



FORT BEND COUNTY
MUNICIPAL UTILITY
DISTRICT NO. 25

WATER WORKS

USEFUL FACTS ABOUT YOUR WATER DISTRICT

Letter from the President....

DIRECTORS

James Cupp,

President

Mary Moore Hayes,

Vice President

Bob Tomlinson,

Assistant Vice President,

Investment Officer

George Farland,

Secretary

Keli Schroeder,

Assistant Secretary and

Investment Officer

OPERATOR:

ECO Resources, Inc.

ENGINEER:

Pate Engineers, Inc.

TAX ASSESSOR/ COLLECTOR:

Assessments of the
Southwest, Inc.

On May 6th, local elections were held and three Board of Director positions for Fort Bend County Municipal Utility District No. 25 were determined by your votes. I am pleased to say that by a solid majority, Mary Moore Hayes, George Farland, and I were all reelected to serve another four-year term.

The Board has worked hard over the last four years to lower taxes and make needed capital improvements. We have also worked especially hard to keep residents informed about what is being done to ensure an adequate supply of quality, affordable water from the District. I feel we have been successful in all three of these areas and would like to think that your support was a result of these efforts.

As we all know, elections are a great opportunity to give a “report card” to everyone we vote for or, in some cases, against. We hold those we elect to represent our interests accountable and, as your Board members, we are acutely aware of our responsibilities in this role. We also know that we cannot be successful in the long term if election time is the only time we hear from you, so don’t wait for the ballot box to let us know how we are doing.

We invite and value your input and comments; they help us know if we are on the right track! I’m sure you will agree that it is significantly easier to resolve problems *before* they are allowed to fester and escalate.

So, once again...we thank you for your support and, in return for this recent vote of confidence, you have our pledge that we will continue to do everything we can to earn and merit your continued trust.

Jim Cupp,
President

WATER TESTING - A NEVER ENDING CYCLE

The Environmental Protection Agency (EPA) issues drinking water standards with which all public water suppliers must comply. These regulations specify what substances to test for and the frequency of testing. Testing is necessary because all sources of drinking water can contain small amounts of these substances.

Some of these substances, such as iron and fluoride, may actually have nutritional values at low levels. However, other substances which enter drinking water sources are fortunate by-products of modern society.

In Texas, the Texas Natu-

ral Resource Conservation Commission is charged with monitoring compliances of public water supplies with the EPA and the State of Texas drinking water regulations.

The TNRCC establishes a schedule of testing for each supplier based on:

- ◆ the size of the population served by the supplier;
- ◆ how vulnerable its water source is to contamination;
- ◆ the type of water (ground or surface); and,
- ◆ if there has been a history of detecting contaminants in the water source.

The EPA has always worked to keep drinking water

safe, and it has now extended that service to keeping the public informed of the quality of its drinking water. Beginning in October 1999, public water systems in Texas must provide their customers with a Consumer Confidence Report, also referred to as a **Drinking Water Quality Report**.

These reports will be customized for each public water system and will reflect the contaminants -- and level of contaminants -- which have been found in their water system, as well as the maximum level allowed by state and federal law. ◆

Dan Whitcher

Attention Seniors!



The Board of Directors of Fort Bend County Municipal Utility District No. 25 has voted to give **our resident senior citizens a break!** Senior citizens are now entitled to a discount on annual MUD taxes. For more complete information or to find out if you qualify, contact Tommy Lee, at Assessments of the Southwest: 281-482-0216.

Making it easy to pay your water bill!

Did you know that there is more than one way to pay your water bill?

There's a drop box located at the Pheasant Creek Food Mart (the Texaco station) on the corner of Old Richmond Road and Pheasant Creek Drive. (No cash payments are accepted at this drop box.)

Please pay close attention to when your payment is due -- this is indicated on your bill -- and allow sufficient time for the payment to reach us by that date. Depositing your payment on the date noted as "Termination Date" may result in termination of your water service with additional fees incurred for reconnection.

Payments may also be made at 12550 Emily Court, Sugar Land, TX 77478; 15411 Vantage Pkwy. West, Suite 205, Houston, TX 77032; and at 805 Hidden Canyon, Katy, TX 77450. ◆



FUTURE DEVELOPMENT ANTICIPATED

In the last newsletter article regarding the tax rate decrease, it was reported that the Board of Fort Bend County Municipal Utility District No. 25 was planning for future development to facilitate improvement of the MUD water/wastewater system. At that time, planning amounted to positioning the District for future growth, but no developers had any plans for additional development.

Much has occurred since that time. Two different developers have approached the District regarding additional single family residential developments. Plans are underway for development of the area south of Stratford Park Village and north of Oyster Creek, with over 400 to 500 new homes. In addition, the area south of the Campbell Ready Mix site on FM 1464 is being planned for development of over 300 homes.

What does this mean for Fort Bend County Municipal Utility District No. 25? The additional land value added to the District associated with new home construction will further increase the District's tax base. As we've seen in the past, this new development provides the ability to lower the tax rate assessed on individual homes, as the tax burden is spread across more development.

In addition, the cost of operating the water, sewer, and drainage system is spread across a larger base, generating economy of scale for individual homeowners. This economy of scale is most notably realized on large scale repair projects. For example, the cost of a \$50,000 sewer repair on an aging line would be spread across a

larger base of homeowners, thereby decreasing the cost per home. As the District's underground water and sewer system ages, more of these large scale repair projects will be necessary.

Beyond the economic impact, additional growth provides opportunity for the District's capital improvements. In the past, the Board of Directors has used the recent phenomenal growth to make significant improvements to the water, sewer, and drainage facilities.

For example, the District has installed emergency power at each of its facilities sufficient to fully power District facilities through a natural disaster. It has completed the first phase of landscaping for the wastewater treatment plant, and has completed its Internet web site for better communication with its customers. And the District is currently designing improvements to eliminate the use of chlorine gas at the wastewater treatment plant.

The Board is planning to continue this strategy of improvements to increase the function and life of the District's facilities in conjunction with growth. For example, the expanded development will provide the opportunity to add an additional water plant. The third water plant is planned to provide more capacity (over and above State minimum requirements), with the goal of allowing the District to continue full water supply service if one water well is out of service for repair.

This third water well will provide a long term economic benefit as well as increased system reliability. Well repair -- an event-



ality as facilities age -- is extremely expensive. Much of the expense can be attributed to the speed of repair required to get the well back online to avoid reduced service to customers. Under a situation requiring emergency repair of a water well, the question asked is not "What is the best, most cost effective repair?" Instead, the focus is "How do we get this plant back online as fast as possible?" A third well will allow time for future repair decisions to be made and allow for adequate time to complete the best, most economical repair.

This upcoming new growth in the District allows the Board to continue its strategy of using the economic benefit of new development to enhance and upgrade facilities while steering the financial course of the District toward ever decreasing costs to each homeowner. Through this strategy, Fort Bend County Municipal Utility District No. 25 will continue to provide quality water and sewer service to its residents long after new development has ended. 💧

By Alan McKee,
Pate Engineers, Inc.

We Want to Hear From You....

Have you ever had a comment, question, or concern about your water or sewer service? Have you been curious about the construction taking place at the sewage treatment plant? Did you ever want more information about the growth within our District? Questions about your water bill? Do we have an adequate supply of water during "dry spells"? Will water and sewer service be available in case of a natural disaster?

There's a quick and easy way to find answers to all your water-related questions. Contact your Board of Directors of Fort Bend County Municipal Utility District No. 25. We place a high priority on communicating with residents served by our District, so we have a number of methods in place for reaching your Board members any time:

1. World Wide Web

Visit us on the Internet! www.waterdistrict25.com. Learn about our Board meetings, what's on the agenda, and send us your comments right from our website. Residents may contact us at another direct-mail address:

fortbend.mud25@usa.net.

2. Snail Mail:

Mail your comments or questions to our Post Office Box — Fort Bend County Municipal Utility District No. 25, P. O. Box 1431, Sugar Land, TX 77487-1431.



3. Monthly Meetings:

Attend a District Board meeting -- your Board of Directors holds a public meeting the second Friday of each month at 5:30 p.m.

The meeting location rotates monthly. In even months, the meeting is held at ECO Resources,

Inc., 12550 Emily Court, Sugar Land, TX, and in odd months, the meeting is held at the offices of Vinson & Elkins L.L.P., First City Tower, 1001 Fannin, Conference Room No. 2710, Houston, TX 77002-6760. Please verify the meeting time and location by calling ECO Resources, Inc., at 281-240-1700 to ensure that no changes in date or location have occurred due to unforeseen circumstances.

The Board of Directors works for YOU...each and every resident of our District. Please let us know how we're doing and what we can do to improve. We look forward to hearing from you — each of you — soon! ♦

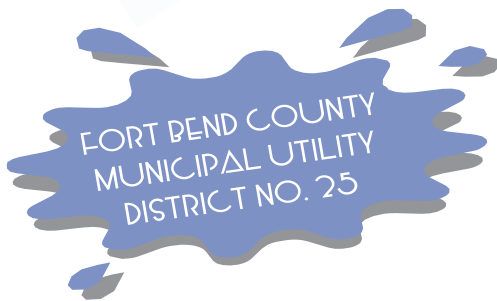
Fort Bend County Municipal Utility District No. 25 Board of Directors...



Thanks for your support!

(Left to right)

Bob Tomlinson,
Mary Moore Hayes,
Keli Schroeder,
Jim Cupp and
George Farland.



C/O VINSON & ELKINS L.L.P.
2300 First City Tower, 1001 Fannin
Houston, Texas 77002-6760