

RESOLUTION NO. 164-2024

A RESOLUTION OF THE CITY COUNCIL, CITY OF ABILENE, TEXAS, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ABILENE, THE CITY OF MIDLAND, AND THE CITY OF SAN ANGELO REGARDING PHASE 1 OF GROUNDWATER SUPPLY PROJECT

WHEREAS, Abilene, San Angelo and Midland (“Cities”) have determined that they have common issues related to securing adequate water supplies for their respective residents; and

WHEREAS, the Cities have been cooperating in the evaluation, selection, and development of water management strategies to address such issues; and

WHEREAS, as part of that cooperation, pursuant to that certain Untreated Groundwater Supply Contract between Midland and Fort Stockton Holdings, L.P., a Texas limited partnership, dated effective May 12, 2020 (the “Groundwater Contract”) Midland purchased 28,400 acre-feet of groundwater from Fort Stockton Holdings, L.P., and through an Interlocal Agreement dated effective as of May 14, 2020 by and among the Cities (the “Initial ILA”), assigned an undivided interest in the groundwater to Abilene and San Angelo with 8400 acre-feet of such groundwater being assigned to Abilene and 5000 acre-feet of such groundwater being assigned to San Angelo, and with Midland retaining 15,000 acre-feet of such groundwater; and

WHEREAS, the Initial ILA further provided that the out-of-pocket costs and expenses incurred by the Cities in connection with the initial design, laying and construction of the Infrastructure (as defined in the Initial ILA) would be borne by and paid for proportionally by Abilene in accordance with Abilene’s Pro-Rata Share (as defined in the Initial ILA), by Midland in accordance with Midland’s Pro-Rata Share (as defined in the Initial ILA), and by San Angelo in accordance with San Angelo’s Pro-Rata Share (as defined in the Initial ILA); and

WHEREAS, the Cities intend for the initial design, laying and construction of the Infrastructure (as defined in the Initial ILA) (the “Project”) to be completed in multiple phases; and

WHEREAS, the Cities are ready to move forward with the initial phase of the Project (“Phase 1”) and desire to further define in this MOU the rights and responsibilities of the Parties as they relate to the development of Phase 1 of the Project; and

WHEREAS, the City Council finds that it is in the public interest to authorize the execution of the Memorandum of Understanding between the Cities for the purposes stated above.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1: That the City Manager is hereby authorized and directed to execute, on behalf of the City of Abilene, a Memorandum of Understanding between the City of Abilene, the City of Midland, and the City of San Angelo; provided, however, that the City Manager shall not execute

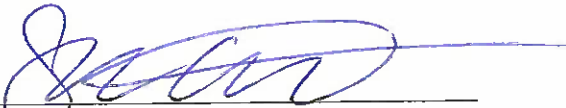
said Memorandum of Understanding unless and until such agreement has been approved by the governing bodies of the City of Midland and the City of San Angelo.

PART 2: That the City Manager is hereby authorized and directed to negotiate and execute, on behalf of the City of Abilene, any and all related agreements, amendments, easements, legal instruments, or documents necessary and appropriate to carry out the intent of said Memorandum of Understanding.

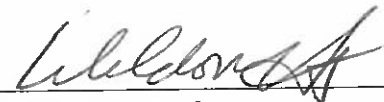
PART 3: That this Resolution is effective immediately upon approval by the City Council.

ADOPTED THIS 25th DAY OF JULY, 2024.

ATTEST:

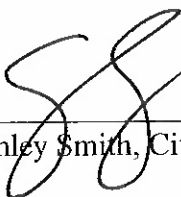


Shawna Atkinson, City Secretary



Weldon Hurt, Mayor

APPROVED:



Stanley Smith, City Attorney

