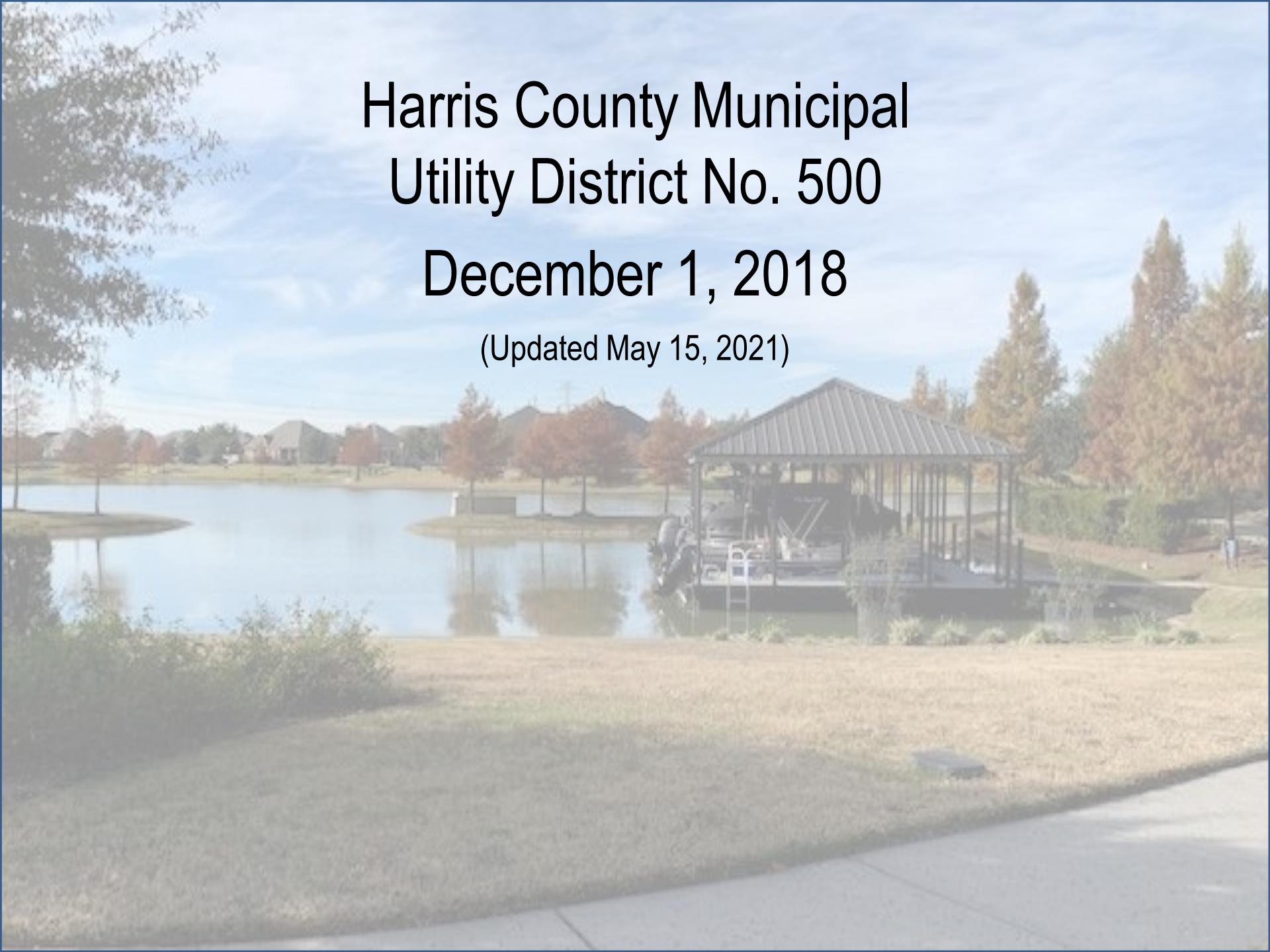


Harris County Municipal Utility District No. 500

December 1, 2018

(Updated May 15, 2021)






What is a Municipal Utility District?

- A political subdivision of the State of Texas, like a County or School District, created by the Texas Legislature or the Texas Commission on Environmental Quality (TCEQ)
- Formed over a limited area to provide water, sewer, drainage, parks & recreational facilities, and roads
- MUDs provide municipal services:
 - in areas not in a city
 - where a city cannot afford to extend these services itself
 - where the city wants the new development to bear the costs of the new infrastructure



Municipal Utility Districts in Texas

- Texas has more than 1,200 active special districts and more than 1,700 total special districts, the majority of which were created over land outside of city limits
- More than 2 million Texans live in special districts like MUDs
- MUDs have been used to develop Houston's finest master-planned communities, including the following: The Woodlands, Clear Lake City/NASA, First Colony, Sienna Plantation, **Cinco Ranch**, Shadow Creek Ranch, **Bridgeland**, Cypress Creek Lakes, Fairfield, Elyson, Copperfield and **Towne Lake**

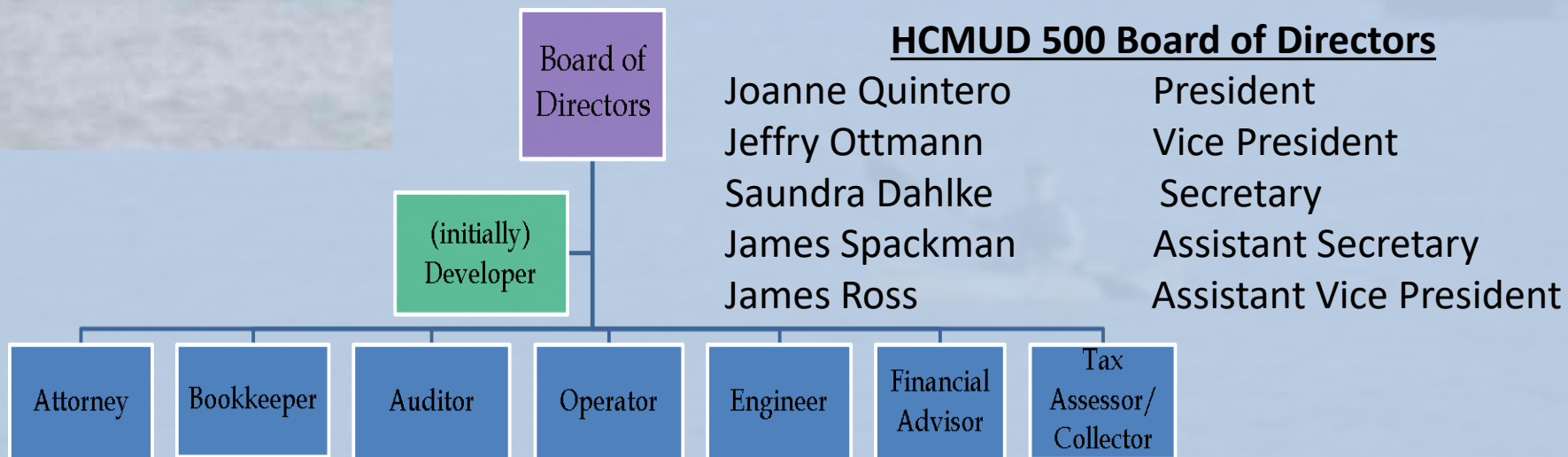


How are Municipal Utility Districts Governed?

- MUDs in Texas are heavily regulated political subdivisions
- Unlike Home Rule Cities which have all powers unless expressly taken away, MUDs can **only** exercise those powers expressly granted in the Texas Water Code or other specific law
- MUDs derive their authority and power from the Texas Constitution
- Supervised and regulated by the Texas Commission on Environmental Quality (TCEQ), the Texas Attorney General (Public Finance Division), Cities, Counties, and the EPA
- MUDs are subject to the Texas Open Meetings Act and Public Information Act
- Board members are subject to conflicts of interest, nepotism, penal code provisions, ethics guidelines, gift laws, etc.

How are MUD's structured?

- The MUD is managed by a five-member Board that is initially appointed by the TCEQ and later elected by residents in the District
 - Board members are elected, serve 4 year terms, and are property owners or residents and qualified voters in the District
 - Elections are held in May of even-numbered years
- The MUD hires professional consultants to advise the Board, much like City staff





Developer's Role

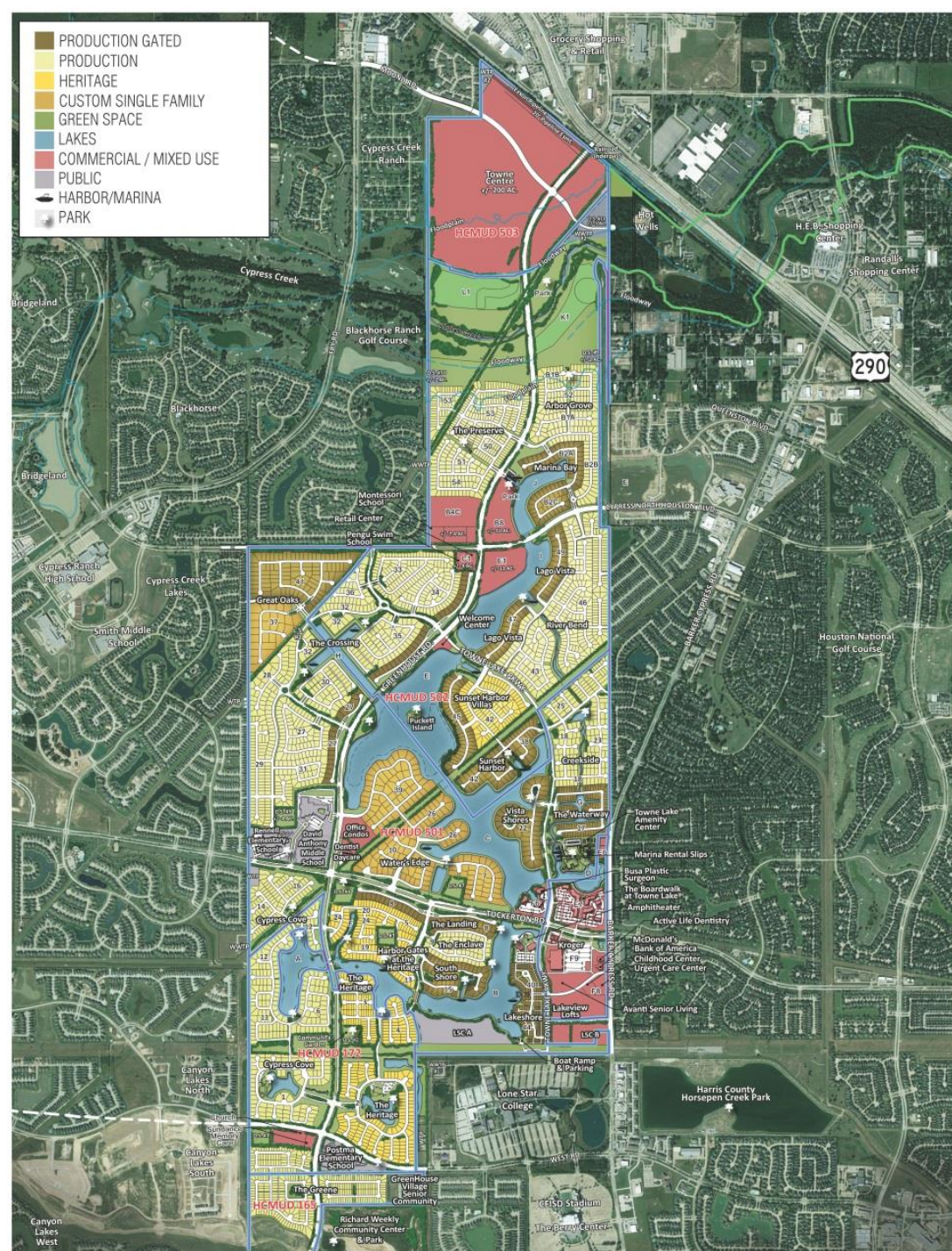
- Requests the creation of the MUD by the Texas Legislature or the TCEQ
- Drives the need for water, sewer, and drainage facilities based on its land plan and development schedule
- “Partners” with the Board to facilitate development of the property in the District
- Initially funds and constructs private infrastructure necessary for the development
- The District refunds the Developer through Tax Bonds when a sufficient tax base to service the bond debt has been established

District Consultants

- Attorney: *Alia Vinson & Katie Carner*, Allen Boone Humphries Robinson LLP
- Engineer: *Truman Edminster & J.T. Gaden*, Edminster, Hinshaw, Russ & Associates, Inc.
- Financial Advisor: *Loren Morales*, RBC Capital Markets
- Operator: *Mike Ammel*, Inframark
- Tax Assessor/Collector: *Brenda McLaughlin*, Bob Leared Interests
- Bookkeeper: *Fran Matuska*, F. Matuska, Inc.
- Others – Auditor, Delinquent Tax Attorney, Landscaping, Wildlife

Harris County Municipal Utility District No. 500 (the Master District)

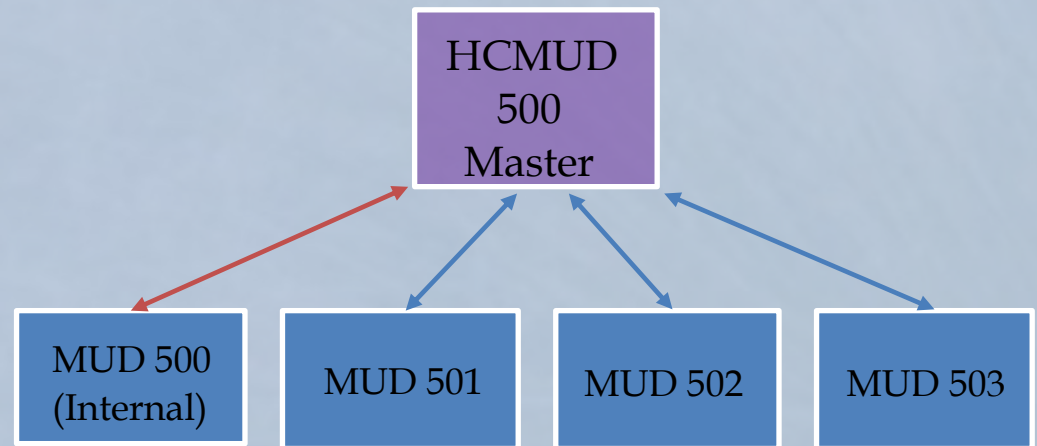
- Created by TCEQ effective June 25, 2007
- 2100 acres, consisting of commercial, residential and multi-family development



What does HCMUD

500 Master do?

- Master District provides water, sewer, drainage, park, road and other facilities to the Member Districts via a contract
 - Examples: water plants; wastewater treatment plants; water and sewer trunk lines to serve multiple Participants; detention ponds; major roads such as Towne Lake Pkwy., Greenhouse and Cypress North Houston



What does HCMUD 500 Master own?

- **Water Treatment Plant No. 1 & 2**
Water Plant 2 has been recently completed
- **Wastewater Treatment Plant No. 1 Lift Stations**
Horsepen Creek Lift station
Lift Station No. 1
Lift Station No. 2
- **Detention/Retention Facilities**
The Lake
- **Collector and Major Thoroughfares within the service area (Conveyed to Harris County)**
Cypress North Houston, Greenhouse Road, Towne Lake Parkway, Mound Road, Tuckerton Road
- **Parks**
Riverbend Park
Landscape Reserves along collector and major thoroughfares



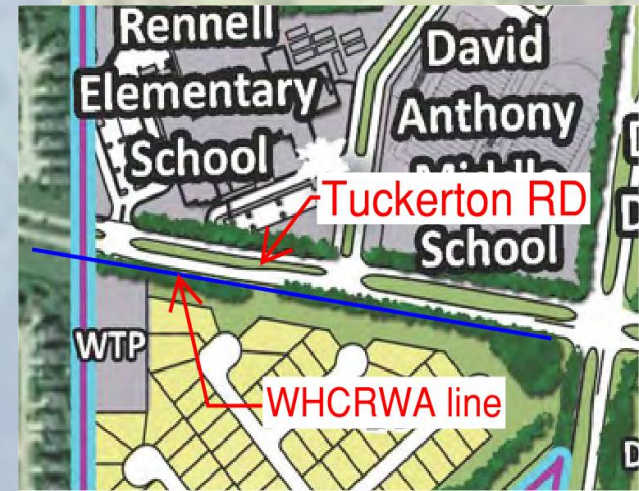
A background image showing a large body of water, likely a lake, under a cloudy sky. The water is a light blue color, and the sky is a pale, overcast blue. In the distance, there are some trees and a fence line.

Master District Facilities

- Water Supply & Distribution Facilities
 - Potable water supply facilities currently consist of:
 - 2 Water Plants with 1,300,000 gallons of ground storage tank capacity, 12,770 gallons per minute of booster pump capacity, and 60,000 gallons of pressure tank capacity
 - Sufficient to serve approximately 3,600 equivalent single-family connections
 - Potable water distribution facilities include water lines ranging in size from 8-inch to 16-inch
 - Convey potable water from Regional water supply facilities to the Participants' internal facilities
 - Master District also owns and operates the lake which includes a non-potable water reservoir for irrigation and detention capacity for flood mitigation

Where does our water come from?

- The Master District purchases surface water from the West Harris County Regional Water Authority to Water Plant No. 1 on Tuckerton and Water Plant No. 2 on Mound Rd.
 - WHCRWA is not reliable in an emergency situation when they cannot provide water to the District
- The Master District has emergency interconnects with Harris County MUD No. 172 and Remington MUD 1
- Our early mission was to secure additional emergency water sources
 - An additional interconnect is under construction
 - A new water well is in final design stage





Master District Facilities

- Wastewater Collection & Treatment Facilities
 - Wastewater treatment facilities currently consist of:
 - 750,000 gallon per day (GPD) wastewater treatment plant
 - Sufficient to serve approximately 4,076 equivalent single-family connections
 - Will need to be expanded to serve future development
- Drainage and Detention Facilities
 - Currently include drainage channel facilities, detention pond facilities, and storm sewer conveyance lines
 - Master District Service Area drains into Horsepen Creek and Cypress Creek
 - Both maintained by Harris County Flood Control District

What role does HCMUD 500 Master play in the lakes?



Detention

- **The District owns a drainage easement that encompasses the entire lake for detention. The detention is from the static water elevation to the high bank elevation**

Reservoir

- **The District has a Reservoir component that is from the static water to the bottom of the lake. This allows The District to sell non-potable water from the lake for irrigation.**
- **The reservoir volume is maintained by dredging.**

Wildlife Control

- **The District contracts with a trapper to attempt to provide safety and control wildlife damage .**


contact EDP 24/7 at (832) 467-1599





How Is This All Paid For?

- Developer
 - Typically funds initial projects
- Bonds
 - Used to refund the Developer, fund expansions, maintenance, and rehabilitation projects.
- The Master District Contract authorizes the Master District to issue contract revenue bonds to pay for the Regional Facilities
 - *Contract revenue bonds* = bonds secured by an unconditional obligation of the Participants to pay for the debt service of the bonds through the levy of an annual ad valorem contract tax, water/sewer revenue, or from any other available funds that lawfully may be used for that purpose



Master District Contract Revenue Bonds

- The Master District has issued \$150,885,000 of contract revenue bonds over 16 issuances.
 - 110,525,000 in water, sewer, and drainage contract revenue bonds
 - \$40,360,000 in road contract revenue bonds
- The Master District anticipates continuing to issue water, sewer, and drainage; road; and to begin issuing park contract revenue bonds to pay for the facilities that already have been constructed but have not been reimbursed or are planned to be constructed in the future

A group of children and adults are enjoying a day at a pool, floating on inflatable tubes. The children are smiling and looking towards the camera. The background shows a pool with water and some greenery.

LEADERSHIP • RESOURCES • LIFE

INTERNAL DISTRICT

For questions about a utility bill you received from Harris County MUD 500, or if you would like more information regarding the internal facilities and services that Harris County MUD 500 provides to residents and customers within its boundaries.

[Learn More →](#)

MASTER DISTRICT

For resident or customer of the Master District Service Area, comprised of Harris County Municipal Utility District Nos. 500, 501, 502, and 503, and would like more information regarding the facilities and services that the Master District provides within the Master District Service Area.

[Learn More →](#)

For more information and to sign up for email alerts, visit the Harris County MUD 500 website (<http://www.hcmud500.org>)