



It's real.

To: Mayor and City Councilmembers

From: Steve Parker, City Manager

Date: March 1, 2024

Re: Meadowlake Funding Agreement

Last year, the Seguin City Council passed a resolution stating the pledge of \$5M towards the possible repairs of Meadowlake Dam. City staff has since been working with the Meadowlake WCID to consider fronting the initial money needed to proceed with the detailed engineering for the project. Design is estimated to be \$1.36M. The WCID needs to issue their debt in one tranch, once they know the project is financially affordable. They would not be in a position to issue debt until next year. The City is proposing to issue \$1.36M of our \$5M obligation so that engineering can start now, as opposed to a year from now.

Once the project is designed, the WCID will bid out the project for repairs. If the repair bids are too expensive for the WCID to proceed with a project, they would be on the hook for reimbursing the City for the \$1.36M. If the project moves forward, the \$1.36M will be counted as part of our \$5M contribution.

Attached is a draft of the agreement.