

Memorandum

Date: September 18, 2020

To: Seguin City Council

From: Amber Beard
SSLGC General Manager

Re: Management Services Agreement

SSLGC, the City of Schertz and the City of Seguin worked to make substantial changes to the Agreement for Management Services between the City of Schertz and the Schertz/Seguin Local Government Corporation and the City of Seguin and the Schertz/Seguin Local Government Corporation. These changes are due to the continued transition of SSLGC to a single entity, functioning more autonomously from the Corporation's owner cities (Schertz and Seguin). The revised agreement was presented and approved at the August 20, 2020, SSLGC monthly board meeting by the Board of Directors. After the initial SSLGC board approval, the City of Schertz attorney made several modifications to the agreement due to liability concerns related to protecting the City in regard to labor laws. In particular, there are concerns on the structure of the new agreement and the exposure to liability that it creates for Schertz. Further, there are concerns that in the new agreement, Schertz is ceding too much employment authority to SSLGC while still retaining full liability for the General Manager and Assistant General Manager for which the City of Schertz is the employer of record for these two positions.

At the SSLGC monthly board meeting on September 17, 2020, the SSLGC Board of Directors rescinded their prior approval of the Management Services Agreement between SSLGC and the City of Seguin and the Management Services Agreement between SSLGC and the City of Schertz. The SSLGC Board of Directors presented and accepted an extension of the current Management Services Agreements with the City of Schertz and the City of Seguin through December 31, 2020. During this extension period, the SSLGC Executive Committee will work through further modifications to the management services agreements related to SSLGC.

Services provided under this MSA are subject to oversight by the SSLGC Board, SSLGC General Manager, and City Management.

The term of the agreement is October 1, 2020, through December 31, 2020, unless otherwise renewed or extended at the discretion of both parties.

SSLGC seeks to continue the agreement with the City of Seguin and recommends approval.

Amber Beard
SSLGC General Manager

cc: File