



Greg Lentz

Director

April 28, 2021

Via E-mail: Kristine.Polian@leaguecitytx.gov

Ms. Kristine Polian

Director-Finance

City of League City

300 W. Walker Street

League City, Texas 77573

**Re: Bay Colony West Municipal Utility District (the “District”)
\$4,800,000 Unlimited Tax Bonds, Series 2021**

Dear Kristine:

The District is proposing to sell its \$4,800,000 Unlimited Tax Bonds, Series 2021 (the “Bonds”) to finance water, sewer and drainage facilities. Pursuant to the attached “Utility Agreement By and Between the District and the City of League City, Texas” (the “Utility Agreement”), the District is required to obtain City of League City approval prior to the sale of the Bonds. The terms and conditions of the Bonds and expenditure of funds are in compliance with the Utility Agreement, in particular, the District is in compliance with Sections 5.02 and 6.06 of the Utility Agreement which stipulates maximum debt ratios allowed (see detail below).

The bond application and sale of the Bonds has been approved by the Texas Commission on Environmental Quality (“TCEQ”). We have attached the TCEQ’s Order approving the sale of the bonds that includes a summary of cost along with a no growth cash flow analysis related to the financing for your review. The District levied a 2020 tax rate of \$1.00 per \$100 of taxable assessed valuation (\$0.89 for debt service and \$0.11 for maintenance). The District’s 2020 Certified Taxable Assessed Valuation as of January 1, 2020 and Preliminary Taxable Assessed Valuation as of January 1, 2021, as provided by the Galveston Central Appraisal District, is \$248,593,467 and \$295,896,331, respectively. The District’s current outstanding debt assuming issuance of the Bonds will be \$25,410,000. The ratios of outstanding debt to 2020 Certified Taxable Assessed Valuation as of January 1, 2020 and Preliminary Taxable Assessed Valuation as of January 1, 2021 is 10.22% and 8.59%, respectively. **There is no tax rebate associated with the District.**

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The District would like to sell the Bonds on or around Wednesday, May 26, 2021, and in connection therewith, the District would like to obtain League City approval as soon as possible.

Please let us know if you need any additional information.

Thank you for your assistance with this financing.

Sincerely Yours,



Greg Lentz
Director

Enclosures

cc: Mr. Dax Philbin, Bacon, Wallace & Philbin, L.L.P.
Ms. Alexis Walker, Bacon, Wallace & Philbin, L.L.P.
Mr. Ben Terry, Masterson Advisors LLC