

BILMA PUBLIC UTILITY DISTRICT

c/o Radcliffe Bobbitt Adams Polley PLLC
America Tower
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Board of Directors

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President

Dennis E. Winkler,
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Secretary

Cynthia D. Day,
Assistant Secretary

Steve Hoffmann,
Director

District Operator

Hays Utility South
(281) 353-9809

February 11, 2019

Dear Residential Customer:

Texas and Harris County have limited groundwater supplies and a requirement to convert the majority of water usage in our area to surface water. The North Harris County Regional Water Authority (the "NHCRWA"), our primary supplier of surface water, has the responsibility to ensure there is an adequate supply for this growing region now and into the future. For decades, the NHCRWA has been developing infrastructure to supply surface water.

The cost of the infrastructure work is shared equally across the NHCRWA community through groundwater pumpage fees and surface water rates. This April, the NHCRWA is increasing its rates by \$0.45 cents per 1,000 gallons of water usage.

As a result of the NHCRWA rate increases, effective with your April billing statement, which will be dated April 22, 2019, the NHCRWA fee on your bill will increase to \$3.20 per 1,000 gallons of usage.

The Board of Directors of the Bilma District is sensitive to rising costs and deliberates carefully about raising fees and taxes. Where possible, the Board takes measures to mitigate costs. For example, the Board reduced the 2019 tax rate by two cents. Additionally, in the past, the District made capital contributions to the NHCRWA so that we could charge a lower pumpage fee/surface water rate than the actual rate of the NHCRWA. Even with this \$0.45 increase, the District still is charging residents less than what the NHCRWA is charging the District.

While the Bilma Board feels we must pass along this increase as a portion of the total NHCRWA fee, the Board will continue to look for ways to keep taxes and water rates lower than many of our neighboring districts.

We encourage you to find ways to use less water to save money and to save water, which is a precious and limited resource. From time-to-time, we will send you information about how to reduce water use. Our web site, www.bilmapud.com, and the NHCRWA website, www.nhcrwa.org/education/water-conservation-links/, are resources for conservation tips and practices.

Our Board meetings are always open to the public and you are welcome to address the Board in person if you wish to provide public comment on this or any other topic related to our District. Board meetings are held on the first Thursday of each month at 5:00 p.m. and are held at the Spring Creek Oaks Clubhouse II, 6002 Bur Oak, Spring, Texas.

Sincerely,
Board of Directors
Bilma Public Utility District