

SH

SHERRINGTON-HUMBLE, LLC

Founded in 1997

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March 21, 2025

Board of Directors, Galveston County MUD No. 66
c/o Ms. Terrie Sechrist, Sechrist-Duckers, LLP
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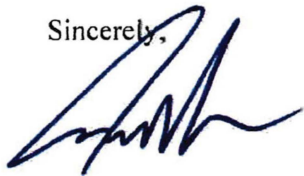
Via email: tsechrist@s-dlawfirm.com

RE: District Engineer Evaluation of Water, Sanitary Sewer and Drainage Bond Capacity and Park and Recreational Bond Capacity

As authorized, Sherrington-Humble performed an existing bond capacity evaluation for both the water, sanitary sewer, and drainage bonds ("Utility Bonds") as well as the park and recreational bonds ("Park Bonds"). Table 1 shows the estimated future bond issue requirement for the Utility Bonds for both the existing property within the District as well as the pending 82.0-acre annexation totaling \$36,150,000. Currently, the District has \$29,520,000 in remaining authorized Utility Bonds which leaves a shortfall of \$6,630,000. Table 2 shows the proposed Bond Authorization for Utility Bonds to be included in the proposed bond election totaling \$30,000,000. The \$30,000,000 includes the above-referenced shortfall, adjustments for inflation, and additional capacity for future annexations. The proposed and future annexations will allow the District to grow, increasing the District's overall value which ultimately will benefit the existing and proposed residents.

Currently the District has \$3,000,000 in available Park Bonds. A planned future bond issue will use a majority of the available bonding capacity allowing no future park and recreational reimbursements or park and recreation facility projects within the District. Table 3 shows the proposed Bond Authorization for Park Bonds to be included in the proposed bond election totaling \$10,000,000. The \$10,000,000 includes the reimbursement of park and recreational facilities to serve the planned 82.0-acre annexation as well as additional capacity for parks, trails, sidewalks, and other amenities that can be constructed within the existing District and serve the exiting residents.

Sincerely,



Sean A. Humble, P.E.
Managing Partner

Enclosures

