



MEMORANDUM

To: City of Seguin Mayor and Council
From: Andy Quittner, City Attorney *AQ*
Date: January 13, 2020
Re: **Capital Improvement Agreement with SA Kosta Browne, LLC**

In 2019 City Council approved a Chapter 380 Agreement with Scrappy Development and SA Kosta Browne for financing the construction of sanitary sewer to serve their respective developments. That agreement involved the addition of new sanitary sewer to the City's system up to an area near the south east corner of Highway 46 and Cordova Road. From that point Scrappy and SA Kosta Browne would need to extend the system to their respective developments.

To serve the Lilly Springs subdivision SA Kosta Browne will be bringing the line across Cordova Road then head north into their property. The City has received potential requests to serve other property on the north side of Cordova Road and east of the Lilly Springs property. In order to make service readily available, Staff recommends increasing the size of the line under Cordova Road so that it can serve the properties east of Lilly Springs. This Capital Improvement Agreement provides payment for the incremental cost to oversize the line above that needed by SA Kosta Browne.

Staff recommends approval of the agreement.