



Harris County Water Control and Improvement District No. 99
19423 Lockridge Drive
Spring, Texas 77373
<https://www.hcwcid99.com/>

June 19, 2025

These FAQs were generated from the written and emailed questions solicited by the District as part of the May 5th, 2025, Public Hearing on the possible conversion of HCWCID99 from a water control improvement district to a municipal utility district (MUD) and from a video of the hearing provided by a resident

Each FAQ was reviewed by each Director and the District Attorney. We have done our best to include every question asked either in writing or asked or implied by concerns at the public hearing. Although we believe these FAQ are comprehensive, we always remain open to further questions.

Though the conversion from a WCID to a MUD is not proceeding at this time, the HCWCID99 Directors felt that this information still should be made available.

HCWCID99 Board of Directors

HCWCID 99 MUD CONVERSION FAQs

1. Why is WCID 99 considering conversion to a MUD?

The sole reason that HCWCID 99 (a water district) is considering conversion to a MUD is so that the District could enforce deed restrictions in North Hill Estates and Lynwood Estates.

2. Why is it important to enforce deed restrictions?

Studies have shown that property values in communities that enforce deed restrictions average 4% higher than in communities that do not. The District is responsible for maintaining the value of its taxable base, and enforcing deed restrictions would be just one more of many things that the District already does to maintain the value of properties in the District.

3. Why not continue with the NHE Civic Club enforcing the restrictions as they currently are and always have?

This is a possibility that is being seriously considered. The District's Board is evaluating this option and may accept this option if it is deemed to be in the best interest of the District.

4. If the District converts to a MUD, will my taxes go up?

Absolutely not. Taxes levied by the District are used strictly to pay for our bonds, which were issued to fund infrastructure repairs and rehabilitation. No tax dollars are used to fund the District's operations. The District has the same taxing authority as approved by the voters in 2019 whether it is a WCID or a MUD.

5. If the District converts to a MUD, will my water and sewer rates go up?

Rates would not automatically be higher in a MUD than in a WCID. If the District spends money on deed restrictions enforcement, the cost of that program would be included in the water and sewer rates just like the costs for the garbage collection and constable patrol.

6. But I heard that there are special MUD taxes and fees, right?

Absolutely not. A WCID and MUD have the same taxing authority, which is subject to voter approval. The District's tax rate is based on the amount of bonds it needs to pay off that year and the water and sewer rates are based on the annual operating budgetary needs. There is no such thing as automatically having higher taxes, water & sewer rates, or fees from being in a MUD compared to a WCID.

7. I heard that the Regional Water Authority charges MUDs more, so isn't this a reason not to convert?

There is no difference in what the Regional Water Authority charges water districts based on their type. The misunderstanding is based on the Authority stating that they charge MUDs on their website, but they say MUD because most water districts in Texas are MUDs. If we convert, there will be no change in what we pay the Authority.

8. Isn't this going to make us like a HOA? HOAs are famous for having fees of \$100 - \$200 per month or more in our area.

No, not even close. If you look at what HOA's do, it is entirely things that the District or the Civic Club already do, or that do not apply to our situation. We will not have an HOA, nor will there be any HOA fees.

9. So why do people say that MUDs are horrible?

Most bad experiences with MUDs come from developing districts, often under the control of developer-selected boards. Many times, a developer will put in a lot of infrastructure like a pool, a clubhouse, sidewalks, streetlights, landscaping, etc. that residents are not expecting to have to pay for, and then such new districts generally have tax rates that are even higher than the school district tax. Our district is nothing like that – since we have been a fully developed district for quite some time, we are at the stage of replacing old infrastructure, not putting in things that we have never had, like a pool, a clubhouse, or sidewalks. Also, our board has been elected from the neighborhood for decades. Finally, we have a tax rate forecast to pay off our bonds that goes out to 2053, and the rates are significantly lower than expected and advertised at the time that residents approved the bonds in the 2019 election.

10. If the District converts to a MUD how will this affect the deed restrictions?

There would be no effect on the deed restrictions. Under Texas law, the District would not be able to add new restrictions or make any changes to the existing restrictions. The only way to change the deed restrictions is by a vote of a majority of the owners of the lots subject to the restrictions.

11. If the District converts to a MUD, why would it not make the people who violate deed restrictions pay for the enforcement?

Under Texas law, people who violate the restrictions are responsible for reimbursement of enforcement costs after they have been notified as required by law. It should be borne in mind that we all benefit from deed restrictions enforcement and that inspections and

courtesy letters must be handled prior to any legal notification. This explains why there must be a fee but that it would be small.

12. Wouldn't we have outsiders coming into our neighborhood who don't know it or care as much as the Civic Club?

We are considering the possibility of contracting the Civic Club so that we could continue as at present, but with the advantage that the small cost of the program would be shared equally among all. There are outside firms that specialize in neighborhood inspections and that do an excellent job, but certainly they would have to be properly managed and overseen by the District.

13. What if the MUD loses an expensive lawsuit against an owner in a deed restrictions dispute?

No matter who enforces the deed restrictions, the Civic Club, or the MUD, it is important not to engage in any dispute that lacks a clear violation of a deed restriction. Currently, the Civic Club frequently consults its legal team about whether costs are necessary and recoverable, and this would not change with a MUD.

14. Shouldn't the Water Board go door-to-door to all the homes to find out what owners want?

This is the plan. However, given the vast amount of misunderstanding about MUD conversion, e.g., supposing that costs are going to significantly increase, we are working first to get accurate information to everyone.

15. Wouldn't MUD conversion fundamentally change the nature of our district, resulting in more and higher density development, with more traffic and infrastructure demands?

No. There is no plan to expand our district or engage in more infrastructure development.

16. When I moved here, I thought that this was an unrestricted neighborhood without any HOA or MUD fees.

NHE has never been an unrestricted neighborhood. Our deed restrictions are binding on all property owners under Texas law. We do not and will not have HOA fees, as we have a Civic Club with voluntary membership. There are currently WCID fees (taxes and utility bills) that would still apply. There are no special fees just from being a MUD.

17. I am uneasy about having the power of a MUD in the hands of just a few people. That's too much power for a small group.

It is a misconception that MUDs have much more power and less accountability than WCIDs. For example, it has been stated that a MUD would have the right of eminent domain. The WCID already has the right of eminent domain, and it is less restricted than for a MUD. The board of a WCID and MUD must consist of property owners or residents within the District who are elected by the residents of the district. Further, if the MUD assumes authority for deed restrictions, its power would be limited to enforcing the recorded restrictions as they exist, and as stated earlier, it would not be able to make up new restrictions.

18. When we bought our house, we agreed to the deed restrictions. What difference does it make who enforces them?

Currently, the Civic Club has a written policy on deed restrictions enforcement. This policy was adopted specifically so that it would not matter who enforces the deed restrictions.

19. But shouldn't I be able to do what I want with my property?

You are free to do whatever you want with your property within the bounds of the deed restrictions and applicable law.

20. What if we hire a company for deed restrictions and it doesn't work out? There's no going back, right?

Not exactly. A MUD would have the authority to enforce deed restrictions, but it is not required. In fact, most MUDs do not enforce deed restrictions and leave them for HOAs to handle. Also, there is nothing to prevent a MUD from not exercising that authority and leaving it to or partnering with the NHECC.

21. If the MUD enforces the deed restrictions, do I still need to pay my annual \$40 Civic Club dues?

Membership in the NHE Civic Club will continue to be contingent on paying the annual dues. The Civic Club does much more than enforce deed restrictions and would still need to charge annual dues.