



Newsletter

Nottingham Country MUD
Katy Texas

What is a MUD

Nancy Howard

The Nottingham Country Municipal Utility District (NCMUD) includes all of the homes in Kelliwood Sections 1 through 5, University Park, Stonelodge, Park Lake Village, Nottingham Country Section 10, Highland Trails, Lakes of Buckingham Kelliwood, Lakewood Forest of Kelliwood, Kelliwood Gardens, Kelliwood Lakes Section 1, Kellwood Place, Kelliwood Trails, and Kelliwood Enclave subdivisions.

Municipal Utility Districts (MUDs) exist almost exclusively in Texas and are more abundant in South Texas than other parts of the state. A MUD is created as a mechanism to finance necessary water, sewer, and storm drainage construction and mainte-



How MUDs are Formed

nance within a subdivision. The districts are created by the Texas Commission on Environmental Quality (TCEQ), and the city in whose extra-territorial jurisdiction (ETJ) the district lies must consent to the creation. NCMUD lies within the ETJ of Houston. The City of Houston therefore has limited development controls and sole authority to annex NCMUD into its city limits, should it ever wish to do so. How-

ever, because NCMUD is not within the city limits of Houston itself, NCMUD residents do not pay City of Houston property taxes.

MUDs are run by five-member boards. These board members are elected by the registered voters who own property in the MUD. The board members act in a similar capacity as city council members in a municipality. They tend to the affairs of the district related to utility services, and ensure that all water and wastewater and park/recreational facilities the district constructs are in operation and are properly maintained. In lieu of a full-time paid staff, districts contract with professionals, such as financial advisors, at-

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Special Notice:

In February or March a section of both Shillington and Brondesbury will have to be closed due to the construction a water loop to better serve the North most section of the district. Brondesbury will be affected around Ranchwood Ct and Shillington will be affected around Kings Castle. Please See Website for more information.



torneys, bookkeepers, engineers, and operators, to aid the district in its operation.

Property Taxes Assessed by MUDs

When a MUD is formed, an estimate is made regarding the cost of water, sewer, and storm drainage facilities needed for "build-out". Build-out is the total number of houses, businesses, schools, recreational facilities, etc. in the MUD at completion of development. The owners of property in the district then vote to grant the board authority to issue bonds to cover the ultimate build-out. The board will issue these bonds in phases, as needed, to finance construction projects. Annually, at an open board meeting, the board members adopt a budget and set a property tax rate at a level sufficient to meet the long-term obligations, operations and maintenance, and administrative costs of the district.

What about Notting-

ham Country MUD?

Now that we have discussed MUDs in general, let's look at our NCMUD. NCMUD is located within Harris County, Katy Independent School District (KISD), and the City of Houston ETJ. It was created in 1981 and currently encompasses 1,010 acres containing approximately 2,160 single family homes, an elementary school, two churches, a veterinary clinic, a branch library, volunteer fire station and EMS, a drug store, two small strip shopping centers, and a commercial car wash.

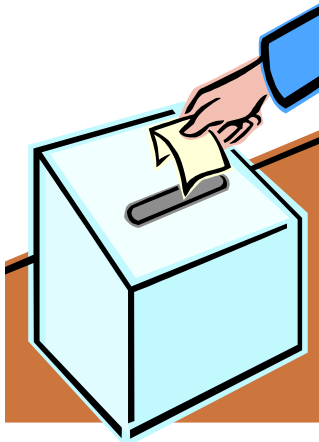
NCMUD has five board members who are property owners currently in four different sections of the District. The Board meets once a month, usually on the third Monday at 11:30 a. m. at the offices of our attorney, Allen Boone Humphries, LLP, in the Phoenix Tower at 3200 Southwest Freeway at Buffalo Speedway. Our fiscal year runs from October 1 through September 30.

The total amount of

bonds authorized by voters since the creation of the NCMUD is \$29,250,000. The amount of bonds issued to date by the Board is approximately \$24,690,000. When bonds are issued, the district actually sells that amount in bonds, receives the proceeds to pay for infrastructure construction, and then begins debt service payments from property taxes levied to repay the amount sold. We currently have a remaining balance of \$4,560,000 authorized bonds that have not been issued.

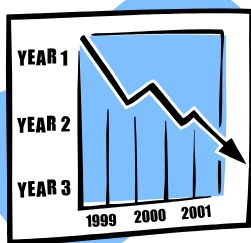
NCMUD Property Tax Rate

The property tax rate set by the Board for 2004 is \$0.53 per \$100 valuation. This rate is the same as last year, and down from a high of \$1.06 per hundred in 1990. Based on the 2004 tax rate, annual MUD taxes for a home valued by Harris County at \$200,000 (after any applicable exemptions) would be \$1,060 per year. Property taxes for NCMUD are billed according to the Harris County prop-



Voters Authorize the Sale of Bonds

Tax Rate For NCMUD Is 53 Cents



NCMUD Taxes Have Declined over the years.

erty valuation and collected by the District's assessor/collector, Tax Tech in Stafford. For homeowners with mortgages, these taxes may be paid by the mortgage company from the homeowners' escrow accounts. Other taxing entities for property located in NCMUD are Harris County, KISD, and the appropriate homeowners association dues for residential lots. These entities send out separate bills.

NCMUD Rates for Utility Services

Occupants of property in NCMUD are provided water through the District's two ground-water wells, water plant, and distribution system. The District provides sewer service through a wastewater collection system and wastewater treatment facility and storm sewer system. Payment for these services is due on the 20th day after the date of the statement, and the monthly bill is calculated as follows.

Water Usage

Water usage in the 0-8,000 gallons range is

billed at \$16.00 which is the minimum charge for water usage. Water usage in the 8,000-20,000 gallons range is billed \$16 plus \$1.60 for every 1000 gallons of water used over 8000 gallons. Usage over 20,000 gallons is billed at \$1.90 per thousand gallons. In addition to the charges from the Mud District for water the West Harris County Regional Water Authority (WHCRWA) imposes a surcharge of \$0.53 per 1,000 gallons used.

Sewer Service

Sewer service carries a monthly flat rate of \$16.00 regardless of the amount of water used.

Using these rates, the following example bills can be calculated:

Homeowner using 8,000 gallons:

Water \$16.00 + Sewer \$16.00 + WHCRWA 0.53 x 8 (\$4.24) totals \$36.24

Homeowner using 15,000 gallons water:

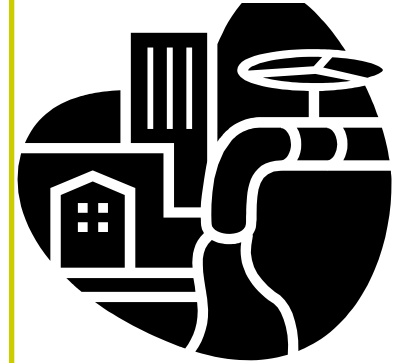
Water \$16.00 (up to 8,000 gallons) + 7 X 1.60 (\$11.20) (usage over 8,000 gallons) + Sewer \$16.00 + WHCRWA 0.53 x 15 (\$7.95) totals \$51.15.

Our District's operator, Eco Resources, performs various duties including meter reading, monthly billing and collections for water services, and maintaining the operations of our water/sewer system in a cost effective manner that meets all local, state, and federal guidelines.

Bills may be paid by mailing a check in the envelope provided with your bill, in person at Eco Resources office at 12535 Reed Road in Sugar Land, or at the HEB at South Mason Road and Highland Knolls. In addition, the District offers convenient automatic debit from your checking account upon your authorization.

You may have noticed the voluntary donation to the EMS on your bill for the protection they provide the neighbor-

Sewer Plant Processing Wastewater



Help support the EMS by your voluntary donation on your water bill. It could be the best \$2.00 you have ever spent!



Water Meter Measures Water Flow



Nottingham Country MUD

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hood. NCMUD has been collecting and remitting these donations to the EMS for several years. The donation amount, \$2.00 per household per month, appears on the bill as a reminder. It is a voluntary donation, so if you choose to pay only the amount due for water and sewer and water authority, your account will not be delinquent.

Be sure to visit the District's web site frequently. It contains more detailed information about NCMUD than can be provided here. Also, the District maintains a phone line, 713-339-6163, which will guide you to the right person for specific questions you may have about various aspects of the District.

Questions & Comments: Please direct any questions or comments about this newsletter to the editor:

cgaribay@houston.rr.com.

WE'RE ON THE WEB

Thanks for your confidence and support. cgg

WWW.NOTTINGHAMMUD.COM



*Nottingham Country MUD
Greenbelt Park*

Park News

Phase One of the park was officially completed as several board members went thru the final review with the construction team in early November. The use of the park by walkers, joggers and bicyclists continues to improve as nearby residents make use of the new walking paths and park facilities. The Park is greening up thanks to an abundance of free rain and the trees are growing rapidly. The new Bermuda grass has completely filled in the bare spots that were

evident earlier in the year.

Wildflowers at Work...
Four berms have been seeded for wildflowers by volunteers and will contribute to the overall beauty and charm of your park. Additional berms will be seeded in February or March, as soon as the last frost of winter passes. The seeds should then germinate and grow into healthy vibrant plants. We are hoping both fall and spring seedings will yield splashes of colorful blooms during the spring and summer to provide all park go-

ers with delightful enjoyment.

On a sad note....
Vandals continue to mark up the concrete walls that delineate the interior of the park with street art that looks very similar to graffiti. The district was lucky to have this removed with a little difficulty. Please help with reporting suspicious activity to local law enforcement authorities.

*Attention Pet Owners,
THANK YOU for using the
Mutt Mitts!!!*

Upcoming Issues:

- How to read your meter
- Water Plant Security
- Ground Water Reduction