MEMORANDUM

T0:   Don Keil, Mayor
           Seguin City Council

Cc: Douglas G. Faseler, City Manager

From: Joshua Schneuker, Director of Economic Development

Date: June 20, 2017

Re: SEDC Funding of Springs Hill Water Tower Project

At their June 5, 2017 Meeting, the Seguin Economic Development Corporation (SEDC) unanimously approved a resolution authorizing the expenditure of funds in conjunction with Springs Hill Water Supply Corporation to erect a water tower in Seguin's Extra Territorial Jurisdiction (ETJ) to support new and expanded business development. Springs Hill requested $100,000.00 in financial support from the SEDC the construction of a one million gallon elevated water storage tank that will be erected on 1 acre of land off FM 1620, just south of FM 78 near CMC Steel. The new elevated water storage tank will increase water capacity to service the growing population north of Interstate 10 and will be designed so that it could, if needed, be used to support the City of Seguin in an emergency situation. The new water tower will ensure adequate fire flows for some of Seguin's largest manufacturers, CMC Steel and Caterpillar. In addition, the new elevated water storage tank will provide additional water storage capacity within the northern portion of the Springs Hill service area and help encourage new business development at proposed mixed-use developments such as New Quest, Greenspoint, and other developable properties within the area. The SEDC will have a contract in place with Springs Hill that stipulates that in order for EDC funds to be dispersed to Springs Hill, construction on the water tower must start by December 31, 2017. Springs Hill will receive $50,000 in Fiscal Year 2018 and the remaining $50,000 in Fiscal Year 2019. Attached to this memorandum you will find a letter of request from Springs Hill Water Supply Corporation and a map identifying the area where the elevated water storage tank will be constructed. Staff is recommending approval by Seguin City Council of this resolution.