

RESOLUTION 26-R-089

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS AUTHORIZING AN INTERLOCAL AGREEMENT WITH THE CITY OF GARDEN RIDGE REGARDING SEWER CAPACITY AND WHEELING AND RELATED MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Garden Ridge is seeking to provide sanitary sewer treatment service to a portion of their city; and

WHEREAS, the service area of Cibolo Creek Municipal Authority ("CCMA"), a conservation and reclamation district that provides sanitary sewer treatment services, includes the portion of Garden Ridge for which the city is seeking to provide sanitary sewer treatment service; and

WHEREAS, CCMA does not have sanitary sewer lines that run to the boundary of Garden Ridge; and

WHEREAS, the City of Schertz does have sanitary sewer lines, near Garden Ridge that do connect to CCMA sanitary sewer lines; and

WHEREAS, for purposes of facilitating delivery of treated wastewater from Garden Ridge to CCMA's sanitary sewer lines, Garden Ridge has requested that Schertz wheel the sanitary sewer flows from Garden Ridge to CCMA's sanitary sewer lines; and

WHEREAS, Schertz and Garden Ridge each and jointly recognize the benefit of wheeling services being provided by Schertz.

NOW THEREFORE, BE IT RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS THAT:

Section 1. The City Council hereby authorizes an Interlocal Agreement with the City of Garden Ridge regarding Sewer Capacity and Wheeling generally per the attached Exhibit "A."

Section 2. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.

Section 6. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 7. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND APPROVED on the _____ day of _____, 2026.

CITY OF SCHERTZ, TEXAS

Ralph Rodriguez, Mayor

ATTEST:

Sheila Edmondson, City Secretary

Exhibit “A”

Interlocal Agreement with the City of Garden Ridge Regarding Sewer Capacity and Wheeling

INTERLOCAL AGREEMENT
Regarding Sewer Capacity and Wheeling
Between
The City of Schertz
and
The City of Garden Ridge

This INTERLOCAL AGREEMENT (this “Agreement”) is entered into by and between THE CITY OF SCHERTZ (“SCHERTZ”) and THE CITY OF GARDEN RIDGE (“Garden Ridge”). Schertz and Garden Ridge are each sometimes referred to herein as a “Party” and, collectively, as the “Parties.”

RECITALS

WHEREAS, Garden Ridge is seeking to provide sanitary sewer treatment service to a portion of the city; and

WHEREAS, the service area of Cibolo Creek Municipal Authority (“CCMA”), a conservation and reclamation district that provides sanitary sewer treatment services, includes the portion of Garden Ridge for which the city is seeking to provide sanitary sewer treatment service; and

WHEREAS, CCMA does not have sanitary sewer lines that run to the boundary of Garden Ridge; and

WHEREAS, the City of Schertz does have sanitary sewer lines, near Garden Ridge that do connect to CCMA sanitary sewer lines; and

WHEREAS, for purposes of facilitating delivery of treated wastewater from Garden Ridge to CCMA’s sanitary sewer lines, Garden Ridge has requested that Schertz wheel the sanitary sewer flows from Garden Ridge to CCMA’s sanitary sewer lines; and

WHEREAS, Schertz and Garden Ridge each and jointly recognize the benefit of wheeling services being provided by Schertz,

WHEREAS, Schertz has costs associated with maintaining and servicing its sanitary sewer lines; and

WHEREAS Schertz and Garden Ridge each and jointly recognize the reasonableness of Garden Ridge paying a wheeling charge to Schertz for conveying sanitary sewer flows and having to maintain and operate Schertz’ sanitary sewer lines being utilized to convey those flows to CCMA’s sanitary sewer lines; and

WHEREAS, certain sanitary sewer lines of Schertz need to be extended and upsized to be able to convey Garden Ridge’s sanitary sewer flows while still providing necessary sanitary sewer capacity in Schertz; and

WHEREAS both Schertz and Garden Ridge each and jointly recognize the reasonableness of Garden Ridge paying for that capacity; and

WHEREAS, in the interest of providing a funding mechanism for Garden Ridge to pay Schertz for wheeling and upsizing costs, Schertz and Garden Ridge desire to enter into this interlocal cooperative agreement as authorized by the Interlocal Cooperation Act located at Chapter 791 of the Texas Government Code; and

WHEREAS, adoption of this Agreement is hereby found and determined to be in the best interest of Schertz and Garden Ridge.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereinafter set forth, Schertz and Garden Ridge, intending to be bound, agree as follows:

Article 1. Sanitary Sewer Conveyance Capacity.

- 1.1 Schertz agrees to allow Garden Ridge to convey up to 183,750 gallons per day of capacity through Schertz sanitary sewer lines to the CCMA take point. 183,750 gallons per day equates to 750 Land Use Equivalents (“LUEs”) based on the standard of 245 Gallons Per Day (“gpd”). Discharge to the system will be metered and actual flows will be evaluated monthly.
- 1.2 Notwithstanding any other terms of this Agreement, Garden Ridge agrees to make timely investigation and cause repair to be made to its collection and conveyance system if inflow and infiltration or illicit discharges to Schertz’ sanitary sewer line are suspected or detected.
- 1.3 Garden Ridge will be responsible for ensuring that the influent entering Schertz’ sanitary sewer line from Garden Ridge complies with Schertz’ and CCMA’s pretreatment requirements. Garden Ridge agrees to enforce these pretreatment requirements and take such action as is necessary to control the strength of raw industrial sewage reaching Schertz’ sanitary sewer line in order that the quality of discharge from the CCMA sewer treatment plant as required by any permit may be maintained. Garden Ridge will assist and cooperate in good faith at all times to ensure compliance with applicable federal state and local regulations and permit requirements, including any request for information and records.
- 1.4 Payment for the sanitary sewer capacity shall be made by Garden Ridge to Schertz prior to issuance of building permits or time of tap purchases, whichever occurs first, for development that will convey sanitary sewer flows through Schertz’ sanitary sewer lines. Payment shall be in an amount equal to the Schertz Sewer Impact fee that would be charged if the development were subject to the City of Schertz Sewer Impact Fees, Article V Water and Wastewater Capital Recovery Fees in effect as of the effective date of this Agreement or as may be increased in the future. The Schertz Sewer Impact Fee as of the effective date of this Agreement is outlined in Exhibit “A”.
- 1.5 Capacity through Schertz wastewater sewer lines for the full 750 LUEs shall be available to begin receiving flows from Garden Ridge by no later than January 1, 2028. Schertz may allow flows prior to that if in their sole determination excess capacity is available to accommodate flows from Garden Ridge.
- 1.6 All payments by Garden Ridge under this Article 1 shall be paid using current revenue available to Garden Ridge.

Article 2. Payment for Wheeling Services.

- 2.1 Garden Ridge agrees to compensate Schertz for wheeling services as follows:
 - (a) **Wheeling Charge and Payment.** Beginning the first year after Garden Ridge sends sewer flows through the Schertz sanitary sewer lines, Garden Ridge will pay Schertz, on an annual basis by March 1 of each year, a fee equal to Thirty-Four cents (\$0.34) per the estimated average daily gallons of flow for the

prior calendar year. The average daily gallons of flow will be based on the anticipated flows from time of payment of the fee for sanitary sewer capacity. Schertz agrees to invoice Garden Ridge generally by February 1 of each year. Metered flow rates will be used to adjust the estimated annual average daily flow amount with agreement of both Schertz and Garden Ridge.

(b) **Wheeling Charge Annual Increase.** The wheeling charge will increase by 3% each year.

(c) All payments by Garden Ridge under this Article 2 shall be paid using current revenue available to Garden Ridge.

Article 3. Term.

3.1 Unless earlier terminated pursuant to Section 3.2, this Agreement shall commence on the date upon which the last of Garden Ridge or Schertz, acting on behalf of their respective governing bodies, signs this Agreement, and automatically expires in twenty (20) years.

3.2 Schertz or Garden Ridge may terminate this Agreement upon three (3) years' written notice of termination.

Article 4. Miscellaneous.

4.1 **Entire Agreement.** This Agreement sets forth the entire understanding of the Parties with respect to payments by Garden Ridge to Schertz for wheeling charges and for sewer capacity to be provided. This Agreement supersedes all prior understandings, representations, correspondence and discussions, whether written or oral, concerning the subject matter of this Agreement.

4.2 **Modification.** This Agreement may be amended or modified only by a separate writing executed by the Parties and approved by their respective governing bodies at a meeting conducted in accordance with the Texas Open Meetings Act.

4.3 **Force Majeure.** If by reason of Force Majeure Schertz shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then if Schertz gives notice and full particulars of such Force Majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of Schertz hereunder, so far as it is affected by Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and Schertz shall endeavor to remove or overcome such inability with all reasonable diligence and dispatch. The term "Force Majeure" as used in this Agreement shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery or pipelines, partial or entire failure of water supply, or on account of any other causes not reasonably within control of the Party claiming such inability.

4.4 **Mandatory Mediation.** Anything to the contrary herein notwithstanding, it is agreed that, prior to and as a condition precedent to commencing any action, suit or legal proceeding (collectively called a "Proceeding") for the enforcement or interpretation of this Agreement, save and except an action for specific performance of a Party's payment obligations under Sections 2.1(a) or 2.1(b), the Parties shall first participate in non-binding mediation. It is agreed that in the event that a Party commences any Proceeding other than an action seeking specific performance as described in the preceding sentence, then the Court shall abate such proceeding until such time as mediation is

completed and shall further assess against the Party that filed the Proceeding in violation of this provision all costs and reasonable attorney's fees incurred by the Party who did not bring the Proceeding.

- 4.5 **Remedies.** In the event that a Party hereto is determined by the other Party to be in default of an obligation under this Agreement, and such Party fails to cure the alleged breach within ten (10) days following delivery of written notice from the non-defaulting Party specifying the default, then the non-defaulting Party may, strictly subject to the mandatory provisions of Section 4.5, exercise any rights and remedies available at law. It is not intended hereby to specify (and this Agreement shall not be considered as specifying) an exclusive remedy for any default, and all remedies (other than termination) existing at law or in equity may be availed of by any Party hereto and shall be cumulative.
- 4.6 **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the Parties created hereunder are performable in Guadalupe County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Guadalupe County, Texas.
- 4.7 **Notices.** Any notice, communication, request, or reply (collectively called "Notice") required or permitted to be given, made or accepted by any Party must be in writing and may be given by depositing the same in the United States mail postpaid and registered or certified and addressed to the Party to be notified, with return receipt requested, or by delivering the same to the City Manager of such Party, addressed to the Party to be notified. Notice deposited in the mail in the manner described herein shall be conclusively deemed to be effective from and after the expiration of three (3) days after it is so deposited. For the purposes of notice, the addresses of the Parties hereto shall, until changed as hereinafter provided, be as follows:

If to Schertz, to: Steve Williams, City Manager
City of Schertz
1400 Schertz Parkway
Schertz, TX 78154
Phone: 210-619-1000

With Copy to: Denton, Navarro, Rocha, Bernal, & Zech
Attn. T. Daniel Santee
2517 N. Main Avenue
San Antonio, TX 78212
Phone: 210-227-3243

If to Garden Ridge, to: Ryan Rapelye, City Manager
9400 Municipal Parkway
Garden Ridge, TX 78266
Phone: 210-651-6632

With Copy to: Langley & Banack, Inc.
Attn. Marc J. Schnall
745 E. Mulberry Ave., Suite 700
San Antonio, TX 78212
Phone : 210-253-7108

The Parties shall have the right at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least ten (10) days' written notice to the other Party hereto.

- 4.8 **Approvals and Consents.** Unless otherwise provided herein, any approval or consent required by the provisions of this Agreement by a Party shall be evidenced by a written resolution adopted by the governing body of the Party giving such approval or consent. Upon receipt of such written resolution duly certified by the appropriate Party, the opposite Party may conclusively act on the matter requiring such approval.
- 4.9 **No Waiver.** No waiver or waivers of any breach or default by a Party hereto or of performance by any other Party of any duty or obligation hereunder shall be deemed a waiver thereof in the future, nor shall any such waiver or waivers be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, character, or description, under any circumstance.
- 4.10 **Severability.** The Parties agree that in case any one or more of the articles, sections, subsections, provisions, clauses, or words of this Agreement are, should be, or are held to be, for any reason, invalid or unconstitutional under the laws of the State of Texas or the United States of America, or in contravention of any such laws, then such invalidity, unconstitutionality, or contravention shall not affect any other articles, sections, subsections, provisions, clauses, or words of this Agreement or the application of the same to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional article section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the Parties shall be construed and remain in force accordingly.
- 4.11 **No Assignment.** No Party may assign any right, duty, obligation or interest it may have under this Agreement to any other person, entity or party.
- 4.12 **State or Federal Laws, Roles, Orders, or Regulations.** This Agreement is subject to all applicable federal and state laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum having jurisdiction.
- 4.13 **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this Amendment to be duly executed as of the Effective Date first above written.

{Signature pages to follow}

Signature Page to Interlocal Agreement

This Agreement has been executed by the Parties as of the dates of the Acknowledgments to be effective as of the Effective Date.

City:

City of Garden Ridge,
a Texas municipal corporation

By: _____

Name: Ryan Rapelye, its City Manager

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF GUADALUPE §

This instrument was acknowledged before me on the ____ day of _____, 2026, by Ryan Rapelye, City Manager of the City of Garden Ridge, Texas, a Texas municipal corporation, on behalf of said City.

(SEAL)

Notary Public in and for
The State of Texas

My Commission expires:

Signature Page to Interlocal Agreement

This Agreement has been executed by the Parties as of the dates of the Acknowledgments to be effective as of the Effective Date.

City:

CITY OF SCHERTZ,
a Texas municipal corporation

By: _____
Name: Steve Williams, its City Manager
Date: _____

THE STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

This instrument was acknowledged before me on the _____ day of _____, 2026, by Steve Williams, City Manager of the City of Schertz, Texas, a Texas municipal corporation, on behalf of said City.

(SEAL)

Notary Public in and for
The State of Texas

My Commission expires:

Exhibit “A”

City of Schertz Sewer Impact Fees

SEWER COLLECTION IMPACT FEE

Meter Size	Meter Type		
5/8"	MULTI-JET	1.0	\$ 5,556.00
3/4"	MULTI-JET	1.3	\$ 7,222.80
1"	MULTI-JET	2.0	\$ 11,112.00
2"	ULTRASONIC	16.7	\$ 92,785.20
3"	ULTRASONIC	33.3	\$ 185,014.80
4"	ULTRASONIC	66.7	\$ 370,585.20
6"	ULTRASONIC	106.7	\$ 592,825.20
8"	ULTRASONIC	186.7	\$ 1,037,305.20
10"	ULTRASONIC	366.7	\$ 2,037,385.20
12"	ULTRASONIC	366.7	\$ 2,037,385.20

NOTE: Town of Garden Ridge is Responsible for Paying any Impact Fees Due to CCMA.