

STATE OF TEXAS

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL COST ALLOCATION AGREEMENT BETWEEN THE CITY OF SEGUIN, THE CITY OF SCHERTZ, AND THE SCHERTZ/SEGUIN LOCAL GOVERNMENT CORPORATION CONCERNING PAYMENT OBLIGATIONS FOR THE GUADALUPE WATER PROJECT BEING FUNDED BY THE TEXAS WATER DEVELOPMENT BOARD; APPROVING THE ACTION TAKEN BY THE SCHERTZ/SEGUIN LOCAL GOVERNMENT CORPORATION APPROVING THE INTERLOCAL AGREEMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE THIS AGREEMENT ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE**

**WHEREAS**, the Schertz/Seguin Local Government Corporation (the “SSLGC”) has received funding from the Texas Water Development Board (“TWDB”) to participate in a pipeline project parallel to the existing water pipeline between Seguin and Schertz and funding to develop a new well field and treatment plant in Guadalupe County (the “Guadalupe Project”); and

**WHEREAS**, the funding includes both participation by the TWDB and low interest loans from TWDB allocated funds; and

**WHEREAS**, in accordance with earlier Agreements, particularly the 1999 Agreement establishing the SSLGC, the payment of debt and operating costs for the construction and operation of the parallel pipeline shall be governed by the prior Agreements; and

**WHEREAS**, currently the City of Schertz will be the primary beneficiary of the water developed from the Guadalupe Project; and

**WHEREAS**, the Cities of Schertz and Seguin have negotiated a cost allocation Agreement wherein the City of Schertz shall bear the responsibility for the debt and ongoing operational costs for the Guadalupe Project; and

**WHEREAS**, the Agreement maintains Seguin’s prior interests in the well field and provides a mechanism for Seguin to join in water production from that field should future conditions so necessitate; and

**WHEREAS**, the Cost Allocation Agreement has been approved by the Schertz/Seguin Local Government Corporation.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS:**

**PART 1:** The terms and conditions of the attached Interlocal Agreement with Schertz/Seguin Local Government Corporation is hereby approved contingent upon approval by the City of Schertz.

**PART 2:** The City Manager, Douglas Faseler, is authorized to execute the Agreement on behalf of the City.

**PART 3:** This Resolution, along with the Resolutions Approving the SSLGC action to accept the

TWDB funding shall be in full force and effect immediately from and after the approval of this Agreement by the City of Schertz.

**PASSED AND ADOPTED** on the 30<sup>th</sup> day of August 2016.

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**DON KEIL**  
**MAYOR**

**ATTEST:**

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**Thalia Stautzenberger**  
**City Secretary**