

Williamson-Travis Counties MUD #1
14050 Summit Drive, #113
Austin, TX 78728

URGENT NOTICE TO WTCMUD #1 RESIDENTS
RE: PROPOSED SWIMMING POOL – COMMUNITY INPUT PROCESS

The Board of Directors of the WTCMUD #1 respectfully requests you to submit your opinion regarding a proposed Project for the construction and operation of a swimming pool within the District. This Community Input Process has been established to assure that the wishes of the community are respected by providing the Board your opinion on whether or not to proceed with the proposed Project.

Your June utility bill will include a form that will allow you to indicate if you are IN FAVOR OF or OPPOSED TO the construction and operation of a proposed swimming pool within the District. This opinion process will continue through at least two billing cycles. The results will be tabulated and made public prior to a vote by the Board of Directors. The vote by the Board is expected to take place in August or September. The exact vote date will be publicized in advance.

Before submitting your opinion we urge you to educate yourself with the wealth of detailed information that the Board has developed to assist residents in understanding all aspects of the proposed Swimming Pool Project. The information available includes studies of the possible designs, operation, site location and the cost impact on your personal property taxes. All of the information is included on the MUD web site at www.wtc mud1.org . Alternatively, you can receive printed copies by calling Severn Trent at 512-246-0498. Your questions are welcome via email to: **wtc mud1.yahoo.com** or by phone to: 512-246-0498.

Following are questions posed by the Board and the resultant reports which contain the responses.

1. ***What design of pool would be appropriate, how many people are likely to use it, where can it be located and how much will it cost to construct and operate?*** Please view the District Engineer's Preliminary Feasibility Study ("**Engineers Study**") to view the information provided for these questions.
2. ***What would be the impact on property taxes to construct and operate a swimming pool facility?*** The District Accountant along with the Board's Budget Committee created the "**Pool Cost Projection**" document to address this question. The report shows anticipated impacts for varying appraised home values. Please consult this document to estimate how this would affect your personal tax situation.
3. ***Would the residents of the District be willing to pay the required additional property taxes and how should the Board determine whether such willingness exists?*** The Board contracted with a consultant to create a Community Outreach Program. Their information is contained in the "**Initial Public Forum**" and "**Supplement to the Initial Public Forum**". Since only a very small portion of the community was able to participate, the Board is not highly confident that the information is representative of the opinions of all of the community. Therefore, the Board decided to undertake this Community Input Process.

The Board's attorney has advised that State Law prohibits the use of Municipal Bond financing for the construction of projects, such as the proposed pool, and there is no other mechanism available for financing the construction over time. The construction funding must come from the Operating and Maintenance funds secured through property taxes or grants (there is no assurance that grants can be secured). While it is possible to collect the funds required for construction over multiple years all the funds would have to be on hand to construct the facility. Though much less than the construction costs, operating costs not covered by pool revenues, would also have to be secured annually through property taxes.

HISTORY: On June 24, 2008 a group of District residents presented the Board with a petition requesting the MUD conduct a Feasibility study of the construction and operation of a Swimming Pool facility in the District and to inform the community of the results of the study through an Outreach Program. The petition was signed by 430 residents from all five neighborhoods of the District. The Board feels obliged to conduct a thorough and carefully structured response. The result is the reports and data posted on the web site and the Community Input Process announced by this letter.