



Harris County

Municipal Utility District

No. 81

FIRST QUARTER • 2021

HC MUD 81 Board of Directors

GEORGE GOFF
PRESIDENT

PATRICK CATHCART
VICE PRESIDENT

BRUCE COX
SECRETARY

DONNA BROWN
TREASURER

MICHAEL OLSEN
ASSISTANT SECRETARY



Have a question?



WATER BILL

MUD 81 MAIN OFFICE:
281-392-8112 (M-F, 8am-2pm)
MDS: 281-290-6500 (24/7)



WATER OR SEWER ISSUES

MDS: 281-290-6500 (24/7)



TRASH SERVICE

BEST TRASH:
281-313-2378



TAX BILL/PAYMENT

WHEELER & ASSOCIATES:
713-462-8906



GENERAL QUESTIONS

ABHR/LEGAL:
713-860-6400

HARRIS COUNTY MUD 81

805 Hidden Canyon
Katy, Texas, 77450
281-392-8112
hcmud81@comcast.net
hcmud81.com

Note from the Board of Directors

Happy New Year from the Harris County Municipal Utility District No. 81 (MUD 81) Board of Directors! As we look forward to 2021 and the continued roll-out of the COVID-19 vaccines, we want to thank all of our residents for your patience and cooperation through this unprecedented time.

Please note that due to Winter Storm Uri, your water bill mailed out during the first week in March has been averaged based on your meter's last four months of usage. This water bill **does not** include water usage from the week of February 15th, during Winter Storm Uri.



WELCOME NEW DIRECTOR

Michael Olsen

Due to the COVID-19 pandemic, and as authorized by Governor Abbott, the MUD 81 Board of Directors postponed the directors election originally scheduled for May 2020, to November 3, 2020. With 1,252 ballots cast in the election, George Goff was re-elected to the Board, and the Board welcomed new director, Michael Olsen. Director Olsen is a resident of Memorial Parkway, where he also serves as the Treasurer on the Memorial Parkway Community Association Board of Directors. Please join us in welcoming Director Olsen to the MUD 81 Board!

Proposed Storm System Improvements

For the past year and a half, MUD 81 has been coordinating with Harris County regarding the County's proposed drainage improvements for the Memorial Parkway Subdivision and Cimarron Subdivision – Sections 2, 3, 4, and 5; both located in Harris County, Precinct 3. These projects are designed to reduce the risk of a recurrence of the three weather-related flood events experienced since 2016 (Tax Day Floods 2016, Hurricane Harvey 2017, and Tropical Storm Imelda 2019). Harris County has hired the MUD 81 Engineer, BGE, Inc. (BGE), to provide engineering services for both projects, and the engineering work is underway.

Cimarron Sections 2,3,4, & 5:

BGE has completed surveys of the channel and Rock Canyon Drive, and the environmental work and geotechnical field work are complete. Final design of the proposed drainage improvements is underway.

Memorial Parkway:

BGE has completed the field work and is continuing with the design of the Memorial Parkway drainage improvements. In late August 2020, Harris County notified MUD 81 that they had redefined the scope of the Memorial Parkway project to include significant additional detention/mitigation capacity, which they stated would be required due to new drainage criteria. Discussions are still ongoing regarding the design and location of new detention facilities. Because of the regional benefit that the detention facilities will provide, MUD 81 has requested and Harris County has agreed to coordinate with other nearby MUDs to request that those MUDs also share in the costs of the project.

Expected Cost and Next Steps:

With the addition of the required detention facilities, Harris County is requesting that MUD 81 pay for approximately \$6.6 million of the construction costs for the proposed drainage improvements for the Cimarron and Memorial Parkway subdivisions. MUD 81 currently does not have funds available to pay for these costs. Accordingly, the MUD 81 Board has called an election to be held on May 1, 2021 to ask the MUD 81 voters to decide whether to authorize the issuance of bonds to pay for these construction costs and associated engineering and bond issuance fees and costs. Please be on the lookout for additional information on the election in the coming months!

Costo previsto y próximos pasos:

Con el agregado de las instalaciones de retención requeridas, el Condado de Harris solicita que el MUD pague aproximadamente \$6.6 millones en costos de construcción para las mejoras propuestas al drenaje para las subdivisiones de Cimarron y Memorial Parkway. El MUD 81 actualmente no tiene fondos disponibles para pagar estos costos. Por consiguiente, la Junta del MUD 81 ha convocado una elección a celebrarse el 1 de mayo de 2021 para pedirles a los votantes del MUD 81 que decidan si autorizan o no la emisión de bonos para pagar estos costos de construcción y los costos y las tarifas de emisión de bonos e ingeniería asociados. ¡Manténgase atento a información adicional sobre la elección durante los próximos meses!

Càuc Chi Phí Dãi Kieán và Càuc Bõõuc Tieáp Theo:

Khi bổ sung thêm các công trình giữ nước cần cầu, Quận Harris đang yêu cầu MUD 18 chi trả khoảng \$6,6 triệu chi phí xây dựng cho các công trình cải thiện công thoát nước cho các phân khu Cimarron và Memorial Parkway. MUD 81 hiện không có sẵn ngân quỹ để trả chi phí này. Do đó, Ban Giám Sát của MUD 81 đã yêu cầu tổ chức một cuộc bầu cử vào ngày 1 tháng Năm, 2021 để yêu cầu các cử tri của MUD 81 quyết định có cho phép phát hành trái phiếu để trả chi phí xây dựng công trình loại phí và chi phí kỹ thuật và phát hành trái phiếu liên quan hay không. Xin hãy theo dõi thêm thông tin về cuộc bầu cử này trong những tháng tiếp theo!

預期費用和後續步驟:

隨著所需的拘留設施的增加，Harris縣要求MUD 81支付約660萬美元的建設費用，用於改善Cimarron和Memorial Parkway轄區的擬議的排水系統。MUD 81目前沒有可用的資金來支付這些費用。因此，MUD 81董事會要求在2021年5月1日舉行選舉，要求MUD 81選民決定是否授權發行債券來支付這些建設成本以及相關的工程和債券發行費用。請隨時注意有關未來幾個月選舉的更多信息！

Ongoing Construction Projects

- Sanitary Sewer Rehabilitation – Memorial Parkway Sections No. 1 & No. 2. The MUD 81 engineer, BGE, is nearing completion of preparing detailed design drawings for the rehabilitation of the sanitary sewers in Memorial Parkway Sections No. 1 & No. 2 as a result of the recently completed sewer survey.
- Alternate Fill Lines for Ground Storage Tanks at Water Plant No. 1, No. 2, and No. 4. BGE is nearing completion of preparing detailed design drawings for the addition of an additional fill line for the ground storage tanks at water plant nos. 1, 2, and 4. This will enable each of these three water plants to function as pressure booster stations when the adjacent water wells are out of commission for inspection and/or repair.
- Disinfection System Upgrades at WTPs No. 1, No. 2, No. 3, and No. 4. BGE is nearing completion of preparing detailed design drawings for the upgrade of disinfection systems at all four water plants.



What Is The WHCROWA Fee On My Water Bill?

HARRIS COUNTY MUD 81			
MAKE CHECK PAYABLE TO: HARRIS COUNTY MUD 81 PO BOX 3150 DEPT 30414 HOUSTON TX 77253-3150		SERVICE ADDRESS 12345 STREET ACCOUNT NUMBER 30414-077000000	
SERVICE PERIOD FROM 12/16/20 TO 01/16/21 BILLING DATE 01/27/21			
READ DATE(S) PRE: READ 01/16/21 PREV: READ 1703.0 TOTAL GALLONS 1658.0 S.O. 5.0		DESCRIPTION BALANCE FORWARD 56.19 PAYMENT D118 56.19 WATER 12.00 SEWER 33.31 WHCROWA 17.25 THIS MONTH 42.55	
		TOTAL NOW DUE 62.56 PENALTY AFTER DUE DATE 0.25 PAY THIS AMOUNT AFTER 02/16/2021 68.81	
Past due balances must be paid immediately			
IMPORTANT NOTICE: Please do NOT flush wet wipes, tissue or heavy paper towels. These products are not designed to breakdown in water and can cause sewer line blockages. Properly dispose of them by throwing them in the trash. - Drinking water is safe per CDC, EPA, TCEQ. - MDS Payment offices are closed at this time. - To view and pay your water bill online visit www.mdswater.com For updates, visit www.mdswater.com Water District 1 taxes should be paid separately to your tax assessor. Please do not pay tax bills to your water bill remit address.			
IF YOUR MAILING ADDRESS HAS CHANGED PLEASE CORRECT PLEASE RETURN BOTTOM PORTION WITH PAYMENT			
HARRIS COUNTY MUD 81 PO BOX 1827 CYPRESS TX 77410 PHONE NO. (281) 290-6507		MDS Account Number 30414-077000000 Service Address 12345 STREET CheckFreePay Agent Control MUD is biller	
62.56 02/16/2021 68.81 CUSTOMER NAME 12345 STREET KATY TX 77450-4138		HARRIS COUNTY MUD 81 PO BOX 3150 DEPT 30414 HOUSTON TX 77253-3150	
304140770117000000000688100000625600000625604			

One of the most common questions MUD 81 receives is: what is the line item on my water bill labeled "WHCROWA"? That item refers to the pumpage fees MUD 81 is required to pay directly to the West Harris County Regional Water Authority each month.

MUD 81 is within the boundaries of the Harris Galveston Subsidence District (the Subsidence District), which regulates groundwater withdrawal from water wells like those operated by MUD 81. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in certain areas within the Subsidence District's jurisdiction, including the land within MUD 81. The Subsidence District imposes disincentive fee penalties, currently \$9.58 per 1,000 gallons of water, for groundwater use that exceeds its regulations.

In 2001, the Texas legislature created the West Harris County Regional Water Authority (the Authority) to, among other things, reduce groundwater usage in, and to provide surface water to, the western portion of Harris County and a small portion of Fort Bend County. MUD 81 is located within the boundaries of the Authority. The Authority has entered into a Water Supply Contract with the City of Houston to obtain treated surface water from Houston. The Authority has developed a groundwater reduction plan (GRP) and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with the Subsidence District regulations, construct surface water facilities, and convert users from groundwater to alternate source water (e.g., surface water). Harris County MUD 81 has not yet been converted to alternate source water, but instead currently is required to pay pumpage fees to the

Authority in the amount of \$3.45 per 1,000 gallons of groundwater pumped. Please read on for an update from the Authority on why these pumpage fees have continued to increase in recent years.

NO GREASE DOWN THE SINK

Grease is a byproduct of cooking. It comes from meat, lard, oil, shortening, butter, margarine, food scraps, baking goods, sauces and dairy products.

What's the Problem?

When grease washes down the sink, it sticks to the insides of the pipes. Eventually, the grease can build up until it completely blocks sewer pipes. That can create expensive maintenance problems and can cause raw sewage to back up into your home or business, or overflow into streets and streams.

How Can You Help?

- Don't pour grease down sink drains or toilets.
- Scrape grease into the trash.
- Or, pour grease into steel cans, let it harden, and throw in the trash.



NO WIPES DOWN THE PIPES

Wipes, cloths, and rags are being found in sanitary sewers at an ever increasing rate. Many of these products are labeled as flushable, but while they may clear the toilet, they will most likely cause problems downstream.

What's the Problem?

Wet wipes, cloths, and rags don't actually break down the way toilet paper does, and can block pipes, cause mechanical problems at pump stations or treatment plants, and pollute the environment.

How Can You Help?

DO FLUSH

- Toilet paper
- Human waste

DON'T FLUSH

- Disposable diapers, baby wipes and nursing pads
- Facial and cleaning wipes
- Cotton balls and swabs
- Condoms and tampons
- Paper towels

THE RISING COST OF WATER

The WHCRWA was created by the Texas Legislature in 2001 to comply with groundwater reduction as mandated by the Harris Galveston Subsidence District (HGSD) by securing a long-term supply of quality drinking water as well as promoting water conservation. The HGSD Conversion Requirements included reducing groundwater pumpage 30 percent by 2010 (accomplished); 60 percent by 2025; and 80 percent by 2035. This means we have to find and secure an alternative supply of water instead of getting all of our water from groundwater wells.

To accomplish the HGSD groundwater reduction mandate, the WHCRWA has four major components of water supply/infrastructure projects which include the Luce Bayou Interbasin Transfer Project, the Northeast Water Purification Plant Expansion Project, the Surface Water Supply Project, and our internal distribution lines connecting to local MUDs.



The treated water will then flow through the Surface Water Supply Project (SWSP) pipeline to west Harris County. The SWSP will deliver 150 million gallons of water each day through massive 96" waterlines from the NEWPP, delivering a portion to the WHCRWA and the other portion to our partner, the North Fort Bend Water Authority (NFBWA).

The SWSP project involves the construction of two massive pump stations to assist in moving the water along 52 miles of pipeline.

The final step is to deliver the water from the pump stations within our boundaries to the individual MUDs through our internal distribution lines.

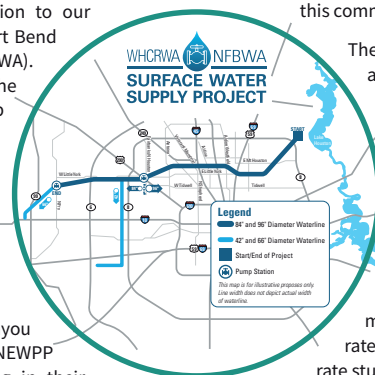
The first two projects, the Luce Bayou Interbasin Transfer Project and NEWPP Expansion Project are well along in their construction, while work on the first section of the Surface Water Supply Project started in 2020.

So, how much will everything cost?

In all, the WHCRWA will have to issue approximately \$1.8 Billion in bonds to comply with the HGSD 60 percent surface water conversion mandate. Since the Authority must have all the money available for each individual project before that project can begin, the WHCRWA plans to sell an additional \$550 million in bonds through 2025 to be able to fully implement the 60 percent conversion requirement.

The Authority does not charge a property tax, and therefore we must charge sufficient rates to cover the debt service payments as well as our

operating costs. An extensive rate analysis is performed every other year to make sure that our rates continue to match up with our cost projections as well as the debt payments for the bonds. The WHCRWA Board of Directors is committed to keeping the cost of water as low as possible and to keeping any rate increases reasonable and consistent with this commitment.



The Authority has not had an annual rate increase above \$0.25/1,000 gallons (\$2.50 per 10,000 gallons used) since 2013. Changes in rates have been driven by the construction project costs required to meet the HGSD conversion mandate -- and the need to meet debt service in a slow, steady manner rather than in abrupt rate increases -- in response to rate study recommendations, budget projections, and customer input.

The WHCRWA currently has \$795 million in low interest SWIFT bonds outstanding, including two additional SWIFT bond issues in 2020 in the amounts of \$62.6 million and \$15 million, with rates as much as 0.50 percent below the open market rates.

The SWIFT program saves the Authority and its ratepayers millions of dollars each year for an estimated \$.60/1,000 gallons off the Authority's ultimate rate.

The WHCRWA Board of Directors has approved a rate increase effective January 1, 2021 of \$0.25 per 1,000 gallons of surface water delivered (from \$3.60/1000 gal. to \$3.85/1000 gal.) and for well water pumped (from \$3.20/1000 gal. to \$3.45/1000 gal.).



Following the flow of water, the Luce Bayou Interbasin Transfer Project involves building a pump station, 3 miles of twin 96" pipelines and a series of canals totaling 23 miles which will move up to 500 million gallons (MG) of water each day from the Trinity River into Lake Houston.

Next, the Northeast Water Purification Plant (NEWPP) Expansion Project on Lake Houston will increase the City of Houston's 80 MG per day plant capacity to treat an additional 320 million gallons of water each day.



» www.whcrwa.com