ARMBRUST & BROWN, PLLC

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February 14, 2013

VIA HAND DELIVERY

Mr. Marc A. Ott, City Manager City of Austin 301 West 2nd Street, 3rd Floor Austin, Texas 78701

Re: Cascades Municipal Utility District No. 1 ("Cascades MUD")

Dear Mr. Ott:

Please accept this letter as confirmation that, as discussed with City staff, our client, Onion Development, Ltd., will amend its application for the City's consent to the creation of Cascades MUD filed with the City on January 3, 2013, in order to delete the portion of the land that is currently located within the City's full purpose boundaries and add additional acreage that is located within the City's extraterritorial jurisdiction. As we also agreed with City staff, our client's engineers are updating the application report to reflect the modified boundaries and to correspond to the items contained in the Staff's "Basis of Recommendation" worksheet. We understand that, when the amended application is submitted, our client will be required to pay the difference between the filing fee covering the initially proposed acreage and the application covering the amended acreage.

If you have any questions, please contact either Richard Suttle or me.

Sincerely,

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Sue Brooks Littlefield

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cc: Sue Edwards, City of Austin

Bart Jennings, City of Austin Sharon Smith, City of Austin John Hrncir, City of Austin Virginia Collier, City of Austin

Marc Knutsen, Onion Associates, Ltd Rick Vaughn, Vaughn & Associates Tom Winkley, Winkley Engineering

Richard Suttle, Firm