

## Fort Bend MUD No. 37

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December 17, 2020

Attention Pin Oak Village and Mills Pointe Customers:

Re: Fire and Emergency Medical Services (“Fire & EMS”) within Fort Bend MUD 37

This letter is to apprise you of some upcoming changes in how Fort Bend MUD 37 will be collecting fees for Fire & EMS on your monthly water bill. In order to fully explain why these changes are necessary we would like to retrace the history and openly share with you the recent events that necessitate these changes.

The developer for the Pin Oak Village Subdivision created Fort Bend MUD 37 as a governmental agency with taxing authority in 1981. The purpose for creation of Fort Bend MUD 37 was to allow the developer to sell municipal revenue bonds for the construction, operations and maintenance of various infrastructure needed to facilitate the development. These infrastructure items included the water plant, sewerage treatment plant, streets, drainage, water distribution lines and sewerage collection items etc. As Pin Oak Village Subdivision began to develop and as houses were built Fire & EMS was provided by the Katy Volunteer Fire Department. There was never any “documented/official agreement” nor “legally binding contract” between Pin Oak Village and the Katy Volunteer Fire Department. For almost 40 years Pin Oak Village residents supported the Katy Volunteer Fire Department through voluntary donations and contributions and some residents may have even served as volunteer fire fighters and in other unofficial roles. The voluntary donations from residents were collected by Fort Bend MUD 37 via a separate line item on each resident’s monthly water bill. Once each month, Fort Bend MUD 37 would transfer the donations to the Katy Fire Department. These monthly donations varied from month to month, however each month’s donation totaled about \$1,000.

In recent decades as the Katy area continued to grow; the City of Katy made the decision to transition from a Volunteer Fire Department to a full-time, professional and paid Fire & EMS Department funded by the City of Katy. Throughout this period of transition from a Volunteer Fire Department to the fully staffed and paid Fire & EMS Department the City has today – Pin Oak Village, via Fort Bend MUD 37, continued to make contributions to Katy Fire & EMS on a voluntary basis. In September 2019 the City of Katy sent a letter to Fort Bend MUD 37 advising that the City of Katy could no longer provide Fire & EMS coverage to Fort Bend MUD 37 on a “voluntary contribution basis”. Their reasoning is justified in that cost of providing the services of a fully staffed, full-time, paid, professional Fire & EMS Department simply were not being covered by the voluntary monthly contributions of Pin Oak Village Residents. Fort Bend MUD 37 responded quickly with a request to the City of Katy to continue uninterrupted Fire & EMS coverage for Fort Bend MUD 37 till such time as a formal agreement could be put in place.

For the last year, Fort Bend MUD 37 had been in discussions and negotiations with the City of Katy to work out a formal Interlocal Agreement for Fire & EMS coverage. The details of the agreement are complicated by the fact that in 2003 Fort Bend County Emergency Service District 2 (“FBCESD2”) was created and named “Willowfork Fire Department”. FBCESD2 has a legal and geographic boundary that runs parallel to and west of the former Greenbush Road, now known as Westheimer Parkway. This means that Mills Pointe Subdivision is within FBCESD2 while Pin Oak Village Subdivision is not. Fort Bend MUD 37’s legal/geographic boundary encompasses land and houses on both sides of Westheimer Parkway. FBCESD2 (Willowfork Fire Department) is a full-time, paid, professional fire department that

funds itself through Ad Valorem taxes collected from appraised value within its legal/geographic boundary. In simple terms, Mills Pointe homeowners pay taxes directly to FBCESD2 while Pin Oak Village Residents do not; even though both Mills Pointe and Pin Oak Village reside within Fort Bend MUD 37.

Fort Bend MUD 37 explored all available options to address the City of Katy's directives outlined in their September 2019 letter. These options generally included: 1) Entering into a formal Interlocal Agreement with the City of Katy to continue Fire & EMS for Pin Oak Village or 2) Terminate Fire & EMS coverage with the City of Katy and enter into an Interlocal Agreement with FBCESD2/Willowfork Fire Department to provide fire response services on an "out of district basis" to Pin Oak Village. Either of these two options results in Fort Bend MUD 37 having to collect a Fire & EMS fee from Pin Oak Village Residents on a monthly basis to cover the cost of services. After careful consideration of available options, the Fort Bend MUD 37 Board voted to enter into a formal Interlocal Agreement with the City of Katy.

Starting in February 2021, Pin Oak Village Residents will have a Fire & EMS fee line item added to their monthly water bills. This Fire & EMS fee will replace the "Volunteer Fire Department" line item. Mills Pointe homeowners will not see the Fire & EMS fee on their water bill since they are already paying the previously mentioned Ad Valorem tax directly to FBCESD2. Fort Bend MUD 37 will collect the monthly Fire & EMS fee from Pin Oak Village residents and transfer the collections to the City of Katy in accordance with the Terms and Conditions of the Interlocal Agreement. Starting in February 2021, the monthly Fire & EMS fee for Pin Oak Village residents will be \$24 per house. This monthly fee will be reviewed by the Fort Bend MUD 37 Board on an annual basis and is likely to increase from time to time in the future to allow Fort Bend MUD 37 to collect sufficient revenues needed to cover the financial obligations to the City of Katy outlined in the Interlocal Agreement.

It is important to point out the following facts and hopefully dispel some of the rumors and hearsay being circulated on various social media platforms:

- There has never been any "lapse" in Fire & EMS coverage for any Fort Bend MUD 37 residents. The City of Katy and FBCESD2 have continued to provide services while the negotiations and discussions have ensued.
- Katy Fire & EMS Department will continue to provide Fire & EMS services to the entirety of Pin Oak Village Subdivision, including those residents within Pin Tail Court.
- FBCESD2 (Willowfork Fire Department) will continue to provide fire response and Fort Bend EMS will continue to provide EMS response to Mills Pointe Subdivision,
- There is a "Mutual Aid" agreement between Katy Fire & EMS and FBCESD2/Willowfork Fire to provide emergency response backup and support for instances where either department requests it. This means that if a Pin Oak Village Resident dials 911, Katy Fire and EMS will be the first response with backup and support from FBCESD2 as needed and requested by Katy. Similarly, if a 911 call from Mills Pointe comes in, FBCESD2 will be the lead response agency with backup and support from Katy Fire & EMS as requested or necessary,
- The Katy Fire & EMS Department and the FCDESD2 both have excellent full-time, paid, professional fire fighters and emergency medical response personnel that provide 24/7 – 365 days a year coverage. Both departments maintain fully staffed Fire Stations in close proximity to Fort Bend MUD 37 residents. We are all truly fortunate to have access to both of these outstanding Fire and EMS Departments. For more information about either department please visit the websites noted below.

<https://www.willowforkfire.com/>

<https://www.cityofkaty.com/government/city-departments/fire-department>

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In closing we invite any concerned resident of Fort Bend MUD 37 to attend our monthly meeting which occurs at 7:00pm on the third Wednesday of each month. Due to recent COVID-19 concerns and restrictions, the Fort Bend MUD 37 has been meeting via conference call. The agenda with meeting location and/or conference call information can be found on the Fort Bend MUD 37 website at the following link. <https://fbcmud37.com/>

Sincerely,

Fort Bend County MUD 37  
Board of Directors

Steve Berckenhoff, President  
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