

Section 7.03. State Approval; Compliance with TCEQ Rules. Each party represents and warrants that the plans and specifications for its respective system have been or will be approved by the TCEQ or its successors. Anything herein to the contrary notwithstanding, it is the intention of the parties that this Agreement fully comply with the requirements of the TCEQ applicable to public drinking water systems which receive water through a sole-source water supply contract, including the requirements of 30 Texas Administrative Code, Section 290.45(f). The parties each agree to provide any information which may be requested by the other in order to respond to any inquiries or reports required by the TCEQ. If, at any time, it is determined that this Agreement does not comply with all applicable TCEQ requirements, the parties agree to cooperate to modify this Agreement in order to effect such compliance.

Section 7.04. Force Majeure. If any party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, other than an obligation to pay or provide money, then such obligations of that party to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. Such cause, as far as possible, shall be remedied with all reasonable diligence. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the affected party, and that the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demand of the opposing party or parties when such settlement is unfavorable to it in the judgment of the affected party.

Section 7.05. Severability. The provisions of this Agreement are severable and, if any provision or part of this Agreement or the application thereof to any person or circumstance shall ever be held by any agency or court of competent jurisdiction to be unenforceable, invalid or unlawful for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby; provided, however, that in such event the parties mutually covenant and agree to attempt to modify this Agreement by substituting a provision which is as similar as possible to the unenforceable, invalid or unlawful provision but which is enforceable, valid and lawful.

Section 7.06. No Oral Agreements; Modification. There are no oral agreements between the parties hereto with respect to the subject matter hereof. This Agreement shall be subject to change or modification only with the mutual written consent of LCRA and District No. 12.

Section 7.07. Addresses and Notices. Unless otherwise notified in writing by the other, the addresses of LCRA and District No. 12 are and shall remain as follows:

LCRA:
Lower Colorado River Authority
Attn: Executive Manager, Water Services
3700 Lake Austin Boulevard
Austin, Texas 78703

District No. 12:

Travis County Municipal Utility District No. 12
c/o Armbrust & Brown, LLP
100 Congress Avenue, Suite 1300
Austin, Texas 78701
Fax : (512) 435-2360

Section 7.08. Assignability. This Agreement shall be assignable by LCRA to any operating affiliate of LCRA without the necessity of obtaining the consent of District No. 12 if written notice is provided to District No. 12 and the assignee agrees in writing to be liable for all obligations of LCRA and is capable of carrying out LCRA's obligation under this Agreement in all respects. LCRA acknowledges, and expressly consents to, the transfer of certain rights and obligations under this Agreement to District No. 11 and District No. 13 through the District Shared Facility Agreement. District No. 12 further is authorized to expressly assign this Agreement to District No. 11 and/or District No. 13 without the necessity of obtaining the consent of LCRA, provided that District No. 12 provides at least 30 days' prior written notice to LCRA and there is no default of District No. 12's obligations under this Agreement on the date of such notice or during the period leading up to the date of the assignment, and no such assignment shall be effective until the assignee agrees in writing to assume District No. 12's duties and responsibilities under the Agreement and to be bound by the Agreement. Upon such an assignment, District No. 12 shall be released from any further obligations under this Agreement. Except as otherwise provided, this Agreement may not be assigned by either party to any other entity without the express written consent of either party, which consent shall not be unreasonably withheld or delayed.

Section 7.09. Good Faith. Each party agrees that, notwithstanding any provision herein to the contrary (i) it will not unreasonably withhold or condition or unduly delay any consent, approval, decision, determination or other action which is required or permitted under the terms of this Agreement, and (ii) it will act in good faith and shall at all times deal fairly with the other party. The agreements of the parties under this Section to act in good faith will extend to and expressly include all matters pertaining to rates and charges established by LCRA under this Agreement.

Section 7.10. Counterparts. This Agreement may be executed in as many counterparts as may be convenient or required. All counterparts shall collectively constitute a single instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart.

Section 7.11. Governing Law. The terms and provisions hereof shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America from time to time in effect. Travis County, Texas shall be a proper place of venue for suit hereon, and the parties hereby agree that any and all legal proceedings in respect of this Agreement shall be brought in district courts of Travis County, Texas, or the United States District Court for the Western District of Texas, Austin Division.

Section 7.12. Authority of Parties Executing Agreement, Validity. By their execution, each of the individuals executing this Agreement on behalf of a party represents and warrants to the other party that he or she has the authority to execute the document in the capacity shown on this

document. Each of the parties further represent and warrant that this Agreement constitutes a valid and binding contract, enforceable against it in accordance with its terms.

Section 7.13. Term and Termination. Unless sooner terminated in accordance with the provisions of this Agreement, the term of this Agreement shall be the same as the term for the Raw Water Contract. This Agreement shall terminate automatically in the event of the termination of the Raw Water Contract; provided, however, that no termination of this Agreement will affect or impair District No. 12's rights to its contractual capacity in the LCRA System described in Section 4.01 of this Agreement and such contractual capacity rights will survive any termination of this Agreement. Time is of the essence in the performance of this Agreement.

Section 7.14. Other Agreements. Nothing in this Agreement shall be construed as amending, modifying or limiting the rights and obligations of the parties under the Raw Water Contract.

Section 7.15. Guaranty by Developer. Rough Hollow Development, Ltd., a Texas limited partnership and the developer within the District Service Area, is executing this Agreement for the limited purpose of guaranteeing the Minimum Payments to be made by District No. 12 under Section 4.01 of this Agreement. If District No. 12 fails to make any Minimum Payment as and when due, LCRA may give written notice to Rough Hollow Development, Ltd. and, in such event, Rough Hollow Development, Ltd. will be required to make the payment in question within 15 days after delivery of such notice. If Rough Hollow Development, Ltd. fails to make any required payment within the specified 15-day period, LCRA may pursue all legal remedies to recover the guaranteed amounts from Rough Hollow Development, Ltd. Whether to provide notice to, or whether to institute legal proceedings to recover guaranteed amounts from, Rough Hollow Development, Ltd., shall be at LCRA's sole option, and LCRA may exercise other remedies under this Agreement instead. If, however, LCRA elects to pursue recovery from Rough Hollow Development, Ltd., then, anything herein to the contrary notwithstanding, LCRA will not seek to enforce any remedies under this Agreement against District No. 12 during the pendency of that action. Rough Hollow Development, Ltd. may assign its obligations under this Section to a subsequent owner of a majority of the land within the District Service Area; however, any such assignment must be in writing, include the name and mailing address of the assignee, and be assigned by Rough Hollow Development, Ltd. and assumed by the assignee.

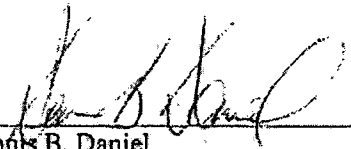
Section 7.16. Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes:

- Exhibit A - Delivery Point and District Service Area
- Exhibit B - LCRA Service Area
- Exhibit C - Payment Schedule
- Exhibit D - Form for Reports on Service Connections

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original and of equal force and effect, on the date or dates indicated below and to be effective as of the Effective Date.

(The remainder of this page has been intentionally left blank, and the signature page or pages follow.)


LOWER COLORADO RIVER AUTHORITY

By: 
Dennis B. Daniel
Manager, Customer and Business Strategy

Date: 10-19-2009



TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

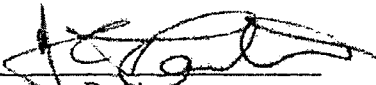
By: 
Daniel Robertson
President, Board of Directors

Date: 10/20/09

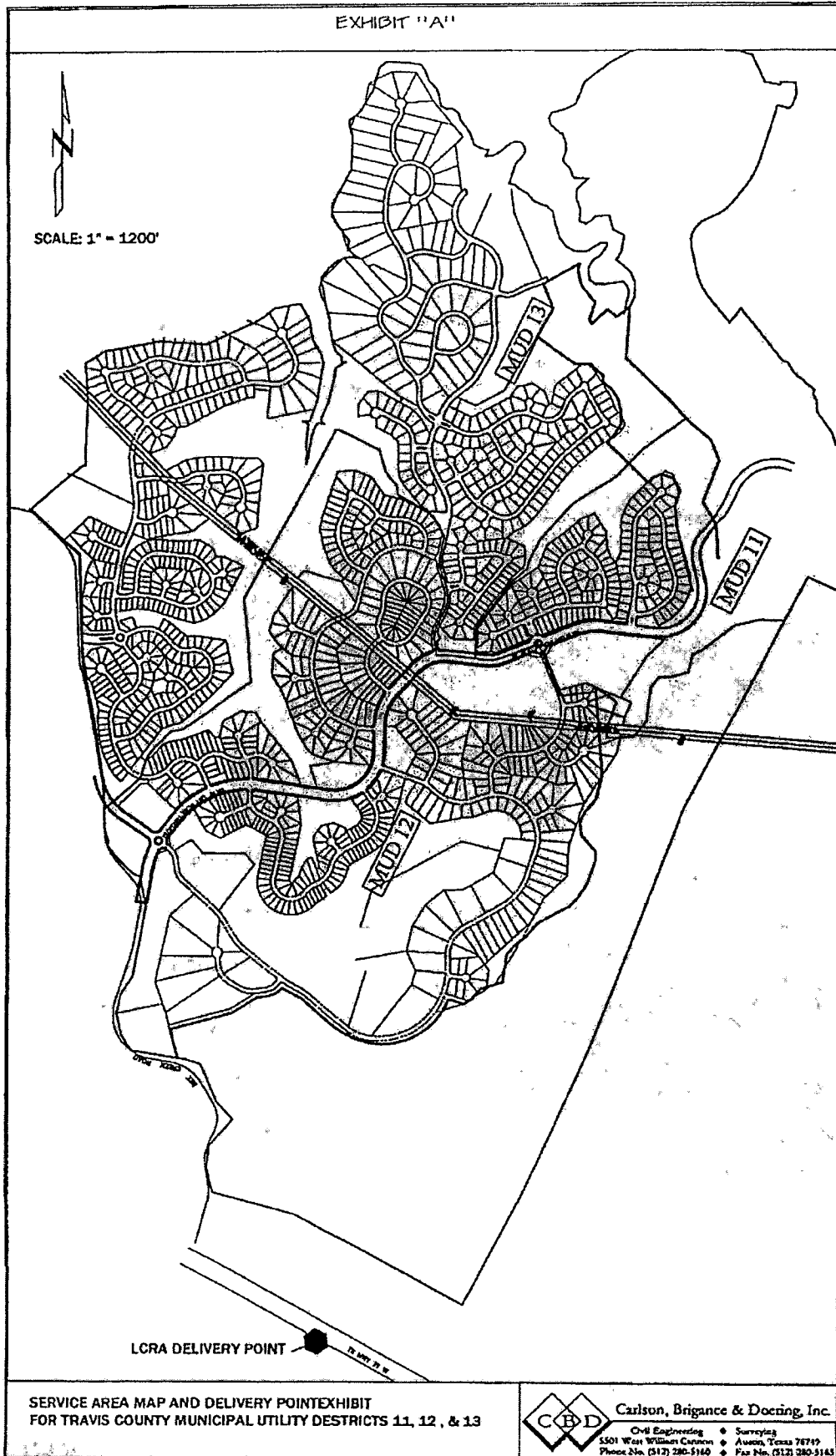
Rough Hollow Development, Ltd, is executing this Agreement for the sole purpose of confirming its guarantee of certain payments to be made by District No. 12 under this Agreement, as set forth in Section 7.15 of this Agreement.

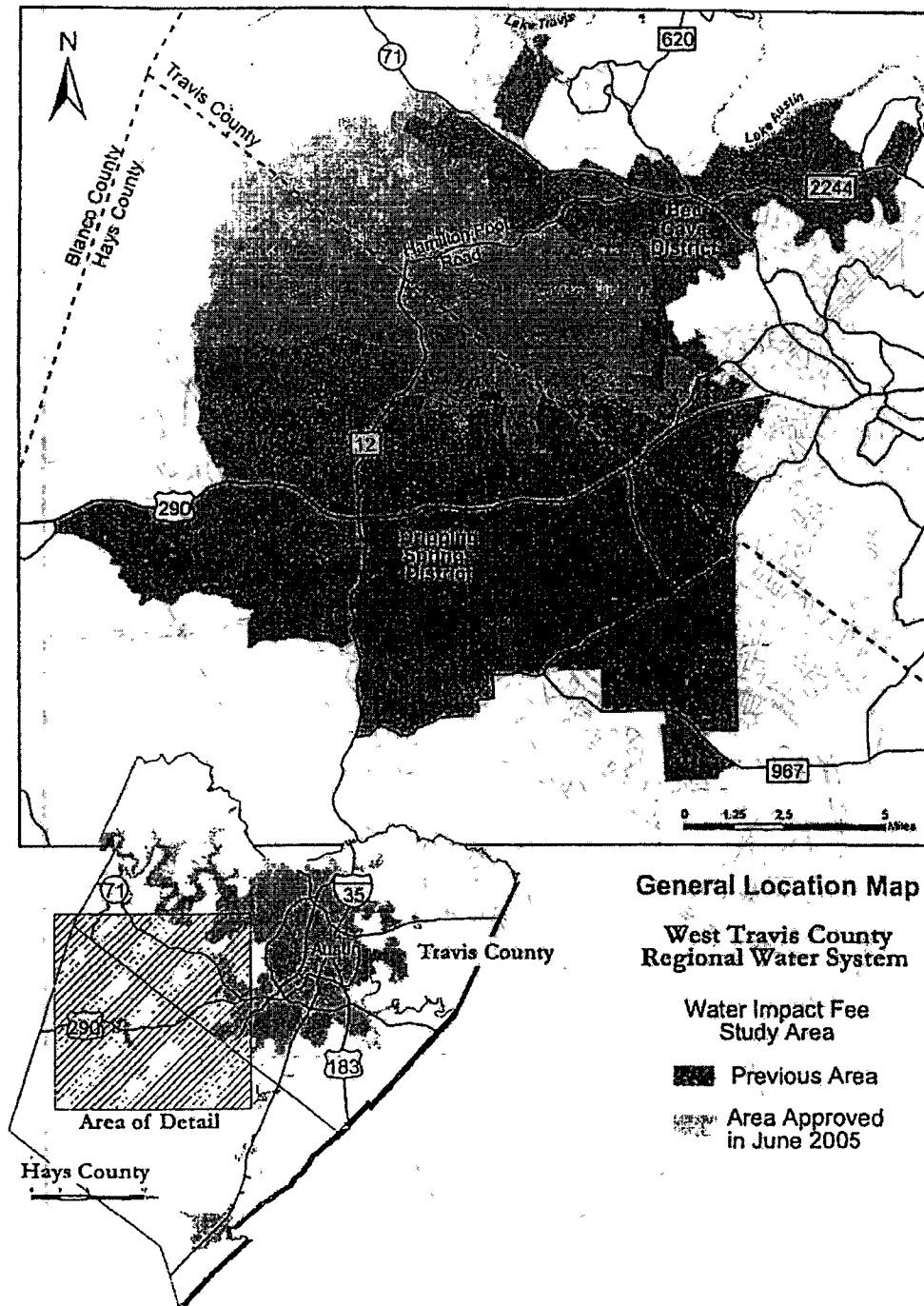
ROUGH HOLLOW DEVELOPMENT, LTD.,
a Texas limited partnership

By: JHVL, L.P., a Texas corporation, its General Partner

By: 
Haythem Dawlett
Vice President

Date: 10/22/09





**EXHIBIT C
PAYMENT SCHEDULE**

APPLICABLE PERIOD:	MINIMUM PAYMENT:
On Effective Date*	\$350,200
Effective Date through April 1, 2010**	\$350,200
2011***	\$199,900
2012***	\$199,900
2013***	\$199,900
2014***	\$199,900

* Due and payable within 15 days of the Effective Date of this Agreement.

**Due on or before April 1, 2010, and any shortfall due and payable on or before May 15, 2010, per Section 4.01.a. of this Agreement.

***Due on or before May 15 of the year in question, and any shortfall due and payable on or before June 30 of the same year, per Section 4.01.a of this Agreement.

(fill in period covered by report)

[illegible]

(512) 473-3338 • mary.blincoc@lcrs.org

**RESOLUTION BY THE BOARD OF DIRECTORS OF TRAVIS COUNTY
MUNICIPAL UTILITY DISTRICT NO. 12 CONSENTING TO THE
ASSIGNMENT OF THE WHOLESALE WATER SERVICES AGREEMENT
WITH THE LOWER COLORADO RIVER AUTHORITY**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, Travis County Municipal Utility District No. 1 (the "District") is a conservation and reclamation district operating pursuant to Chapters 49 and 54 of the Texas Water Code;

WHEREAS, the District and Lower Colorado River Authority ("LCRA") entered into a certain "Wholesale Wastewater Service Agreement" dated October 22, 2009 (the "Agreement") for the provision of wholesale water service from the LCRA's West Travis County Wastewater System;

WHEREAS, the LCRA has entered into that certain "Utilities Installment Purchase Agreement" with the West Travis County Public Utility Agency (the "PUA") transferring ownership and operation of the West Travis County Water System to the PUA by March 19, 2012;

WHEREAS, that the LCRA desires to assign the Agreement to the PUA;

WHEREAS, Section 7.08 of the Agreement provides that LCRA may not assign the Agreement without the written consent of the District; and

WHEREAS, the Board of Directors of the District desires to provide its consent to such assignment.

NOW THEREFORE, it is resolved by the Board of Directors of Travis County Municipal Utility District No. 12 as follows:

Section 1: The above recitals are true and correct and are incorporated into this Resolution for all purposes.

Section 2: The District's Board of Directors hereby consents to LCRA's assignment of the Agreement to the PUA.

Section 3: The District's [General Manager/Board President] is authorized to execute such documents as approved by the District's General Counsel as may be necessary evidencing such assignment consistent with this Resolution.

PASSED AND APPROVED this _____ day of February, 2012.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

From: Sue Brooks Littlefield <SLittlefield@abaustin.com>
Sent: Friday, March 09, 2012 9:58 AM
To: Lauren Kalisek; Madison Jechow
Cc: Joe DiQuinzio
Subject: Consent of TC MUD 12 to assignment by LCRA to PUA
Attachments: Redline of Consent to Assignment of TC MUD 12 contract to PUA (W0534555).DOC;
Assignment to PUA by TC MUD 12 (LCRA sale) (W0534545-2).DOC

Attached is a redline and clean copy of the assignment and consent for your review. Most of our board members are out of town next week, and so at the last meeting they authorized Joe or any Board member to sign. I will get the VP or President to sign if they are available when I get your sign-off; otherwise, Joe will sign as the President of the General Manager of the District.

Please let me know if you have comments.

ASSIGNMENT BY LOWER COLORADO RIVER AUTHORITY TO WEST TRAVIS
COUNTY PUBLIC AGENCY OF WHOLESALE WATER SERVICES AGREEMENT
WITH TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 AND CONSENT
TO ASSIGNMENT

This Assignment (the "Assignment") by the Lower Colorado River Authority (the "LCRA") to the West Travis County Public Utility Agency (the "PUA") of the Wholesale Water Services Agreement with Travis County Municipal Utility District No. 12 is made as of March 19, 2012 (the "Effective Date"), by and among the LCRA, Travis County Municipal Utility District No. 12 (the "District"), and the PUA.

RECITALS

The LCRA is a conservation and reclamation district operating under Article XIV, Section 59 of the Texas Constitution.

The PUA is a public utility agency formed by the City of Bee Cave, Hays County, and West Travis County MUD No. 5 for the purpose of acquiring the West Travis County water and wastewater systems (the "System") from the LCRA in order to maintain public ownership.

~~The Travis County Municipal Utility District~~ is a conservation and reclamation district created and operated pursuant to Chapters 49 and 54 of the Texas Water Code ~~(the "District")~~.

The District and LCRA have entered into that certain Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009 (the Water Services Contract) governing the provision of service from the System to the _____ District, Travis County Municipal Utility District No. 11 and Travis County Municipal Utility District No. 13.

The LCRA and the PUA have entered into that certain Utilities Installment Purchase Agreement dated January 17, 2012, (the "Sale and Transfer Agreement") pursuant to which ~~the parties agree that the LCRA will convey all of its rights, title and interests in the System to the PUA for ownership and operation and maintenance,~~ subject to any outstanding obligations and responsibilities applicable to the LCRA with respect to the System, including LCRA's obligations under the Water Services Contract.

AGREEMENT

For good and valuable consideration, the parties agree as follows:

I. ASSIGNMENT. Pursuant to the Sale and Transfer Agreement, the LCRA ~~herby~~ hereby assigns to the PUA, ~~and the PUA hereby accepts assignment of,~~ and agrees to perform all of the LCRA's rights, title, interests, obligations and responsibilities ~~in the following~~

agreement (the "Contract"); to or arising under the Water Services Contract from and after the Effective Date.

~~Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009.~~

II. CONSENT BY DISTRICT TO ASSIGNMENT; RELEASE. Subject to the terms and conditions contained herein, expressly including the PUA's assumption of all of LCRA's obligations and duties under the Water Services Contract from and after the Effective Date, the District (a) consents (a) to the LCRA's assignment of all of LCRA's its rights, title, interest, obligations and responsibilities under the Water Services Contract to the PUA and release LCRA from same. In addition, the District specifically (the "Assigned Rights and Obligations"); (b) releases LCRA from all Assigned Rights and Obligations arising on or and after the Effective Date; and (c) consents to the LCRA's transfer to the PUA of all Connection Fees paid by the District to the LCRA pursuant to under Section 4.01 of the Water Services Contract.

~~III. AMENDMENT TO CONTRACT. The parties hereto acknowledge and agree that time is of the essence for the assignment of the Contract and therefore acknowledge that issues regarding operation of the System by the PUA for the benefit of the District may still be outstanding. Therefore, the parties hereto agree and acknowledge that termination of or amendments to the Contract may be further discussed and negotiated and nothing contained herein shall waive or diminish any parties' ability to pursue such termination or amendments.~~

IV. NOTICES. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and may be given by any of the following means: personal delivery, reputable overnight courier service, or certified, first class mail, return receipt requested. Any communication sent pursuant to this Assignment shall be deemed received upon the earlier of actual receipt or three (3) days after deposit to courier or the mail service. The addresses are as follows and may be changed by notice to the other parties in the manner provided in this Assignment:

To the _____:

~~To PUA~~ To the District: ~~West Travis County Public Municipal~~
~~Utility Agency~~ District No. 12

c/o Armbrust & Brown, PLLC
100 Congress Avenue, Suite 1300
Austin, Texas 78701

To the PUA: West Travis County Public Utility Agency
c/o Lauren Kalisek
Lloyd Gosselink
816 Congress Avenue, Suite 1900
Austin, Texas 78701

To the LCRA: Lower Colorado River Authority
Attn: Dennis Daniel, Manager, Customer and Business
Strategy, and Madison Jechow, Associate General Counsel
3700 Lake Austin Blvd.
Austin, Texas 78703

VIV. SUCCESSORS AND ASSIGNS. This Assignment shall be binding upon and inure to the benefit of the LCRA, the District, and the PUA and their successors and assigns. Nothing in this Assignment constitutes or will be deemed to be a consent by the District to any assignment of the Water Services Contract to any party other than the PUA.

VIV. GOVERNING LAW. This Assignment will be governed by and construed in accordance with the laws of the State of Texas without giving effect to the provisions thereof relating to conflicts of laws.

VHVI. MISCELLANEOUS. This Assignment may not be modified in any manner or terminated except by an instrument in writing executed by all of the parties hereto. If The provisions of this Agreement are severable and, if any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, the remainder of this Assignment shall be construed without such provision will not be affected and, in lieu of the term, covenant or provision that has been deemed to be illegal, invalid or unenforceable, a provision that is as similar as possible, but is legal, valid and enforceable, will be deemed to be added to this Assignment in order to effect, to the maximum extent possible, the intent of the parties as expressed in this Assignment. This Assignment may be executed in any number of counterpart originals and each counterpart shall be deemed to be an original. The failure of any party hereto to execute the Assignment or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder. This Assignment embodies the entire agreement and understanding by and among the parties.

VIII.—VII. TERMINATION. This Assignment shall automatically become null and void, without any further action by any party hereto, and unless otherwise agreement agreed in writing by the parties hereto, should the LCRA fail to transfer ownership, operations and management maintenance of the System to the PUA by March 19, 2012.

IN WITNESS WHEREOF, the LCRA, the District and the PUA have duly executed this Assignment as of on the date first above written or dates indicated below, to be effective as of the Effective Date.

LOWER COLORADO RIVER AUTHORITY

By: _____
Rebecca S. Motal
General Manager

Date: _____

ATTEST:

By: _____
Name: _____
Title: _____

WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY

By: _____

Name: Larry Fox

Title: President

Date: _____

ATTEST:

By: _____

Name: Ray Whisenant

Title: Secretary/Treasurer

{insert signature block}

COUNTERPART SIGNATURE PAGE FOR ASSIGNMENT BY LOWER COLORADO
RIVER AUTHORITY TO WEST TRAVIS COUNTY PUBLIC AGENCY OF WHOLESALE
WATER SERVICES AGREEMENT WITH TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12 AND CONSENT TO ASSIGNMENT

THE DISTRICT:

TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12, a political subdivision of the
State of Texas

By: _____

Its: _____

Date: _____

Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	3/9/2012 9:54:53 AM
Comparison Time	2.55 seconds
compareDocs version	v3.4.7.15

Sources	
Original Document	[#W0534545.DOC] [v1] Assignment to PUA by TC MUD 12 (LCRA sale).DOC DMS Information
Modified Document	[#W0534545.DOC] [v2] Assignment to PUA by TC MUD 12 (LCRA sale).DOC DMS information

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Insertions	33
Deletions	15
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Moves	2
TOTAL CHANGES	74

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Deletions	
Moves / Moves	
Inserted cells	
Deleted cells	
Merged cells	
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Changed lines	Mark left border.
Comments color	ByAuthorcolor options]
Balloons	False

compareDocs Settings Used	Category	Option Selected
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Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	True
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False

**ASSIGNMENT BY LOWER COLORADO RIVER AUTHORITY TO WEST TRAVIS
COUNTY PUBLIC AGENCY OF WHOLESALE WATER SERVICES AGREEMENT
WITH TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 AND CONSENT
TO ASSIGNMENT**

This Assignment (the "Assignment") by the Lower Colorado River Authority (the "LCRA") to the West Travis County Public Utility Agency (the "PUA") of the Wholesale Water Services Agreement with Travis County Municipal Utility District No. 12 is made as of March 19, 2012 (the "Effective Date"), by and among the LCRA, Travis County Municipal Utility District No. 12 (the "District"), and the PUA.

RECITALS

The LCRA is a conservation and reclamation district operating under Article XIV, Section 59 of the Texas Constitution.

The PUA is a public utility agency formed by the City of Bee Cave, Hays County, and West Travis County MUD No. 5 for the purpose of acquiring the West Travis County water and wastewater systems (the "System") from the LCRA in order to maintain public ownership.

The District is a conservation and reclamation district created and operated pursuant to Chapters 49 and 54 of the Texas Water Code.

The District and LCRA have entered into that certain Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009 (the "Water Services Contract") governing the provision of service from the System to the District, Travis County Municipal Utility District No. 11 and Travis County Municipal Utility District No. 13.

The LCRA and the PUA have entered into that certain Utilities Installment Purchase Agreement dated January 17, 2012 (the "Sale and Transfer Agreement") pursuant to which the LCRA will convey all of its rights, title and interests in the System to the PUA for ownership, operation and maintenance, subject to any outstanding obligations and responsibilities applicable to the LCRA with respect to the System, including LCRA's obligations under the Water Services Contract.

AGREEMENT

For good and valuable consideration, the parties agree as follows:

I. ASSIGNMENT. Pursuant to the Sale and Transfer Agreement, the LCRA hereby assigns to the PUA and the PUA hereby accepts assignment of and agrees to perform all of the LCRA's rights, title, interests, obligations and responsibilities in, to or arising under the Water Services Contract from and after the Effective Date.

II. CONSENT BY DISTRICT TO ASSIGNMENT; RELEASE. Subject to the terms and conditions contained herein, expressly including the PUA's assumption of all of LCRA's obligations and duties under the Water Services Contract from and after the Effective Date, the District (a) consents (a) to the LCRA's assignment of all of its rights, title, interest, obligations and responsibilities under the Water Services Contract to the PUA (the "Assigned Rights and Obligations"); (b) releases LCRA from all Assigned Rights and Obligations arising on or after the Effective Date; and (c) consents to the LCRA's transfer to the PUA of all Connection Fees paid by the District to the LCRA under Section 4.01 of the Water Services Contract.

III. NOTICES. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and may be given by any of the following means: personal delivery, reputable overnight courier service, or certified, first class mail, return receipt requested. Any communication sent pursuant to this Assignment shall be deemed received upon the earlier of actual receipt or three (3) days after deposit to courier or the mail service. The addresses are as follows and may be changed by notice to the other parties in the manner provided in this Assignment:

To the District: Travis County Municipal Utility District No. 12
c/o Armbrust & Brown, PLLC
100 Congress Avenue, Suite 1300
Austin, Texas 78701

To the PUA: West Travis County Public Utility Agency
c/o Lauren Kalisek
Lloyd Gosselink
816 Congress Avenue, Suite 1900
Austin, Texas 78701

To the LCRA: Lower Colorado River Authority
Attn: Dennis Daniel, Manager, Customer and Business
Strategy, and Madison Jechow, Associate General Counsel
3700 Lake Austin Blvd.
Austin, Texas 78703

IV. SUCCESSORS AND ASSIGNS. This Assignment shall be binding upon and inure to the benefit of the LCRA, the District, and the PUA and their successors and permitted assigns. Nothing in this Assignment constitutes or will be deemed to be a consent by the District to any assignment of the Water Services Contract to any party other than the PUA.

V. GOVERNING LAW. This Assignment will be governed by and construed in accordance with the laws of the State of Texas without giving effect to the provisions thereof relating to conflicts of laws.

VI. MISCELLANEOUS. This Assignment may not be modified in any manner or terminated except by an instrument in writing executed by all of the parties hereto. The provisions of this Agreement are severable and, if any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, the remainder of this Assignment will not be affected and, in lieu of the term, covenant or provision that has been deemed to be illegal, invalid or unenforceable, a provision that is as similar as possible, but is legal, valid and enforceable, will be deemed to be added to this Assignment in order to effect, to the maximum extent possible, the intent of the parties as expressed in this Assignment. This Assignment may be executed in any number of counterpart originals and each counterpart shall be deemed to be an original. The failure of any party hereto to execute the Assignment or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder.

VII. TERMINATION. This Assignment shall automatically become null and void, without any further action by any party hereto, unless otherwise agreed in writing by the parties hereto, should the LCRA fail to transfer ownership, operations and maintenance of the System to the PUA by March 19, 2012.

IN WITNESS WHEREOF, the LCRA, the District and the PUA have duly executed this Assignment on the date or dates indicated below, to be effective as of the Effective Date.

LOWER COLORADO RIVER AUTHORITY

By: _____

Rebecca S. Motal
General Manager

Date: _____

ATTEST:

By: _____

Name: _____

Title: _____

WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY

By: _____

Name: Larry Fox

Title: President

Date: _____

ATTEST:

By: _____

Name: Ray Whisenant

Title: Secretary/Treasurer

COUNTERPART SIGNATURE PAGE FOR ASSIGNMENT BY LOWER COLORADO
RIVER AUTHORITY TO WEST TRAVIS COUNTY PUBLIC AGENCY OF WHOLESALE
WATER SERVICES AGREEMENT WITH TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12 AND CONSENT TO ASSIGNMENT

THE DISTRICT:

TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12, a political subdivision of the
State of Texas

By: _____

Its: _____

Date: _____

Subject: FW: Consent of TC MUD 12 to assignment by LCRA to PUA
Attachments: AssignmenttoPUAbyTCMUD12-LCRAale-W0534545-2-mj3912.docx; Consent of TC MUD 12 to assignment by LCRA to PUA

From: Madison Jechow [mailto:Madison.Jechow@LCRA.ORG]
Sent: Friday, March 09, 2012 12:01 PM
To: Stefanie Albright
Subject: FW: Consent of TC MUD 12 to assignment by LCRA to PUA

FYI, please see below and attached.

Thanks. Madison
512-473-4067

From: Madison Jechow
Sent: Friday, March 09, 2012 11:58 AM
To: 'Sue Brooks Littlefield'; Lauren Kalisek
Cc: Joe DiQuinzio; Janet Stephenson
Subject: RE: Consent of TC MUD 12 to assignment by LCRA to PUA

Thanks Sue for your timely attention to this with all else going on.

I have two revisions, red-lined in attached, to propose. The only substantive one – adding "or LCRA" to provision limiting the consent to assignment – relates to LCRA potential remedies of reassuming operations in the event of default by WTCPUA. Obviously, we hope those never come into play. Otherwise, the red-lined revisions prepared by Sue are acceptable to LCRA.

Thanks. Madison
512-473-4067

From: Sue Brooks Littlefield [mailto:SLittlefield@abaustin.com]
Sent: Friday, March 09, 2012 9:58 AM
To: Lauren Kalisek; Madison Jechow
Cc: Joe DiQuinzio
Subject: Consent of TC MUD 12 to assignment by LCRA to PUA

Attached is a redline and clean copy of the assignment and consent for your review. Most of our board members are out of town next week, and so at the last meeting they authorized Joe or any Board member to sign. I will get the VP or President to sign if they are available when I get your sign-off; otherwise, Joe will sign as the President of the General Manager of the District.

Please let me know if you have comments.

**ASSIGNMENT BY LOWER COLORADO RIVER AUTHORITY TO WEST TRAVIS
COUNTY PUBLIC AGENCY OF WHOLESALE WATER SERVICES AGREEMENT
WITH TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 AND CONSENT
TO ASSIGNMENT**

This Assignment (the "Assignment") by the Lower Colorado River Authority (the "LCRA") to the West Travis County Public Utility Agency (the "PUA") of the Wholesale Water Services Agreement with Travis County Municipal Utility District No. 12 is made as of March 19, 2012 (the "Effective Date"), by and among the LCRA, Travis County Municipal Utility District No. 12 (the "District"), and the PUA.

RECITALS

The LCRA is a conservation and reclamation district operating under Article XIV, Section 59 of the Texas Constitution.

The PUA is a public utility agency formed by the City of Bee Cave, Hays County, and West Travis County MUD No. 5 for the purpose of acquiring the West Travis County water and wastewater systems (the "System") from the LCRA in order to maintain public ownership.

The District is a conservation and reclamation district created and operated pursuant to Chapters 49 and 54 of the Texas Water Code.

The District and LCRA have entered into that certain Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009 (the "Water Services Contract") governing the provision of service from the System to the District, Travis County Municipal Utility District No. 11 and Travis County Municipal Utility District No. 13.

The LCRA and the PUA have entered into that certain Utilities Installment Purchase Agreement dated January 17, 2012 (the "Sale and Transfer Agreement") pursuant to which the LCRA will convey all of its rights, title and interests in the System to the PUA for ownership, operation and maintenance, subject to any outstanding obligations and responsibilities applicable to the LCRA with respect to the System, including LCRA's obligations under the Water Services Contract.

AGREEMENT

For good and valuable consideration, the parties agree as follows:

I. ASSIGNMENT. Pursuant to the Sale and Transfer Agreement, the LCRA hereby assigns to the PUA and the PUA hereby accepts assignment of and agrees to perform all of the LCRA's rights, title, interests, obligations and responsibilities in, to or arising under the Water Services Contract from and after the Effective Date.

II. CONSENT BY DISTRICT TO ASSIGNMENT; RELEASE. Subject to the terms and conditions contained herein, expressly including the PUA's assumption of all of LCRA's obligations and duties under the Water Services Contract from and after the Effective Date, the District (a) consents (a) to the LCRA's assignment of all of its rights, title, interest, obligations and responsibilities under the Water Services Contract to the PUA (the "Assigned Rights and Obligations"); (b) releases LCRA from all Assigned Rights and Obligations arising on or after the Effective Date; and (c) consents to the LCRA's transfer to the PUA of all Connection Fees paid by the District to the LCRA under Section 4.01 of the Water Services Contract.

III. NOTICES. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and may be given by any of the following means: personal delivery, reputable overnight courier service, or certified, first class mail, return receipt requested. Any communication sent pursuant to this Assignment shall be deemed received upon the earlier of actual receipt or three (3) days after deposit to courier or the mail service. The addresses are as follows and may be changed by notice to the other parties in the manner provided in this Assignment:

To the District: Travis County Municipal Utility District No. 12
c/o Armbrust & Brown, PLLC
100 Congress Avenue, Suite 1300
Austin, Texas 78701

To the PUA: West Travis County Public Utility Agency
c/o Lauren Kalisek
Lloyd Gosselink
816 Congress Avenue, Suite 1900
Austin, Texas 78701

To the LCRA: Lower Colorado River Authority
Attn: Dennis Daniel, Manager, Customer and Business
Strategy, and Madison Jechow, Associate General Counsel
3700 Lake Austin Blvd.
Austin, Texas 78703

IV. SUCCESSORS AND ASSIGNS. This Assignment shall be binding upon and inure to the benefit of the LCRA, the District, and the PUA and their successors and permitted assigns. Nothing in this Assignment constitutes or will be deemed to be a consent by the District to any assignment of the Water Services Contract to any party other than the PUA or LCRA.

V. GOVERNING LAW. This Assignment will be governed by and construed in accordance with the laws of the State of Texas without giving effect to the provisions thereof relating to conflicts of laws.

VI. MISCELLANEOUS. This Assignment may not be modified in any manner or terminated except by an instrument in writing executed by all of the parties hereto. The provisions of this Agreement are severable and, if any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, the remainder of this Assignment will not be affected and, in lieu of the term, covenant or provision that has been deemed to be illegal, invalid or unenforceable, a provision that is as similar as possible, but is legal, valid and enforceable, will be deemed to be added to this Assignment in order to effect, to the maximum extent possible, the intent of the parties as expressed in this Assignment. This Assignment may be executed in any number of counterpart originals and each counterpart shall be deemed to be an original. The failure of any party hereto to execute the Assignment or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder,

VII. TERMINATION. This Assignment shall automatically become null and void, without any further action by any party hereto, unless otherwise agreed in writing by the parties hereto, should the LCRA fail to transfer ownership, operations and maintenance of the System to the PUA by March 19, 2012.

IN WITNESS WHEREOF, the LCRA, the District and the PUA have duly executed this Assignment on the date or dates indicated below, to be effective as of the Effective Date.

LOWER COLORADO RIVER AUTHORITY

By: _____

Jimmy Don Havins

Chief Operating Officer

LOWER COLORADO RIVER AUTHORITY

By: _____

Rebecca S. Motel

General Manager

Date: _____

Form

Form

Form

Form

ATTACHMENT B

ATTEST:

By: _____

Name: _____

Title: _____

WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY

By: _____

Name: Larry Fox

Title: President

Date: _____

ATTEST:

By: _____

Name: Ray Whisenant

Title: Secretary/Treasurer

COUNTERPART SIGNATURE PAGE FOR ASSIGNMENT BY LOWER COLORADO
RIVER AUTHORITY TO WEST TRAVIS COUNTY PUBLIC AGENCY OF WHOLESALE
WATER SERVICES AGREEMENT WITH TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12 AND CONSENT TO ASSIGNMENT

THE DISTRICT:

TRAVIS COUNTY MUNICIPAL UTILITY
DISTRICT NO. 12, a political subdivision of the
State of Texas

By: _____

Its: _____

Date: _____

Subject: Consent of TC MUD 12 to assignment by LCRA to PUA

From: Sue Brooks Littlefield <SLittlefield@abaustin.com>
Date: March 9, 2012 12:02:33 PM CST
To: Madison Jechow <Madison.Jechow@LCRA.ORG>, Lauren Kalisek <lkalisek@lglawfirm.com>
Cc: Joe DiQuinzio <jadco@austin.rr.com>, Janet Stephenson <Janet.Stephenson@LCRA.ORG>
Subject: RE: Consent of TC MUD 12 to assignment by LCRA to PUA

Maybe we should add, "or in the event of a default by the PUA under the Sale and Transfer Agreement, by the PUA to the LCRA"?

-----Original Message-----

From: Madison Jechow [mailto:Madison.Jechow@LCRA.ORG]
Sent: Friday, March 09, 2012 11:58 AM
To: Sue Brooks Littlefield; Lauren Kalisek
Cc: Joe DiQuinzio; Janet Stephenson
Subject: RE: Consent of TC MUD 12 to assignment by LCRA to PUA

Thanks Sue for your timely attention to this with all else going on.

I have two revisions, red-lined in attached, to propose. The only substantive one – adding "or LCRA" to provision limiting the consent to assignment – relates to LCRA potential remedies of reassuring operations in the event of default by WTCPUA. Obviously, we hope those never come into play. Otherwise, the red-lined revisions prepared by Sue are acceptable to LCRA.

Thanks. Madison

512-473-4067

From: Sue Brooks Littlefield [mailto:SLittlefield@abaustin.com]
Sent: Friday, March 09, 2012 9:58 AM
To: Lauren Kalisek; Madison Jechow
Cc: Joe DiQuinzio
Subject: Consent of TC MUD 12 to assignment by LCRA to PUA

Attached is a redline and clean copy of the assignment and consent for your review. Most of our board members are out of town next week, and so at the last meeting they authorized Joe or any Board member to sign. I will get the VP or President to sign if they are available when I get your sign-off; otherwise, Joe will sign as the President of the General Manager of the District.

Subject: TCMUD 12

From: Lauren Kalisek
Sent: Thursday, March 15, 2012 11:58 AM
To: Sue Brooks Littlefield
Cc: Madison Jechow; Stefanie Albright; Lissette Ruiz
Subject: Re: TCMUD 12

How about Mon at 9:00 or Wed at 1:30?

Sent from my iPhone

On Mar 15, 2012, at 8:56 AM, Sue Brooks Littlefield <SLittlefield@abaustin.com> wrote:

Monday afternoon before 4, Tuesday afternoon, or most anytime Wednesday.

-----Original Message-----

From: Lauren Kalisek [mailto:lkalisek@lglawfirm.com]
Sent: Thursday, March 15, 2012 9:49 AM
To: Sue Brooks Littlefield
Subject: Re: TCMUD 12

I hear you. Is there a good time for you next week?

Sent from my iPhone

On Mar 15, 2012, at 6:53 AM, Sue Brooks Littlefield <SLittlefield@abaustin.com> wrote:

No, sorry. I will be out Friday. I haven't had a day off for a month and so I am not going to chip into the time.

Sent from my BlackBerry Wireless Handheld

From: Lauren Kalisek <lkalisek@lglawfirm.com>
To: Sue Brooks Littlefield
Cc: madison.jechow@lcra.org <madison.jechow@lcra.org>; Stefanie Albright <salbright@lglawfirm.com>
Sent: Wed Mar 14 23:36:34 2012
Subject: TCMUD 12

Sue

Are you available to get on the phone with me and Madison on Friday, the 16th to discuss how we might resolve the assignment of the MUD 12 agreement to the PUA? I am wide open and I think Madison is pretty flexible too as to time

Thanks

Lauren

IRS CIRCULAR 230 NOTICE: To the extent this communication contains a statement relating in any way to federal taxes, that statement is not a "covered opinion" and was not written or intended to be used, and it cannot be used, by any person (I) as a basis for avoiding federal tax penalties that may be imposed on that person, or (II) to promote, market or recommend to another party any transaction or matter addressed herein.

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From: Lauren Kalisek
Sent: Tuesday, April 17, 2012 2:38 PM
To: 'Sue Brooks Littlefield'
Cc: madison.jechow@lcra.org; Stefanie Albright; Judy Bentley
Subject: RE: TCMUD 12, PUA, LCRA Agreement
Attachments: 2012.03.29 draft interlocal agreement with TCMUD 12 on transfer issues.DOCX

Sue

I just left you a VM. Just wanted to touch base again prior to your meeting next week to see how we could mark this up to make it work for you in time for the meeting.

Thanks
Lauren

From: Sue Brooks Littlefield [mailto:SLittlefield@abaustin.com]
Sent: Tuesday, April 10, 2012 1:24 PM
To: Lauren Kalisek
Cc: madison.jechow@lcra.org; Stefanie Albright
Subject: RE: TCMUD 12, PUA, LCRA Agreement

The 24th.

-----Original Message-----

From: Lauren Kalisek [mailto:lkalisek@lglawfirm.com]
Sent: Tuesday, April 10, 2012 1:20 PM
To: Sue Brooks Littlefield
Cc: madison.jechow@lcra.org; Stefanie Albright
Subject: RE: TCMUD 12, PUA, LCRA Agreement

Sounds good—when does the Board next meet?

From: Sue Brooks Littlefield [mailto:SLittlefield@abaustin.com]
Sent: Tuesday, April 10, 2012 1:04 PM
To: Lauren Kalisek
Cc: madison.jechow@lcra.org; Stefanie Albright
Subject: RE: TCMUD 12, PUA, LCRA Agreement

I looked at it quickly, but will need more time to incorporate my thoughts--it will need to be more of an agreement and less of a consent--the document as it is does not protect my district's interests. I will try to get to it in the next day or two. I think we should plan to talk after I get my thoughts pulled together and get a revised draft back to you all to review.

But, because the structure has changed, it will have to go back to the Board for final sign off once we have agreed.

-----Original Message-----

From: Lauren Kalisek [mailto:lkalisek@lglawfirm.com]
Sent: Tuesday, April 10, 2012 12:56 PM
To: Sue Brooks Littlefield

Cc: madison.jechow@lcra.org; Stefanie Albright
Subject: FW: TCMUD 12, PUA, LCRA Agreement

Sue

Have you had a chance to take a look at this agreement yet? Is there a time we can get on the phone with Madison in the next few days to discuss? We'd like to get this agreement wrapped up soon given that operations have already been transferred to the PUA.

Thanks
Lauren

From: Lauren Kalisek
Sent: Thursday, March 29, 2012 3:58 PM
To: Sue Littlefield (SLittlefield@abaustin.com)
Cc: madison.jechow@lcra.org; Stefanie Albright; Judy Bentley
Subject: TCMUD 12, PUA, LCRA Agreement

Sue

In follow up to our call with Madison last week, here is a draft agreement for your review.

Thanks
Lauren

IRS CIRCULAR 230 NOTICE: To the extent this communication contains a statement relating in any way to federal taxes, that statement is not a "covered opinion" and was not written or intended to be used, and it cannot be used, by any person (I) as a basis for avoiding federal tax penalties that may be imposed on that person, or (II) to promote, market or recommend to another party any transaction or matter addressed herein.

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DRAFT: FOR REVIEW ONLY
3/29/12

**AGREEMENT REGARDING OPERATIONAL TRANSFER OF WEST TRAVIS
COUNTY WATER SYSTEM BY AND BETWEEN LOWER COLORADO RIVER
AUTHORITY, TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 AND
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY**

This Agreement Regarding Operational Transfer of West Travis County Water and Wastewater Systems is made by and between the Lower Colorado River Authority ("LCRA"), Travis County Municipal Utility District No. 12 (the "District"), and the West Travis County Public Utility Agency ("PUA") to be effective as of March 19, 2012 ("Effective Date").

RECITALS

The LCRA is a conservation and reclamation district operating under Article XIV, Section 59 of the Texas Constitution.

The PUA is a public utility agency formed by the City of Bee Cave, Hays County, and West Travis County MUD No. 5 for the purpose of acquiring the West Travis County Water System (the "System") from the LCRA in order to maintain public ownership.

The District is a conservation and reclamation district created and operated pursuant to Chapters 49 and 54 of the Texas Water Code.

The District and LCRA have entered into that certain Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009 (the "Water Services Contract") governing the provision of service from the System to the District, Travis County Municipal Utility District No. 11 and Travis County Municipal Utility District No. 13.

The LCRA and the PUA have entered into that certain Utilities Installment Purchase Agreement dated January 17, 2012 (the "Sale and Transfer Agreement") pursuant to which the LCRA will convey all of its rights, title and interests in the System to the PUA for ownership, operation and maintenance, subject to any outstanding obligations and responsibilities applicable to the LCRA with respect to the System, including LCRA's obligations under the Water Services Contract.

AGREEMENT

For good and valuable consideration, the parties agree as follows:

1. The District agrees that as of March 19, 2012, the PUA shall be responsible for performance of all obligations and duties of LCRA under the Water Services Contract related to operation of the System and the delivery of wholesale water service as provided therein.

2. The District consents to the transfer of all all Connection Fees paid by the District to the LCRA under Section 4.01 of the Water Services Contract as of March 19, 2012.
3. The District further expressly agrees that the PUA shall have the authority to set and collect the Connection Fees, Monthly Charges, and Volume Rates as defined in the Water Services Contract under the same terms and conditions as provided in Article IV of the Water Services Contract. The PUA shall bill and collect payment from the District in accordance with such provisions.
4. The monthly and annual reports from the District for Connection Fees described in Section 4.01(b) and Section 4.04(b)&(c) of the Water Services Contract and any Connection Fees or Deficiency Amounts (as defined in Section 4.01(a) of the Water Services Contract) shall be submitted to the PUA at the following address:

5. The District shall submit copies of final subdivision plats as required in the Water Services Contract to the PUA at the following address:

6. By execution of this Agreement the District expressly consents to the LCRA's assignment of all of its rights, title, interest, obligations and responsibilities under the Water Services Contract to the PUA (the "Assigned Rights and Obligations") as of the date LCRA conveys all of its remaining legal title and capacity interest in the System to the PUA at the "Closing" of the "Final 2019 Equity Payment" (as such terms are defined in the Sale and Transfer Agreement) ; and releases LCRA from all Assigned Rights and Obligations arising on or and after the date of Closing of the Final 2019 Equity Payment; provided, however such consent and release shall not be effective in the event the District has issued a written notice of default under the Water Services Contract to the PUA and/or LCRA that is not resolved as of the date of such Closing.
7. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and may be given by any of the following means: personal delivery, reputable overnight courier service, or certified, first class mail, return receipt requested. Any communication sent pursuant to this Agreement shall be deemed received upon the earlier of actual receipt or three (3) days after deposit to courier or the mail service. The

addresses are as follows and may be changed by notice to the other parties in the manner provided in this Agreement:

To the District: Travis County Municipal Utility District No. 12
c/o Armbrust & Brown, PLLC
100 Congress Avenue, Suite 1300
Austin, Texas 78701

To the PUA: West Travis County Public Utility Agency
c/o Lauren Kalisek
Lloyd Gosselink Rochelle & Townsend, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701

To the LCRA: Lower Colorado River Authority
Attn: General Manager
Cc: Madison Jechow, Associate General Counsel
3700 Lake Austin Blvd.
Austin, Texas 78703

8. This Agreement shall be binding upon and inure to the benefit of the LCRA, the District, and the PUA and their successors and permitted assigns. Nothing in this Agreement constitutes or will be deemed to be a consent by the District to any assignment of the Water Services Contract to any party other than the PUA or, or in the event of a default by the PUA under the Sale and Transfer Agreement, by the PUA to the LCRA.

9. This Agreement will be governed by and construed in accordance with the laws of the State of Texas without giving effect to the provisions thereof relating to conflicts of laws.

10. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by all of the parties hereto. The provisions of this Agreement are severable and, if any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, the remainder of this Agreement will not be affected and, in lieu of the term, covenant or provision that has been deemed to be illegal, invalid or unenforceable, a provision that is as similar as possible, but is legal, valid and enforceable, will be deemed to be added to this Agreement in order to effect, to the maximum extent possible, the intent of the parties as expressed in this Agreement. This Agreement may be executed in any number of counterpart originals and each counterpart shall be deemed to be an original.

11. This Agreement shall be in effective from the Effective Date until the date of the Closing of the Final 2019 Equity Payment between the LCRA and PUA.

IN WITNESS WHEREOF, the LCRA, the District and the PUA have duly executed this Agreement on the date or dates indicated below, to be effective as of the Effective Date.

{signature blocks to follow}

Subject: edits to assignment form
Attachments: 1866795_1.DOCX.docx

From: Lauren Kalisek
Sent: Tuesday, March 06, 2012 11:28 AM
To: Sue Littlefield (SLittlefield@abaustin.com)
Cc: madison.jechow@lcra.org; Stefanie Albright; Judy Bentley
Subject: edits to assignment form

Sue

Madison has asked that we make a tweak to MUD 12's assignment to reflect specifically the District's consent to the transfer of impact fees paid by the District to LCRA to the PUA.

Let me know if you have any questions.

We'd really like to get this finalized by the end of this week in anticipation of the operations transfer on March 19

Thanks
Lauren

**ASSIGNMENT BY LOWER COLORADO RIVER AUTHORITY TO WEST TRAVIS
COUNTY PUBLIC AGENCY OF WHOLESALE WATER SERVICES AGREEMENT
WITH TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12**

Assignment (the "Assignment") by the Lower Colorado River Authority (the "LCRA") to the West Travis County Public Utility Agency (the "PUA") of the Wholesale Water Services Agreement with Travis County Municipal Utility District No. 12 is made as of March 19, 2012, by and among the LCRA, Travis County Municipal Utility District No. 12, and the PUA.

RECITALS

The LCRA is a conservation and reclamation district operating under Article XIV, Section 59 of the Texas Constitution.

The PUA is a public utility agency formed by the City of Bee Cave, Hays County, and West Travis County MUD No. 5 for the purpose of acquiring the West Travis County water and wastewater systems (the "System") from the LCRA in order to maintain public ownership.

The Travis County Municipal Utility District is a conservation and reclamation district created and operated pursuant to Chapters 49 and 54 of the Texas Water Code (the "District").

The District and LCRA have entered into that certain Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009 governing the provision of service from the System to the

Comment [LJK1]: Can you insert the names of the developments?

The LCRA and the PUA have entered into that certain Utilities Installment Purchase Agreement dated January 17, 2012, (the "Sale and Transfer Agreement") pursuant to which the parties agree that the LCRA will convey all of its rights, title and interests in the System to the PUA for ownership and operation, subject to any outstanding obligations and responsibilities applicable to the LCRA with respect to the System.

AGREEMENT

For good and valuable consideration, the parties agree as follows:

I. ASSIGNMENT. Pursuant to the Sale and Transfer Agreement, the LCRA hereby assigns to the PUA, and the PUA hereby accepts assignment of, all of the LCRA's rights, title, interests, obligations and responsibilities in the following agreements (the "Contract-s"):

Wholesale Water Services Agreement Between Lower Colorado River Authority and Travis County Municipal Utility District No. 12 dated October 22, 2009.

II. CONSENT TO ASSIGNMENT; RELEASE. Subject to the terms and conditions contained herein, the District consents to the assignment of all of LCRA's rights, title, interest,

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1866795 148662954

obligations and responsibilities under the Contracts to the PUA and release LCRA from same. In addition, the District specifically consents to the LCRA's transfer to the PUA of Connection Fees paid by the District to LCRA pursuant to Section 4.01 of the Contract.

III. AMENDMENT TO CONTRACTS. The parties hereto acknowledge and agree that time is of the essence for the assignment of the Contracts and therefore acknowledge that issues regarding operation of the System by the PUA for the benefit of the District may still be outstanding. Therefore, the parties hereto agree and acknowledge that termination of or amendments to the Contracts may be further discussed and negotiated and nothing contained herein shall waive or diminish any parties' ability to pursue such termination or amendments.

IV. NOTICES. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and may be given by any of the following means: personal delivery, reputable overnight courier service, or certified, first class mail, return receipt requested. Any communication sent pursuant to this Assignment shall be deemed received upon receipt or three (3) days after deposit to courier or the mail service. The addresses are as follows and may be changed by notice to the other parties in the manner provided in this Assignment:

To the _____:

To PUA: West Travis County Public Utility Agency
c/o Lauren Kalisek
Lloyd Gösselink
816 Congress Avenue, Suite 1900
Austin, Texas 78701

To LCRA: Lower Colorado River Authority
Attn: Dennis Daniel, Manager, Customer and Business
Strategy, and Madison Jechow, Associate General Counsel
3700 Lake Austin Blvd.
Austin, Texas 78703

V. SUCCESSORS AND ASSIGNS. This Assignment shall be binding upon and inure to the benefit of the LCRA, the District, and the PUA and their successors and assigns.

VI. GOVERNING LAW. This Assignment will be governed by and construed in accordance with the laws of the State of Texas without giving effect to the provisions thereof relating to conflicts of laws.

VII. MISCELLANEOUS. This Assignment may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto. If any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, this Assignment shall be construed without such provision. This Assignment may be executed in any number of counterpart originals and each counterpart shall be deemed to be an original. The failure of any party hereto to execute the Assignment or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder. This Assignment embodies the entire agreement and understanding by and among the parties.

VIII. TERMINATION. This Assignment shall automatically become null and void, without any further action by any party hereto, and unless otherwise agreement in writing by the parties hereto, should the LCRA fail to transfer operations and management of the System by March 19, 2012.

IN WITNESS WHEREOF, the LCRA, the District and the PUA have duly executed this Assignment as of the date first above written.

LOWER COLORADO RIVER AUTHORITY

By: _____
Rebecca S. Motal
General Manager

ATTEST:

By: _____
Name: _____
Title: _____

WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY

By: _____
Name: Larry Fox
Title: President

ATTEST:

By: _____
Name: Ray Whisenant
Title: Secretary/Treasurer

ATTACHMENT B

{insert signature block}

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
WHOLESALE CUSTOMER MEETING
SIGN-IN SHEET

19-Oct-12

NAME	ORGANIZATION/REPRESENTING	TELEPHONE NO.	E-MAIL ADDRESS
Adib Khoury	Taylor Morrison (Reunion Ranch WCID)	(512) 532-2115	akhoury@taylor-morrison.com
GREG PERRIN	BSWSC	512-858-7897	
Bruce Anglin	BWSC	512-422-7838	Angpaul@ATT.NET
Meryl Stoller	BWSC	(512) 263-5687	mstoller@austln.vr.com
Rick Wheeler	LAZY NINE MUD 1-A	512-899-0601	rickw@malonewheeler.net
Roger Durdan	Hays County WCID No. 1	512-677-4221	roger.durdan@gmail.com
George Baker	HAYS WCID #1	512-417-2737	gwbaker@austln.vr.com
Steve Barker	BWSC	512-402-1547	MANU@AUSTIN.EL.COM
Mark Kutner	Hays WCID #1	512-600-3805	markkutner@thebarrettfirm.com

WTCPUA00015027

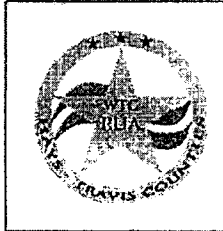
ATTACHMENT C

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
WHOLESALE CUSTOMER MEETING

SIGN-IN SHEET
19-Oct-12

NAME	ORGANIZATION/REPRESENTING	TELEPHONE NO.	E-MAIL ADDRESS
Tyler Gatewood	Masonwood	306-8300	tyler@ masonwooddevelopment.com
Michael Luecke	City of Dripping Springs	858-4725	michael@cityofdripping.com
Tim & Lise Ross	Customer	402-1006	LKRoss@austinfl.com

WTCPUA00015028



WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

12117 Bee Cave Road
Building 3, Suite 120
Bee Cave, Texas 78738
Office: 512/263-0100
Fax: 512/263-2289
www.wtcpua.org

October 25, 2012

RE: Wholesale Water and Wastewater Customer Meeting

Dear Wholesale Customer:

On behalf of the West Travis County Public Utility Agency (the "Agency" or "WTCPUA") I want to first thank you for your participation in the October 19, 2012 wholesale customer meeting. Your thoughtful comments and suggestions as wholesale customers are valued by the Agency Board of Directors and consultants. WTCPUA consultants are in the process of evaluating the suggestions and questions posed at the October 19 meeting.

As discussed in the October 19 wholesale customer meeting, the WTCPUA would like to hold an additional meeting with wholesale customers to discuss the specific numbers and data contained in the WTCPUA Wholesale Cost of Service Study. This meeting will be as follows:

Meeting of WTCPUA Wholesale Customers
Tuesday, October 30, 2012
3:00 p.m.

The customer meeting will be held at the WTCPUA's offices at 12117 Bee Cave Road, Building 3, Suite 120, Bee Cave, Texas 78738. For questions, please contact the WTCPUA offices at (512) 263-0100.

2267668.1

WTCPUA00015029

MAILING LIST

FOR DEER CREEK RANCH:

Mr. Sam Hammett
P.O. Box 436
Dripping Springs, Texas 78620

Mr. Randy Wilburn
Wilburn Consulting, LLC
7408 Rain Creek Parkway
Austin, Texas 78759
WilburnConsulting@austin.rr.com

FOR THE UPLANDS COMPANY:

Attn: Ms. Gina Lardon
GTL Management
1250 Capital of Texas Highway South
Cielo Building 2 #337
Austin, Texas 78746

Mr. Ronald J. Freeman
Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, Texas 78759
rfreeman@freemanandcorbett.com

Ms. Mary Lemmons
RTC-Denver
1515 Araphoe Street
Tower 3, Suite 800
Denver, Colorado 80202

FOR BARTON CREEK WEST WATER SUPPLY CORP.:

Ms. Suzanne Swenson, President
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