From: Bill Leisering

To: Ahlstrom, Scott; Clarno, Jim; Covert, Brent; Stephenson,

Janet; Thornhill, Paul; Zarling, Suzanne

Date: 1/18/2005 1:36:13 PM

Subject: Re: Fwd: Lazy Nine request to Lakeway

Clarno and I both know Richard and I am knowledgeable of the utilities out there. I am curious of how much development Richard thinks he can serve from his water and sewer plants.

FYI, I talked with MIke Willet last week re Lazy Nine. He was interested to know whether there was any water available from our raw water barge. I told him that with improvements Rough HOllow development is planning for the raw water transmission line that additional water could be available.

Joe Dequinzio is working with the new development interests for Lakeway West/Rough Hollow to build the main boulevard into Rough Hollow to the new marina The boulevard plans will include a 24' raw water line to replace the existing 12" bottleneck currently going to Hurst Creek. Rough Hollow is opening bids for the boulevard within the next few weeks. With the transmission line upgrade and other barge improvements, an additional 3 to 5 mgd could be available off of the our raw water intake for Lakeway West and Lazy Nine. Lakeway West/Rough Hollow has not indicated what sort of capacity they want from the barge.

Dequinzio's group has been shopping for water and wastewater service for the Rough Hollow portion of their development from Lakeway MUD and Hurst CReek MUD. Dan Roark with Hurst Creek called last week and reported that they had gone silent and that he assumed that they had switched to chasing a deal with Lakeway MUD.

Bill

>>> Brent Covert 01/18/2005 >>>

Gunn mentioned to me that he was going to have that conversation. He doesn't seem to be playing us off of Lakeway as much as just covering his bases. Everyone needs to remember that we are the most attractive option (by far) to provide the service to the first 600 - 1200 LUEs. The key is the long-term solution and how we fit into that.

To answer Paul's question, I do not have any kind of relationship with Eason but am happy to call him if I need to.

Brent

>>> Paul Thornhill 1/18/2005 9:57:38 AM >>>

Clarno is setting up a meeting.

Who should be the one to contact Eason (Joe delegated to me, but should it be me or someone else?).