



Belvedere Residents and Landowners,

As you may be aware the Belvedere HOA and MUD were surprised in late October to hear that the developer of Preservation Ranch subdivision (PRLT) planned to lay a 12" water pipeline in Belvedere Lot 61 and connect it to Belvedere's water system under Flagler Dr. They said the project would begin in a couple of days.

The HOA and MUD immediately sought to engage the West Travis County Public Utility Authority (WTCPUA) and PRLT in a meaningful exchange of information regarding the approval of the project and its impact on our community. These efforts and requests to delay the construction were rebuffed. Construction began in early November, which forced the HOA and the MUD to file suit to seek a temporary restraining order (TRO). A stay agreement to halt construction prior to connecting to the waterline under Flagler Dr. was reached obviating the need for a TRO hearing.

During the time of this stay agreement, with the help of our legal team and engineering consultants, the HOA and MUD Boards have gained meaningful information, which indicates that the impact of this connection to our water system and water availability in the short term should be minimal. We also have learned that the connection into our 8" waterline will loop our system with Preservation Ranch and Madrone Ranch communities, with some greater benefits to our Belvedere Community. Looping our system will gain these benefits:

- With looping the system between the three communities, water will flow from multiple directions
 - Should there be a break in the system somewhere, you can still feed more homes
 - Better water quality because there will be no dead-end lines in the system where water may become stagnant
- Better water quality because it will be easier to maintain chlorine residuals

Accordingly, our goal was to find a cost-effective resolution that would minimize impacts to the community and prevent future surprises. After exploring all the options for Preservation Ranch to obtain their water through the WTCPUA, the MUD and HOA boards feel this option of tying into our 8" water line coupled with this settlement best serves the interests of the Belvedere community than any other option.

As a result, all parties have agreed to a settlement of the lawsuit, which in summary provides:

- PRLT and WTCPUA will connect to the water line under Flagler Dr at Lot 61 after giving a minimum of 48 hours' notice. We will provide additional information regarding this activity in the very near future. In doing this work, PRLT and its contractors will:
 - Comply with Belvedere days and hours for construction.



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- Ensure the safety of all persons within Belvedere by complying with all safety guidelines.
 - Restore the vegetation on Lot 61 and the pavement on Flagler Dr. in accordance with certain specified terms.
- Belvedere MUD will convey its interest in the 16" waterline located in Belvedere to WTCPUA.
- WTCPUA has represented that (i) it will comply with all applicable regulations governing its provision of potable water service and (ii) it is not currently aware of and does not anticipate granting, future significant water service extensions until additional facilities required to provide such service are constructed. It will provide prompt notification to the HOA and the MUD of any future water line projects within Belvedere.

Note that nothing in the settlement agreement alters the terms of the water system lease between the MUD and the WTCPUA.

This settlement, like all settlements, is a compromise. We strongly believe this agreement is the best outcome for Belvedere balancing the minimal impact with addition gains from the proposed connection against the uncertainties and costs of protracted litigation.

We plan to hold a Q&A session at the Amenity Center on Tuesday, January 9th at 7:00 PM so please feel free to come by and pose any questions that you might have.

HOA Board and MUD Board