

## **Westlake, Hillwood Negotiations Over MUD Futures Stalled**

*Westlake gains wastewater system membership*

Westlake -- Negotiations between Westlake and Hillwood Development Corp. regarding the town's reimbursement of infrastructure costs have been suspended at least temporarily and a resolution of the dispute by the spring now appears unlikely.

Meantime, Westlake has been admitted as a member of the Denton Creek Regional Wastewater System, a move which will give the town the capability of providing sewage services to both the new Fidelity Investments regional offices and the new housing developments, such as GlenWyck Farms, now under construction.

But the long-sought membership will not, apparently, be sufficient to get Hillwood Development Corp to dissolve the three Circle T Municipal Utility Districts it controls within the town limits of Westlake. Hillwood's Circle T MUDs have rights to 41% of the sewer line capacity which would connect Westlake to the Denton Creek sewage plant in Roanoke. Westlake has rights to only 3% of the line's capacity. The line, which runs along Texas Highway 114, is owned by Southlake.

If the town cannot gain control of the capacity now controlled by the Circle T MUDs, the value of the membership in the Denton Creek System may be seriously reduced.

Hillwood has said that the dissolution of the MUDs, although part of the 1998 agreement which ended a long-running conflict between the town and the company, is contingent on the town and the company reaching an acceptable agreement on the company being reimbursed for the infrastructure work it has done on the Circle T ranch property, which it is developing.

The two sides had been negotiating such an agreement. Westlake officials said the talks are stalled because of demands being made by Hillwood for repayment of such things as the fees of attorneys who handled the attempt to get Westlake destroyed in 1997 and fees of lobbyists who worked against the town during the last two legislative sessions.

"It's pretty ridiculous," Westlake Mayor Scott Bradley said. "They are even asking for reimbursement for catered affairs sponsored by the three MUDs in the past several years."

Essentially, Bradley said, Hillwood is claiming reimbursement for everything it has done on the Circle T in the past, a claim Westlake officials strongly dispute.

The Denton Creek Regional Wastewater System was created in the last 1980s by Ft. Worth, Haslet and Roanoke. It is a segment of the Trinity River Authority and approval of the TRA's board of directors is required before Westlake's membership is finalized. The Denton Creek System has a wastewater plant at Roanoke which has been in operation for about 10 years.

Westlake will pay an admission fee of about \$140,000 as part of the process of becoming a member of the system.

Also admitted to the Denton Creek system was Flower Mound. Approximately one third of the area of that city will be served by the system. Most of this area is on the western side of Flower Mound and has only recently been annexed by the city.

Westlake's membership in the Denton Creek System will make the town a more attractive site for future business locations, town officials believe.