

PECAN GROVE MUD

SPRING/SUMMER 2018



UPDATE FROM CHIEF WOOLLEY - PGVFD

First and foremost, I would like to thank you for your continued support. Things are going very well in the department as our budget has stabilized due to the approval of the Fire/MUD plans in Pecan Grove, Waterside Estates and Harvest Green. We continue to update and repair aging equipment to ensure the safety of the communities we serve. In 2016, we purchased a new Booster truck and we are awaiting a brand new fire truck, with delivery expected in early 2019. We have received notice from the insurance safety office (ISO) that they will be recommending an ISO class 2 for your fire department. It is not official until the State Fire Marshal assigns it and notifies us. We expect that notification in a few months. This will lower our rating from a 3 to a 2 which in turn will create a savings for you on your homeowner insurance.

Over the last two years your fire department has responded to several residential fires caused by refrigerators in the garage or lint build up in the dryer. We recommend that at least once a year you move the refrigerator away from the wall and clean and vacuum under and around it, especially around the motor and compressor so they do not over heat. Also, the complete dryer vent should

be cleaned out once a year, and always clean the lint screen after each load. I want to remind the community that our homes are aging and need diligent maintenance. Please be extra cautious, especially during these hot summer months, and address needed repairs in a timely manner. Have that electrical box checked if the breakers keep switching off. Get your A/C serviced to withstand the Texas heat. If you have to keep turning up the temperature on your water heater, get it checked. I recommend using a licensed contractor to make these repairs. When parking your vehicles on the side of the roadway remember vehicles parked on both sides of the road make it very difficult for the fire department to move down the streets, which may delay emergency responders. Please help us serve and protect your neighbors and your family. It is an honor to serve as your fire chief.

Sincerely,
Joe Woolley, Fire Chief
Pecan Grove Volunteer Fire Department

WHAT IS A MUD?

In Texas, Municipal Utility Districts (MUDs) are governed by Title 4, Chapter 54, Subchapter A of the Texas Water Code. The primary function of a MUD is to provide water, sewer, and storm water drainage services in areas where municipal services are not available. MUDs are typically financed through the sale of bonds which, in turn, are serviced by the taxes levied and collected by the MUD.

What is a MUD?

A Municipal Utility District (MUD) is a political subdivision of the State of Texas authorized by the Texas Commission of Environmental Quality (TCEQ) to provide water, sewage, drainage and other utility-related services within the MUD boundaries.

How is a MUD created?

A majority of property owners in the proposed district petitions the Texas Commission of Environmental Quality to create a MUD. The TCEQ evaluates the petition, holds a public hearing, and grants or denies the petition. After approval, the TCEQ appoints five temporary members to the MUD's Board of Directors, until an election is called to elect permanent Board members, to confirm the MUD's creation, and to authorize bonds and taxing authority for bond repayment.

How does a MUD work?

The publically elected Board of Directors manages and controls all of the affairs of the MUD subject to the continuing supervision of the Texas Commission of Environmental Quality. The Board establishes policies in the interest of its residents and utility customers. A MUD may adopt and enforce all necessary charges, fees, and taxes in order to provide district facilities and service.

What are MUD taxes?

Municipal Utility Districts are funded through bonds. Homeowners then pay off those bonds through MUD tax. As the debt decreases, MUD taxes may also decrease over time.

Will my taxes be higher in a MUD?

MUD tax rates, like all property tax rates, vary according to property values and debt requirements. MUD rates generally decline over time as the MUD is built out and operating and debt service costs are shared by more homeowners.

How do MUDs provide for parks, pools and recreation facilities?

In addition to their common functions of water and wastewater service, MUDs are legally empowered to engage in conservation, irrigation, electrical generation, firefighting, solid waste collection and disposal, and recreational activities (such as parks, swimming pools, and sports courts). A MUD can provide for itself the recreational amenities that are approved by the Board of Directors and funded by the District.

What is a developer's responsibility to MUDs?

Developers must petition the Texas Commission of Environmental Quality to create a MUD. Developers are prohibited from serving or placing employees, business associates, or family members on the MUD Board of Directors. Developers must pay for or put up a letter of credit equal to 30% of the cost of subdivision utilities. This requirement ensures against "fly-by-night operators" who are not committed to the success of the MUD. The "30% rule" also offers protection to MUD residents in the event that a subdivision is not built according to schedule. Unless they are voting residents within a MUD, developers have no authority or control over the MUD's Board of Directors. If they are voting members of a district, they have the same power to vote and attend Board meetings as any other resident.

ENGINEERING UPDATES

Drainage Improvements on FM 359

The District is building sluice gates at key locations within the drainage system for Farm-to-Market Road 359 (FM 359). The Contractor, Black Castle, is making progress having constructed the necessary junction boxes on the existing drainage system. The Contractor has installed the sluice gate located at the northern end of the drainage system, between the intersections of FM 359/Mason Road and FM 359 and Plantation Drive and is nearing completion of the sluice gate in the southern end of the drainage system, located south of the Campanile at Jones Creek apartments. The Contractor is expected to be completed in Spring 2018.

Levee Extension around Plantation 4/5 Detention Basin

On March 5, 2018 the Notice to Proceed was issued to R&T Ellis Excavators on the extension of the levee around the Plantation 4 & 5 Detention Basin. When completed, the project will place the existing detention basin inside the boundaries of the levee providing the same level of flood protection as the

rest of Pecan Grove. The Contractor will build the new levee on the north and the east boundaries of the basin without impacting the existing levee. The contract time on the project is forty-five (45) days pending any inclement weather, therefore the project is expected to be completed well before the official start to hurricane season.

Flap Gates on South Pump Station

The District is replacing the existing flap gates located on the west side of FM 359 at the South Pump Station. The original flap gates have reached their anticipated life span. The new flap gates will be constructed of stainless steel to provide long lasting service and protection to the residents of Pecan Grove.

Golf Course Project

Construction has completed on the drainage improvements located behind Plantation 7 on the Pecan Grove Golf Course.

WATER CONSERVATION

In the summer, outdoor water use can account for 50-80 % of home water use. Texans must use their precious water resources more efficiently, or we will have more frequent, longer water shortages, especially during droughts and hot Texas summers. Much of the water used outdoors is wasted through inefficient landscape watering practices. By reducing the amount of water we waste, we will save money and protect the quality of life for future Texans.

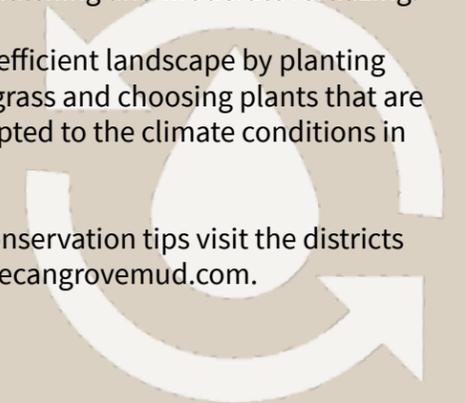
TAKE THE RIGHT STEPS FOR WATER-WISE CONSERVATION:

Many Texas water utilities charge higher rates during the summer, or increase rates in increments based on use. Reducing your outdoor water use by following these steps can produce substantial

savings in your water bill:

1. Determine how much water your landscape needs to stay healthy.
2. Use water-efficient landscape practices such as proper mowing, mulching and moderate fertilizing.
3. Design a water-efficient landscape by planting drought-tolerant grass and choosing plants that are native or well adapted to the climate conditions in your area.

For more water conservation tips visit the districts website at www.pecangrovemud.com.



HURRICANE HARVEY

On August 25, 2017, Hurricane Harvey made land fall as a Category 4 hurricane near the town of Rockport, Texas. Over the course of the next ten days, Texans and the nation watched as Harvey stalled, bounced back into the Gulf of Mexico and then ultimately worked its way back over the Greater Houston area. The event was unprecedented breaking every rainfall record and, in many cases, shattering the previous records. Some staggering statistics include Hurricane Harvey dumping more than 27 TRILLION gallons of water in the State of Texas, with some areas seeing as much as 60 inches of rain in a five day period. Beaumont and Port Arthur received nearly 26 inches of rain in a 24 hour period. During the event, we witness 44.28 inches of rain at the Pecan Grove wastewater treatment plant in 3 days. According to geophysics estimates, the entire region temporarily “sank” by two inches due to the sheer weight of the water sitting on our region. Enough rain fell in our area to fill the Astrodome 4,790 times or the entire water supply for United States for 26 days. During and after the event, we all saw either in person or from images the devastation left in Harvey’s wake. Just in the Greater Houston area, estimates place the volume of debris at over 8 million cubic yards. Current estimates place the value of the damage at \$125 billion, making Harvey the second most costly hurricane to hit the United State mainland. Nearly 135,000



Aerial view of Mason Road north of CVS

homes and over 1 million cars were damaged or destroyed affecting nearly 13 million people. As a whole, Fort Bend County fared better than most surrounding counties. The estimates are that about 6,500 homes in Fort Bend County experienced some level of damage due to flooding. Despite the trying times and event, we watched as our community and those around the nation mobilized to help each other. It was commonplace to see neighbors helping rescue neighbors, we watched as supplies and resources, including manpower, mobilized from around the United States to help the area rebound. Locally, we watched Pecan Grove residents assist during the flood and help in a myriad of ways after the event. Included are pictures of our residents and District consultants responding to the event. Moving forward, the District has taken measures to remedy the concerns that were witnessed. An update on those projects is included in this newsletter. That said, these were the most immediate concerns. The District is always working on ways to adjust the emergency action plan, improve infrastructure to allow for better drainage in the District, and to ensure that residents of Pecan Grove are as safe and protected as possible. There will always be extreme events, but the goal is to be able to take whatever punch Mother Nature throws our way and to ensure that we remain standing, just as we did with Hurricane Harvey.

our community and those around the nation mobilized to help each other. It was commonplace to see neighbors helping rescue neighbors, we watched as supplies and resources, including manpower, mobilized from around the United States to help the area rebound. Locally, we watched Pecan Grove residents assist during the flood and help in a myriad of ways after the event. Included are pictures of our residents and District consultants responding to the event. Moving forward, the District has taken measures to remedy the concerns that were witnessed. An update on those projects is included in this newsletter. That said, these were the most immediate concerns. The District is always working on ways to adjust the emergency action plan, improve infrastructure to allow for better drainage in the District, and to ensure that residents of Pecan Grove are as safe and protected as possible. There will always be extreme events, but the goal is to be able to take whatever punch Mother Nature throws our way and to ensure that we remain standing, just as we did with Hurricane Harvey.

the flood and help in a myriad of ways after the event. Included are pictures of our residents and District consultants responding to the event. Moving forward, the District has taken measures to remedy the concerns that were witnessed. An update on those projects is included in this newsletter. That said, these were the most immediate concerns. The District is always working on ways to adjust the emergency action plan, improve infrastructure to allow for better drainage in the District, and to ensure that residents of Pecan Grove are as safe and protected as possible. There will always be extreme events, but the goal is to be able to take whatever punch Mother Nature throws our way and to ensure that we remain standing, just as we did with Hurricane Harvey.



Pecan Grove Residents Volunteering to Help Save the Community



Rescue Efforts Along Plantation Drive & Bittersweet Drive



Director Yokubaitis & Dive Team Retrieving the Pull Cable from within the Manhole for Plug Installation



Dive Team Installing 60" Plug at Plantation 4/5



Director Howard & Director Yokubaitis Assisting with Coordination of Plug Installation at Plantation 4/5



Jones Creek @ the South Side of Pecan Lakes Flood Wall



Oyster Creek Flood Level off Mason Near Elevated Storage Tank



EDP Performing North Pump Station Box Culvert Repair



EDP Fighting Floods in Pecan Grove



6" Pumps on FM 359 in front of District Office



Game Wardens Staged on FM 359 Prior to Rescue Efforts

GETTING TO KNOW YOUR CONSULTANTS

Allen Boone Humphries Robinson LLP

Allen Boone Humphries Robinson LLP (ABHR) is general and bond counsel for PG MUD. ABHR is devoted to the practice of public law and public finance of infrastructure. Their clients construct, finance, and operate the public water, sewer, drainage, road, and park facilities that allow Texas to grow, develop, and flourish. Some of the attorney's duties include elections, contract preparations, annexation procedures, board resolutions, communications with regulators and other government officials, negotiations and deed preparations. The PECAN GROVE MUD legal team is comprised of Lynne Humphries, Hannah Brook and Jane Miller. Lynne, one of the founding partners of ABHR, actually started working as a young lawyer on PG MUD while she was at Vinson & Elkins in 1983. Hannah Brook joined ABHR in 2007 and started working on PGMUD with Lynne in 2008. Hannah grew up in the Meyerland area and after living in Boston and Washington D.C. she returned to Houston for law school at South Texas College of Law. Hannah worked in litigation from 2004 until joining ABHR in 2007. Jane Miller is the legal assistant who works with PG MUD. Jane joined ABHR in 2007 and began working with the District following the 2012 Director's Election. Jane has worked in the industry since 1988.

Odessey Engineering Group

On November 30, 2017, the Board of Directors of PGMUD voted to engage Odyssey Engineering Group, LLC as the new engineering consultant for the District in order to serve the residents and businesses in Pecan Grove. Odyssey is a young and growing engineering firm with big experience. Justin R. Ring, P.E. and Megan L. Crutcher, P.E., CFM founded Odyssey in January 2016 with the desire to create a firm focused on maintaining integrity for both clients and employees. They wanted to create a team that builds neighborhoods and serves communities

rather than simply engineering developments. Justin has worked in the land development and MUD world since graduating from Texas A&M in 2000. While working in most of the surrounding counties, Justin has focused his career on Fort Bend County working for many MUDs and developments. He is an active member of multiple community organizations in Fort Bend County including Greater Fort Bend Economic Development Council. He currently lives in Greatwood community and serves as President of Levee Improvement District No. 11. Megan graduated from Texas Tech University in 2007 and immediately began her career working as a hydrologist. She performed detailed drainage analysis for developments, MUDs and Counties, including a drainage analysis and flood plain remapping study of sixty-four square miles of Lower Chocolate Bayou in Brazoria County. She moved into land development and worked as the MUD engineering consultant for several master planned communities, including the Towne Lake Development in Cypress, Texas. Megan and her family are Fort Bend County residents living in Cinco Ranch. Since starting in January 2016 with just Megan and Justin, Odyssey has grown to currently thirteen total team members by providing the high-level attention of a small firm with the experience and expertise of a large engineering firm. Odyssey is excited to be part of the Pecan Grove team and is ready to serve the community.

Environmental Development Partners

Environmental Development Partners has been locally owned and operated since its inception in 2001. The company's founders - Mike Ammel, Eric Thiry, and Andrew Phelps have more than 90 years of combined MUD experience. They created EDP with a vision to provide professional and personal customer service. The values they upheld have allowed EDP to operate and maintain District facilities in Harris, Fort Bend, and Brazoria counties.

GETTING TO KNOW YOUR CONSULTANTS

EDP provides operation, maintenance and repair services for both drinking water systems and sanitary sewer systems. They are available 24-hours in case of an emergency or customer need. EDP creates diverse marketing materials, community information publications, flyers and even websites. They provide billing services with electronic payment options. EDP works regularly on drought contingency planning and programs to help reduce water consumption. The company is active in times of disaster response as participants in the Harris and Fort Bend County Emergency Radio Networks. Fort Bend General Manager, Breah Campbell has been working with PGMUD since 2006. She is an active member of multiple community organizations in Fort Bend County including Fort Bend Chamber of Commerce, Sam Houston Water Utilities Association and serves as the Chairman for GRHS ProGrad. She is certified with Fort Bend OEM on NIMS as a first responder. She has been a Fort Bend resident since 2005. Breah also serves on a MUD Board so she understands what Directors and residents are seeking from their consultants.

Municipal Accounts & Consulting

Municipal Accounts & Consulting has been in existence since 1979 and is focused on serving the government sector including, but not limited to, Water District, Emergency Service Districts, City Municipalities, Improvement Districts, Tax Increment Reinvestment Zones and Management Districts. They provide bookkeeping and financial services for over 350 entities and with over 100 years of combined bookkeeping, auditing and investment experience, they are well versed in the intricacies of government financial reporting which they use to enhance and verify the integrity of their accounting data. With over forty bookkeepers on staff, they have a great diversity of talent that can be matched to meet specific needs. The relationships they have established with financial institutions across the state gives them improved rates and services. The firm provides arbitrage services for

water districts and municipalities that have issued tax free municipal bonds. These services are necessary in order for districts to remain compliant with Internal Revenue Service guidelines associated with tax-free bond issues.

MAC partners with Living Water International (LWI) to help spread Jesus' name and provide clean water to impoverished villages across the globe.

From 2012 to 2017, MAC employees travelled to El Salvador and Honduras with LWI, where they drilled a clean water well and taught sanitation and hygiene practices to the local community. "I am not sure who was more blessed by the opportunity to drill a water well for the community, the people of the community or myself through the joy of just being surrounded by the people of El Salvador." - Mark M. Burton, President/Managing Partner



Time and Season

Time & Season Property Management Company has been serving the community of Pecan Grove since 2012 as the parks management operator. Time & Season is responsible for all day-to-day operations and maintenance of the parks from scheduling use of the pavilion and sports fields to maintenance and cleanliness of the grounds. District owned and maintained parks include Pecan Grove Park located on Pitts Road and Memorial Park located on Plantation Drive. Time & Season also manages maintenance of Bullhead Slough and various other properties throughout the district. Time & Season is dedicated to the beautification of the amenities in Pecan Grove and is proud to serve the residents of the community.

Get to Know Deputy Kreusel

Deputy Kreusel was born and raised in Fort Bend County, spending many weekends at the Kreusel family ranch in Central Texas. A graduate from Kempner High School, Deputy Kreusel began his career in Law Enforcement as a Jailer with the Burleson County Sheriff's Office. Deputy Kreusel enrolled in the Gus George Police Academy, where as a cadet was awarded the Top Gun Award for his skills as a marksman. After graduation he worked at the Ft. Bend County Sheriff's Office as a Detention Deputy and later promoted to Patrol Deputy. He successfully completed his field training and began working on patrol. Deputy Kreusel was then given opportunity to serve as the evening shift Pecan Grove Contract Deputy, where he could use his energy as a Law

Enforcement Officer, while also utilizing his ability to connect with the public on a friendly level. On his days off Deputy Kreusel still goes to the farm, loves fishing and hunting, and has become a formidable BBQ cooker much to his own surprise! But above all things, Deputy Kreusel's supreme passion is his service to God, and being a husband, and father. Deputy Kreusel's disposition, abilities, and intelligence make him a great fit for the Sheriff's Department and the residents of Pecan Grove!



VOTING INFORMATION

The 2018 Director's Election for Pecan Grove Municipal Utility District is May 5, 2018, between 7:00 a.m. and 7:00 p.m.. There are two (2) Director positions up for election. Early voting dates are April 23, 2018 through May 1, 2018. The complete list of early voting dates, locations and hours for voting as

well as election day voting locations will be posted on the District website www.pecangrovemud.com. For more voting information in Fort Bend County visit: www.fortbendcountyvotes.gov.