Mr. Douglas Holcomb, P.E. October 29, 1996 Page 2

cc: The Honorable Jane Nelson

Mr. Scott Bradley Ms. Sarah Walls Mr. Paul Phy

Mr. Ken Petersen Ms. Maria Sanchez Mr. Skip Newsom Mr. Bob West

Mr. John Carlton

Barry R. McBee, Chairman
R. B. "Ralph" Marquez, Commissioner
John M. Baker, Commissioner
Dan Pearson, Executive Director



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

September 3, 1996

Mr. Robert G. West Michener Larimore Swindle Whitaker Flowers Sawyer-Reynolds & Chalk, L.L.P. 3500 City Center Tower II 301 Commerce Street Fort Worth, Texas 76102

Re: Application of the Town of Westlake for a Water Certificate of Convenience and Necessity (CCN) and to Decertify a Portion of CCN No. 12311 issued to the City of Fort Worth, in Denton and Tarrant Counties; Application No. 31252-C)

Application of the Town of Westlake for a Sewer Certificate of Convenience and Necessity (CCN) in Denton and Tarrant Counties; Application No. 31253-C

Dear Mr. West:

Enclosed please find copies of the protest letters and other correspondence relating to the above applications, as you requested in your telephone call on August 27.

If you have any questions, please contact me at (512) 239-6960.

Sincerely,

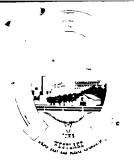
Albert Holck

Utility Certification and Assistance

Water Utilities Division MC 153

AH/mmr

Enclosure



TOWN OF WESTLAKE
3 Village Circle
Suite 207 Solana
Roanoke, Texas 76262
Metro (817) 430-8616

31252-C

August 30, 1996

Board of Directors
Lake Turner Municipal Utility District No. 3
c/o Paul W. Phy, Esq., General Counsel
8300 Douglas Avenue, Suite 800
Dallas, Texas 75225-5826

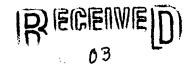
Re: Offer to Acquire the Assets of Lake Turner Municipal Utility District No. 3 (the District)

Ladies and Gentlemen:

The Town of Westlake makes the following offer: With your cooperation, the Town will abolish the District, vesting all of the District's assets and obligations in the Town as provided under Section 43.074 of the Local Government Code.

Under the provisions of Chapter 552 of the Government Code, we respectfully ask that you furnish the following as soon as possible:

- List of assets.
- Copy of each contract binding the District.
- Copy of each agenda of the meetings of the District's Board of Directors for the past three years.
- Minutes of each Board of Director's meeting.
- Copy of each budget adopted by the District.
- List of any claims asserted against the District.





Lake Turner Municipal Utility District No. 3 August 31, 1996 Page 2

With best regards, I remain

Very truly yours,

Scott Bradley
Scott Bradley

SB:dr

cc: Martin Rochelle, Esq. Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C. 111 Congress Avenue, Suite 1800 Austin, Texas 78701

> Kenneth L. Petersen, Jr., Esq. Small, Craig & Werkinthin Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099

Rice M. Tilley, Jr., Esq., President Lake Turner Municipal Utility District No. 2 c/o Paul W. Phy, Esq., General Counsel 8300 Douglas Avenue, Suite 800 Dallas, Texas 75225-5826

Rice M. Tilley, Jr., Esq. Law, Snakard & Gambill, A P.C. Suite 3200, 500 Throckmorton Street Fort Worth, Texas 76102 (President, Lake Turner Municipal Utility District No. 3)

Mr. Carroll Huntress P. O. Box 593 Roanoke, Texas 76262 Lake Turner Municipal Utility District No. 3 August 31, 1996 Page 3

> Mr. Howard Dudley 1650 West Dove Road Westlake, Texas 76262

> Mr. Al Oien 1440 West Dove Road Westlake, Texas 76262

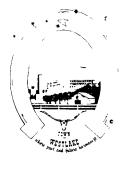
> Mr. Jerry Moore P. O. Box 674 Westlake, Texas 76262

> Mr. Fred Held 4105 Aspen Lane Westlake, Texas 76262

Mr. Douglas Holcomb, P.E.
Utility Rates and Services Section
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Mr. Steve Blackhurst, P.E. Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Ms. Irene Montelongo Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087



TOWN OF WESTLAKE

3 Village Circle Suite 207 Solana Roanoke, Texas 76262 Metro (817) 430-8616

August 30, 1996





Board of Directors
Lake Turner Municipal Utility District No. 2
c/o Paul W. Phy, Esq., General Counsel
8300 Douglas Avenue, Suite 800
Dallas, Texas 75225-5826

Re: Offer to Acquire the Assets of Lake Turner Municipal Utility District No. 2 (the

District)

Ladies and Gentlemen:

The Town of Westlake makes the following offer: With your cooperation, the Town will abolish the District, vesting all of the District's assets and obligations in the Town as provided under Section 43.074 of the Local Government Code.

Under the provisions of Chapter 552 of the Government Code, we respectfully ask that you furnish the following as soon as possible:

- List of assets.
- Copy of each contract binding the District.
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- Minutes of each Board of Director's meeting.
- Copy of each budget adopted by the District.
- List of any claims asserted against the District.

Lake Turner Municipal Utility District No. 2 August 31, 1996 Page 2

With best regards, I remain

Very truly yours,

Scott Bradley
Scott Bradley

SB:dr

cc: Martin Rochelle, Esq.
Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C.
111 Congress Avenue, Suite 1800
Austin, Texas 78701

Kenneth L. Petersen, Jr., Esq. Small, Craig & Werkinthin Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099

Ms. Donna Parker, President Lake Turner Municipal Utility District No. 2 c/o Paul W. Phy, Esq., General Counsel 8300 Douglas Avenue, Suite 800 Dallas, Texas 75225-5826

Ms. Donna Parker
Vice President of Administration
Fort Worth Chamber of Commerce
777 Taylor Street
Fort Worth, Texas 76102
(President, Lake Turner Municipal Utility District No. 2)

Lake Turner Municipal Utility District No. 2 August 31, 1996 Page 3

> Mr. Carroll Huntress P. O. Box 593 Roanoke, Texas 76262

Mr. Howard Dudley 1650 West Dove Road Westlake, Texas 76262

Mr. Al Oien 1440 West Dove Road Westlake, Texas 76262

Mr. Jerry Moore P. O. Box 674 Westlake, Texas 76262

Mr. Fred Held 4105 Aspen Lane Westlake, Texas 76262

Mr. Douglas Holcomb, P.E.
Utility Rates and Services Section
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Mr. Steve Blackhurst, P.E. Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Ms. Irene Montelongo Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087 LAW OFFICES

Small, Craig&Werkenthin

A PROFESSIONAL CORPORATION

Facsimiles Austin. (512) 320-9734 San Antonio (210) 226-2646

Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099 (512) 472-8355 SAN ANTONIO OFFICE 300 Convent Street, Suite 1950 San Antonio, Texas 78205-3738 (210) 226-2080

August 28, 1996

<u>VIA TELEFAX 472-0532</u> AND FIRST CLASS MAIL

Mr. Martin C. Rochelle 111 Congress Avenue Suite 1800 Austin, Texas 78701



RE: Applications of Town of Westlake, Texas for Water/Sewer CCN; Tarrant and Denton

Counties; TNRCC Applications Nos. 31252-

C; 31253-C

Dear Martin:

I received the enclosed letter last week from Scott Bradley on behalf of your client.

If the **Town of Westlake** has any reasonable proposal to make (i.e., with the endorsement of the Council of Aldermen), the Lake Turner Municipal Utility Districts Nos. 2 and 3 would be interested in same, in writing, as soon as possible. Please forward any such proposal to me, and I'll discuss it with the appropriate client representatives. If there is any basis for negotiation, I will contact you about arranging a suitable forum.

However, we insist that any negotiations be commenced and concluded promptly, so that Westlake does not use them as an excuse for another delay of consideration by the Texas Natural Resource Conservation Commission of the Town's applications for Certificates of Convenience and Necessity.

I have previously advised the TNRCC (and you through copy) that the Districts' Boards were to meet and decide whether to file their own applications for water and sewer certificated service rights. (Ref. my correspondence to Douglas Holcomb, P.E. of 08/16/96.) You should be advised that the Districts have determined to file their own CCN applications, and will be doing so very shortly. Please be assured that the Districts will be doing everything within their ability to expeditiously process their own applications in this matter, so as to finally resolve these issues and avoid any further delay. Hopefully, we will have the same commitment from Westlake.

I hope also that you will take the opportunity when you confer with Westlake to correct some of the serious misstatements Mr. Bradley has made in his letter.

Mr. Martin C. Rochelle August 28, 1996 Page 2

1. Mr. Bradley claims that the Lake Turner Municipal Utility Districts "are not needed." The fact is that these Districts are not only needed but are essential to provide water and sewer service within the area of the Districts. Westlake in 1986 expressly concluded that it is in the best interests of both the citizens of Westlake and the public convenience and necessity, to grant to the predecessor of the Districts a 20-year franchise to provide this water and sewer service. The Districts now hold that franchise from Westlake.

Moreover, unless there have been some dramatic developments since the letter of August 19th, Mayor Bradley has yet to identify either the financial means or a credible plan to provide this service. Westlake does not have, and intends not to have, any ad valorem taxes able to support the necessary services for the development within the Districts.

By contrast, the Districts have acquired substantial interests in existing pump stations and water lines, with the capacity of providing 12.5 million gallons of water a day; sanitary sewer contracts with the Trinity River Authority to treat wastewater flows from the areas within the District; and capacities in several sewer interceptor lines representing investments of millions of dollars.

- 2. Mr. Bradley states that Westlake "desires to be the sole provider of water and sewer services within its boundaries." This may indeed be Mr. Bradley's desire, but it is entirely unrealistic for several reasons. First, as noted above, Westlake granted the Districts a franchise inconsistent with such a desire, which it must honor. Second, both the City of Keller and Trophy Club Municipal Utility District today have the exclusive right to provide such services to portions of the City of Westlake. They made the necessary investments to do this, while Westlake has not. And Westlake still is in no position to make the necessary investments, despite rhetoric to the contrary. It is for these reasons that not only the Districts but also the City of Keller, Trophy Club Municipal Utility District, MaGuire Thomas Partners, Hillwood/Willow Bend, Ltd., and Lake Turner Municipal Utility District No. 1 all have opposed the Application filed by Westlake.
- 3. Mr. Bradley claims "the developer has resisted all our efforts and has taken steps to compete with the town for the provisions of water and sewer services." My information is directly to the contrary. I understand that Hillwood recently proposed a development plan that would actually provide the financial wherewithal, through sales tax revenue, for Westlake to provide adequate water and sewer services. But it is Mr. Bradley who has resisted that effort, substituting maneuvering in Austin for a realistic financial plan.

Mr. Martin C. Rochelle August 28, 1996 Page 3

The charge that these Districts seek to "compete" with Westlake is perhaps the most outlandish of all those made. All the Districts want to do is exercise the franchise that Westlake granted them in 1986 and carry out their statutory obligations, so that good, soundly-financed water and sewer service will be available when it is needed. Instead, these recent action by Mayor Bradley seek to welch on that franchise, acquire the Districts' multi-million dollar investment while Westlake has made little or none of its own, and dispossess the **responsible** utility service providers, displacing them with a monopoly provider which has yet to demonstrate any capability of providing the level of continuous and adequate service that will be needed.

As always, I hope you will not hesitate to contact me with any questions. If there is a plan that is available for the Districts' review and consideration, please do advise as soon as possible so that we will not needlessly delay these proceedings any further.

Best regards,

Kenneth L. Petersen, Jr.

KLP/gra/DS1-AUS-63941-1 18751.1 Enclosure

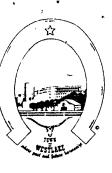
cc: Steve Blackhurst, P.E.

Texas Natural Resource Conservation Commission

Irene Montelongo Texas Natural Resource Conservation Commission

Donna Parker
President, Lake Turner MUD No. 2
Rice M. Tilley, Jr.
President, Lake Turner MUD No. 3
c/o Paul W. Phy
General Counsel, Lake Turner Municipal Utility Districts Nos. 2 and 3

Darcy Anderson Alliance Development Co.



TOWN OF WESTLAKE

3 Village Circle Suite 207 Solana Roanoke, Texas 76262 Metro (817) 430-8616

August 19, 1996

Kenneth L. Petersen, Jr., Esq. Small, Craig & Werkinthin Suite 1100, 100 Congress Avenue Austin. Texas 78701-4099

Re: Applications for Water/Sewer Certificates of Convenience and Necessity

Dear Mr. Petersen:

The Town of Westlake would very much like to negotiate with the Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 concerning the provision of water and sewer services within the Town's boundaries. Please furnish me the names, titles, addresses and telephone numbers of the appropriate persons with whom we may discuss these matters.

Perhaps you are unaware that the Town of Westlake has attempted several times through the years to dissolve the Lake Turner Municipal Utility Districts because they are not needed. The Town desires to be the sole provider of water and sewer services within its boundaries. However, the developer has resisted all of our efforts and has taken steps to compete with the Town for the provision of water and sewer services. Please see the enclosed newspaper articles which illustrate some of the frustration the Town has experienced through the years.

With kind regards, I am

Very truly yours,

Scott Bradley
Scott Bradley

Mayor

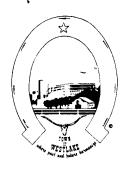
SB:dr Enclosure Kenneth L. Petersen, Jr., Esq. August 19, 1996 Page 2

cc: Mr. Douglas Holcomb, P.E. (w/cy encl)
Utility Rates and Services Section
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Mr. Steve Blackhurst, P.E. (w/cy encl)
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Ms. Irene Montelongo (w/cy encl)
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Martin Rochelle, Esq. (w/cy encl)
Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C.
111 Congress Avenue, Suite 1800
Austin, Texas 78701



TOWN OF WESTLAKE

3 Village Circle Suite 207 Solana Roanoke, Texas 76262 Metro (817) 430-8616

August 19, 1996



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Scott Bradley
Scott Bradley

Mayor

SB:dr Enclosure Kenneth L. Petersen, Jr., Esq. August 19, 1996 Page 2

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Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

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Ms. Irene Montelongo (w/cy encl)
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Martin Rochelle, Esq. (w/cy encl) Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C. 111 Congress Avenue, Suite 1800 Austin, Texas 78701

Westlake glad Circle T strategy change

By MILES MOFFEIT

Star-Telegram Staff Writer

ing changes for the Circle T Ranch and instead begin aggressively yesterday from Westlake officials courting corporations for the planned development drew praise WESTLAKE - The Perot Group's move to delay broad zonand real estate analysts.

the conflict with Ross Perot Jr. over his use of the Circle T Lake Turner municipal utility districts still threatens future talks - not to mention the town's plans to control However, Westlake officials say utilities within its boundaries.

Scott Bradley said. "If they don't bet. ... At the same time, the town has been waiting since May 1993 want to follow the comprehensive plan and start developing," Mayor for them to dissolve their MUDs, "I was delighted to hear that they capitalize on what Solana is doing, then they're missing a great and we need to clear that up."

Rick Patterson, president of night to delay forming a committee to help negotiate differences. Town and Perot officials have been at odds over Circle T rezoning issues Perot's Alliance Development Co., asked town aldermen Monday

Disagreement with Perot Jr. over utility districts continues to trouble town aldermen, however

utility districts to compete with Westlake for a water-service conract with Fort Worth.

districts in preparation for homes

and businesses.

will continue to be sought by the

changed — that the utility systems

Meanwhile, Patterson said esterday that The Perot Group has decided to pour its energies into corporate and residential Cir-

acres along Texas 114, a departure Patterson said The Perot Group wants to begin building corporate. facilities allowed by the town's master plan on several hundred from the overall proposal to radically revamp the Circle T's zoning.

appointment in a presentation uctance to answer in-depth ques-Aldermen agreed to scrap the given at the meeting by Perot atcorney Paul Phy on the Lake Turner Utility Districts and in Phy's reproposed panel but expressed dis-

own's way, Bradley said. Westlake Perot's utility districts stand in the vice approval at the state level, in addition to a contract with Fort Westlake does not intend to let will continue to pursue water ser-Worth, he said.

Fexas 170.

"The town is prepared to go its the entire town," Bradley said. "We'll keep trying." own course to provide utilities for

tion on the utility districts has not Patterson said that Perot's posi-

eral hundred employees."

Dallas economist Peter Malln said the piecemeal strategy is healthy for the overall project. "There is a progression of events that occur as something like this delittle bit like the chicken and the egg, where you usually need the velops, and there has to be certain uses first that create the demand or other uses," Malin said. "It's a obs to create the demand for hous-

have viewed the road to their Circlè given the many issues that stand in Malin said Perot officials might l vision as bumpier than expected,

> Of the 9 million square feet in commercial space allowed by Westlake's land-use plan for the Circle

various phases.

with architects being selected for

cle T projects during the next year,

a golf course, among other things he land-use plan. Also, aldermen nave said the \$100 million finance equestrian center, apartments and - as conflicting too sharply with olan vests too much control with Westlake's consultant has criticized the rezoning plan - it proposes a community containing gated subdivisions, a 9 milliont square-foot shopping area, an of the corporate area is west of the ter plan is being crafted. The bulk Solana business park, almost to "At this point, the mall is still He declined to discuss specific T, Patterson said about 7 million square feet will be used for corporate residents, with the remainder reserved for a planned shopping architectural ideas, saying the mas-

rolling without confrontation," Malin said. "After they've gotten to a point, then they can start ad-"This is a way to start the ball ranch, but we've got to focus on expart of the grand vision for the isting opportunities," Patterson said. "All of them [prospective corporate tenants] are in excess of sev-

Star-Telegram / Sunday, August 18, 1996

✓ THE OL' END AROUND — Paul Phy, an attorney for Ross Perot Jr.'s Lake Turner municipal utility districts, made it clear to Westlake Town Aldermen last week that he had very little time to discuss the conflict between Perot and the town. The two are at odds over the possible dissolution of the utility districts, and Phy was making an appearance out of courtesy, he said, adding that he was missing the Cowboys football game. Soon after the meeting started, Phy began inching his way toward the door. Mayor Scott Bradley questioned him about where the districts' boards meet and where their public notices are posted. Phy declined to answer the questions while moving even closer to freedom. All this to see a preseason game in which the Cowboys got spanked, 31-7.

Barry R. McBee, Chairman
R. B. "Ralph" Marquez, Commissioner
John M. Baker, Commissioner
Dan Pearson. Executive Director



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

August 21, 1996

Ms. Sarah K. Walls Cantry and Hanger 2100 Burnett Plaza 801 Cherry Street Fort Worth, Texas 76102

Re: Application of the Town of Westlake for a Water Certificate of Convenience and Necessity (CCN) and to Decertify a Portion of CCN No. 12311 issued to the City of Fort Worth, in Denton and Tarrant Counties; Application No. 31252-C

Application of the Town of Westlake for a Sewer Certificate of Convenience and Necessity (CCN) in Denton and Tarrant Counties; Application No. 31253-C

Dear Ms. Walls:

In respnse to the letter dated August 1, 1996, from Mr. Martin C. Rochelle, attorney for the Town of Westlake, the processing of these applications has been delayed for 60 days to allow the Town of Westlake to seek to resolve the matters being protested. If by October 11, 1996 agreement with the protestants has not been accomplished and submitted to me, these applications may be forwarded to the State Office of Administrative Hearings for a contested case hearing.

In addition, I have enclosed a copy of a request for a hearing received from Lake Turner MUD No. 1 of Tarrant County and Denton County, Mr. R. L. Guinn, Director.

If you have questions about this process, please contact me at (512) 239-6960.

Sincerely,

Albert Holck

Utility Certification and

Rate Design Section

Water Utilities Division, MC 153

AH/mmr

Enclosure

cc: TNRCC, Region 4 Office Attached Mailing List

MAILING LIST FOR APPLICATIONS NO. 31252-C AND NO. 31253-C

Mr. Ken Petersen, Jr.

Small, Craig & Werkenthin, P.C.

100 Congress Avenue, Suite 1100

Austin, Texas 78701

Representing Lake Turner MUD No. 2

Lake Turner MUD No. 3

Mr. Dwight A. Shupe Representing Hillwood/Willowbend, Ltd. Hughes & Luce, L.L.P. (Lake Turner MUD No. 2) 1717 Main Street, Suite 2800 (Lake Turner MUD No. 3) Dallas, Texas 75201

Lake Turner MUD No. 1

Mr. R. L. Guinn, Director 3500 Lincoln Plaza 500 North Akard Street Dallas, Texas 75201

Mr. Lyle H. Dresher, City Manager
City of Keller
158 S. Main
Keller, Texas 76248

Mr. Frank R. Booth Representing Trophy Club MUD #1
Booth & Dillon
NationsBank Tower, Suite 1212
515 Congress Avenue
Austin, Texas 78701-3503

Mr. Robert G. West Representing Trophy Club MUD #1 Michener, Larimore, Swindle, Whitaker, Flowers, Sawyer, Reynolds & Chalk, L.L.P.
3500 City Center Tower II
301 Commerce Street
Fort Worth, Texas 76102

Mr. Tom Allen Representing Maguire Thomas Partners-Westlake
Maguire Thomas Partners Southlake Partnership
9 Village Circle, Suite 500
Westlake, Texas 76262

John J. Carlton Representing Maguire Thomas Partners
Strasburger & Price, L.L.P. MTP-IBM Phase II/III Joint Venture
2600 One American Center
600 Congress Avenue
Austin, Texas 78701

Ms. Sarah K. Walłs

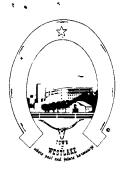
Cantry and Hanger

2100 Burnett Plaza

801 Cherry Street

Fort Worth, Texas 76102

Mr. Martin C. Rochelle Representing the Town of Westlake Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C.
111 Congress Avenue, Suite 1800
Austin, Texas 78701



TOWN OF WESTLAKE

3 Village Circle Suite 207 Solana Roanoke, Texas 76262 Metro (817) 430-8616

August 19, 1996

Kenneth L. Petersen, Jr., Esq. Small, Craig & Werkinthin Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099

Re: Applications for Water/Sewer Certificates of Convenience and Necessity

Dear Mr. Petersen:

The Town of Westlake would very much like to negotiate with the Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 concerning the provision of water and sewer services within the Town's boundaries. Please furnish me the names, titles, addresses and telephone numbers of the appropriate persons with whom we may discuss these matters.

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With kind regards, I am

Very truly yours,

Scott Bradley
Scott Bradley

Mayor

RECEIVED

3/252/3

CONSERVATION COMMISSION

SB:dr Enclosure Kenneth L. Petersen, Jr., Esq. August 19, 1996 Page 2

CC: Mr. Douglas Holcomb, P.E. (w/cy encl)
Utility Rates and Services Section
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

Mr. Steve Blackhurst, P.E. (w/cy encl)
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Martin Rochelle, Esq. (w/cy encl) Lloyd, Gosselink, Fowler, Blevins & Mathews, P.C. 111 Congress Avenue, Suite 1800 Austin, Texas 78701

Westlake glad Circle T strategy changed

Disagreement with Perot Jr. over utility districts

BY MILES MOFFEIT

Star-Telegram Staff Writer

and instead begin aggressively vesterday from Westlake officials ing changes for the Circle T Ranch courting corporations for the planned development drew praise WESTLAKE — The Perot Group's move to delay broad zonand real estate analysts.

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Scott Bradley said. "If they don't bet. ... At the same time, the town has been waiting since May 1993 *I was delighted to hear that they want to follow the comprehensive plan and start developing," Mayor capitalize on what Solana is doing, then they're missing a great for them to dissolve their MUDs, and we need to clear that up."

Rick Patterson, president of Perot's Alliance Development Co., asked town aldermen Monday night to delay forming a committee to help negotiate differences. Town and Perot officials have been at odds over Circle T rezoning issues

changed — that the utility systems continues to trouble town aldermen, however utility districts to compete with Westlake for a water-service con-

will continue to be sought by the districts in preparation for homes and businesses.

Meanwhile, Patterson said has decided to pour its energies yesterday that The Perot Group into corporate and residential Circle T projects during the next year, with architects being selected for various phases.

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Patterson said The Perot Group

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proposed panel but expressed dis-

orney Paul Phy on the Lake Turner Utility Districts and in Phy's re-

uctance to answer in-depth ques-

Aldermen agreed to scrap the

Of the 9 million square feet in commercial space allowed by Westlake's land-use plan for the Circle square feet will be used for corporeserved for a planned shopping T, Patterson said about 7 million rate residents, with the remainder mall.

of the corporate area is west of the Solana business park, almost to He declined to discuss specific architectural ideas, saying the master plan is being crafted. The bulk Fexas 170.

own's way, Bradley said. Westlake

Westlake does not intend to let Perot's utility districts stand in the will continue to pursue water ser-

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Patterson said that Perot's position on the utility districts has not

'We'll keep trying.

part of the grand vision for the isting opportunities," Patterson said. "All of them [prospective corporate tenants] are in excess of sevranch, but we've got to focus on ex-"At this point, the mall is still

eral hundred employees."

Dallas economist Peter Malln said the piecemeal strategy is healthy for the overall project.

egg, where you usually need the "There is a progression of events that occur as something like this develops, and there has to be certain uses first that create the demand or other uses," Malin said. "It's a ittle bit like the chicken and the obs to create the demand for housMalin said Perot officials might have viewed the road to their Circle I vision as bumpier than expected, given the many issues that stand in he way.

poses a community containing a golf course, among other things - as conflicting too sharply with have said the \$100 million finance olan vests too much control with Westlake's consultant has criticized the rezoning plan — it progated subdivisions, a 9 millionsquare-foot shopping area, an equestrian center, apartments and the land-use plan. Also, aldermen

rolling without confrontation," Malin said. "After they've gotten "This is a way to start the baill to a point, then they can start ad-

✓ THE OL' END AROUND — Paul Phy, an attorney for Ross Perot Jr.'s Lake Turner municipal utility districts, made it clear to Westlake Town Aldermen last week that he had very little time to discuss the conflict between Perot and the town. The two are at odds over the possible dissolution of the utility districts, and Phy was making an appearance out of courtesy, he said, adding that he was missing the Cowboys football game. Soon after the meeting started, Phy began inching his way toward the door. Mayor Scott Bradley questioned him about where the districts' boards meet and where their public notices are posted. Phy declined to answer the questions while moving even closer to freedom. All this to see a preseason game in which the Cowboys got spanked, 31-7.

LAW OFFICES

€31252-C 31253-C

Small, Craig&Werkenthin

A PROFESSIONAL CORPORATION

Facsimiles Austin: (512) 320-9734 San Antonio: (210) 226-2646

Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099 (512) 472-8355 SAN ANTONIO OFFICE 300 Convent Street, Suite 1950 San Antonio, Texas 78205-3738 (210) 226-2080

August 16, 1996

VIA TELEFAX 239-4430 AND FIRST CLASS MAIL

Douglas Holcomb, P.E.
Unit Chief, Utility Certification
Utility Certification and Rate Design Section
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087



RE: Applications of Westlake, Texas for Water/Sewer Certificates of Convenience and Necessity; Denton and Tarrant Counties

Dear Mr. Holcomb:

I have received Mr. Rochelle's request that your staff delay further processing of the above-referenced applications for a sixty-day (60) period of time. Mr. Rochelle makes this request "[i]n an effort to address the concerns of those political subdivisions and/or retail public utilities which have objected to the [Westlake] applications . . . "

As political subdivisions created by special acts of the Texas Legislature for the express purpose of providing development infrastructure and utility services to the land within their boundaries, Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 surely are included in the group of "political subdivisions" that Westlake has promised to consult with during this delay. The Districts take very seriously the commitment made by Westlake to attempt to reach an accommodation on **all** concerns respecting water and sewer utility services within the Districts.

The Districts have invested considerable effort and made significant financial commitments in planning for responsible economic development of the land within their boundaries. This development lies at the very heart of the Texas Legislature's purposes in creating the Districts, and it is now proceeding. However, the action of Westlake in filing the referenced applications has raised obstacles to the Districts moving forward with water and sewer utility service plans, and may significantly impair continued development within the Districts if there is no prompt resolution. It

Douglas Holcomb, P.E. August 16, 1996 Page 2

is sincerely hoped that the delay requested by Westlake will prove productive, but if not the matter should promptly proceed without further delay.

Subject to the reservations stated, the Districts do not oppose the request by the Town of Westlake.

Additionally, I wish to apprise you and other interested persons that the Districts are in the process of deciding whether to file their own applications for water and sewer certificates of convenience and necessity. Unfortunately, the Districts have been diverted from the economic development of land within their boundaries to the matter of filing their own CCN applications because of the unilateral actions of Westlake. While the Districts are not required to have certificates of convenience and necessity for land within their boundaries, the Districts may need to do so if only to clarify where the responsibility for water and sewer utility service resides. I will, of course, keep you and other interested persons apprised of the Districts' decisions on this matter.

As always, I very much appreciate your professional courtesies and kind attention to this matter. Should you have any questions concerning the issues raised in this correspondence, please do not hesitate to contact me.

Best regards,

Kenneth L. Petersen, Jr.

Keuck L. Rekerf.

KLP/gra/DS1-AUS-61503-1 18751.1

cc: Steve Blackhurst, P.E.

Texas Natural Resource Conservation Commission

Irene Montelongo Texas Natural Resource Conservation Commission

Martin Rochelle Counsel, Town of Westlake, Texas

John Carlton Counsel, MaGuire/Thomas Partners

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Douglas Holcomb, P.E. August 16, 1996 Page 3

> Ike Shupe Counsel, Hillwood/Willowbend, Ltd.

Donna Parker
President, Lake Turner MUD No. 2
Rice M. Tilley, Jr.
President, Lake Turner MUD No. 3
c/o Paul W. Phy
General Counsel, Lake Turner Municipal Utility Districts Nos. 2 and 3

Darcy Anderson Alliance Development Co.

LLOYD, GOSSELINK, FOWLER, BLEVINS & MATHEWS, P. C. ATTORNEYS AT LAW

III CONGRESS AVENUE
SUITE 1800
AUSTIN, TEXAS 78701
TELEPHONE (512) 322-5800
TELECOPIER (512) 472-0532

Mr. Rochelle's Direct Line: (512) 322-5810

III SOLEDAD STREET*
SUITE 300
SAN ANTONIO, TEXAS 78205
TELEPHONE (210) 212-5889
TELECOPIER (210) 212-5889
*BY APPOINTMENT ONLY

August 1, 1996

BECENNED

Mr. Doug Holcomb
Texas Natural Resource
Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087



Re: Application of Town of Westlake for Certificate of Convenience and Necessity -- Applications No. 31252-C and No. 31253-C (140300:1)

Dear Mr. Holcomb:

As you know, there have been several protests lodged concerning the above-referenced water and sewer CCN applications in the last several days. In an effort to address the concerns of those political subdivisions and/or retail public utilities which have objected to the above-referenced applications, Westlake hereby seeks a 60-day delay in the further processing of the applications. This delay should serve to help resolve the questions and/or concerns of those objecting to the applications, or at least to identify the issues which remain unresolved prior to this matter being forwarded to the State Office of Administrative Hearings for a contested case hearing. Of course, we are hopeful that we can amicably resolve these matters.

If this request of Westlake is acceptable, I would appreciate it if you would advise me of same in writing. Of course, if you or your staff have questions concerning this request or any other aspect of Westlake's applications, I hope you will feel free to call me at your earliest opportunity.

Sincerely,

Martin C. Rochelle

MCR/ldp 1403/000-006.LTR

cc:

Mr. Scott Bradley

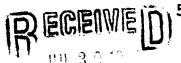
Mr. Larry Fuson Ms. Sarah Walls

Mr. Robert G. West

Mr. Kenneth L. Petersen, Jr.

Ms. Lauren J. Kalisek

LAKE TURNER MUNICIPAL UTILITY DISTRICT NO. 1 OF TARRANT COUNTY AND DENTON COUNTY, TEXAS 3500 Lincoln Plaza



500 North Akard Street Dallas, Texas 75201

Telephone No.: (214) 953-6289

Fax No.:

(214) 720-1304



July 26, 1996

Texas Natural Resource Conservation Commission Water Utilities Division Utility Rates and Services Section, MC-153 P. O. Box 13087 Austin, TX 78711-3087

> Application for Certificates Re: of Convenience and Necessity filed by the Town of Westlake,

Texas

Gentlemen:

Turner Municipal Utility District No. 1 (LTMUD) provides utility services within the City of Westlake. been provided with notice that the Town of Westlake has requested to decertify a portion of CCN No. 12311 issued to the City of Fort Worth for land included in the LTMUD boundaries.

By this letter the LTMUD requests a public hearing regarding The LTMUD requests this hearing in order to this matter. determine how the CCN would affect the sewer service currently being provided by the LTMUD and to determine how this CCN would affect a CCN of the City of Keller which currently overlays a portion of the LTMUD land. We would propose an adjustment to the CCN to delineate the specific areas of authority between the City of Keller and the City of Westlake in the event this CCN is granted.

Thank you for your attention to this matter. have any questions, or need further information concerning this matter, you may contact the undersigned at the above address for the LTMUD.

Very truly yours,

LAKE TURNER MUNICIPAL UTILITY

DISTRICT NO. 1

NOTICE OF APPLICATIONS FOR CERTIFICATES OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER AND SEWER UTILITY SERVICE AND TO DECERTIFY A PORTION OF CCN IN DENTON AND TARRANT COUNTIES

To: Lake Turner MUD No. 1
(Neighboring System or City)

ATTN: Ms. Pamela Ricco
(Address)

500 North Akard, Suite 3500
(Address)

Dallas TX 75201
(City State Zip)

The Town of Westlake has filed applications for CCNs and to decertify a portion of CCN No. 12311 issued to the City of Fort Worth with the Texas Natural Resource Conservation Commission to provide water and sewer utility service in Denton and Tarrant Counties. The proposed utility service areas are located approximately 18 miles north-northwest of downtown Fort Worth, Texas and are generally bounded on the north by State Highway 114, on the east by the Town of Southlake, on the south by the City of Keller, and on the west by State Highway 377. The total area being requested includes approximately 3,951 acres and 62 current customers.

The Executive Director will issue this CCN unless one or more persons file written protests and/or a request for a hearing within 30 days after this notice is provided. To request a hearing you must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to these applications; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the applications for CCNs; and (5) your proposed adjustment to the applications or CCNs which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to request a hearing or comment should write the:

Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If one or more requests for a hearing are filed, the Executive Director will not issue the CCN and will forward the applications to the State Office Administrative Hearings (SOAH) where a hearing may be held. In the event a hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If a hearing is held it will be a legal proceeding similar to civil trials in State District Court.

51252





July 24, 1996

CONSERVATION COMMISSION

Via FAX No. (512) 239-6972
Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P.O. Box 13087
Austin, TX 78711-3087

Re: Town of Westlake, TX application for CCN for water and sewer service; request for hearing

To Whom It May Concern:

The City of Keller, Texas hereby requests a public hearing concerning the Town of Westlake, TX application for a Certificate of Convenience and Necessity (CCN) to provide water and sewer utility service to the area described in their application as being approximately 3,951 acres and 62 current customers.

The City of Keller, by CCN 10975, currently serves a portion of the above referenced application area; therefore, if the application is granted as described, a dually-served area is created. The City of Keller has infrastructure in place and desires to continue to serve its existing customers therein and further desires to retain the first right to serve all new customers that would fall within the newly-created dual service area.

It is anticipated that an agreement between the Town of Westlake and the City of Keller Governing Bodies can be reached to address this concern; however, absent of having said agreement in place, the City of Keller requests the granting of Westlake's application as submitted be delayed until an agreement can be consumated.

Officials who would be available at the public hearing representing the City of Keller would include Mayor Ron Lee, City Manager Lyle H. Dresher, and Director of Public Works Mike Barnes.

Sincerely,

Lyle H. Dreshe

City Manager

cc Mayor and City Council City Attorney

MICHENER, LARIMORE, SWINDLE, WHITAKER, FLOWERS, SAWYER, REYNOLDS & CHALK, L.L.P.

ATTORNEYS & COUNSELORS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

3500 CITY CENTER TOWER II 301 COMMERCE STREET FORT WORTH, TEXAS 76102-4186 (817) 335-4417 METRO (817) 429-6268

WRITER'S DIRECT DIAL NUMBER 878-0511

FAX (817) 335-6935

July 26, 1996

VIA FACSIMILE (512) 239-6972; WRITTEN CONFIRMATION BY CERTIFIED MAIL NO. P-912-205-548 RETURN RECEIPT REQUESTED





Texas Natural Resource Conservation Commission Water Utilities Division Utility Rates and Services, Section MC-153 P.O. Box 13087 Austin, Texas 78711-3087

Re: Application of the Town of Westlake for a Water Certificate of Convenience and Necessity (CCN) and to Decertify a Portion of CCN No. 12311 Issued to the City of Fort Worth, In Denton and Tarrant Counties; Application No. 31252-C.

Application of the Town of Westlake for a Sewer Certificate of Convenience and Necessity (CCN) in Denton and Tarrant Counties; Application No. 31253-C.

Gentlemen:

Trophy Club Municipal Utility District No. 1 is listed in Section 16 of the referenced applications. Trophy Club MUD #1 hereby protests granting the applications and issuing the requested Certificates of Convenience and Necessity and requests a contested public hearing.

Trophy Club MUD #1 presently provides municipal water supply and sewer collection services to the northeast portion of the proposed CCNs. The area of Westlake served by Trophy Club MUD #1 is commonly referred to as the "Solana" office park and

MICHÈNER, LARIMORE, SWINDLE, WHITAKER, FLOWERS, SAWYER, REYNOLDS & CHALK, L.L.P.

Texas Natural Resource Conservation Commission July 26, 1996 Page 2

is shown on the map that is attached hereto. A tract of 405.1434 acres within this area of Westlake was annexed into Trophy Club MUD #1 in 1982, and an additional tract of 44.759 acres in Westlake was annexed into Trophy Club MUD #1 in 1986. Each of these two annexations was done with the full support and consent of Westlake and because Westlake did not itself wish to provide water and sewer service to the area. The ordinances by the Board of Aldermen of the Town of Westlake that approved these two annexations (Ordinance No. 127, passed August 3, 1982, and Ordinance 147, passed February 3, 1986) each stated that the annexation was deemed to be in the best interest of the Town of Westlake and of the owner of the land and would result in providing more orderly development and use of the land.

Trophy Club MUD #1 and the owners of the land within Westlake annexed by Trophy Club MUD #1 have relied upon these earlier actions by Westlake in entering long-term contracts and in constructing infrastructure to serve customers in this area. Water and sewer infrastructure costing several million dollars has been installed within this area of Westlake and is presently owned and operated by Trophy Club MUD #1.

Granting of Westlake's applications may adversely affect the ability of Trophy Club MUD #1 to continue providing services to its existing customers within Westlake's proposed CCNs, and may also adversely affect the plant efficiency and costs of the water and sewer operations of Trophy Club MUD #1.

Exclusion of the service area of Trophy Club MUD #1 in Westlake from applicant's proposed CCNs may cause Trophy Club MUD #1 to withdraw this protest.

Respectfully submitted,

Frank R. Booth Booth & Dillon NationsBank Tower, Suite 1212 515 Congress Avenue Austin, Texas 78701-3503 (512) 478-9506 STATE BAR NO. 02647000

MIGHÈNER, LARIMORE, SWINDLE, WHITAKER, FLOWERS, SAWYER, REYNOLDS & CHALK, L.L.P.

Texas Natural Resource Conservation Commission July 26, 1996 Page 3

Robert G. West
Michener Larimore Swindle Whitaker Flowers
Sawyer Reynolds & Chalk, L.L.P.
3500 City Center Tower II
301 Commerce Street
Fort Worth, Texas 76102
(817) 335-4417
STATE BAR NO. 21205500

By:

ROBERT G. WEST

Attorneys for Trophy Club Municipal Utility District No. 1

Attachment: Map showing general location of "Solana" office park

MICHENER, LARIMORE, SWINDLE, WHITAKER, FLOWERS, SAWYER, REYNOLDS & CHALK, L.L.P.

Texas Natural Resource Conservation Commission July 26, 1996 Page 4

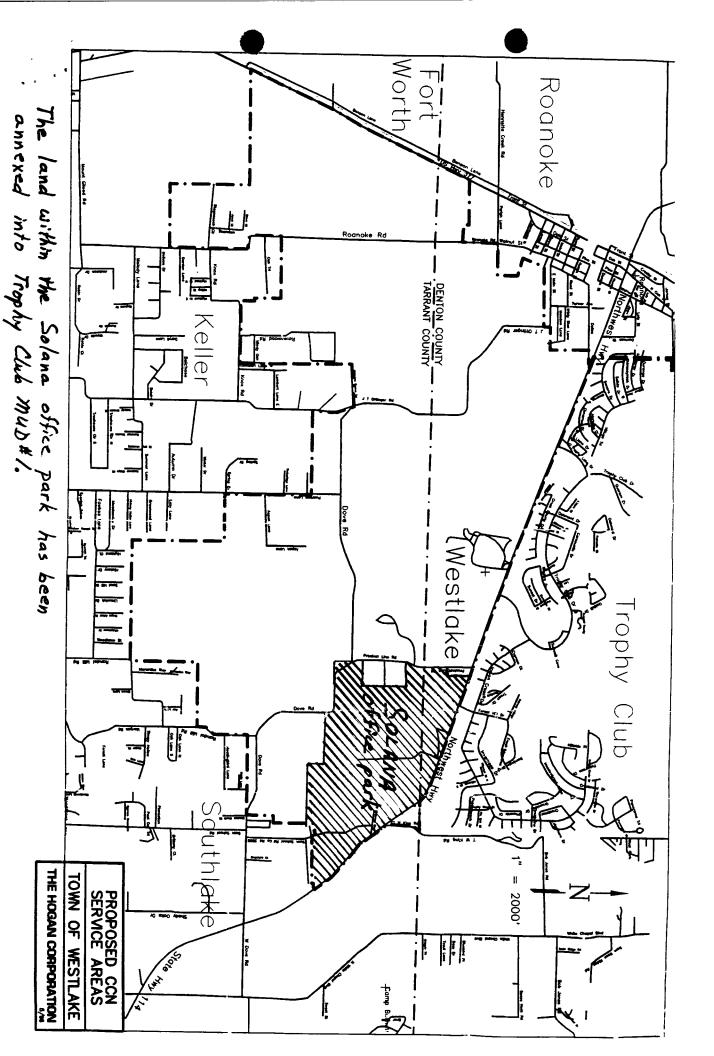
CERTIFICATE OF SERVICE

I hereby certify by my signature below that a true and correct copy of the above and foregoing document has been sent by facsimile and U.S. Mail, postage prepaid, on this 26th day of July, 1996, to the following:

Ms. Sarah K. Walls Cantey & Hanger 2100 Burnett Plaza 801 Cherry Street Fort Worth, TX 76102 Fax (817) 877-2807 Attorney for Applicant, Town of Westlake

Mr. Martin C. Rochelle
111 Congress Avenue, Suite 1800
Austin, TX 78701
Fax (512) 472-0532
Special Counsel for Applicant,
Town of Westlake

ROBERT G. WEST





1717 Main Street
Suite 2800
Dallas, Texas 75201
214 / 939-5500
214 / 939-6100 (fax)

Attorneys and Counselors

July 24, 1996

Writer's Direct Dial Number

214/939-5468

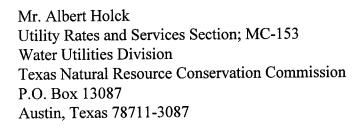
Other Offices

Austin

Houston

Fort Worth

VIA FACSIMILE (512) 239-6972 and OVERNIGHT DELIVERY







Re:

Applications of Westlake, Texas, for Certificates of Convenience and Necessity

for Water/Sewer Service.

Dear Mr. Holck:

We represent Hillwood/Willowbend, Ltd. ("<u>Hillwood</u>"), the owner of approximately 2,000 acres located within the Town of Westlake, Texas ("<u>Westlake</u>"), and commonly known as the Circle T Ranch (the "<u>Ranch</u>"). The Ranch constitutes all of the property located within the boundaries of Lake Turner Municipal Utility District No. 2 ("<u>MUD 2</u>") and Lake Turner Municipal Utility District No. 3 ("<u>MUD 3</u>"). On behalf of Hillwood, we protest the above-referenced applications of Westlake to the extent they would include any part of the Ranch.

The MUDs were created by special acts of the Texas legislature to provide a variety of services that will benefit the Ranch, including, but not limited to, water and sewer service. MUD 2 has acquired ownership and capacity rights in water lines, pump stations, and storage facilities, which rights will enable the MUDs to provide water service for a substantial portion of the Ranch. MUD 3 has acquired wastewater treatment and transmission line capacity rights from the Trinity River Authority, which rights will enable the MUDs to provide sewer service for the entire Ranch. Both MUD 2 and MUD 3 have authorized the issuance of bonds adequate to finance all of the infrastructure necessary for such water and sewer service.

Hillwood has been working with both MUDs for several years to develop a comprehensive, long-term plan for water and sewer service for the Ranch. Hillwood has entered into reimbursement agreements with both MUDs and has made substantial financial investments

July 23, 1996 Page 2

pursuant to such agreements. Hillwood is also the holder of a promissory note from MUD 2, the proceeds of which financed the ownership and capacity rights of MUD 2 in and to the water facilities described above.

Hillwood believes strongly that MUD 2 and MUD 3 are in the best position to provide water and sewer facilities and service to the Ranch. There is no legitimate necessity or reason to grant Westlake any rights that would infringe upon the ability of the MUDs to perform the purposes and provide the services for which the state legislature created them or that would adversely impact the substantial financial investments that Hillwood has made in the above-described water and sewer rights that are owned by the MUDs.

Very truly yours,

Dwight A. Shupe

DAS/rn

LAW OFFICES

Small, Craig&Werkenthin

A PROFESSIONAL CORPORATION

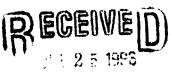
Facsimiles Austin: (512) 320-9734 San Antonio: (210) 226-2646

Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099 (512) 472-8355 SAN ANTONIO OFFICE 300 Convent Street, Suite 1950 San Antonio, Texas 78205-3738 (210) 226-2080

July 23, 1996

VIA TELEFAX 239-6972 AND FIRST CLASS MAIL

Mr. Albert Holck Utility Rates and Services Section; MC-153 Water Utilities Division Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087





RE:

Applications of Westlake, Texas for Water/Sewer Certificates of Convenience and Necessity; Denton and Tarrant Counties

Dear Mr. Holck:

Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 protest the above-referenced applications to the extent Westlake is requesting certificated water or sewer utility service rights within their boundaries.

Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 (collectively, the "Districts") were created by special acts of the 70th Legislature for the express purposes, **inter alia**, of providing water and sewer utility service within their respective boundaries. Each of the Districts exists within the corporate limits of the town of Westlake, Texas, and are completely encompassed within the requested water and sewer certificated service areas.

The granting of the certificates of convenience and necessity as requested by Westlake, would disenfranchise the Districts from accomplishing their legislative purpose of providing retail water and sewer utility service. The requested service areas should **not** include certification to any service areas within the boundaries of the Districts.

The Districts respectfully request a public hearing to consider these issues.



West 45

Mr. Albert Holck July 23, 1996 Page 2

Should you have any questions concerning this request, please do not hesitate to contact me.

Sincerely,

Small, Craig & Werkenthin, P.C. 100 Congress Avenue, Suite 1100 Austin, Texas 78701 (512) 472-8355 (512) 320-9734 fax

Special Counsel to Lake Turner MUD No. 2 and Lake Turner MUD No. 3

By: Kenneth L. Petersen, Jr.

KLP/gra/DS1-AUS-57712-1 18751.1

cc: Steve Blackhurst, P.E.

Texas Natural Resource Conservation Commission

Douglas Holcomb, P.E.

Texas Natural Resource Conservation Commission

Irene Montelongo

Texas Natural Resource Conservation Commission

Martin Rochelle

Counsel, Town of Westlake, Texas

John Carlton

Counsel, MaGuire/Thomas Partners

Ike Shupe

Counsel, Hillwood/Willowbend, Ltd.

Mr. Albert Holck July 23, 1996 Page 3

Donna Parker
President, Lake Turner MUD No. 2
Rice M. Tilley, Jr.
President, Lake Turner MUD No. 3
c/o Paul W. Phy
General Counsel, Lake Turner Municipal Utility Districts Nos. 2 and 3

Darcy Anderson Alliance Development Co. July 24, 1996

VIA CERTIFIED MAIL

Texas Natural Resource Conservation Commission Water Utilities Division Utility Rates and Services Section MC-153 P.O. Box 13087 Austin, Texas 78711-3087

Re: The Town of Westlake's ("Westlake") Application for a Certificate of Convenience and Necessity ("CCN"); Application No. 31252-C and 31253-C

To Whom It May Concern:

Maguire Thomas Partners is a partner, along with International Business Machines Corporation, in Maguire Thomas Partners-Westlake Southlake Venture II/III Joint and MTP-IBM Phase Partnership "Partnerships"). The Partnerships protest the Town of Westlake's CCN applications and request a public hearing. The Partnerships own property that is located within and served by Trophy Club Municipal Utility District No. 1 ("District"), which provides water and wastewater service without a CCN. Westlake's application requests certification for the Partnerships' The Partnerships have already paid fees and constructed infrastructure to obtain service from the District. If the CCN is granted to Westlake, the Partnerships would lose the benefit of their investment in the District's system. If the boundaries of Westlake's proposed CCN were adjusted to exclude the areas that are currently served by the District and the remaining property owned by the Partnerships, the Partnerships' concerns would be satisfied and they would withdraw this request for a hearing.

Any questions related to this request for hearing should be directed to:

Tom Allen Maguire Thomas Partners 9 Village Circle, Suite 500 Westlake, Texas 76262

or

John J. Carlton Strasburger & Price, L.L.P. 2600 One American Center 600 Congress Avenue Austin, Texas 78701





•

Texas Natural Resource Conservation Commission July 24, 1996 Page 2

If you have any questions, please contact me at your convenience.

Sincerely,

Tom Allen Partner

WTA/th

cc: Albert Holck, TNRCC, Water Utilities Division Richard Kuhlman, Maguire Thomas Partners

Tony Canonaco, IBM Corporation

John Carlton, Strasburger & Price, L.L.P. - Austin Ed Walts, Strasburger & Price, L.L.P. - Dallas

Ron Barger, Strasburger & Price, L.L.P. - Dallas David Armbrust, Strasburger & Price, L.L.P. - Austin Barry R. McBee, Chairman R. B. "Ralph" Marquez, Commissioner John M. Baker, Commissioner Dan Pearson, Executive Director



31252-C AH-

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

July 22, 1996

Mr. Gary Steinberger City of Fort Worth, Department of Law 1000 Throckmorton Fort Worth, Texas 76102

Re: Application of the Town of Westlake for a Water Certificate of Convenience and Necessity (CCN) and to Decertify a Portion of CCN No. 12311 issued to the City of Fort Worth, in Denton and Tarrant Counties; Application No. 31252-C

Dear Mr. Steinberger:

Enclosed please find a copy of the CCN service area map showing that portion of Tarrant County affected by the above referenced application. Marked in yellow is the portion of CCN No. 12311 being requested for decertification. The area is immediately east of US Highway 377 and south of the county line. This is sent in response to your request in our telephone conversation on July 17.

If you have any questions, please call me at 512/239-6960.

Sincerely,

Albert Holck

Utility Rates and Services

Water Utilities Division, MC 153

AH/mmr

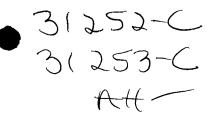
Enclosure

cc: Mr. Martin C. Rochelle

Ms. Sarah K. Walls

Barry R. McBee, Chairman R. B. "Ralph" Marquez, Commissioner John M. Baker, Commissioner Dan Pearson, Executive Director





TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

July 16, 1996

Mr. John Carlton 2600 One American Center 600 Congress Austin, Texas 78701

Re: Application of the Town of Westlake for a Water Certificate of Convenience and Necessity (CCN) and to Decertify a Portion of CCN No. 12311 issued to the City of Fort Worth, in Denton and Tarrant Counties; Application No. 31252-C

Application of the Town of Westlake for a Sewer Certificate of Convenience and Necessity (CCN) in Denton and Tarrant Counties; Application No. 31253-C

Dear Mr. Carlton:

Enclosed please a copy of the map submitted by the Town of Westlake regarding its requested service area, as you requested in your Voice Mail message on July 11, 1996.

To date no protests have been received on these applications.

If you have any questions, please call me at 512/239-6960.

Sincerely,

Albert Holck

Utility Rates and Services

Whit Hotel

Water Utilities Division, MC 153

AH/ah/wem

Enclosure

LAW OFFICES

Small, Craig & Werkenthin

A PROFESSIONAL CORPORATION

31252-C 31253-C

Suite 1100, 100 Congress Avenue Austin, Texas 78701-4099

(612) 472-8355

Facsimiles Austin: (512) 320-9734 San Antonio: (210) 226-2646

SAN ANTONIO OFFICE 300 Convent Street, Suite 1950 Sen Antonio, Texas 78205-3738 (210) 226-2080

FACSIMILE COVER PAGE

July 24, 1996 DATE:

2:13 pm TIME:

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME:

Mr. Albert Holck

FIRM:

TNRCC

CITY & STATE:

Austin, Texas

FAX NUMBER:

239-6972

FROM:

Kenneth L. Petersen

18751.1 FILE NUMBER:

COMMENTS:

Total Number of Pages, Including this Cover Page: 4

Transmitting Operator: Gail Allen

Transmitting Office/Facsimile Number: Austin - 512/320-9734

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Small, Craig & Werkenthin, P.C.

LAW OFFICES

Small, Craig&Werkenthin

A PROFESSIONAL CORPORATION

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July 23, 1996

<u>VIA TELEFAX 239-6972</u> <u>AND FIRST CLASS MAIL</u>

Mr. Albert Holck
Utility Rates and Services Section; MC-153
Water Utilities Division
Texas Natural Resource Conservation Commission
P.O. Box 13087
Austin, Texas 78711-3087

RE: Applications of Westlake, Texas for Water/Sewer Certificates of Convenience and Necessity; Denton and Tarrant Counties

Dear Mr. Holck:

Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 protest the above-referenced applications to the extent Westlake is requesting certificated water or sewer utility service rights within their boundaries.

Lake Turner Municipal Utility District No. 2 and Lake Turner Municipal Utility District No. 3 (collectively, the "Districts") were created by special acts of the 70th Legislature for the express purposes, inter alia, of providing water and sewer utility service within their respective boundaries. Each of the Districts exists within the corporate limits of the town of Westlake, Texas, and are completely encompassed within the requested water and sewer certificated service areas.

The granting of the certificates of convenience and necessity as requested by Westlake, would disenfranchise the Districts from accomplishing their legislative purpose of providing retail water and sewer utility service. The requested service areas should **not** include certification to any service areas within the boundaries of the Districts.

The Districts respectfully request a public hearing to consider these issues.

Mr. Albert Holck July 23, 1996 Page 2

Should you have any questions concerning this request, please do not hesitate to contact me.

Sincerely,

Small, Craig & Werkenthin, P.C. 100 Congress Avenue, Suite 1100 Austin, Texas 78701 (512) 472-8355 (512) 320-9734 fax

Special Counsel to Lake Turner MUD No. 2 and Lake Turner MUD No. 3

By: Kenneth L. Petersen, Jr.

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cc: Steve Blackhurst, P.E.

Texas Natural Resource Conservation Commission

Douglas Holcomb, P.E.

Texas Natural Resource Conservation Commission

Irene Montelongo

Texas Natural Resource Conservation Commission

Martin Rochelle

Counsel, Town of Westlake, Texas

John Carlton

Counsel, MaGuire/Thomas Partners

Ike Shupe

Counsel, Hillwood/Willowbend, Ltd.