

A dynamic background image showing a splash of clear water against a light blue sky. The water is captured in mid-air, with numerous droplets and bubbles visible, creating a sense of movement and freshness. The overall color palette is light blue and white.

# **Northwest Freeway Municipal Utility District**

Resident Election Education Presentation

# Overview

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Who is Northwest Freeway MUD?

- District Board of Directors

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- Ballot Language
- Sample Ballot
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Q&A

Website

# Website

## URL:

- <https://www.northwestfreewaymud.com/>

## Election Information:

- <https://www.northwestfreewaymud.com/2021-bond-election>

### Welcome to Northwest Freeway MUD

Northwest Freeway Municipal Utility District (the "District") was created by Order of the Texas Water Rights Commission, on March 10, 1977. The purpose of its creation was to provide water production and distribution, wastewater collection and treatment and drainage facilities to serve the land within its boundaries. Its creation requires the District to operate under the provisions of Chapter 49 and Chapter 54 of the Texas Water Code, as amended, and other general statutes of Texas applicable to Municipal Utility Districts. The confirmation election for the District was held within the District on April 2, 1977.

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#### September 28th Public Meeting Notice

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# Presenters

## Dennis Sander

President – Sander Engineering Corp.

- Licensed Professional Engineer
- 50+ years experience in municipal projects
- 36 years as engineer for Northwest Freeway MUD

## John Howell

Senior Vice President – GMS Group

- 44+ years experience as Financial Advisor to Special Purpose Districts
- 26 years as Financial Advisor to Northwest Freeway MUD

## Palmer Letzrich

Senior Managing Director - Hines

- Head of Industrial & Logistics for Hines Southwest Region

## Spencer Creed

Partner – Schwartz, Page & Harding, LLP

- Legal Counsel for the District
- 18+ years experience serving as general counsel and bond counsel to Special Purpose Districts (SPDs)



**Who is Northwest Freeway MUD?**

# Northwest Freeway Municipal Utility District Est. 1977

The District is responsible for providing water, sanitary sewer, infrastructure and services to approximately 4100 residents in approximately 1183 homes within the Ranch Country, Ranch Country Estates, and Cypresswood Trails neighborhoods within the 399.178 acres of land within the District



# District Board of Directors

## **Barry Campbell - President**

- Served on the Board of Directors since 1988
- Homeowner since 1978

## **Tom Wildrick - Vice President**

- Served on the Board of Directors since 2014
- Homeowner since 1981

## **Dixie Babineaux - Secretary**

- Served on the Board of Directors for a little over two years
- Homeowner since 2006

## **Morris Harmon, Jr. - Assistant Secretary**

- Served on the Board of Directors for almost three years

## **Charles Dudley – Director**

- Joined the Board of Directors in 2020



# Goals of the Election

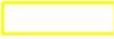
# Rehabilitate Existing Infrastructure

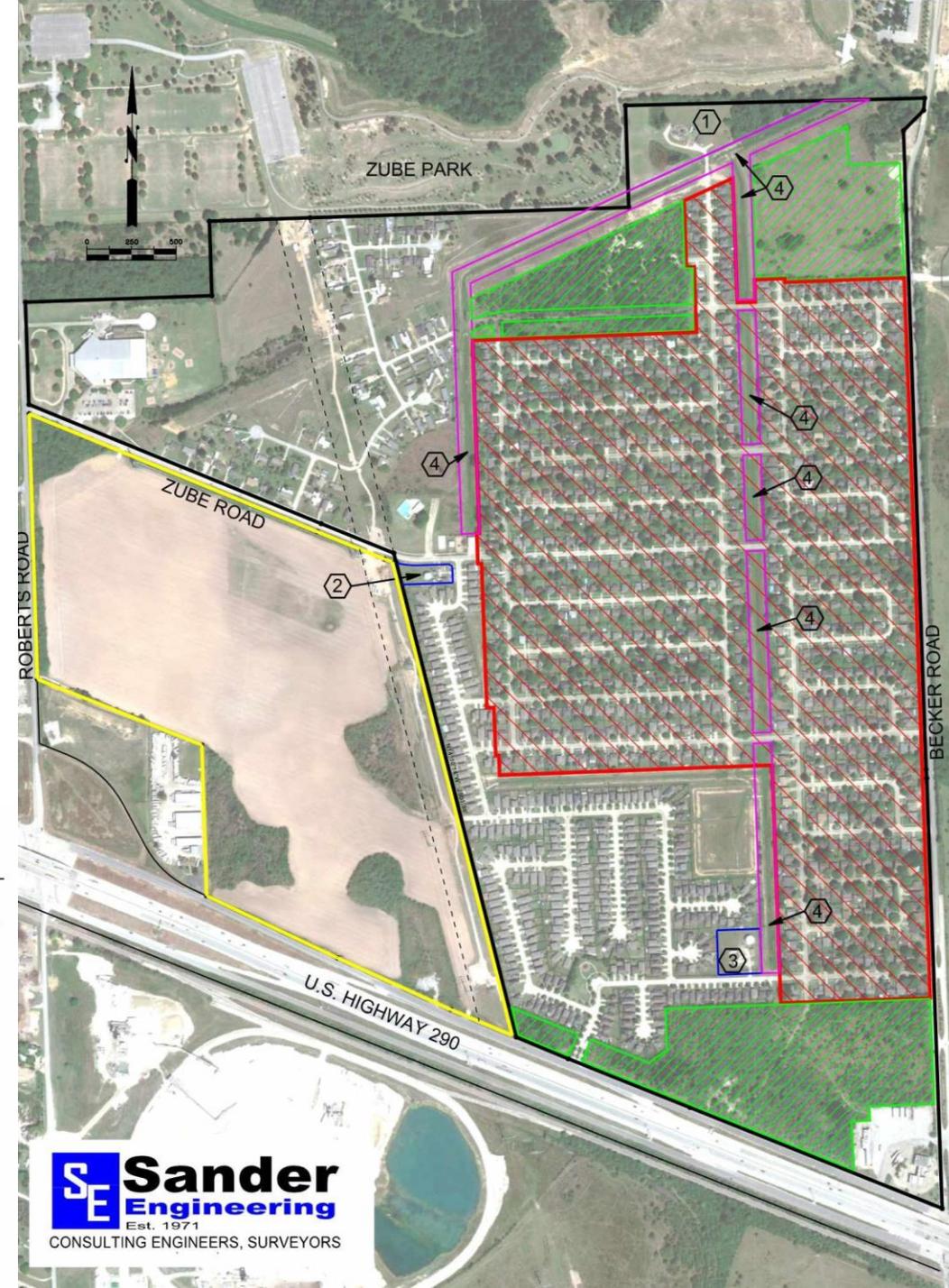
Initial Infrastructure was installed in late 1970's.  
On average, infrastructure lasts about 30-40 years.

- District Goals:
- Repair and Replace some of the District's water lines
- Rehabilitation of the District's drainage ditches and detention

## LEGEND

- ① WASTE WATER TREATMENT PLANT
- ② WATER PLANT NO. 2
- ③ WATER PLANT NO. 3
- ④ MAJOR DITCHES

-  AREA OF EXISTING WATER SYSTEM TO BE REHABILITATED
-  AREA OF PROPOSED DEVELOPMENT
-  EXISTING DISTRICT BOUNDARY
-  AREA TO BE ANNEXED (108 ± ACRES)



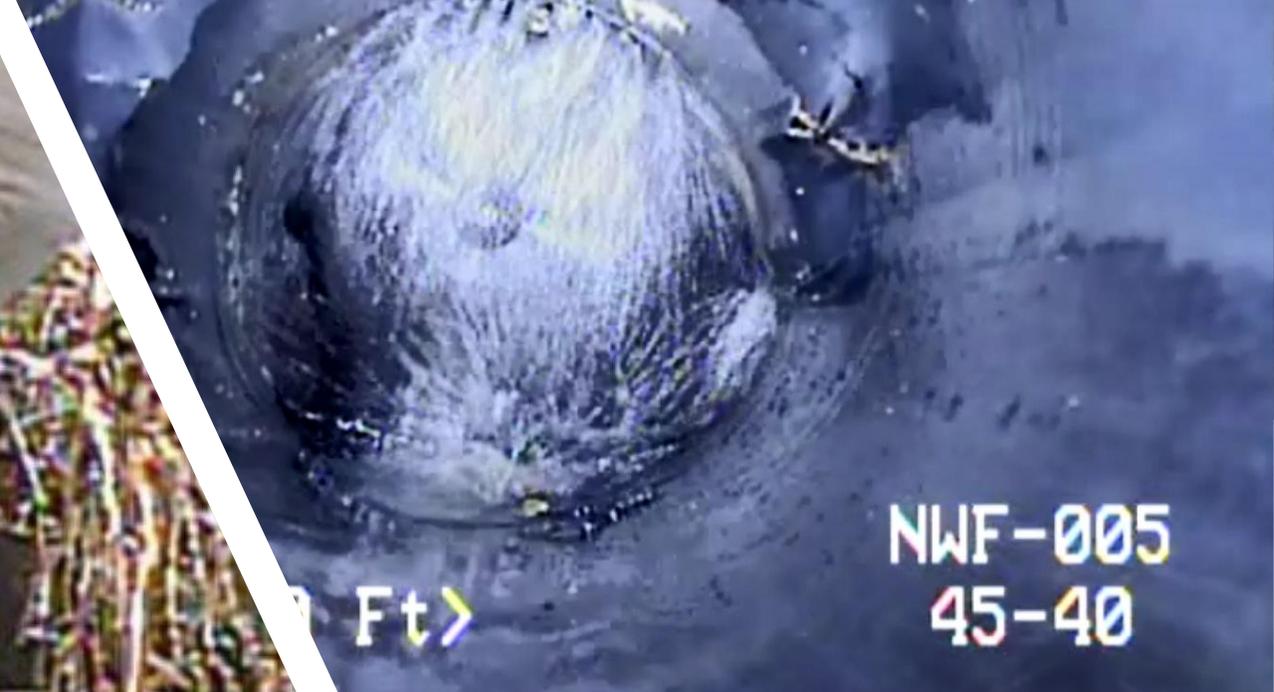


**USMH: MH 109**  
**DSMH: MH 108**



**Deformed**

**136.9 ft.**



Ft >

**NWF-005**  
**45-40**

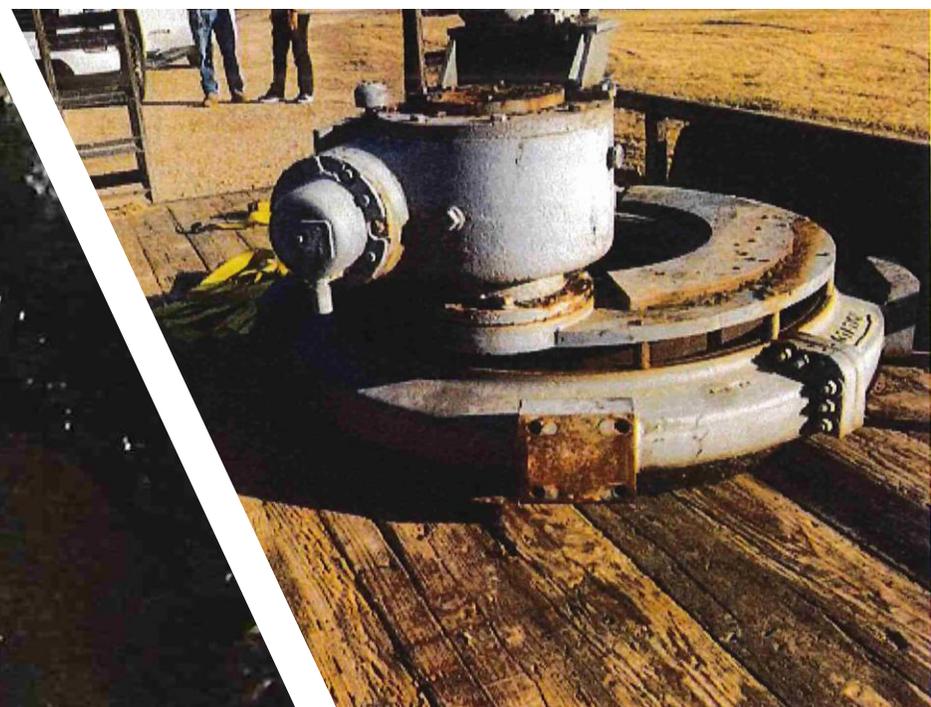
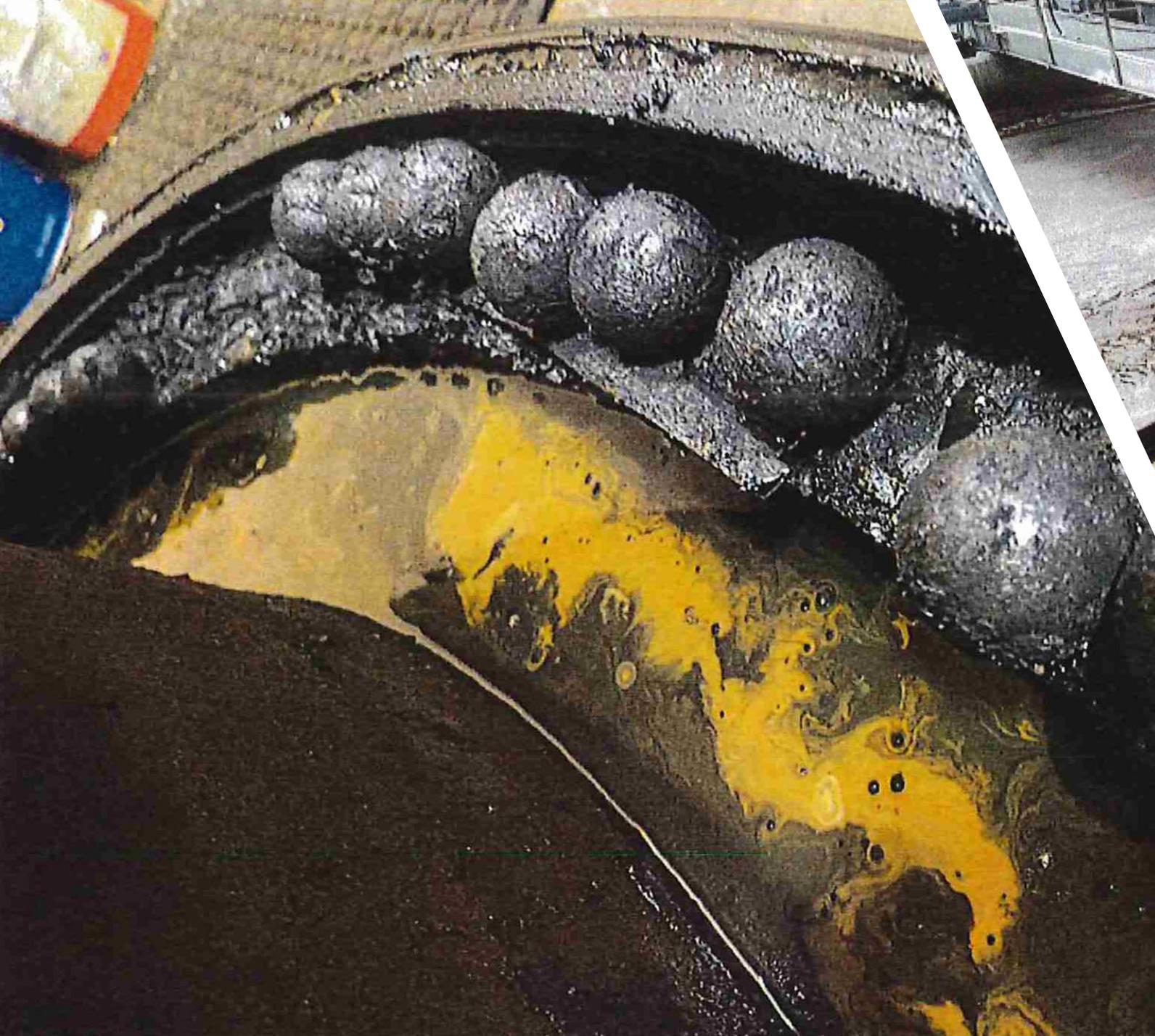
**USMH: MH 115**  
**DSMH: MH 114**

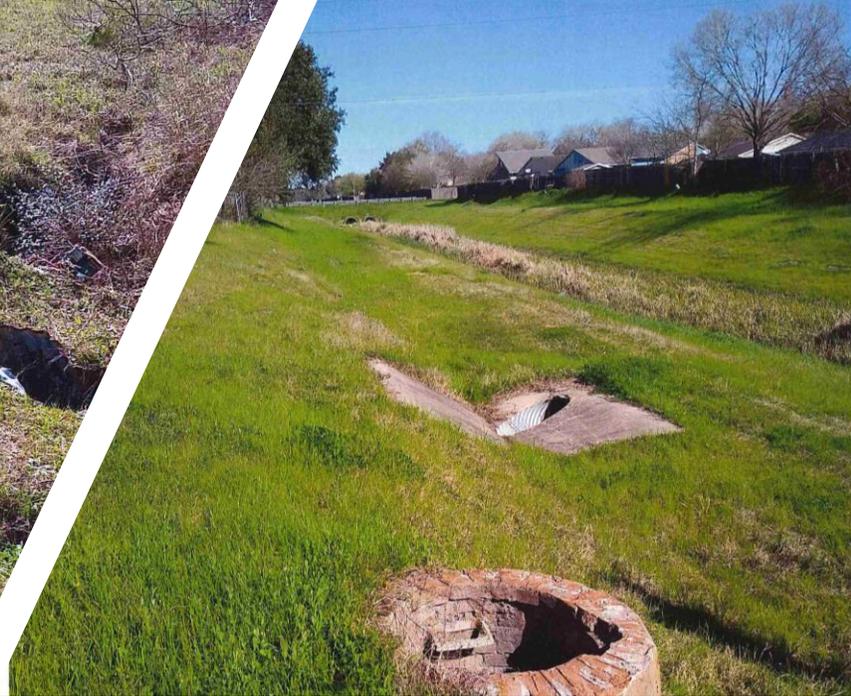
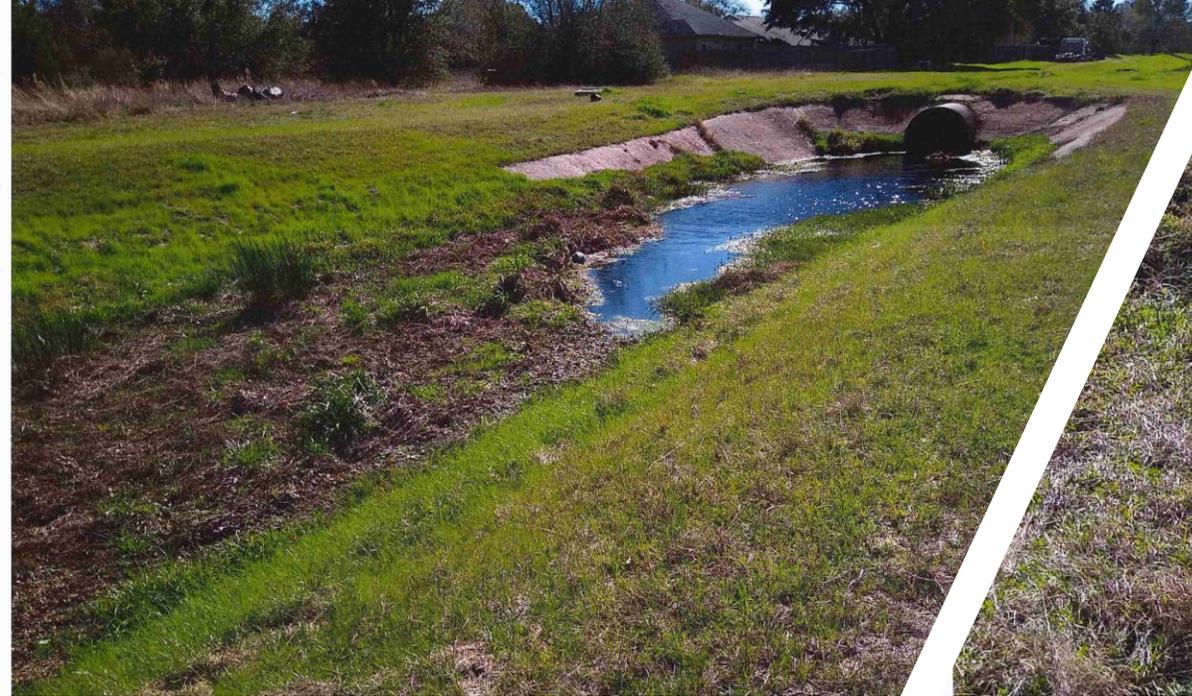


END MH: 89

11/03/20 16:04  
 134.5 FT. -2.64 DEG  
 MH START: 109  
 MH STOP: 108  
 NORTHWEST MUD 24323 JUMPING JAW  
 109 -> 108  
 Circular 8inch Other

17:08  
 -2.11 DEG  
 24415 BAR KAY LN  
 Other





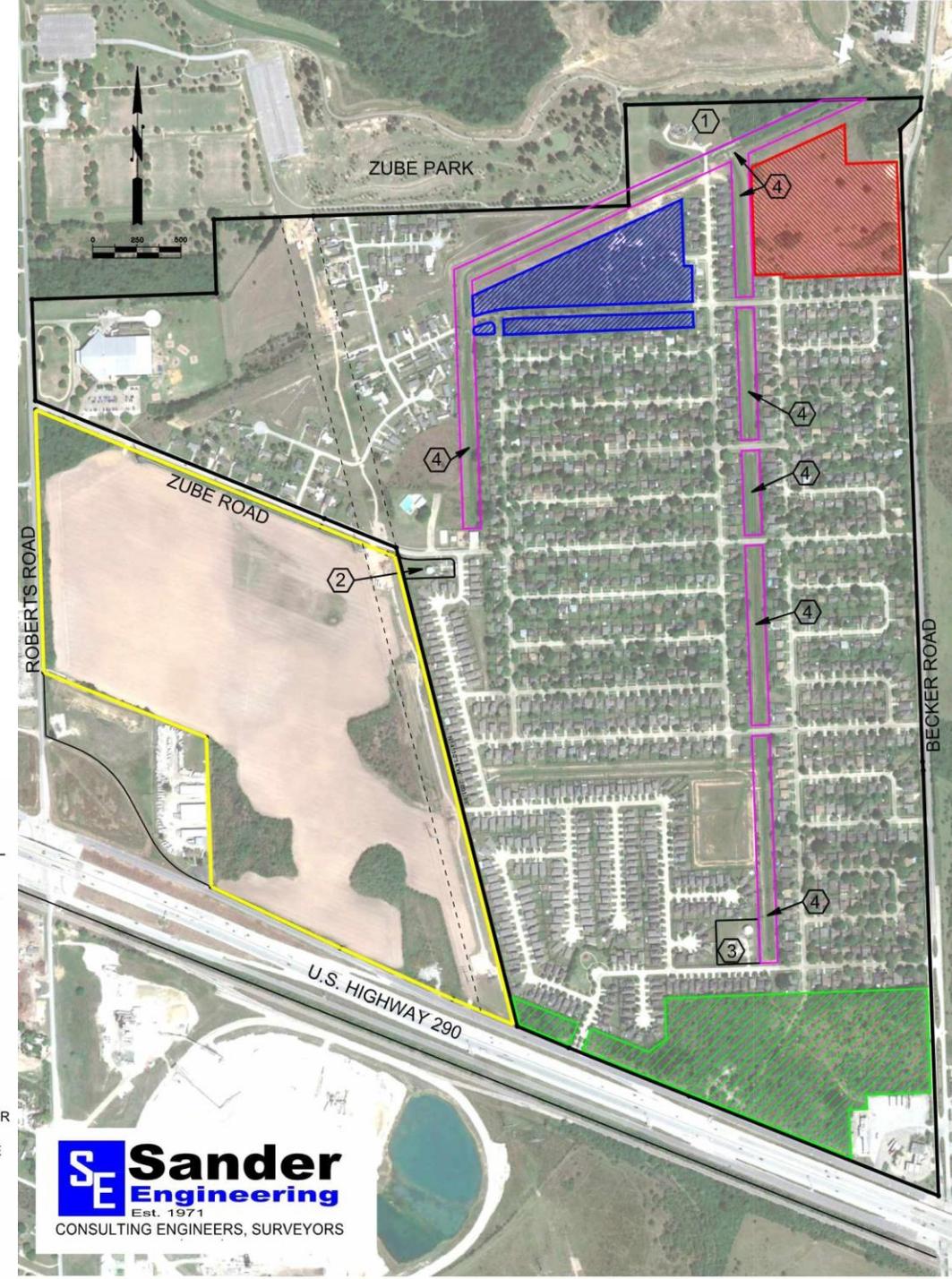
# Infrastructure for New Development

- Infrastructure installation in the undeveloped portions of Ranch Country, Sections 4 and 5
- Infrastructure installation in the undeveloped properties facing US290 and west of Becker Road
- Infrastructure that will service the 108-acre annexation tract of land to be developed

## LEGEND

- ① WASTE WATER TREATMENT PLANT
- ② WATER PLANT NO. 2
- ③ WATER PLANT NO. 3
- ④ MAJOR DITCHES

-  RANCH COUNTRY SECTION FOUR
-  RANCH COUNTRY SECTION FIVE
-  PAPADOPOULAS TRACTS
-  EXISTING DISTRICT BOUNDARY
-  AREA TO BE ANNEXED (108 ± ACRES)





**New Development**





## HINES - Business Parks

Hines is a family-owned and Houston-based real estate investment firm founded in 1957, with a presence in 225 cities in 25 countries and \$144.1 billion of assets under management.

### Hines Business Park Experience

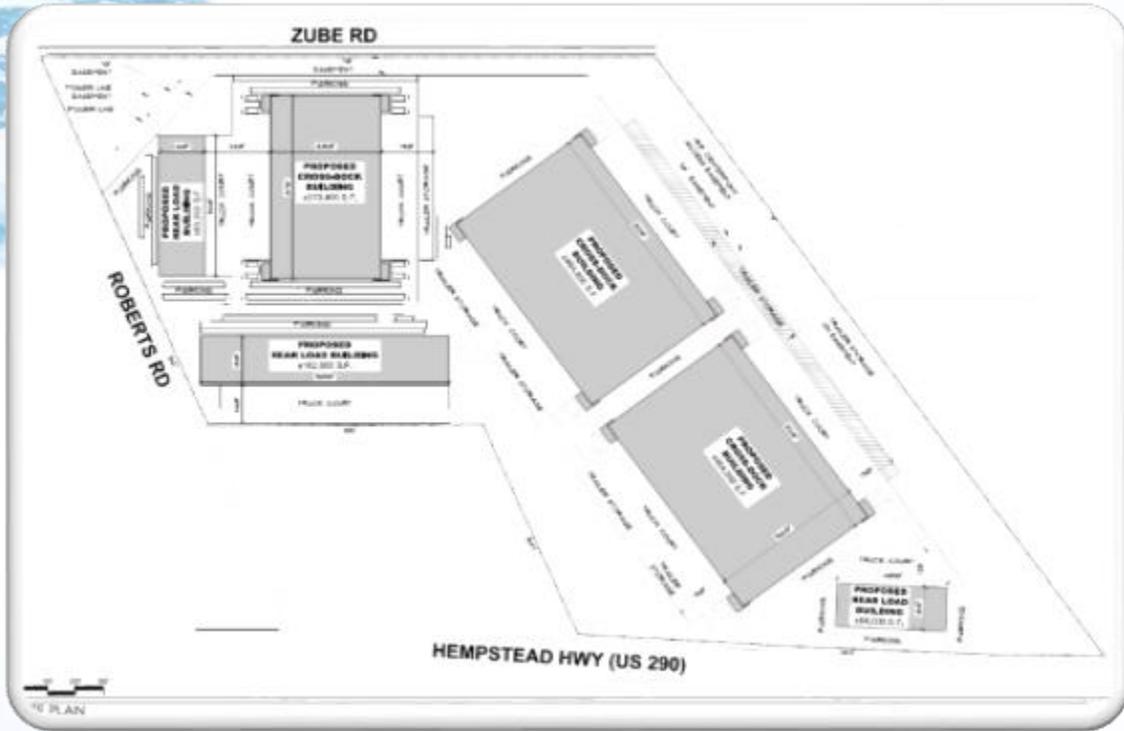
**45M+ SF**      Developments Completed

**8M+ SF**      Developments Underway

**38M+ SF**      Acquired

**51M+ SF**      Managed

# HINES – Potential site plans





# **Financial Information**

# What is a Bond Authorization?

- A bond authorization is an authorization to sell bonds to fund district projects.
  - *Similar* to a line of credit that a business might use to fund its operations.
- An authorization is **not** immediate funding, nor is it a “blank check” to fund the entire amount of the authorization without meeting strict regulatory requirements.
- While an authorization may be for a large amount, bonds may only be sold **once necessary projects are ready to begin** or as needed for repairs and maintenance or replacement.

# Funding Projects: Bond Authorization vs. “PAY As You Go”

## Bond Authorization

Example: Project cost \$3.6M

- bonds are sold to fund project
- *Ad valorem* (property tax rate) should not increase
- Average home contribution to project: \$15.50/mo, or approx. \$185/year
- Current and future residents share debt burden over 30 years

## “Pay As You Go”

Example: Project cost \$3.6M

- resident water bills are funding source
- Water rates increase in advance of project to fund (barring emergency need)
- Average home contribution to project: approx. \$3000 (barring emergency need)
- Debt Burden is immediate and 100% on current residents

*In both cases, funding for project must be in the bank prior to bidding project.*

# District Statistics

- 2020 Taxable Valuation: \$148 Million
- Current Outstanding Bond rating: BBB+ (in the top 25% of Districts)

## 2020 Tax Rate Per \$100 of Assessed Value

Debt Service Tax	\$0.45
Maintenance Tax	\$0.25
<b>Total 2020 Tax Rate</b>	<b>\$0.70</b>

*The Board of Directors has lowered the District total tax rate 58% since 2010!*

## 2020 Overlapping Tax Rates (by Jurisdiction)

Waller Independent School District	\$1.366400
Harris County	\$0.604193
Harris County ESD No. 21	\$0.100000
Harris County ESD No. 3	\$0.100000
Northwest Freeway MUD	\$0.700000
<b>Total 2020 Overlapping Tax Rate</b>	<b>\$2.870593</b>

# **Hines Business Park's Financial Impact on Northwest Freeway MUD**

If the bond election passes and the Hines business park is developed, it is expected to add significant value to the District's tax base (Hines estimates build out taxable value to be approximately \$100M- \$120M)

The value from development of the Hines Business Park would aid the District's goal of keeping the total tax rate at or below current levels



**Election Information**

# Ballot Language

**Proposition A - THE ISSUANCE OF UP TO \$18,155,000 IN TOTAL PRINCIPAL AMOUNT OF BONDS FOR WATER, SANITARY SEWER AND DRAINAGE FACILITIES AND THE IMPOSITION OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS**

# Sample Ballot

NO. \_\_\_\_\_  
NRO. \_\_\_\_\_  
SỐ \_\_\_\_\_  
編號 \_\_\_\_\_

BOND ELECTION  
ELECCIÓN DE BONOS  
CUỘC BẦU CỬ TRÁI PHIẾU  
債券選舉

May 1, 2021  
1 de mayo de 2021  
Ngày 1 tháng Năm, 2021  
2021年5月1日

NORTHWEST FREEWAY MUNICIPAL UTILITY DISTRICT  
DISTRITO DE SERVICIOS PÚBLICOS MUNICIPALES DE NORTHWEST FREEWAY  
CƠ QUAN DỊCH VỤ TIỆN ÍCH NORTHWEST FREEWAY  
NORTHWEST FREEWAY 市政公用事業區

OFFICIAL BALLOT  
BOLETA OFICIAL DE VOTACIÓN  
LÁ PHIẾU CHÍNH THỨC  
正式選票

**INSTRUCTION NOTE:** Place an "X" in the square beside the statement indicating the way you wish to vote.

**NOTA DE INSTRUCCIÓN:** Coloque una "X" en la casilla junto a la declaración que indique la forma en que desea votar.

**GHI CHÚ HƯỚNG DẪN:** Đánh dấu "X" vào ô vuông bên cạnh câu cho biết nguyện vọng bỏ phiếu của quý vị.

指示說明：請在聲明部份旁邊的括號內填寫「X」，以表明投票人希望就此事項做出的表決結果。

NORTHWEST FREEWAY MUNICIPAL UTILITY DISTRICT - PROPOSITION A  
DISTRITO DE SERVICIOS PÚBLICOS MUNICIPALES DE NORTHWEST FREEWAY -  
PROPOSICIÓN A  
CƠ QUAN DỊCH VỤ TIỆN ÍCH THÀNH PHỐ NORTHWEST FREEWAY - KẾ HOẠCH ĐỀ  
NGHI A  
NORTHWEST FREEWAY 市政公用事業區 - 提案 A

FOR  
 A FAVOR  
 THUẬN  
 贊成

THE ISSUANCE OF UP TO \$18,155,000 IN TOTAL PRINCIPAL AMOUNT OF BONDS FOR WATER, SANITARY SEWER AND DRAINAGE FACILITIES AND THE IMPOSITION OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS.

AGAINST  
 EN CONTRA  
 CHỐNG  
 反對

LA EMISIÓN DE HASTA \$18,155,000 EN LA CANTIDAD TOTAL DE CAPITAL DE BONOS PARA INSTALACIONES DE AGUA, DE ALCANTARILLADO SANITARIO Y DE ALCANTARILLADO DE DRENAJE Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, SUFICIENTES PARA PAGAR EL CAPITAL Y EL INTERÉS DE LOS BONOS.

PHÁT HÀNH CÁC TRÁI PHIẾU VỚI TỔNG SỐ TIỀN GỐC LÊN TỐI ĐA \$18,155,000 CHO CÁC CƠ SỞ CẤP NƯỚC, THOÁT NƯỚC VỆ SINH VÀ CÔNG Rãnh VÀ ÁP DỤNG CÁC KHOẢN THUẾ, MÀ KHÔNG GIỚI HẠN MỨC THUẾ HOẶC SỐ TIỀN THUẾ, Ở MỨC ĐỦ ĐỂ TRẢ TIỀN GỐC VÀ LÃI CỦA CÁC TRÁI PHIẾU ĐÓ.

發行本金總額為18,155,000美元的水、污水管道及排水設施債券，並徵收不限稅率或稅額的足額稅款用於償付上述債券之本金及利息。

# Early Voting and Election Day Times and Location

**Early Voting:** Monday, April 19<sup>th</sup> – Tuesday, April 27<sup>th</sup>, 2021 (*weekdays only*)

- 8:00 a.m. – 12:00 p.m. and 1:00 p.m. – 5:00 p.m.

**Election Day:** Saturday, May 1<sup>st</sup>, 2021

- 7:00 a.m. – 7:00 p.m.

**Voting Location:** Water Plant #2

- 24523 Running Iron Drive, Hockley, TX 77447



# Questions & Answers



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