

Ward Timber, LTD.



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March 7, 2005

**Mayor Laura Miller
Honorable Members of the Dallas City Council**

Dear Mayor and Council Members:

In drafting your long range water plans, I would hope that your efforts would be directed toward conservation, desalination of brackish water, reuse and existing water supply options and not include new reservoirs such as Marvin Nichols Reservoir.

Marvin Nichols Reservoir would be extremely harmful to the timber industry, farming and ranching industry, and hunting lease industry in Northeast Texas. In addition to the approximately 80,000 flooded acres, another 160,000 to 400,000 acres would be required to mitigate the flooded area, resulting in a minimum loss of approximately 250,000 acres.

Marvin Nichols Reservoir will not meet state mandated requirements set forth for a interbasin transfers nor does it comply with water planning guidelines requiring that the State Water Plan protect the agricultural and natural resources of the regional water planning areas. In short, it will never be built and ongoing efforts and plans to do so will result in later, more time constrained alternatives for the future water supply for the City of Dallas.

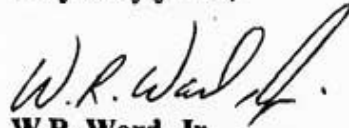
I note that Dallas Water Utilities relies heavily on the economic report from Weinstein and Clower from March 2003 as a basis for proceeding with the studies involving Marvin Nichols. That report, from a timber industry impact basis, is ludicrous and filled with assertions and based on data that simply will not stand up to scrutiny. It has been circulated and unanimously rejected throughout the timber industry. The report also sets forth the position that much development will occur around the proposed lake. I suggest you review the development around Jim Chapman Lake for comparison. There is none. This past summer, Chapman Lake was drawn down so low that the piers were 30 to 50 yards from the water. I feel it is very improbable that vacation homes of the magnitude set forth in the Clower and Weinstein Report will be built on a water supply lake that will be drawn down immensely when needed.

My company employs directly 90 employees and another 250 workers rely on our company as their sole means of support. We have over 50 million in annual sales, which is dependent

on reliable and renewable timber resources in our area. As long as the Marvin Nichols project is going forward and being studied, companies relying on timber resources and available land are hesitant to expand and develop. I urge and request that the City of Dallas not participate in plans that would include the study of Marvin Nichols Reservoir.

Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script, appearing to read "W.R. Ward, Jr.", written in dark ink.

W.R. Ward, Jr.

President, Ward Timber, Ltd.