

So, what is the “Belvedere Municipal Utility District” or “MUD”?

A Municipal Utility District, commonly referred to as a “MUD”, is a special type of governmental district allowed under Texas law. Its purpose is to provide subdivisions and developers a way to finance infrastructure such as water, sewer, drainage, and recreational facilities for their developments rather than load these costs into the price of their lots. A MUD is typically located outside city limits. A MUD has the ability to issue bonds to finance authorized improvements. MUD’s also are authorized to reimburse developers for infrastructure investments they have made within the MUD’s boundaries. The MUD then collects property tax revenue and user fees (1) to repay the debt, (2) to pay for operating and maintenance expenses of the infrastructure and (3) to pay for the services that the MUD provides. A MUD can only exercise those powers expressly granted to it.

As a municipal utility district, Belvedere MUD is one of these special districts. Its boundaries coincide with the boundaries of the Belvedere subdivision. It was created by order of the Texas Commission on Environmental Quality (also known as the “TCEQ”) on November 30, 2005.

The Belvedere MUD is governed by an elected 5-member Board of Directors, whose staggered terms last 4 years. The current Board of Directors of the Belvedere MUD are listed above. Elections for the Belvedere MUD Board of Directors are held in May of even numbered years. Belvedere MUD Board meetings are generally held at the Belvedere Amenity Center, 17400 Flagler Drive at 6:00 PM on the third Tuesday of every month. Notice of the meetings and the agendas are posted on the physical bulletin board by the mailboxes in the District as well as on the Belvedere MUD website. Meetings are open to the public.

While the Belvedere MUD owns no land, it is currently responsible for the trail surfaces and for water and drainage facilities in the District. While a MUD can be responsible for road facilities, the Belvedere MUD does not have the authority to own or maintain roads. The roads in Belvedere are private and fall within the purview of the Belvedere Homeowners Association (“HOA”). The District’s current primary operation and maintenance expenses include weekly trash and recycling collection, mowing and maintenance of drainage areas and maintenance of the trails.

As mentioned previously, the Belvedere MUD is authorized to provide water services. However, in the very early stages of development (2004) the developer entered into an agreement for a third party to provide retail water service to the residents in Belvedere. That agreement, which the developer assigned to the Belvedere MUD, currently is with West Travis County Public Utility Agency (often referred to as West Travis County PUA, WTCPUA or just the PUA). With this Agreement in place, the Belvedere MUD Board has no day-to-day involvement in Belvedere water services and the District’s operation and maintenance funds do not pay for water system operations and maintenance. Belvedere residents pay for water system operation and maintenance through the water rates paid to the PUA.

In 2006, the then existing Belvedere voters voted to authorize issuance of bonds in a total aggregate principal amount of \$7.92 million. In 2018 the District had its final bond issuance and made its final reimbursement payment to the Developer. More detailed information regarding the District’s bond obligations can be found in the Audit Report posted on this site. With the final payment to the Developer

in 2018, the Belvedere MUD became the owner of the Amenity Center building and other facilities on the Amenity Center Lot excluding the swimming pool. The Belvedere HOA owns and is responsible for the Belvedere lazy river pool. Note that the Belvedere MUD has contracted with the Belvedere HOA to handle day-to-day operations and maintenance of these facilities.