

## **Circle T development awaits utility ruling**

*Westlake, firm to discuss water, sewer service*

**By A. Lee Graham**

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Developers hoping to build homes and businesses on Ross Perot, Jr.'s Circle T Ranch will have to wait until an administrative law judge determines the property's rightful water and sewer service supplier.

"I don't think the town will be approving any developments where it doesn't have the understanding of where water and sewer (service) is coming from," said Mayor Scott Bradley.

Although Hillwood Development Co. has withdrawn its opposition to the town's application to provide water service, the company still intends to provide wastewater service.

"We haven't dropped that because we view that as part of the overall issue of negotiating a finance plan for developing the Circle T," said Hillwood spokesman David Pelletier.

The sides were set to meet Thursday to begin discussing the best way to provide water and sewer service for the 2,500-acre ranch. Development is to include homes, a golf course and a shopping mall.

The meeting was called after Hillwood executive vice president Bill Resch presented the city with a proposal to establish two public improvement districts to provide water and sewer service.

In a 1998 agreement with Fort Worth that led Fidelity Investments to choose the Circle T for its regional campus, Westlake promised to give Mr. Perot 28 percent of sales tax revenue generated by the Circle T.

Mr. Perot, in turn, said he would replace his municipal utility districts, or MUDs, with public improvement districts, or PIDs.

The agreement called for dissolving the Hillwood-controlled utility districts and replacing them with Westlake-controlled public improvement districts.

Historically, cities exercise greater control with PIDs, while developers exert more power using municipal utility districts.

"We'll dissolve the MUDs after a finance plan is reached," said Mr. Pelletier. "Then we'll drop our application to provide sewer service."

Mr. Bradley said he hoped for a quick resolution with Hillwood. "I don't see the issue going to court necessarily, but I see that's always a possibility if you can't reach an agreement."

Hillwood officials also expressed hope that an agreement could be reached before a January hearing of the Texas Natural Resource Conservation Commission, which monitors water and sewer service.

The 1998 agreement calls for Hillwood to pay Fort Worth about \$10 million over 30 years to provide water service to Westlake. Hillwood proposed a public improvement district bond issue to recover those costs, company officials say.

"I'm worried that Westlake might be held accountable for any PID defaults," Mr. Bradley said. "I'm just looking out for the town."

The Circle T Ranch has sparked controversy since Mr. Perot bought the property along Highway 114 in 1993. He and Westlake officials soon disagreed on how to develop the property. The utility districts were often at the center of controversy.

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