



# City of Seguin

210 E. Gonzales Street  
Seguin TX, 78155

## Meeting Minutes

### City Council

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Tuesday, August 2, 2016

3:00 PM

City Hall Upstairs Conference Room

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#### WORKSHOP

1. **Call to Order**

2. **Roll Call**

3. **Briefing and discussion:**

[16-227](#)

a. Schertz-Seguin Local Government Corporation Guadalupe Project and financing - Doug Faseler, City Manager

*SSLGC Project & Financing*

*Doug Faseler, City Manager introduced Allen Cockrell, Director of SSLGC to those in attendance. He provided an overview of topics that were covered during the workshop. He provided an overview of the project organization and its history. He showed the council a current map of the location of pipelines and the proposed pipelines and a description of the current facilities. Also he provided them with SSGLC Monthly water sales from January 2014-June 2016 and the SAWS sales.*

*He provided a chart of the wholesale Customers and contracts with Selma, Universal City, Springs Hill WSC, and SAWS T2 and T1 SAWS water. He provided a description of the Guadalupe Project and explained the details. SSLGC estimated expenditures to date \$12,860,364. (He shared line items regarding the SSLGC expenditures.)*

*He further explained the Guadalupe Project and the Parallel Pipeline. (Estimated costs, Parallel pipeline required to transport water, parallel pipeline easements)*

*The following is what is being proposed:*

*\*SSLGC proposes to adopt single rate structure*

*\*Until additional contracts are established, City of Schertz will be responsible for payment of debt service for Guadalupe Project.*

*\*Debt services for parallel pipeline will be allotted to customers based on a pro-rate basis*

*An explanation of SWIFT funding, SWIFT schedule and project schedule was provided.*

*Possible RISKS of project*

*\*Lack of additional water sales*

*\*Vista Ridge Project (SAWS)*

*\*TWA/San Jose Water Project-Under contract with GBRA*

*\*SSGLC Gonzales Wilcox Brackish Water Project may not occur for another 20 years.*

*\*Weather is always a risk factor.*

*Reasons for the additional pipeline were outlined as well.*

*\*Peaking demands*

*\*Schertz growing in population*

*He continued to outline the impact on rates.*

*\*SSLGC charges each customer an operating rate/1,000 gallons and allocated debt service costs*

*\*SSLGC rate adjustment adopted in FY2016 is first such adjustment in 5 years*

*\*2015 rate study for City of Seguin established need for an annual water and wastewater rate adjustments for all customers.*

*\*SSLGC costs increases only part of reason why annual rate adjustments are required.*

*\*Other reasons include increase in general utility operating costs and capital spending to replace aging lines.*

#### [16-229](#)

#### b. Proposed FY2017 Water and Wastewater Rates - Doug Faseler, City Manager

*Dan.....provided information regarding of Long term rate plans. Many reasons for rate increases are*

*beyond a City's ability to influence. He also stated that jointly shared facilities can have lower unit costs.*

*2015 identified a need for City to implement a series of rate adjustments to ensure revenues covered all*

### **No Action will be taken by the Seguin City Council.**

#### **4. Adjournment**

*There being no further business before the council the meeting adjourned at 4:20 pm.*

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*Don Keil, Mayor*

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*Thalia Patlan Stautzenberger, City Secretary*