Sewer System Operations Contract provides that certain connections by Township property owners to the City’s sewer main may be permitted only upon a consent agreement between the City and the Township;

WHEREAS, STFD is located within the Township at 3342 Blue Star Highway, Saugatuck, MI 49453, as depicted in the attached **Exhibit A** (the “STFD Property”), and desires to connect to the Authority System via the City’s sanitary sewer system located in the Maple Street right-of-way;

WHEREAS, the STFD Property is not adjacent to the City’s Maple Street right-of-way, requiring a consent agreement between the City and the Township to allow the connection under the Sewer System Operations Contract;

WHEREAS, the Township and the City wish to enter into this Agreement as required by the Sewer System Operations Contract to permit the connection of the STFD Property to the City’s Maple Street sewer main.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

1. **Grant of Consent.** Subject to the terms and conditions of this Agreement, the Township grants to the City the nonexclusive consent, permission, right, and authority to provide sanitary sewer service to the STFD Property from the City’s Maple Street sewer main.

2. **STFD Responsibilities.** STFD shall own its sewer connection lines located within the Township, and STFD shall be responsible for constructing, operating, repairing, replacing, and maintaining all parts of said sewer connection lines and any extension thereof, at STFD's sole expense. STFD shall be responsible for obtaining all necessary easements or permissions necessary to connect the STFD Property to the City's Maple Street sewer main. The City's responsibility shall be limited to inspecting and approving the connection to its sewer main and providing sanitary sewer service to the STFD Property after a lawful connection is made, subject to any applicable rules and regulations. The City shall remain responsible for operating, repairing, replacing, and maintaining all parts of the public portion of the Sewer System as provided by law.
3. **Use of Capacity.** Except as provided in Section 6, the STFD Property's use of capacity in the Authority System shall be counted toward the City's allocated capacity under the Sewer System Operations Contract (or an applicable successor document) throughout the duration of this Agreement.
4. **Connections.** This Agreement shall not be construed to allow any other Township property owners to connect to the City's sanitary sewer system. Such connections may only be permitted as provided in the Sewer System Operations Contract or an applicable successor document.
5. **Term of Agreement.** The term of this Agreement shall be thirty (30) years from the Effective Date and thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the City, the Township, and STFD.
6. **Baseline Capacity, Expansions, and Reallocation.** The Parties agree as follows with respect to capacity, expansions, and changes in use of the STFD Property:
 - a. **Establishment of Baseline.** The Parties agree that the "Baseline Discharge" for the STFD Property, against which the Parties shall measure increases in discharge attributable to future expansions and changes in use of the STFD Property, is an average of 20,000 gallons per month, based on average monthly water consumption from May 2025 to April of 2026.
 - b. **Township Approval of Expansions.** Before STFD undertakes any expansion of, or change in use of, the STFD Property that STFD reasonably projects will result in the average monthly water usage from the STFD Property to the Authority System exceeding one hundred fifteen percent (115%) of the Baseline Discharge, STFD shall submit the proposed expansion or change in use to the Township for approval, together with STFD's projection of the resulting average monthly water usage. The Township shall decide whether to approve or deny the proposed expansion or change in use on the basis of STFD's submission. The Township shall notify STFD of its decision in writing within sixty (60) days after receiving STFD's complete submission. If the Township does not approve the proposed expansion or change in use in writing within that period, the proposed expansion or change in use shall be deemed denied.
 - c. **Attribution of Increased Usage.** For so long as this Agreement remains in effect, the portion of the STFD Property's average monthly water usage that exceeds one hundred fifteen percent (115%) of the Baseline Discharge shall be counted toward the Township's allocated capacity under the Sewer System Operations Contract (or an applicable successor

document), and the portion of the STFD Property's average monthly water usage equal to or less than one hundred fifteen percent (115%) of the Baseline Discharge shall be counted toward the City's allocated capacity in accordance with Section 3.

7. **Termination.** This Agreement may be terminated only as follows:
 - a. This Agreement shall automatically terminate if the STFD Property is not connected to the City's Maple Street sewer main within thirty-six (36) months from the Effective Date.
 - b. The City, the Township, and STFD may terminate this Agreement by mutual written agreement, subject to the terms of such agreement.
8. **Liability.** Except as otherwise provided by law, the City shall not be held liable or accountable for any bursting, leakage, breakage, damage, or accident of any kind that may occur to STFD's sewer connection lines within the Township, or for any damages of any kind or nature, including, but not limited to, injury to persons or damage to property, resulting from or alleged to result from such bursting, leakage, breakage, damage, or accident that may occur to said connection lines.
9. **Governing Law.** The validity of this Agreement is governed by Michigan law. Any action concerning this Agreement shall be brought in Allegan County, Michigan.
10. **Amendments.** This Agreement may only be amended by the mutual written consent of the City, the Township, and STFD.
11. **Waiver of Breach.** The waiver by the City, the Township, or STFD of a breach of this Agreement is not a waiver of any other breach of this Agreement.
12. **Severability.** Except as otherwise stated in this Agreement, if any provision of this Agreement is declared by a court of competent jurisdiction to be unenforceable, that declaration does not impair the validity of the remainder of this Agreement, which shall remain in full force and effect.
13. **Entire Agreement.** This Agreement contains the entire agreement between the Parties and all prior negotiations and agreements are merged into this Agreement. No Party has made any representations except those expressly set forth in this Agreement, and no rights or remedies are, or shall be, acquired by any Party by implication or otherwise unless expressly set forth in this Agreement.
14. **Default.** In the event that any of the Parties fails to comply with any obligations of this Agreement, a written notice of default must be sent by registered mail, return receipt requested, by the non-defaulting Party to the defaulting Party, describing the act of default and demanding a remedy. If the default is not corrected within thirty (30) days after that notice, the non-defaulting Party may enforce this Agreement in an action in a court of competent jurisdiction in Allegan County, Michigan, under Michigan law.
15. **Assignment.** No Party to this Agreement shall, without the prior written consent of the other Parties, assign, transfer, or convey its interest or any part thereof under this Agreement. This

Agreement shall be binding upon the successors in interest of the Parties hereto and shall inure to the benefit of the Parties and their successors and assigns.

16. **Mutually Drafted.** This Agreement shall be deemed to be mutually drafted and shall not be construed against any Party.

17. **Headings.** The headings of the paragraphs of this Agreement are for convenience only and shall not be used to construe or interpret the scope or intent of this Agreement or in any way affect the same.

18. **Counterparts.** The Parties agree that this Agreement may be executed by facsimile or in counterparts, and that all counterparts together, with or without facsimile signatures, shall constitute one integrated agreement and be deemed an original document.

CITY OF SAUGATUCK

Dated: _____, 2026

By: _____
Holly Anderson, Mayor

Dated: _____, 2026

By: _____
Jamie Wolters, City Clerk

SAUGATUCK TOWNSHIP

Dated: _____, 2026

By: _____
Abby Bigford, Supervisor

Dated: _____, 2026

By: _____
Cindy Osman, Township Clerk

SAUGATUCK TOWNSHIP FIRE DISTRICT

Dated: _____, 2026

By: _____

Its: _____

Saugatuck Township Fire District Property

Legal Description: COM 1683' N & S 89 DEG 33'04"E 490.68' OF W 1/4 PST TH CONT S 89 DEG 33'04"E 121.30' TO THE W LIN BLUESTAR HIWAY TH S 1 DEG 13'38"E ALG SD W LIN 212.75' TH N 89 DEG 29'23"W 128.25' TH N TO POB SEC 10 T3N R16W (89)

