

October 20, 2021

To: Residents of MUDs 1 and 6 in The Woodlands  
From: The Presidents of MUDs 1 and 6 in The Woodlands

Re: Consolidation of MUDs 1 and 6 in The Woodlands

An announcement regarding voting for consolidation of MUDs 1 and 6 into a new utility called MUD 3 was provided in a Woodlands Water Agency press release dated August 30, 2021. Residents were advised via email and social media. The announcement was also published in Woodlands Online: <https://www.woodlandsonline.com/npps/story.cfm?nppage=70810> This note is intended to clarify some wording on the ballot proposal.

Voting for the MUD consolidation is a special election, and part of the November 2, 2021, Joint Election conducted by Montgomery County. For more information on the Joint Election and your voter status, please visit <https://elections.mctx.org/>.

The November 2 sample ballots are shown on the next page. The wording of the propositions for consolidation for MUDs 1 and 6 (called Proposition A) requires explanation concerning bonds and taxes.

The ballot shows that a consolidated MUD 3 will have unissued bonds totaling \$16,306,000, and unissued refunding bonds totaling \$1,919,681.60, both for water, sewer, and drainage. There are no plans in the foreseeable future to issue any new bonds because current and projected utility expenditures are fully met by current and projected revenue streams and reserves. The wording on the ballot related to bonds and taxes, specifically "...the imposition of taxes, without limit as to rate or amount..." has been included for legal compliance purposes—it does not signal any intent of either MUD to impose additional taxes.

Both MUDs 1 and 6 are debt-free and, if consolidated, the new MUD 3 would also be debt-free. The MUD 1 and MUD 6 Boards of Directors have indicated their intent to keep tax rates low, regardless of whether MUDs 1 and 6 are consolidated into a new MUD 3.

Bob Leilich  
President MUD 1

Neil Gaynor  
President MUD 6

**THE WOODLANDS MUNICIPAL  
UTILITY DISTRICT NO. 1  
SPECIAL ELECTION**  
*THE WOODLANDS MUNICIPAL  
UTILITY DISTRICT NO. 1  
ELECCIÓN ESPECIAL*

**The Woodlands MUD No. 1**

**Proposition A**

Shall Montgomery County Municipal Utility District No. 6 (MUD 6) and The Woodlands Municipal Utility District No. 1 (MUD 1) consolidate into one district, to be known as The Woodlands Municipal Utility District No. 3, with the consolidated district assuming all of MUD 6 and MUD 1's legal rights, obligations and voted but unissued \$16,306,000 water, sewer and drainage bonds and \$1,919,881.60 water, sewer and drainage refunding bonds, and the imposition of taxes, without limit as to rate or amount, sufficient to pay the principal of and interest on the bonds?

*The Woodlands MUD No. 1*

*Proposición A*

*¿Deberán ser consolidados en un solo distrito el Montgomery County Municipal Utility District No. 6 (MUD 6) y el The Woodlands Municipal Utility District No. 1 (MUD 1) el cual será llamado The Woodlands Municipal Utility District No. 3, asumiendo el distrito consolidado todos los derechos legales, las obligaciones y los bonos votados pero no emitidos por \$16,306,000 para agua, alcantarillado y drenaje y bonos de reembolso por \$1,919,881.60 para agua, alcantarillado y drenaje del MUD 6 y del MUD 1, y la imposición de impuestos, sin límite en cuanto a tasa o cantidad, suficientes para pagar el capital y los intereses de los bonos?*

FOR  
A FAVOR

AGAINST  
EN CONTRA

**MONTGOMERY COUNTY  
MUNICIPAL UTILITY DISTRICT  
NO. 6  
SPECIAL ELECTION**  
*MONTGOMERY COUNTY  
MUNICIPAL UTILITY DISTRICT  
NO. 6  
ELECCIÓN ESPECIAL*

**MC MUD No. 6**

**Proposition A**

Shall Montgomery County Municipal Utility District No. 6 (MUD 6) and The Woodlands Municipal Utility District No. 1 (MUD 1) consolidate into one district, to be known as The Woodlands Municipal Utility District No. 3, with the consolidated district assuming all of MUD 6 and MUD 1's legal rights, obligations and voted but unissued \$16,306,000 water, sewer and drainage bonds and \$1,919,881.60 water, sewer and drainage refunding bonds, and the imposition of taxes, without limit as to rate or amount, sufficient to pay the principal of and interest on the bonds?

*MC MUD No. 6*

*Proposición A*

*¿Deberán ser consolidados en un solo distrito el Montgomery County Municipal Utility District No. 6 (MUD 6) y el The Woodlands Municipal Utility District No. 1 (MUD 1) el cual será llamado The Woodlands Municipal Utility District No. 3, asumiendo el distrito consolidado todos los derechos legales, las obligaciones y los bonos votados pero no emitidos por \$16,306,000 para agua, alcantarillado y drenaje y bonos de reembolso por \$1,919,881.60 para agua, alcantarillado y drenaje del MUD 6 y del MUD 1, y la imposición de impuestos, sin límite en cuanto a tasa o cantidad, suficientes para pagar el capital y los intereses de los bonos?*

FOR  
A FAVOR

AGAINST  
EN CONTRA