

Wilson,Lara

From: James R. Carpenter [jim@carpenteraustin.com]
Sent: Tuesday, June 09, 2009 8:31 AM
To: McDonald, Ronnie ; Dildy, Lee
Subject: Water Supply Pipeline Route -Touches Bastrop County
Attachments: River Valley PipelineMap.pdf; River Valley Industrial Dev.Corp.-ConsentResBastropCo6.pdf

Judge, Commissioner;

Years ago our company created several utility districts and Water Control and Improvement Districts in our efforts to privately implement regional planning to entitle the central Texas region east of Austin. The area encompassed over 260 square miles. I founded an organization named the North East Association and populated the board with private landholder interests that each guaranteed funding of at least \$10,000 annually and over a hundred other members that owned either property or business interests that funded \$100-\$10,000 per year. Our board included representatives from Williamson, Travis and Bastrop Counties. Bastrop had members from the Elgin ISD and Elgin City Council on the board. Bastrop County and the City of Bastrop declined participation at that time. We had State Representatives and Senators on the Board in an Ex Officio capacity to observe the privatized effort and assist where needed.

We hired several major engineering firms to conduct regional land planning for the development of privately funded utility services, watershed management and regional drainage, and roadway transportation networks. We hired our own head of chamber of commerce away from the Midland-Odessa Chamber of Commerce, Neil McDonald. Neil assisted our board in successfully recruiting private utility service providers and investment capital, of which our firm was the initial central water/wastewater system developer. We brought Manor its first ever State of Texas approved water supply and obtained State approval for the development of new privately funded sewer systems. The fruit of the labor came in Neil McDonald and our Board successfully cooperating with the then Austin Chamber of Commerce to bring Applied Materials to the unincorporated area east of Austin.

This action began the destigmatization of this region and the massive employment demands created the impetus for housing and commercial service businesses that were needed to support Applied Materials' operations. Samsung followed this same model in locating in an area that was now capable of offering major industry the promise of affordable housing supply and labor that could match these major employers' projected needs for a 40-year life plant and expansions. The City of Austin finally woke up and expended funds to assist in extending services into this area although on a very small basis. Their timidity is still evident today. They have thrown their regulations and controls over a vast area but not committed financial resources to energize and entitle the area.

The utility districts that we created in the early 1980's are still active and involved in continuing the effort to privately (though thru a public entity as a MUD or WCID) fund the supplies of water and wastewater needed to attract growth in this area. A new player in this effort is the River Valley Industrial Development Corporation which was created by one of the districts that I created nearly a quarter of a century ago. I do not have any ownership or involvement, financially or property interests, in this effort but was asked to support their project. I do own 20% of the Cottonwood Creek Holdings entity that is the owner of the Shadow Glen golf course community in Manor and very small interests in tracts that Cottonwood owns. I am not actively involved in that project or its other holdings and I am the only limited partner with the

10/21/2010

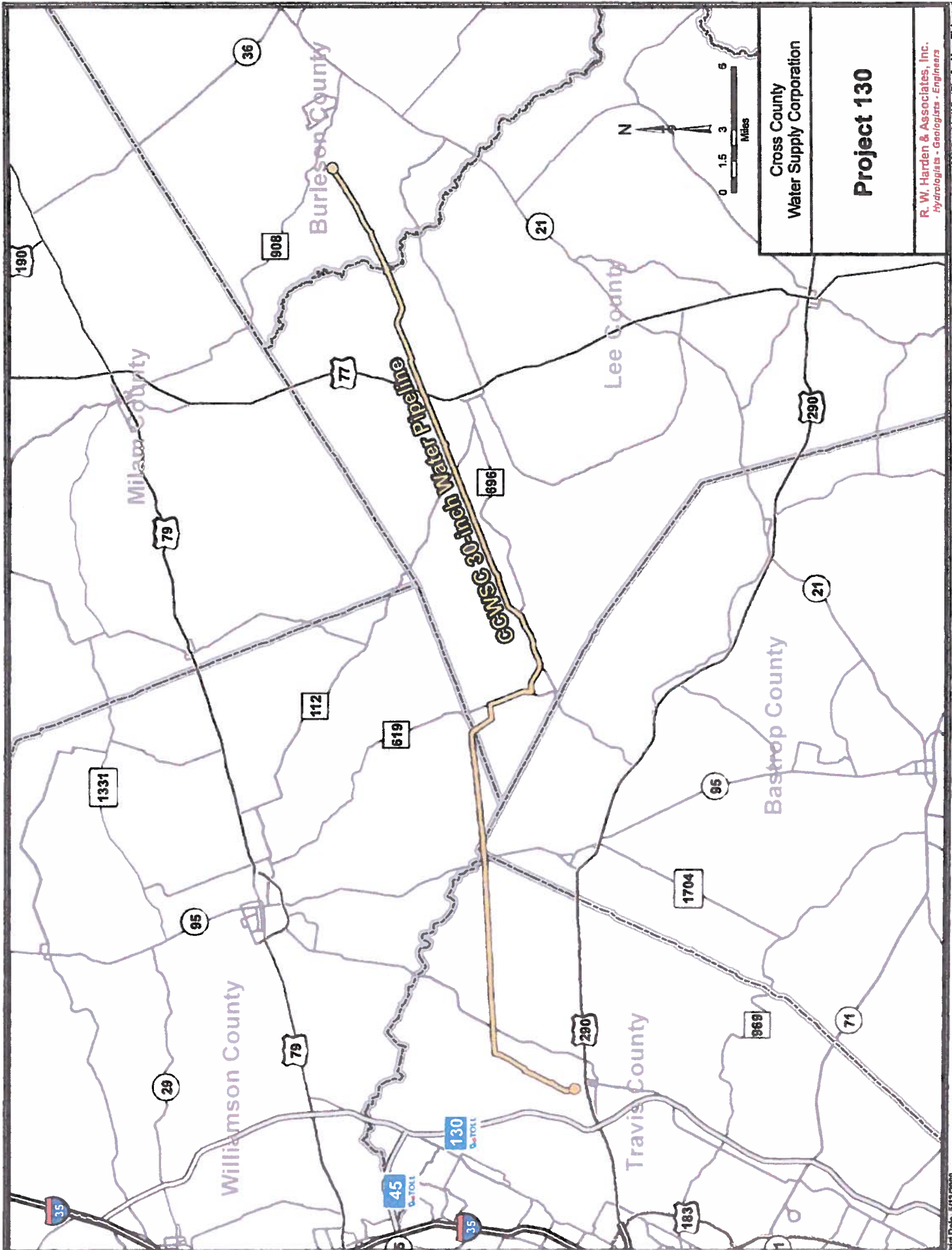
General Partner that is managed by Pete Dwyer.

I do support the River Valley project in that it brings opportunity without public cost or financial commitment. It offers another potential supply of water that is not subject to drought conditions that have become so prevalent nor is it mired in contentious political or philosophical debate as some of the water supply interests are that presently serve the Bastrop County area. I do not foresee how our interests in Bastrop could ever utilize these water supplies but I do recognize that the Elgin area, U.S. Hwy 290 corridor and both the Highway 95 and FM 1704 corridors are ripe for growth if utility entitlements are available. The impetus for growth will come from the Central Texas Airport and Green Corporate Centers project and the 30,000-40,000+ jobs they will bring. If things go well in the next few days and weeks, even more growth opportunity could land in Bastrop County.

I would ask you to look at the attached map and resolution and see if you will support this project as well. I believe this pipeline and supply is free options for Bastrop County by offering a private, alternative water supply option should the County ever want to call upon it. Please let me know your thoughts.

Jim Carpenter

10/21/2010



<p>Cross County Water Supply Corporation</p>
<p>Project 130</p>
<p>R. W. Harden & Associates, Inc. Hydrologists - Geologists - Engineers</p>

**RESOLUTION WITH RESPECT TO FINANCING CERTAIN FACILITIES
IN BASTROP COUNTY, TEXAS BY
RIVER VALLEY INDUSTRIAL DEVELOPMENT CORPORATION**

WHEREAS, River Valley Industrial Development Corporation (the "Issuer"), a non-stock, non-profit industrial development corporation, was created by Cottonwood Creek Municipal Utility District No. 1 (the "Unit") pursuant to the Development Corporation Act, as amended (the "Act"), to finance projects located within the State of Texas and within the limits of the Unit or the limits of a different governmental body where the governing body thereof requests that the Issuer exercise its powers therein; and

WHEREAS, the Issuer has received a request from Cross County Water Supply Corporation to finance certain water pipeline facilities, more particularly described on Exhibit "A" hereto (the "Project"), located outside the boundaries of the Unit and a portion which is located within the limits of Bastrop County, Texas (the "County").

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF BASTROP COUNTY, TEXAS THAT:

1. Pursuant to the Act, the Issuer is hereby requested, and the consent of the Commissioners Court of the County is hereby given, (a) to the financing by the Issuer of the Project a portion of which is located within the boundaries of the County and (b) to the conducting by the Issuer of any public hearings required in connection with the financing of the Project.

2. The request and consent contained herein shall not in any way obligate the County with respect to the Project or the financing of the Project.

PASSED AND ADOPTED this _____, 2009.

BASTROP COUNTY, TEXAS

By: _____
County Judge

ATTEST:

By: _____
County Clerk

(SEAL)

EXHIBIT A

The project is comprised of the acquisition of necessary rights-of-way, surveying, engineering and construction of an approximately 52 mile long 26 to 32-inch diameter pipeline, and ancillary facilities, to transport water to retail and wholesale providers within the service areas primarily in eastern Travis and Williamson Counties as shown on the attached map. Ancillary facilities required for the project include ground storage and water treatment facilities and a high service pump station. The pipeline is planned to transport up to a maximum of approximately 18 million gallons per day or 20,160 acre-feet per year. The pipeline starts approximately seven miles to the southwest of the City of Caldwell, Burleson County, Texas, terminates at the Shadow Glen elevated Storage tank in Travis County. Various interconnects will allow for distribution of the water along the pipeline route.