



City Council Agenda Item Report

FROM: Ryan Cummins, City Manager

MEETING DATE: July 27, 2026

SUBJECT: Consent Agreement for Sanitary Sewer Service – Parcel Number:
20-010-029-10

DESCRIPTION:

Parcel 20-010-029-10 is a vacant parcel located along Blue Star Highway in Saugatuck Township. The property owner intends to construct a boutique hotel, and sanitary sewer service is not available along Blue Star Highway. As a result, Saugatuck Township has submitted a proposed consent agreement for the property to connect to the city's sanitary sewer main on Maple Street.

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.

The City's contractual engineer has reviewed and advised he has no concerns with the additional flow on the downstream sewer main or lift station.

Parcel Location:



Summary of Consent Agreement

- 30-year initial term with provisions for mutual renewal/extension.
- Sewer flows from the property will be counted against Saugatuck Township's allocated sewer treatment capacity.
- Connection is contingent upon the property owner acquiring all necessary easements across intervening properties.
- The property owner must pay all applicable out-of-district connection fees as well as City rate and debt service charges.

Staff recommends approval.

BUDGET ACTION:

None at this time.

LEGAL REVIEW:

Legal has reviewed and will be at your meeting for any questions.

SAMPLE MOTION:

Motion to approve the Consent Agreement for Sanitary Sewer Service between the City of Saugatuck and Saugatuck Township to provide sanitary sewer service to Parcel 20-010-029-10 via the Maple Street sewer main.

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”) and Saugatuck Township (the “Township”). The City and the Township are sometimes referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

A. The City and the Township are parties to the July 1, 2012, Sewer System Operations Contract (the “Sewer System Operations Contract”), which governs the use of the Kalamazoo Lake Sewer and Water Authority (“Authority”) wastewater treatment system (the “Authority System”) and allocates capacity in the Authority System among the City, the Township, and the other constituent municipalities;

B. 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;

C. The real property located within the Township at Blue Star Highway, Saugatuck, Michigan, identified as Parcel Number 20-010-029-10 (the “Property”), is owned by Stephen Voss (the “Developer”), who intends to construct and operate a hotel upon the Property and to connect the Property to the Authority System via the City’s sanitary sewer system located in the Maple Street right-of-way;

D. The Property is not adjacent to the City’s Maple Street right-of-way, so that connection will require the crossing of intervening property and the acquisition of easements over that property, and will require a consent agreement between the City and the Township under the Sewer System Operations Contract;

E. The Township and the City wish to enter into this Agreement to permit the connection of the 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 Property from the City’s Maple Street sewer main.

2. **Easements as Condition of Connection.** The Parties acknowledge that the Property is not adjacent to the City’s Maple Street right-of-way and that connection will require the crossing of one or more parcels of intervening property. The consent granted in Section 1, and the City’s obligation to provide sanitary sewer service to the Property, are expressly conditioned upon the acquisition, at no expense to the City or the Township, of all easements and other property rights necessary to construct, operate, and maintain the sewer connection lines across such intervening property, together with all other permits and approvals required by law. Neither the City nor the Township shall have any obligation to acquire, or to exercise any power to acquire, any such easement or property right.

3. **Connection Responsibilities.** The sewer connection lines located within the Township shall be owned by the owner of the Property, and the owner of the Property shall be responsible for constructing, operating, repairing, replacing, and maintaining all parts of said sewer connection lines and any extension thereof, at the owner’s sole expense, and for paying all applicable out-of-district connection fees and all City rate and debt service charges for sanitary sewer service to the Property. The City’s responsibility shall be limited to inspecting and approving the connection to its sewer main and providing sanitary sewer service to the Property after a lawful connection is made, subject to any applicable rules and regulations.

4. **Use of Capacity.** The Property’s use of capacity in the Authority System shall be counted toward the Township’s allocated capacity under the Sewer System Operations Contract throughout the duration of this Agreement.

5. 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.
6. 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 and the Township.
7. Termination. This Agreement may be terminated only as follows:
 - a. This Agreement shall automatically terminate if the Property is not connected to the City's Maple Street sewer main within thirty-six (36) months from the Effective Date.
 - b. The City and the Township may terminate this Agreement by mutual written agreement, subject to the terms of such agreement.
8. Liability. Except to the extent that the City is the proximate cause, the City shall not be held liable or accountable for any bursting, leakage, breakage, damage, or accident of any kind that may occur to the 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. Miscellaneous.
 - a. Governing Law. The validity of this Agreement is governed by Michigan law. Any action concerning this Agreement shall be brought in Allegan County, Michigan.
 - b. Amendments. This Agreement may only be amended by the mutual written consent of the City and the Township.
 - c. Assignment. Neither Party shall, without the prior written consent of the other Party, assign, transfer, or convey its interest or any part thereof under this Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties and their successors and assigns.
 - d. Waiver; Severability. The waiver by either Party of a breach of this Agreement is not a waiver of any other breach. 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.
 - e. Entire Agreement; Construction. This Agreement contains the entire agreement between the Parties, and all prior negotiations and agreements are merged into it. This Agreement shall be deemed mutually drafted and shall not be construed against either Party. The paragraph headings are for convenience only and shall not be used to construe or interpret this Agreement.
 - f. Counterparts. This Agreement may be executed by facsimile or in counterparts, and all counterparts together shall constitute one integrated agreement and be deemed an original document.

The parties have signed this Agreement as of the dates stated below.

[Signatures on Next Page]

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