



J. Paul Dubé, Ombudsman

## **BY EMAIL**

March 17, 2026

Council for the Township of Scugog  
181 Perry Street, P.O. Box 780  
Port Perry, ON L9L 1A7

Dear Members of Council of the Township of Scugog:

### **Re: Closed meeting complaint**

My Office received a complaint about a meeting held by council for the Township of Scugog (the “Township”) on July 9, 2025. The complaint alleged that council’s discussions about a lease agreement renewal did not fit within any of the exceptions to the open meeting rules in the *Municipal Act, 2001* (the “Act”).<sup>1</sup> The complaint also raised concerns that council held an illegal vote during the closed session.

I am writing to advise that my review has determined that council did not contravene the Act during its July 9, 2025 closed meeting.

### **Ombudsman’s role and authority**

The Act gives anyone the right to request an investigation into whether a municipality has complied with the Act in closing a meeting to the public. Municipalities may appoint their own investigator. The Act designates the Ombudsman as the default investigator for municipalities that have not appointed their own. My Office is the closed meeting investigator for the Township of Scugog.

My Office has investigated hundreds of closed meetings. To assist municipal councils, staff, and the public, we have developed an online digest of open meeting cases. This searchable repository was created to provide easy access to the Ombudsman’s decisions on, and interpretations of, the open meeting rules. Council members and

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<sup>1</sup> SO 2001, c 25.

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staff can consult the digest to inform their discussions and decisions on whether certain matters can or should be discussed in closed session, as well as issues related to open meeting procedures. Summaries of the Ombudsman's previous decisions can be found in the digest: <https://www.ombudsman.on.ca/en/info-public-bodies-and-officials/municipal-government/municipal-meeting-digest>.

The Ontario Ombudsman also has the authority to conduct impartial reviews and investigations of hundreds of public sector bodies. This includes municipalities, local boards, and municipally-controlled corporations, as well as provincial government organizations, publicly funded universities, and school boards. In addition, the Ombudsman's mandate includes reviewing complaints about the services provided by children's aid societies and residential licensees, and the provision of French language services under the *French Language Services Act*. Read more about the bodies within our jurisdiction here: <https://www.ombudsman.on.ca/en/make-complaint/what-we-can-help-you/organizations-you-can-complain-about>.

## Review

My Office reviewed the July 9, 2025, meeting materials including the agenda and minutes. We also reviewed a video recording of the open session and spoke with the Clerk.

On July 9, 2025 council met in council chambers at 2:00 p.m. In the video recording of the open session, the Mayor advised that Township staff had been directed in April 2025 to engage with the third-party leaseholder with respect to a renewal. The Mayor stated that council would receive an update from Township staff on their discussions with the leaseholder during the closed session in order to protect the privacy of both parties. The Mayor stated that council anticipated that Township staff would be provided with further direction on the lease renewal at the end of the closed session and that any decisions would first be conveyed to the leaseholder and then the public when appropriate.

After addressing the open meeting agenda items, council resolved to move into closed session at 3:03 p.m. to discuss one agenda item titled, "Update on the Lease Renewal Request from the Port Perry Agricultural Society for the Port Perry Fairgrounds." In its resolution to enter closed session, council cited two open meeting exceptions: a proposed or pending acquisition or disposition of land by the municipality or local board (section 239(2)(c)) and position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board (section 239(2)(k)).

In closed session, the CAO presented a confidential report to council. The report provided information about a proposal to renew the lease of municipally owned land and provided options to council regarding how it could direct staff on the proposal. After the presentation, council asked clarifying questions, considered the report, and provided direction to staff. Council ultimately passed a resolution authorizing staff to proceed as directed.

Council returned to open session at 4:30 p.m. and passed a confirming by-law. In the video recording of the open meeting, the Mayor reiterated that any decisions regarding the lease would be conveyed first to the leaseholder and then the public.

The meeting adjourned shortly after at 4:32 p.m.

## **Analysis**

### *Applicability of the exception for acquisition or disposition of land - section 239(2)(c)*

The purpose of this exception is to protect the Township's bargaining position during negotiations to purchase or sell land. I have previously found that discussions of whether to lease a property fit within this exception.<sup>2</sup>

My review confirmed that council received and discussed a staff report that evaluated a proposal to renew the lease of municipally owned land to a third-party leaseholder. The report also provided options to council regarding how it could direct staff. The terms of the lease were open to negotiation with the leaseholder at the time of the meeting.

Accordingly, council's closed session discussion of the lease renewal proposal fit within the exception at section 239(2)(c) of the Act for the acquisition or disposition of land.

### *Applicability of the exception for plans and instructions for negotiations- section 239(2)(k)*

Council also cited the exception for plans and instructions for negotiations. The purpose of this exception is to allow a municipality to protect information that could undermine its bargaining position or give another party an unfair advantage during ongoing negotiations.

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<sup>2</sup> *Port Colborne (City of)*, 2015 ONOMBUD 32, online: <<https://canlii.ca/t/gtp7c>>.

For the exception to apply, the municipality must show that:

1. The *in camera* discussion was about positions, plans, procedures, criteria, or instructions;
2. The positions, plans, procedures, criteria, or instructions are intended to be applied to negotiations;
3. The negotiations are being carried on currently, or will be carried on in future; and
4. The negotiations are being conducted by or on behalf of the municipality.<sup>3</sup>

I have previously determined that a closed session discussion of a staff report regarding the status and next steps related to a lease negotiation, as well as the resulting directions to staff, fit within the exception for plans and instructions for negotiations.<sup>4</sup>

My review indicates that council discussed the proposal to renew a lease and then provided instructions to staff about how to proceed with respect to the proposal. In this case, negotiations with the leaseholder were ongoing, and public knowledge of the Township's strategy and considerations could have weakened its bargaining position during the negotiations.

Accordingly, council's closed session discussion of the lease renewal proposal fit within the exception at section 239(2)(k) of the Act for plans and instructions for negotiations.

### *Voting in camera*

Section 239(6) of the Act permits a municipality to hold a vote in closed session if the meeting discussion fits within an exception to the open meeting rules, and if the vote is for a procedural matter or for giving directions or instructions to municipal staff. When voting in closed session, council should clearly identify the item being voted on, formally vote on it, and record the outcome in the closed session meeting minutes.

In this case, council voted to provide Township staff with directions on the lease renewal proposal. As this matter was to provide direction, and the meeting was properly closed, it was permitted by section 239(6) of the Act.

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<sup>3</sup> St. Catharines (City of) (Re), 2019 ONOMBUD 1 (CanLII), at paras 30-31, online: <<https://canlii.ca/t/hxrk5>>.

<sup>4</sup> *Saugeen Shores (Town of) (Re)*, 2020 ONOMBUD 3 (CanLII), online: <<https://canlii.ca/t/j93c3>>.

**Conclusion**

My investigation determined that council for the Township of Scugog did not contravene the open meeting rules in the *Municipal Act, 2001* on July 9, 2025. I would like to thank the Township for its co-operation during my review.

The Clerk indicated that this letter will be shared with council and placed on the agenda for the next council meeting, and that a copy will be made available to the public prior to that meeting. At that time, I will also post a copy of this letter on my website at [www.ombudsman.on.ca](http://www.ombudsman.on.ca).

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Dubé', written over a large, light-colored oval shape.

Paul Dubé  
Ombudsman of Ontario

Cc: Blair Labelle, Clerk for the Township of Scugog

*Cette lettre est aussi disponible en français*