

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

NOTICE OF AND AGENDA FOR A WORKSHOP AND REGULAR MEETING TO BE HELD BY THE BOARD OF DIRECTORS

DATE: TUESDAY, JANUARY 25, 2022
TIME: 5:30 PM
PLACE: HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
TELECONFERENCE MEETING

PRESIDING: S. DAVID DEANDA, JR, CHAIRMAN

MEMBERS OF THE PUBLIC ARE WELCOME TO PARTICIPATE REMOTELY

DIAL-IN NUMBER : +1 956-413-7950

Access Code: 413 356 752 #

WEblink: [Click here to join the meeting](#)

An electronic copy of the agenda packet can be obtained at www.hcrma.net

PLEDGE OF ALLEGIANCE

INVOCATION

CALL TO ORDER OF A WORKSHOP

1. Review of Quarterly Investment Report for the period ending December 31, 2021.
2. Review of the Investment Policy for the Hidalgo County Regional Mobility Authority.

ADJOURNMENT OF WORKSHOP

CALL TO ORDER AND ESTABLISHMENT OF A QUORUM FOR A REGULAR MEETING

PUBLIC COMMENT

1. REPORTS
 - A. Report on Program Manager Activity for 365 Tollway Project and IBTC Environmental Clearance Document – Eric Davila, HCRMA.
 - B. Report on 365 Tollway Project Financing Activities – Richard Ramirez, Hilltop Securities.
 - C. Report on Overweight/Oversized Vehicle Permits Issued in 2021 – Pilar Rodriguez, HCRMA

2. CONSENT AGENDA (All matters listed under Consent Agenda are considered to be routine by the Governing Body and will be enacted by one motion. There will be no separate discussion of these items; however, if discussion is desired, that item(s) will be removed from the Consent Agenda and will be considered separately. The Governing Body may also elect to go into Executive Session on any item on this agenda, whether or not such item(s) are posted as an Executive Session Item, at any time during the meeting when authorized by provisions of the Open Public Meeting Act.)

- A. Approval of Minutes for the Regular Meeting held December 20, 2021.
- B. Approval of Project & General Expense Report for the period from December 4, 2021, to January 13, 2022.
- C. Approval of Financial Reports for November 2021 and December 2021.
- D. Approval of the Quarterly Investment Report for the period ending December 31, 2021.
- E. Resolution 2022-01 – Annual approval of the Investment Policy for the Hidalgo County Regional Mobility Authority.
- F. Resolution 2022-02 – Consideration and Approval of Work Authorization 1 Supplemental 1 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.
- G. Resolution 2022-03 – Consideration and Approval of Work Authorization 2 Supplemental 2 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.
- H. Resolution 2022-04 – Consideration and Approval of Work Authorization 3 Supplemental 1 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

3. REGULAR AGENDA

- A. Resolution 2022-05 – Consideration and Approval of amendment to the Hidalgo County Regional Mobility Authority Overweight/Oversized Vehicle Permit Corridor designating additional route of US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line.
- B. Resolution 2022-06 – Consideration and Approval of Utility Relocation Agreement with Enbridge for the 365 Tollway Project.
- C. Resolution 2022-07 -- Consideration and Approval of Contract Amendment No. 1 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from US 281/Military Highway to FM 396 (Anzalduas Highway).

4. CHAIRMAN'S REPORT

- A. None.

5. TABLED ITEMS

- A. None.

6. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.072 (DELIBERATION OF REAL PROPERTY), AND SECTION 551.074 (PERSONNEL MATTERS)

- A. Consultation with Attorney on personnel matters related annual evaluation of the Executive Director (551.074 T.G.C.)
- B. Consultation with Attorney on legal issues pertaining to an Interlocal Cooperative Agreement with the City of Mission to provide Right of Way Acquisition Services (Section 551.071 T.G.C.)

- C. Consultation with Attorney on legal issues pertaining to the Texas Department of Transportation State Infrastructure Bank Loan for the 365 Tollway Project (Section 551.071 T.G.C.)
- D. Consultation with Attorney on legal issues pertaining to Professional Service Agreements for Engineering, Surveying and Environmental Services (Section 551.071 T.G.C.).
- E. Consultation with Attorney on legal issues pertaining to the voluntary acquisition of real property for various parcels for the 365 Tollway Project and International Bridge Trade Corridor Project (Sections 551.071 and 551.072 T.G.C.).
- F. Consultation with Attorney on legal issues pertaining to the acquisition, including the use of Eminent Domain, for property required to complete the project alignments of the 365 Tollway Project (Sections 551.071 and 551.072 T.G.C.).
- G. Consultation with Attorney on legal issues pertaining to the Environmental Clearance Document for the International Bridge Trade Corridor Project (Section 551.071 T.G.C.).
- H. Consultation with Attorney on legal issues pertaining to the issuance of one or more Series of Hidalgo County Regional Mobility Authority bonds and related agreements and provisions relating to the subject (Section 551.071 T.G.C.).
- I. Consultation with Attorney on personnel matters related to the COVID-19 pandemic (Section 551.074 T.G.C.).

ADJOURNMENT OF REGULAR MEETING

CERTIFICATION

I, the Undersigned Authority, do hereby certify that the attached agenda of the Hidalgo County Regional Mobility Authority Board of Directors is a true and correct copy and that I posted a true and correct copy of said notice on the Hidalgo County Regional Mobility Authority Web Page (www.hcrma.net) and the bulletin board in the Hidalgo County Court House (100 North Closner, Edinburg, Texas 78539), a place convenient and readily accessible to the general public at all times, and said Notice was posted on the 19th day of January 2022 at 5:00 pm and will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

Maria E. Alaniz
Administrative Assistant

Note: If you require special accommodations under the Americans with Disabilities Act, please contact Maria E. Alaniz at 956-402-4762 at least 96 hours before the meeting.

PUBLIC COMMENT POLICY

Public Comment Policy: "At the beginning of each HCRMA meeting, the HCRMA will allow for an open public forum/comment period. This comment period shall not exceed one-half (1/2) hour in length and each speaker will be allowed a maximum of three (3) minutes to speak. Speakers addressing the Board through a translator will be allowed a maximum of six (6) minutes.

All individuals desiring to address the HCRMA must be signed up to do so, prior to the open comment period. For meetings being held by telephonic or videoconference, individuals may contact Maria. E. Alaniz at (956) 402-4762 before 5:00 pm day of the meeting.

The purpose of this comment period is to provide the public an opportunity to address issues or topics that are under the jurisdiction of the HCRMA. For issues or topics which are not otherwise part of the posted agenda for the meeting, HCRMA members may direct staff to investigate the issue or topic further. No action or discussion shall be taken on issues or topics which are not part of the posted agenda for the meeting. Members of the public may be recognized

on posted agenda items deemed appropriate by the Chairman as these items are considered, and the same time limitations applies."

Note: Participation by Telephone/Video Conference Call – One or more member of the HCRMA Board of Directors may participate in this meeting through a telephone/video conference call, as authorized by Sec. 370.262, Texas Transportation Code.

Workshop

Item 1

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	1
PLANNING COMMITTEE	____	DATE SUBMITTED	01/18/2022
FINANCE COMMITTEE	____	MEETING DATE	01/25/2022
TECHNICAL COMMITTEE	____		

1. Agenda Item: WORKSHOP ITEM 1 – QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING DECEMBER 31, 2021.
2. Nature of Request: (Brief Overview) Attachments: Yes No
Presentation of the quarterly investment report.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Public Funds Investment Act Section 2256
4. Budgeted: Yes No N/A
5. Staff Recommendation: Report Only.
6. Planning Committee's Recommendation: Approved Disapproved None
7. Board Attorney's Recommendation: Approved Disapproved None
8. Chief Auditor's Recommendation: Approved Disapproved None
9. Chief Financial Officer's Recommendation: Approved Disapproved None
10. Chief Development Engineer's Recommendation: Approved Disapproved None
11. Chief Construction Engineer's Recommendation: Approved Disapproved None
12. Executive Director's Recommendation: Approved Disapproved None



Board of Directors

S. David Deanda, Jr., Chairman
Forrest Runnels, Vice Chairman
Ezequiel Reyna, Jr., Secretary/Treasurer
Alonzo Cantu, Director
Paul S. Moxley, Director
Francisco "Frank" Pardo, Director
Joaquin Spamer, Director

January 7, 2022

To: S. David Deanda, Chairman

Members of the Board of Directors

From: Pilar Rodriguez, Executive Director/Investment Officer

Jose Castillo, Chief Financial Officer/Investment Officer

RE: Quarterly Investment Report for QE December 2021/Statement of Compliance

The above-referenced report is hereby presented, pursuant to the Public Funds Investment Act (PFIA), for your review and acceptance.

This quarter investment disbursements totaled \$4,103,720, issued for the following: debt service--\$3,447,378, which consisted of principal--\$2,110,000 and interest--\$1,337,378 and project activities--\$656,342. Other sources: included internal transfers-in--\$1,386,889 and interest income of \$2,056.

The PFIA also requires that the report contain a Statement of Compliance, signed by the Investment Officers, as presented below:

STATEMENT OF COMPLIANCE

This report complies with the requirements of the Public Investment Act as well as the Hidalgo County Regional Mobility Authority's (RMA) adopted investment policy. The RMA follows all provisions of the Public Investment Act and the RMA's investment policy.

Presented by RMA Investment Officers:

Pilar Rodriguez, Investment Officer

Jose H. Castillo, Investment Officer

Hidalgo County Regional Mobility Authority
QUARTERLY INVESTMENT SUMMARY REPORT
Quarter Ending December 31, 2021

	Local Govt.		
	Investment	Govt.	
	<u>Pool</u>	<u>Securities</u>	<u>Total</u>
COST			
Beginning Balance	\$ 15,310,431	\$ 2,399,069	\$ 17,709,500
Additions:			
Interfund Transfers-in	-	1,386,889	1,386,889
Investment earnings	1,870	186	2,056
Deductions:			
Disbursements	<u>(676,317)</u>	<u>(3,427,403)</u>	<u>(4,103,720)</u>
Ending Balance	<u>\$ 14,635,984</u>	<u>\$ 358,741</u>	<u>\$ 14,994,725</u>
MARKET VALUE			
Beginning Balance	<u>\$ 15,311,395</u>	<u>\$ 2,399,070</u>	<u>\$ 17,710,465</u>
Ending Balance	<u>\$ 14,634,417</u>	<u>\$ 358,742</u>	<u>\$ 14,993,159</u>
Weighted Average Maturity- Logic/Gov. Sec.	57	30	
Logic/gov sec. Weighted Average Yield	0.0496%	0.03%	

Hidalgo County Regional Mobility Authority
HOLDINGS BY INVESTMENTS
QUARTERLY INVESTMENT REPORT
Quarter Ending December 31, 2021

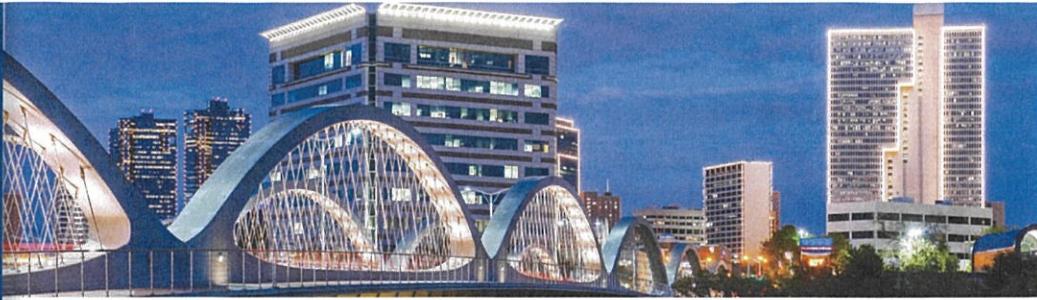
<u>Type of Investment</u>	<u>Beginning Cost</u>	<u>Interest</u>	<u>Interfund Transfers</u>	<u>Disbursements</u>	<u>Ending Cost</u>	<u>Market Value</u>
Local Govt. Investment Pool:						
Logic-Debt Service Jr. Lien: 7731494002	\$ 6,664,229	\$ 808	\$ -	\$ (409,106)	\$ 6,255,931	6,255,261
Logic-Contingency: 2731494001	3,377,928	423		-	3,378,351	3,377,990
Logic-2020 Project: 7731494004	<u>5,268,273</u>	<u>638</u>	<u>-</u>	<u>(267,210)</u>	<u>5,001,701</u>	<u>5,001,166</u>
Total Local Govt Investment Pool	<u>\$ 15,310,430</u>	<u>\$ 1,869</u>	<u>\$ -</u>	<u>\$ (676,317)</u>	<u>\$ 14,635,983</u>	<u>\$ 14,634,417</u>
Government Securities:						
(Federated Govt Obligations):						
Disbursement Account: 106912-006	21,671	3	395,000	(389,130)	27,544	27,544
Debt Service Fund 2020: 143255-001	1,225,975	106	617,545	(1,637,548)	206,078	206,078
Debt Service Fund: 106912-001	<u>1,151,424</u>	<u>77</u>	<u>374,344</u>	<u>(1,400,725)</u>	<u>125,120</u>	<u>125,120</u>
Total Government Securities	<u>\$ 2,399,070</u>	<u>\$ 186</u>	<u>\$ 1,386,889</u>	<u>\$ (3,427,403)</u>	<u>\$ 358,743</u>	<u>\$ 358,743</u>
Combined Totals	<u>\$ 17,709,500</u>	<u>\$ 2,055</u>	<u>\$ 1,386,889</u>	<u>\$ (4,103,719)</u>	<u>\$ 14,994,725</u>	<u>\$ 14,993,159</u>

**Hidalgo County Regional Mobility Authority
Wilmington Trust Investments Detail Activity
Quarter Ending December 31, 2021**

Debt Service Account #106912-001						
Debt Svc.:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	1,151,423.27	23.02	-	124,703.24	-	1,276,149.53
November	1,276,149.53	26.18	-	124,703.24	-	1,400,878.95
December	1,400,878.95	28.12	-	124,937.50	(1,400,725.00)	125,119.57
		77.32	-	374,343.98	(1,400,725.00)	
Debt Service Account #143255-001 2020 DS Fund						
Debt Svc.:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	1,225,975.18	-	-	205,841.20	-	1,431,816.38
November	1,431,816.38	-	-	205,841.20	-	1,637,657.58
December	1,637,657.58	105.84	-	205,862.80	(1,637,547.53)	206,078.69
		105.84	-	617,545.20	(1,637,547.53)	
Debt Service Account-Logic # 7731494002						
Debt Svc-SIB:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	6,664,228.54	203.28	-	-	-	6,664,431.82
November	6,664,431.82	213.71	-	-	(409,106.43)	6,255,539.10
December	6,255,539.10	391.38	-	-	-	6,255,930.48
		808.37	-	-	(409,106.43)	
Hidalgo Co RMA Account #7731494004 2020 Project (Logic)						
Project:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	5,268,273.34	159.91	-	-	(187,033.78)	5,081,399.47
November	5,081,399.47	162.80	-	-	(37,136.41)	5,044,425.86
December	5,044,425.86	315.10	-	-	(43,040.06)	5,001,700.90
		637.81	-	-	(267,210.25)	
Disb. Account #106912-006						
Disbursement:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	21,671.40	1.48		140,000.00	(139,455.26)	22,217.62
November	22,217.62	0.56		120,000.00	(114,387.57)	27,830.61
December	27,830.61	0.68		135,000.00	(135,287.20)	27,544.09
		2.72	-	395,000.00	(389,130.03)	



LOGIC
MONTHLY
NEWSLETTER
DECEMBER
2021



PERFORMANCE

As of December 31, 2021

Current Invested Balance	\$ 8,385,049,075.34
Weighted Average Maturity (1)	51 Days
Weighted Average Life (2)	74 Days
Net Asset Value	0.999893
Total Number of Participants	639
Management Fee on Invested Balance	0.0975%*
Interest Distributed	\$ 1,072,713.29
Management Fee Collected	\$ 561,373.30
% of Portfolio Invested Beyond 1 Year	0.00%
Standard & Poor's Current Rating	AAAm

Rates reflect historical information and are not an indication of future performance.

December Averages

Average Invested Balance	\$ 8,137,398,517.44
Average Monthly Yield, on a simple basis	0.0737%
Average Weighted Maturity (1)	56 Days
Average Weighted Life (2)	80 Days

Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instruction to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

The maximum management fee authorized for the LOGIC Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the LOGIC co-administrators at any time as provided for in the LOGIC Information Statement.

HOLIDAY REMINDER

In observance of Martin Luther King Jr. holiday, **LOGIC will be closed Monday, January 17, 2022**. All ACH transactions initiated on Friday, January 14th will settle on Tuesday, January 18th.

ECONOMIC COMMENTARY

Market review

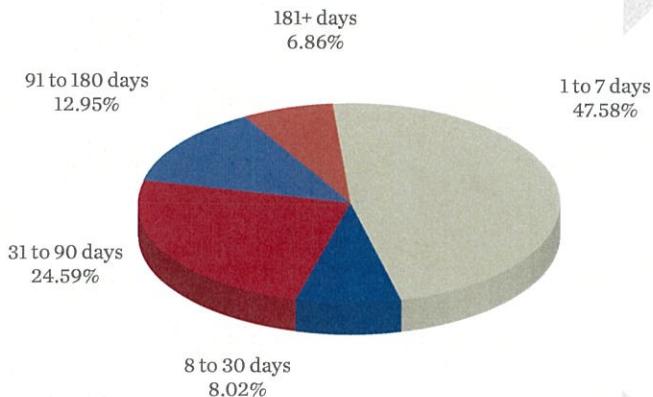
The fundamentals of fixed income markets have changed considerably over 2021. We have moved from a market environment expecting the Federal Reserve (Fed) to be on hold for years to come, to one in which the Fed is seeking to tighten monetary policy and expectations of multiple rate hikes in 2022. Three new Covid-19 variants were designated by the World Health Organization in 2021, which led to further disruptions in supply chains and international travel. However, it was the ever extending timeframe for “transitory” inflation, which was the greatest surprise of 2021. Currently, U.S. inflation has surged to the highest levels seen this century. This has been due to a multitude of factors such as higher shelter and car prices, which are both expected to continue rising as we enter 2022. Services inflation is also picking up while core goods inflation has increased by over 9% year-on-year. With this said, economic growth remains strong and corporate health is resilient as companies are able to pass along these inflated costs to consumers. In December, after some political wrangling, the Democrats voted to raise the debt ceiling, removing any uncertainty and providing expectations for an increase in Treasury bill issuance; the Federal Open Market Committee (FOMC), due to increasing inflation fears, announced that they would double the pace of tapering from \$15 billion to \$30 billion monthly; and the FOMC published their longer term rate projections which showed a marked increase in future rate expectations. The market shook off the Omicron variant and became more comfortable with the faster pace of tapering – although inflation remained a concern.

The November CPI report showed consumer prices rising at their fastest pace in nearly 40 years as surging gasoline prices, vehicle prices, and owner's equivalent rent continued to accelerate. Headline CPI met expectations, rising 0.8% month-over-month (m/m) and 6.8% year-over-year (y/y). Excluding the volatile food and energy components, core CPI still rose at a rapid clip of 0.5% m/m and 4.9% y/y, the highest in 30 years. However, as we look to 2022, we should see a significant moderation in inflation as supply chain issues ease, energy prices cool, and the reopening categories stabilize. While gains in auto and energy prices can be tied to supply issues, and hotel and airfares tied to reopening, housing costs are more likely to be sticky.

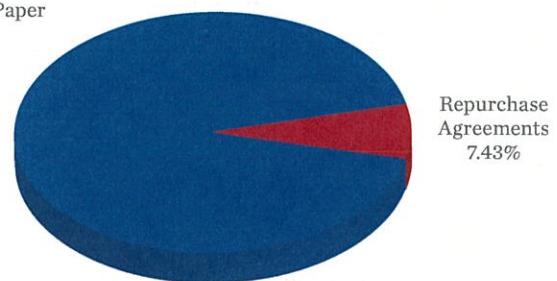
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INFORMATION AT A GLANCE

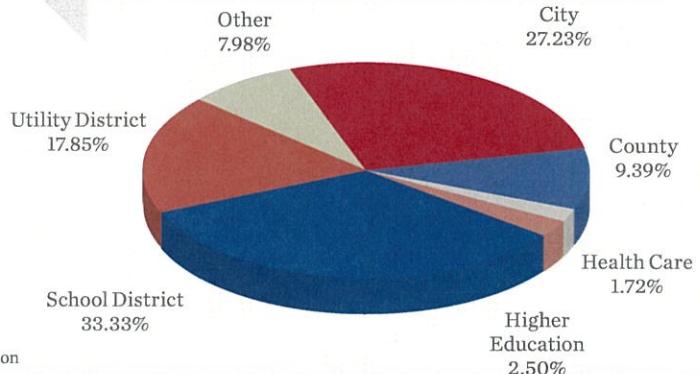
PORTFOLIO BY TYPE OF INVESTMENT AS OF DECEMBER 31, 2021



Commercial Paper
92.57%



PORTFOLIO BY MATURITY AS OF DECEMBER 31, 2021⁽¹⁾



(1) Portfolio by Maturity is calculated using WAM (1) definition for stated maturity. See page 1 for definition

DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF DECEMBER 31, 2021

HISTORICAL PROGRAM INFORMATION

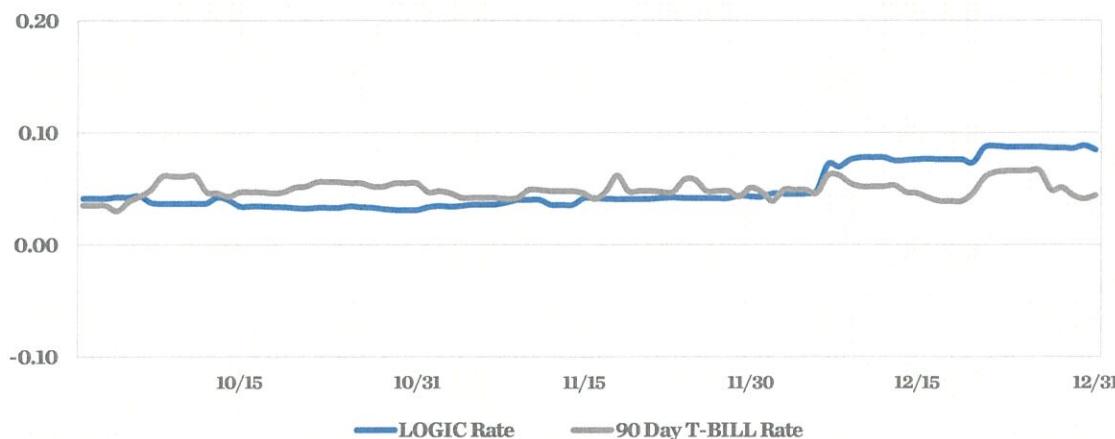
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Dec 21	0.0737%	\$8,385,049,075.34	\$8,384,214,271.06	0.999893	56	80	639
Nov 21	0.0391%	7,411,179,653.22	7,410,655,775.38	0.999929	58	85	639
Oct 21	0.0359%	7,626,140,578.49	7,626,031,479.47	0.999985	57	85	638
Sep 21	0.0364%	7,714,285,206.63	7,714,772,100.29	1.000063	55	84	638
Aug 21	0.0389%	7,988,170,930.55	7,988,635,509.33	1.000058	57	78	637
Jul 21	0.0518%	8,486,193,640.40	8,486,669,984.38	1.000052	56	70	634
Jun 21	0.0588%	8,138,541,079.97	8,139,200,825.94	1.000081	53	68	634
May 21	0.0756%	8,319,276,029.47	8,320,047,319.98	1.000092	55	72	633
Apr 21	0.0851%	8,622,615,270.40	8,623,393,682.38	1.000082	56	77	632
Mar 21	0.0964%	9,125,381,719.33	9,126,326,472.17	1.000103	55	77	632
Feb 21	0.1007%	9,460,972,953.48	9,462,118,206.95	1.000121	54	73	630
Jan 21	0.1289%	9,748,281,870.13	9,749,479,482.18	1.000122	55	69	629

PORTFOLIO ASSET SUMMARY AS OF DECEMBER 31, 2021

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 885.04	\$ 885.04
Accrual of Interest Income	296,847.13	296,847.13
Interest and Management Fees Payable	(1,065,175.56)	(1,065,175.56)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	623,416,999.87	623,416,999.87
Commercial Paper	7,762,399,518.86	7,761,564,714.58
Government Securities	0.00	0.00
TOTAL	\$ 8,385,049,075.34	\$ 8,384,214,271.06

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of LOGIC. The only source of payment to the Participants are the assets of LOGIC. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact LOGIC Participant Services.

LOGIC VERSUS 90-DAY TREASURY BILL



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The LOGIC management fee may be waived in full or in part at the discretion of the LOGIC co-administrators and the LOGIC rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment of \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the LOGIC pool to the T-Bill Yield, you should know that the LOGIC pool consists of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-Day T-Bill. The LOGIC yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

DAILY SUMMARY FOR DECEMBER 2021

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
12/1/2021	0.0428%	0.000001172	\$7,842,149,061.00	0.999909	54	78
12/2/2021	0.0457%	0.000001253	\$7,821,026,755.50	0.999891	59	82
12/3/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/4/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/5/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/6/2021	0.0484%	0.000001325	\$7,844,648,266.90	0.999874	58	82
12/7/2021	0.0717%	0.000001965	\$7,859,389,628.98	0.999873	58	82
12/8/2021	0.0696%	0.000001906	\$7,840,690,831.82	0.999861	58	86
12/9/2021	0.0759%	0.000002079	\$7,996,569,103.06	0.999863	54	79
12/10/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/11/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/12/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/13/2021	0.0749%	0.000002051	\$8,115,861,748.90	0.999873	57	82
12/14/2021	0.0754%	0.000002065	\$8,156,123,616.12	0.999874	56	82
12/15/2021	0.0761%	0.000002084	\$8,076,219,609.58	0.999875	56	82
12/16/2021	0.0764%	0.000002092	\$8,022,696,016.98	0.999877	56	82
12/17/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/18/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/19/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/20/2021	0.0734%	0.000002010	\$8,744,796,139.71	0.999893	54	77
12/21/2021	0.0869%	0.000002382	\$8,231,725,060.86	0.999884	56	80
12/22/2021	0.0882%	0.000002416	\$8,241,766,082.63	0.999883	58	83
12/23/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/24/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/25/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/26/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/27/2021	0.0864%	0.000002366	\$8,409,935,125.10	0.999895	55	78
12/28/2021	0.0865%	0.000002369	\$8,449,760,287.97	0.999896	54	77
12/29/2021	0.0859%	0.000002353	\$8,520,981,734.69	0.999897	53	76
12/30/2021	0.0883%	0.000002419	\$8,335,912,490.60	0.999897	54	77
12/31/2021	0.0846%	0.000002317	\$8,385,049,075.34	0.999893	51	74
Average	0.0737%	0.000002018	\$8,137,398,517.44		56	80



ECONOMIC COMMENTARY (cont.)

Initial jobless claims hit a new 52 year low in early December of 188,000 before ending the year at 198,000 as businesses struggled to find workers and JOLTS data showed more people quitting and fewer being laid off. The unemployment rate has come down significantly ending November at 4.2% and may fall below 4% by mid-2022. Meanwhile, wages are still rising at rates not seen since the 1980s. A rapidly improving labor market and persistent inflationary pressures pushed the Fed to adopt a more hawkish stance towards monetary policy. At its December meeting, the Federal Open Market Committee (FOMC) announced its plans to accelerate its tapering of asset purchases from \$15bn to \$30bn per month beginning in January. This strategy suggests the FOMC will conclude tapering by March 2022, paving the way for rate hikes in 2022. The Fed's dot plot now implies three rate hikes in 2022 and 2023. In the statement, the Fed retired the word "transitory", making clear that high inflation and a falling unemployment rate prompted the committee to hasten its tapering timeline.

In response to the announcement, equities and Treasury yields moved higher. The two-year U.S. Treasury note yield increased almost 46 basis points (bps) during the fourth quarter and almost 17 bps in December alone to end the year at 0.73%. The Treasury bill yield curve steepened as the three-month Treasury bill yield remained relatively unchanged during the quarter at 0.04% while the six-month and 12-month Treasury bill yields increased 13 bps and 31 bps to end the year at 0.18% and 0.38% respectively.

Outlook

The two catalysts for the recent sharp move in Treasury yields were the emergence of the Omicron variant and the Fed's pivot away from the "transitory" narrative on inflation. On the former, we believe new variants are an important tail risk to the central case that the pandemic's impact is fading. While the transmissibility of the Omicron variant is concerning, the severity appears to be contained, particularly for those who are fully vaccinated. There is reason to hope that, once this wave wanes, and if no more lethal variant takes over, society can finally return to close to normality. However, Omicron is also, by far, the most contagious of the variants, and this has led to widespread illness across the country, which has resulted in numerous cancelations of events and activities and is, once again, hitting demand in the leisure, entertainment, travel and restaurant industries, as indicated by high-frequency data. It will also lead to widespread absenteeism in early 2022, applying a significant drag to the economy in the first quarter, following a very strong fourth quarter. While inflation is expected to moderate in 2022, it is likely to remain uncomfortably high, reflecting the ongoing strength of goods demand, together with slow-to-resolve supply constraints in both goods and labor markets. More importantly, the more persistent components of inflation, namely wages and shelter, are showing clear signs of upward momentum that will ultimately outlast the near-term inflation in durable goods. The shift in the Fed's narrative from "transitory" (inflation) to "optionality" (to tighten monetary policy) seems reasonable and long overdue. Whether the Fed chooses to use its optionality and hike rates earlier than the market expects will depend on how tolerant they are of high inflationary pressures. Factors that could worry them include a surge in energy prices that de-anchors inflation expectations, evidence of a wage-price spiral, rocketing housing prices, a lack of relief on core goods prices, the shortage of used cars, etc.

However, we do see some tentative signs of an easing of goods supply constraints and believe that the peak in core PCE inflation will occur in the early spring, before it declines to approximately 2.5% at year-end 2022. Supply chain problems should be resolved in the latter part of 2022 and 2023 through vaccinations, more capital spending and a shift in spending from goods back to services. We expect goods-related supply chain issues to be resolved, and for goods price inflation to fall as the Fed has been expecting. However, U.S. labor shortages appear to be a chronic issue, driving up wage inflation in tight labor markets. While we expect growth to decelerate in 2022, the U.S. output gap should close over the coming months, with GDP settling in above trend at 4% during the second half of 2022. The last month has also clarified the path forward for the Fed. We expect the Fed to wind up its large-scale asset purchases in March and then begin hiking rates in June 2022. It will likely hike rates by 25 bps each quarter until they reach 2.25%–2.5% in mid-2024.

This information is an excerpt from an economic report dated December 2021 provided to LOGIC by JP Morgan Asset Management, Inc., the investment manager of the LOGIC pool.





LOGIC BOARD MEMBERS

Sandy Newby	Tarrant Regional Water District	Governing Board President
Greg Jordan	City of Grapevine	Governing Board Vice President
Erik Felthous	North Texas Municipal Water District	Governing Board Treasurer
Cindy Demers	North Texas Tollway Authority	Governing Board Asst Treasurer
Darla Moss	Arlington ISD	Governing Board Secretary
Rene Barajas	Northside ISD	Advisory Board Member
Eric Cannon	Qualified Non-Participant	Advisory Board Member

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Workshop

Item 2

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2
01/18/22
01/25/22

1. Agenda Item: WORKSHOP ITEM 2 - ANNUAL REVIEW OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY INVESTMENT POLICY

2. Nature of Request: (Brief Overview) Attachments: X Yes No

Annual review of the HCRMA Investment Policy as required by Public Fund Investment Act. No changes are proposed at this time.

3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy

4. Budgeted: Yes No X N/A

5. Staff Recommendation: Review only

6. Program Manager's Recommendation: Approved Disapproved X None

7. Planning Committee's Recommendation: Approved Disapproved X None

8. Board Attorney's Recommendation: Approved Disapproved X None

9. Chief Auditor's Recommendation: Approved Disapproved None

10. Chief Financial Officer's Recommendation: X Approved Disapproved None

11. Chief Development Engineers' Recommendation: Approved Disapproved X None

12. Chief Construction Engineer's Recommendation: Approved Disapproved X None

13. Executive Director's Recommendation: X Approved Disapproved None

Investment Policy

I. Scope

This policy complies with the Texas Public Funds Investment Act and applies to the investment of short-term operating funds and proceeds from certain bond issues. Longer-term funds, including investments of employees' investment retirement funds, are covered by a separate policy.

1. **Pooling of Funds** Except for cash in certain restricted and special funds, Hidalgo County Regional Mobility Authority (RMA) will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. **Safety** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- a. **Credit Risk** Hidalgo County RMA will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities and the highest credit quality investment counterparts
- Qualifying the financial institutions, broker/dealers, intermediaries, counterparties, investment agreement providers, and investment advisers with which Hidalgo County RMA will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

- b. **Interest Rate Risk** Hidalgo County RMA will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity (matching cash flow requirement with investment cash flow)
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

2. **Liquidity** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds. Investment agreements that provide cash flow flexibility may also be used.
3. **Yield** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of subordinated importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:
 - A security with declining credit may be sold early to minimize loss of principal.
 - A security swap would improve the quality, yield, or target duration in the portfolio.
 - Liquidity needs of the portfolio require that the security be sold.

III. Standards of Care

1. **Prudence** The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
2. **Ethics and Conflicts of Interest** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Hidalgo County RMA.
3. **Delegation of Authority** Authority to manage the investment program is granted to a designated official as appointed by the Board, hereinafter referred to as "investment officer", and derived from the following: Texas Public Fund Investment Act. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall

act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository investment agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

IV. Financial Dealers and Institutions

1. **Authorized Financial Dealers and Institutions** A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include, but are not limited to, "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) certification, as appropriate
- Proof of state registration, as appropriate
- Completed broker/dealer questionnaire, as appropriate
- Certification of having read and understood the Hidalgo County RMA investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer.

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

2. **Internal Controls** The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of Hidalgo County RMA are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

3. **Delivery vs. Payment** All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

V. Suitable and Authorized Investments

In accordance with authorizing Federal and State laws, the Trust Agreements, the Authority's depository contract, and appropriate approved collateral provisions, and in furtherance of the Investment Strategy Statement attached hereto, the Authority may utilize the following investments for the investment of the Authority's funds:

Obligations of or Guaranteed by Governmental Entities

- a) Obligations of the United States or its agencies and instrumentalities, excluding mortgage-backed securities.
- b) Direct obligations of the State of Texas or its agencies and Instrumentalities.
- c) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities.
- d) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
- e) Certificates of Deposit and Share Certificates

A certificate of deposit, or share certificate meeting the requirements of the Act that are issued by or through a depository institution that either has its main office, or a branch in the State of Texas that is (1) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations described in clauses (a)-(d) above, excluding mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of

the certificates and those mortgage-backed securities listed in Section 16.0; or (3) secured in any other manner and amount provided by law for deposits of the Authority.

In addition to Hidalgo County RMA to invest funds in certificates of deposit above, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this policy:

1. The funds are invested by Hidalgo County RMA through: (1) a broker that has its main office or a branch office in the State of Texas and is selected from a list adopted by Hidalgo County RMA as required by Section IV(1) of this Investment Policy; or (2) a depository institution that has its main office or a branch office in the State of Texas and that is selected by the investing entity.
2. The broker or the depository institution selected by the investing entity under subparagraph (i) above arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of Hidalgo County RMA.
3. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. Hidalgo County RMA appoints the depository institution selected by Hidalgo County RMA under subparagraph (i) above, an entity described by Section 2257.041(d) of the Act, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

f) Repurchase Agreements

A fully collateralized repurchase agreement that (1) has a defined termination date; (2) is secured by obligations described in clause (a) above; (3) requires the securities being purchased by the Authority to be pledged to the Authority, held in the Authority's name, and deposited at the time the investment is made with the Authority or with a third party selected and approved by the Authority; and (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described in clause (a) above, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and reverse security repurchase agreement.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 180 days after the date the reverse security repurchase agreement is delivered. Money received by the Authority under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement. The Authority requires the execution of a Master Repurchase Agreement in substantially the form as may be prescribed by The Securities Industry and Financial Markets Association (SIFMA).

g) Banker's Acceptance

A Bankers' acceptance that (1) has a stated maturity of 270 days or fewer from the date of its issuance; (2) will be, in accordance with its terms, liquidated in full at maturity; (3) is eligible for collateral for borrowing from a Federal Reserve Bank; and (4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank,

or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating of at least one nationally recognized credit rating agency. Such transactions shall not exceed 5% of the total Authority's Investment Portfolio, and all such endorsing banks shall come only from a list of entities that are constantly monitored as to financial solvency.

h) Commercial Paper

Commercial Paper that (1) has a stated maturity of 270 days or fewer from the date of its issuance; and (2) is rated not less than A-1 or P-1 or an equivalent rating by at least (A) two nationally recognized credit rating agencies or (B) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any State. Such transactions shall not exceed 25% of the total Authority's Investment Portfolio with no more than 5% in any one issuer or its subsidiaries.

i) Mutual Funds

A no-load money market mutual fund that (1) is registered with and regulated by the Securities and Exchange Commission; (2) provides the Authority with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940; (3) has a dollar-weighted average stated maturity of 60 days or fewer; and (4) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

A no-load mutual fund that (1) is registered with the Securities and Exchange Commission; (2) has an average weighted maturity of less than two years; (3) is invested exclusively in obligations described in this Section 14.0; (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and (5) conforms to the requirements set forth in Sections 2256.016(b) and (c) of the Act, relating to the eligibility of investment pools to receive and invest funds of investing entities.

The Authority is not authorized to (1) invest in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in the immediately preceding paragraph; (2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in the immediately preceding paragraph; or (3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in either paragraph above in an amount that exceeds 10% of the total assets of the mutual fund. In addition, the total assets invested in any single mutual fund may not exceed 5% of the Authority's average fund balance, excluding bond proceeds and reserves and other funds held for debt service.

With regard to Money Market Mutual Funds, the Authority is not authorized to invest its funds in any one money market mutual fund in an amount that exceeds 5% of the total assets of the money market mutual fund.

j) Investment Pools

The Authority may invest its funds and funds under its control through an eligible investment pool if the Board of Directors by official action authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Act. The Authority may invest its funds through an eligible investment pool if the pool provides to the Investment Officer an offering circular or other similar disclosure document that contains, at a minimum, the following information:

- 1) The types of investments in which money is allowed to be invested.

- 2) The maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool.
- 3) The maximum stated maturity date any investment security within the portfolio has.
- 4) The objectives of the pool.
- 5) The size of the pool.
- 6) The names of the members of the advisory board of the pool and the dates their terms expire.
- 7) The custodian bank that will safe keep the pool's assets.
- 8) Whether the intent of the pool is to maintain a net asset value of \$1 and the risk of market price fluctuation.
- 9) Whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment.
- 10) The name and address of the independent auditor of the pool.
- 11) The requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool.
- 12) The performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

To maintain eligibility to receive funds from and invest funds on behalf of the Authority, an investment pool must be continuously rated no lower than AAA, AAA-m, and AAA-f or at an equivalent rating of at least one nationally recognized rating service and must furnish to the Investment Officer: (i) Investment transaction confirmations and (ii) A monthly report that contains, at a minimum, the following information:

- 1) The types and percentage breakdown of securities in which the pool has invested.
- 2) The current average dollar-weighted maturity, based on the stated maturity date of the pool.
- 3) The current percentage of the pool's portfolio in investments that have stated maturities of more than one year.
- 4) The book value versus the market value of the pool's portfolio, using amortized cost valuation.
- 5) The size of the pool.
- 6) The number of participants in the pool.
- 7) The custodian bank that is safekeeping the assets of the pool.
- 8) A listing of daily transaction activity of the Authority in the pool.
- 9) The yield and expense ratio of the pool.
- 10) The portfolio managers of the pool.
- 11) Any changes or addenda to the offering circular.

The Authority by contract may delegate to an investment pool the Authority to hold legal title as custodian of investments purchased with its local funds.

For purposes of investment in an investment pool, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

To be eligible to receive funds from and invest funds on behalf of the Authority, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

To be eligible to receive funds from and invest funds on behalf of the Authority, a public funds investment pool must have an advisory board composed:

- 1) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791, Texas Government Code, and managed by a state agency; or
- 2) Of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

k) Guaranteed Investment Contracts

A Guaranteed Investment Contract is an authorized investment for bond proceeds if the guaranteed investment contract:

- 1) Has a defined termination date;
- 2) Is secured by obligations described by clause (a) above, but excluding those obligations described by Section 16.0 herein in an amount at least equal to the amount of bond proceeds invested under the contract;
- 3) Is pledged to the Authority and deposited with the Authority or with a third party selected and approved by the Authority; and
- 4) Meets the following requirements:
 - a) The Board of Directors of the Authority must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;
 - b) The Authority must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

- c) The Authority must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
- d) The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be reinvested; and

The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

The following are not authorized investments under this Section V:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and.
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

VI. Investment Parameters

1. **Diversification** The investments shall be diversified by:

- limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- limiting investment in securities that have higher credit risks,
- investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. **Maximum Maturities** To the extent possible, Hidalgo County RMA shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Hidalgo County RMA will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. Hidalgo County RMA shall adopt weighted average maturity limitations (which often range from 60 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

VII. Reporting

1. **Methods** The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow Hidalgo County RMA to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment officer, the legislative body, and any pool participants. The report will include the following:
 - Listing of individual securities held at the end of the reporting period.
 - Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
 - Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
 - Listing of investment by maturity date.
 - Percentage of the total portfolio which each type of investment represents.
2. **Performance Standards** The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates.
3. **Marking to Market** The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

VIII. Policy Considerations

1. **Exemption** Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy
2. **Amendments** This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

IX. List of Attachments

The following documents, as applicable, are (or may be in the future) attached to this policy:

- Listing of authorized personnel,
- Repurchase agreements and tri-party agreements,
- Listing of authorized broker/dealers and financial institutions,
- Credit studies for securities purchased and financial institutions used,
- Safekeeping agreements,
- Wire transfer agreements,
- Sample investment reports, and
- Methodology for calculating rate of return.

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Item 1A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

1A
01/17/2022
01/25/2022

1. Agenda Item: **REPORT ON PROGRAM MANAGER ACTIVITY FOR 365 TOLLWAY PROJECT AND IBTC ENVIRONMENTAL CLEARANCE DOCUMENT**
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Report on 365 Tollway and IBTC Projects
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Report only.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: X Approved Disapproved None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: X Approved Disapproved None



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

BOARD OF DIRECTORS MEETING FOR JANUARY 2022

HCRMA Board of Directors

S. David Deanda, Jr., Chairman

Forrest Runnels, Vice-Chairman

Ezequiel Reyna, Jr., Secretary/Treasurer

Alonzo Cantu, Director

Paul S. Moxley, Director

Francisco “Frank” Pardo, Director

Joaquin Spamer, Director

HCRMA Administrative Staff

Pilar Rodriguez, PE, Executive Director

Eric Davila, PE, PMP, CCM, Chief Dev. Eng.

Ramon Navarro IV, PE, CFM, Chief Constr. Eng.

Celia Gaona, CIA, Chief Auditor/Compliance Ofcr.

Jose Castillo, Chief Financial Ofcr.

General Engineering Consultant

HDR ENGINEERING, INC.

Report on HCRMA Program Management Activity
Chief Development Engineer – Eric Davila, PE, PMP, CCM

► OVERVIEW

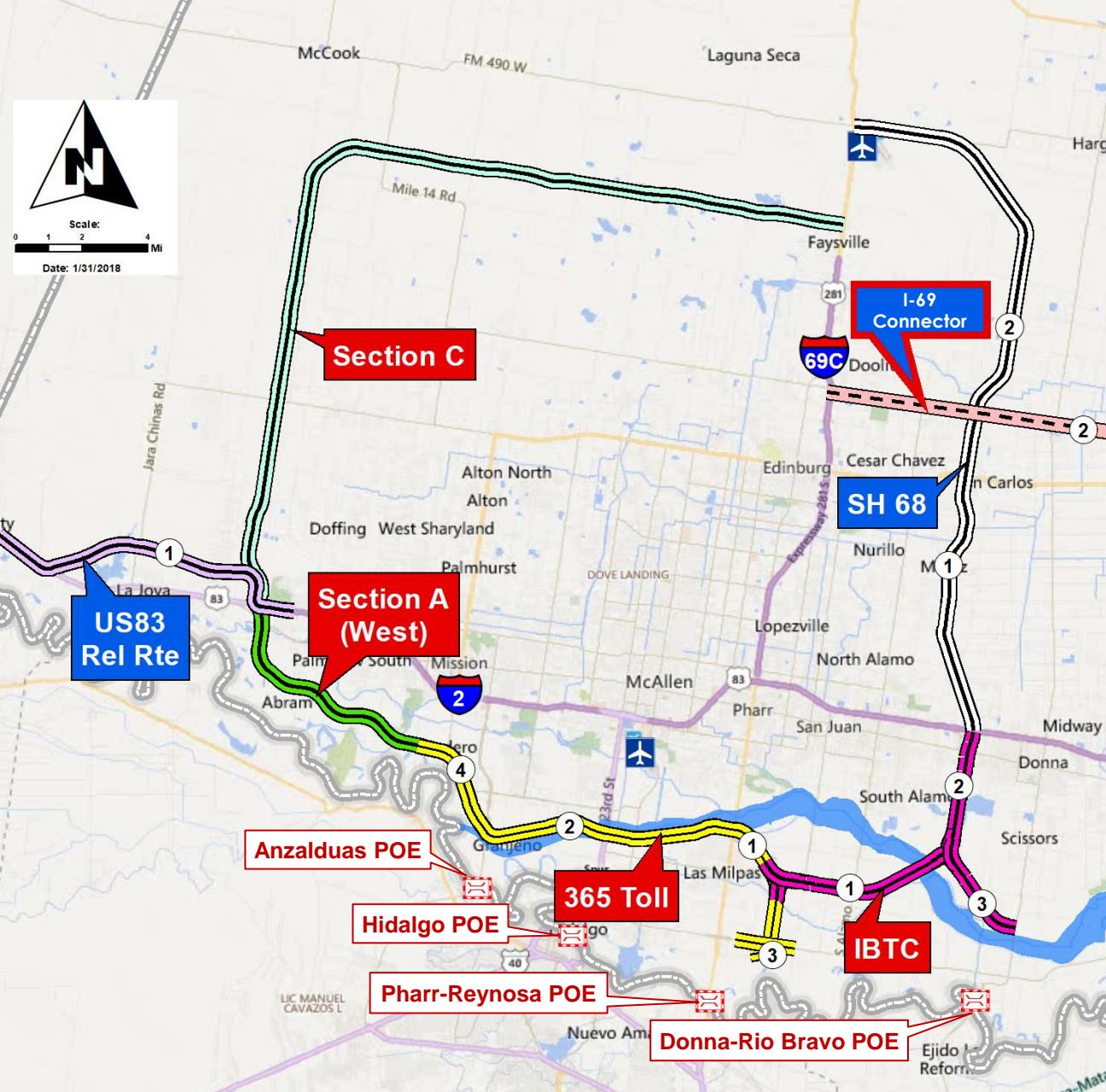
- 365 TOLL Project Overview
- IBTC Project Overview
- Overweight Permit Summary
- Construction Economics Update

MISSION STATEMENT:

“To provide our customers with a rapid and reliable alternative for the safe and efficient movement of people, goods and services”

HCRMA STRATEGIC PLAN

DEVELOP THE
INFRASTRUCTURE TO
SERVE A POPULATION
OF APPROXIMATELY
800,000 RESIDENTS
AND
5 INTERNATIONAL
PORTS OF ENTRY



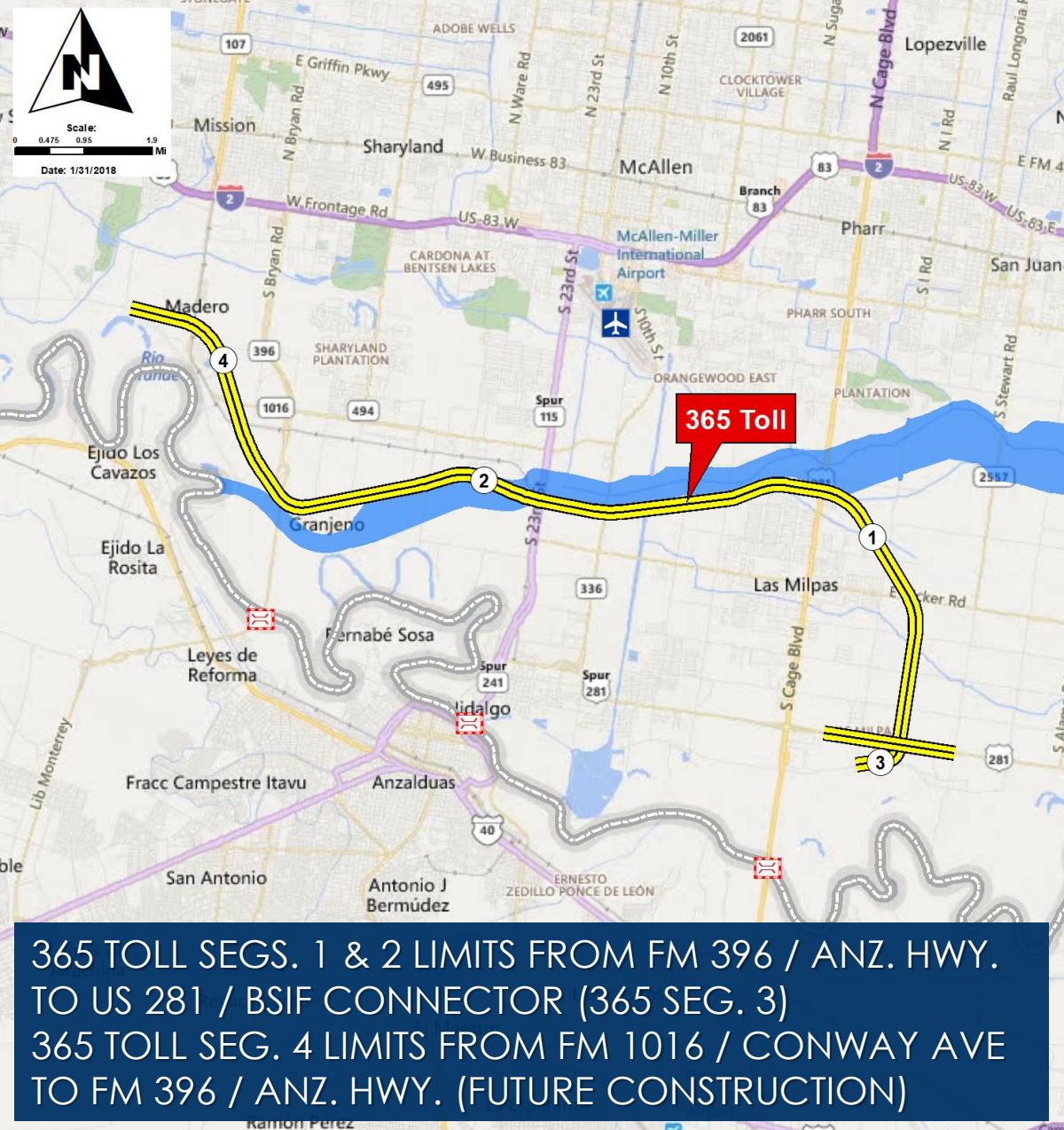
► POST 2021 UTP APPROVAL

□ Approval of 2021 UTP (Aug 2020)

- 365 Toll: gap-funded construction funding was budgeted in 2021 UTP Update in 12/2020. On 06/2021 a 2nd FAA was granted to assign the gap funding contingent upon successful contract execution and sale of toll revenue bonds.
- IBTC: funds listed under Cat 12 / TBD needs revised PDA and direction from TxDOT as to whether approved funding can be used for advanced planning (e.g. design, ROW, and/or utility) work.

□ What's in the RGVMPO (Local Plan)

- 365 Toll Project (TIP / MTP) thru construction
- IBTC Project (TIP / MTP) thru design (pending funding commitments for construction)



MAJOR MILESTONES:

NEPA CLEARANCE
07/03/2015

98% ROW ACQUIRED

PH 1: 365 SEG. 3 –
LET: 08/2015
COMPLETED

**PH 2: 365 TOLL
SEGS. 1 & 2 –**
RE-LET: 10/2021

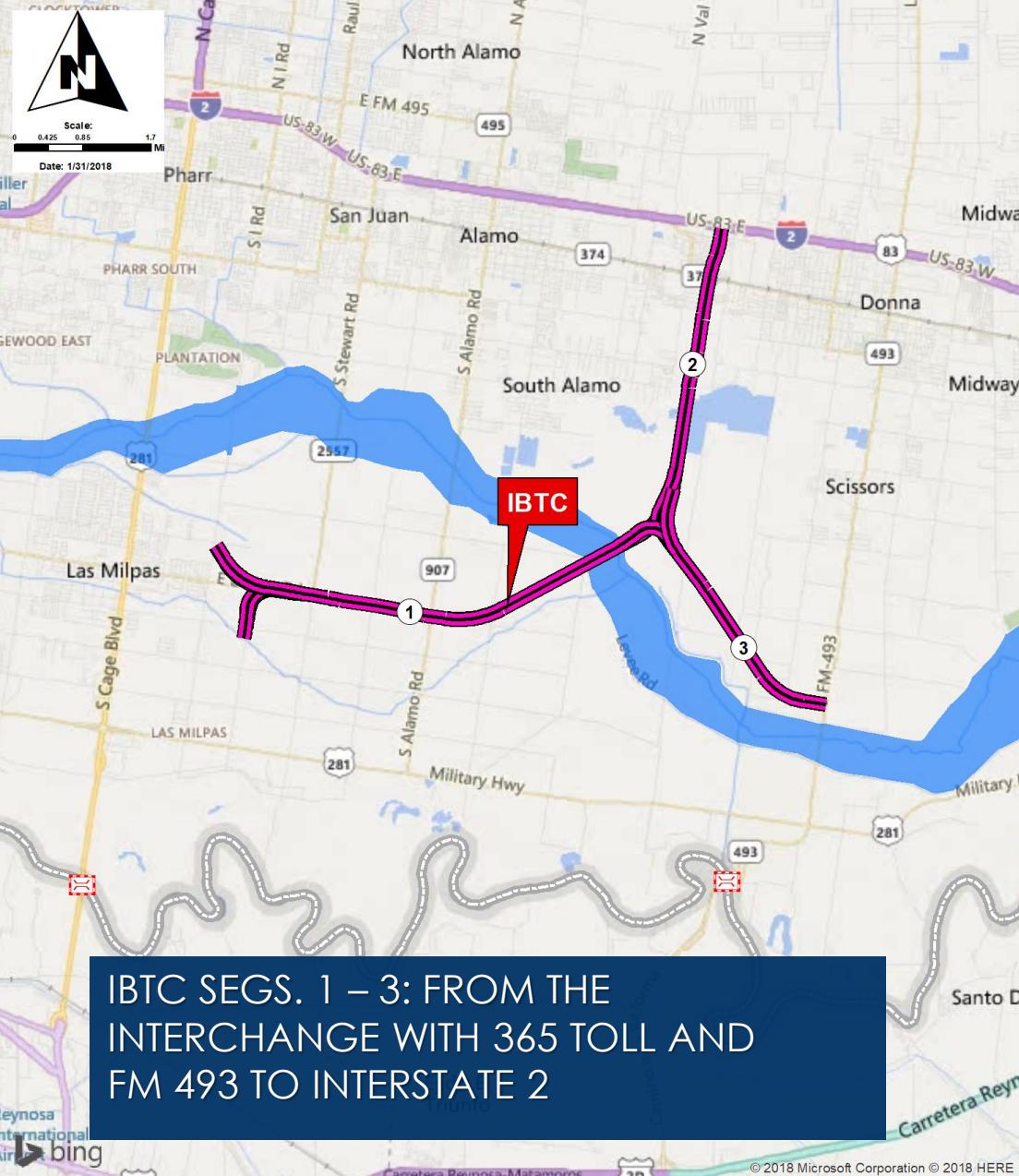


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► SCHEDULE:

365 TOLL

- **Early 08/2021**, TxDOT provides “release to advertise”
- **08/08/2021 - 10/13/2021**, HCRMA advertises the 365 Toll (66 days), hold prebid 08/31/2021, and opened bids 10/13/2021,
- **10/19/2021**, HCRMA Approved Award of Contract,
- **11/08/2021**, TxDOT concurred with award of contract,
- **11/10/2021 - 12/01/2021**, finalized CO#1
- **12/08/2021 - 12/20/2021**, HCRMA Board approved CO#2,
- **12/21/2022**, HCRMA met with rating agencies,
- **1/07/2022**, HCRMA posts Preliminary Official Statement,
- **1/20/2022**, HCRMA prices bonds,
- **02/10/2022**, HCRMA closes toll revenue bonds & issues NTP,
- **03/2022**, Commence 42-month construction, and
- **09/2025**, Open to traffic.



IBTC

MAJOR MILESTONES:

OBTAINED EA ENV
CLASSIFICATION: 11/2017

SCHEMATIC APPROVED:
11/2021

EST. NEPA CLEARANCE:
MID 2022

EST. OPEN: MID 2028



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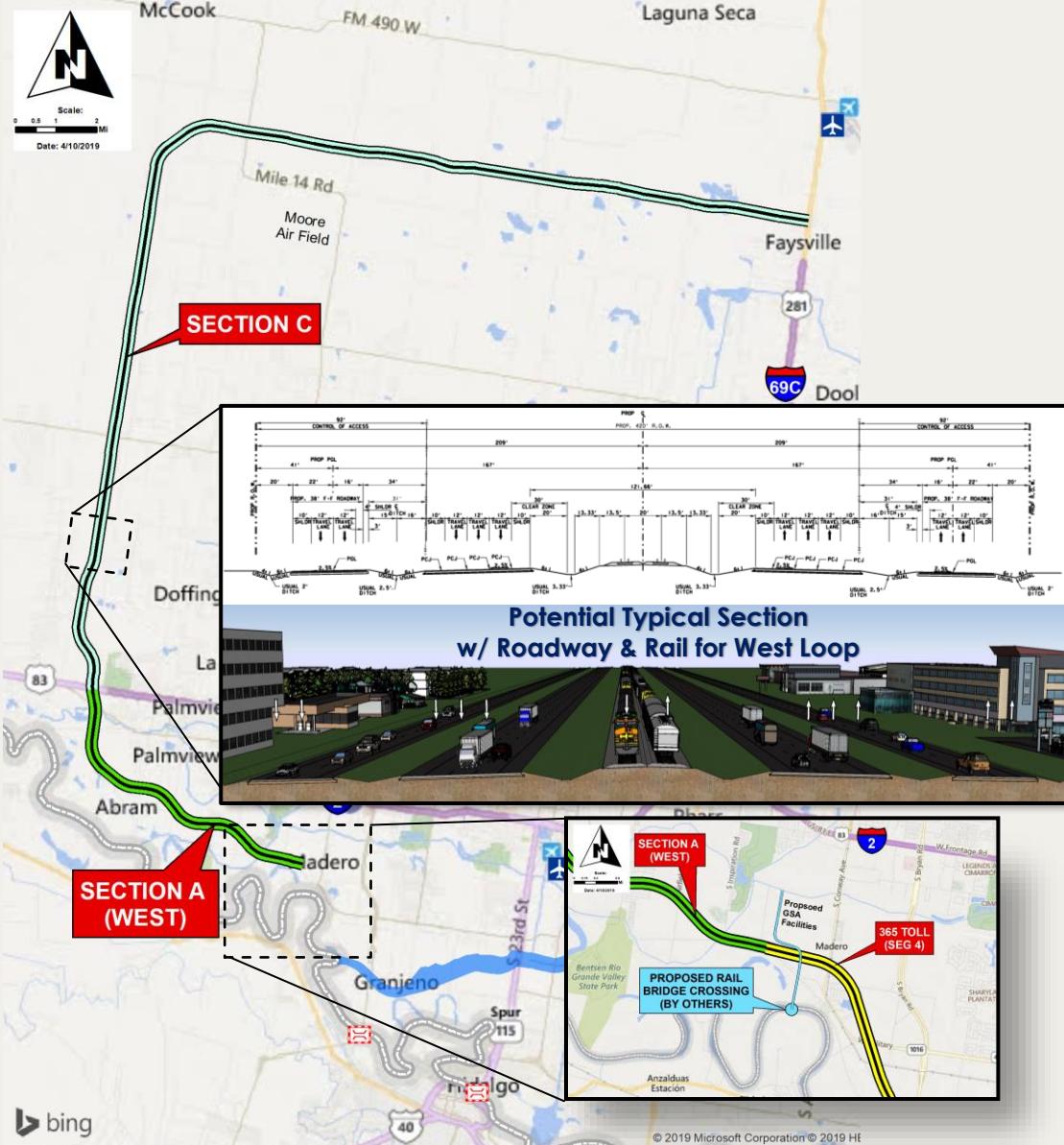
International Bridge Trade Corridor (IBTC) (CSJ: 0921-02-142)

► ADVANCE PLANNING

- Env.: Classification Letter and Scoping Toolkit Submitted Aug 2017
- Held IBTC Environmental Kick off with TxDOT PHR / ENV April 6, 2018.
- VRF UTP Matching Funds request processed at the HCMPO—pending adoption by TxDOT at State Level.
- All env. fieldwork complete: Waters of the US and Archeological trenching—Internal ROE efforts were instrumental to accelerating this work.
- Meeting held with EPA/TCEQ/TxDOT to discuss Donna Reservoir site for the Hazmat portion of the NEPA Document Oct 2018.
- Public Meeting took place at Donna High School March 29, 2019.
- All major milestone reports submitted and approved: Project Description, Hazmat, Historic Resources, Public Meeting Summary Report, Waters of the US, Archaeological Resources, Noise Report, Archaeological Mitigation Plan, and CIC Report .
- Submitting Final EA before Thanksgiving 2021 to obtain a Sufficient for Processing (SFP)notice to then schedule a Public Hearing January 2022.

► OTHER:

- Surveys (65% complete) – anticipate new survey pool procurement once TxDOT approves new federalized procurement procedures by end of Fall 2019.
- ROW Acquisition (5% complete)
- Utility Relo. (SUE 100%, coordination initiated, Overall 20%)
- Design (PS&E, 50% complete): On Hold



WEST LOOP

SECTION A(WEST) / SECTION C

*COMPLIMENTS PROPOSED MISSION/MADERO-REYNOSA INTERNATIONAL BORDER CROSSING (BY OTHERS)

DESCRIPTION:

- COMBINED PROJECT LENGTH: 38 MILES FROM FM 1016 / CONWAY AVE (MISSION/MADERO) TO I-69C (NORTH EDINBURG)
- LIKELY TO BE CLASSIFIED AS AN ENVIRONMENTAL IMPACT STATEMENT (EIS) NEPA DOCUMENT (36 TO 48 MONTHS)—TO BE ENGAGED AFTER IBTC ENV.
- POTENTIAL FOR CLASS I RAIL WITHIN THE ROW PENDING DEVELOPMENTS FOR RAIL CROSSING IN MISSION AREA.
- INTERLOCAL AGREEMENT IN PLACE WITH CITY OF MISSION FOR HCRMA'S ASSISTANCE WITH ENVIRONMENTAL CLEARANCE EFFORTS.
- MARCH 2020 - HELD AN ILA KICK OFF MEETING WITH THE CITY OF MISSION TO BEGIN ALIGNING ENV. CLEARANCE EFFORTS WITH THE CITY'S INTENDED OVERALL PROJECT PLAN.
- MAY 2020 – HCRMA PROVIDED CITY OF MISSION W DRAFT SCOPES FOR ENV / TRAFFIC ENG. FOR THEIR PROPOSED ENV. CLEARANCE EFFORTS AT THE PROPOSED RAIL BRIDGE CROSSING.
- SEPTEMBER 2020 – TXDOT APPROVED CITY OF MISSION PROCUREMENT RULES TO ALIGN WITH THE “FEDERAL PROCESS”
- FEASIBILITY STUDIES ONGOING.



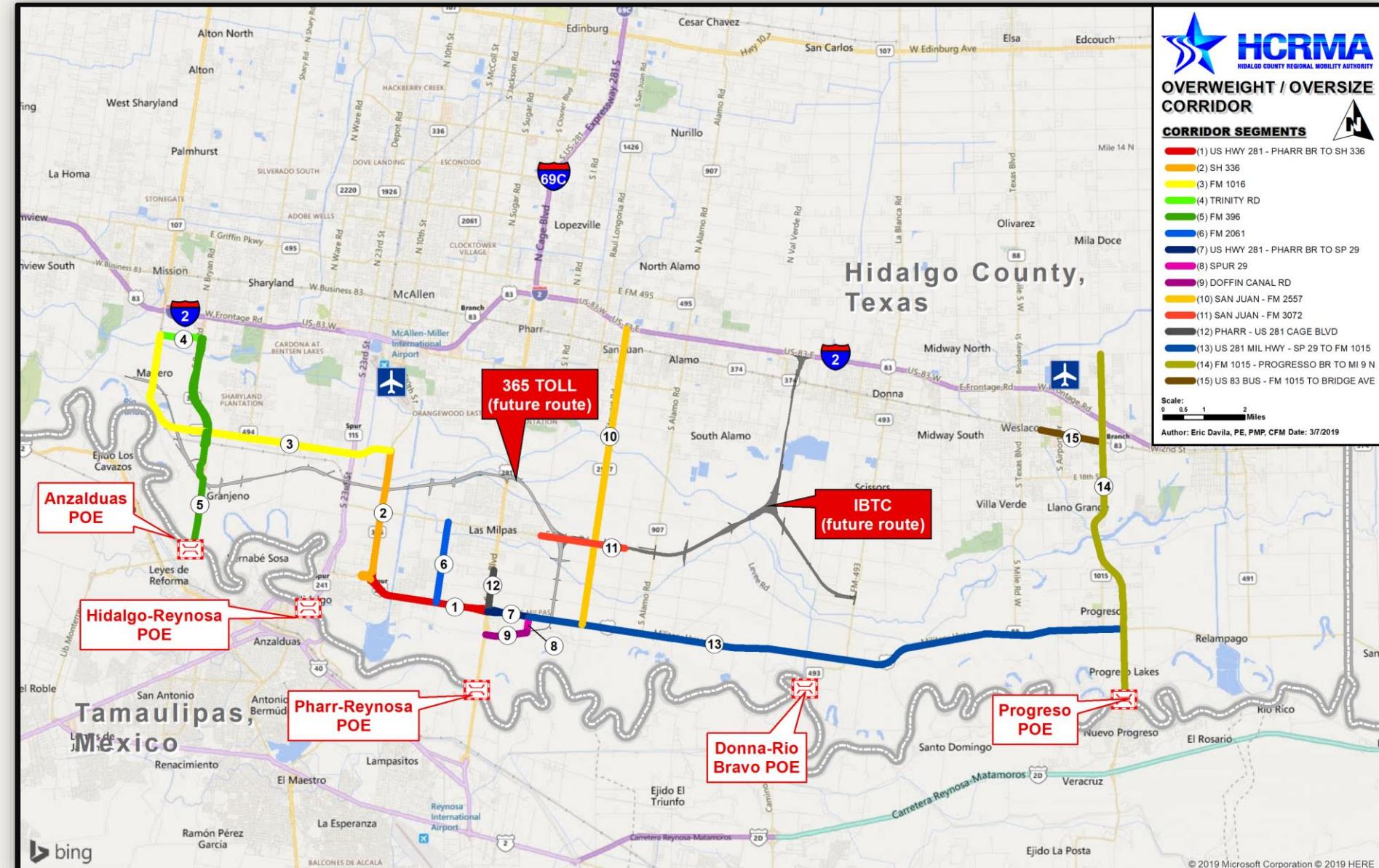
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HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

**OVERWEIGHT / OVERSIZE
CORRIDOR**
CORRIDOR SEGMENTS

- (1) US HWY 281 - PHARR BR TO SH 336
- (2) SH 336
- (3) FM 1016
- (4) TRINITY RD
- (5) FM 396
- (6) FM 2061
- (7) US HWY 281 - PHARR BR TO SP 29
- (8) SPUR 29
- (9) DOFFIN CANAL RD
- (10) SAN JUAN - FM 2557
- (11) SAN JUAN - FM 3072
- (12) PHARR - US 281 CAGE BLVD
- (13) US 281 MIL HWY - SP 29 TO FM 1015
- (14) FM 1015 - PROGRESO BR TO MI 9 N
- (15) US 83 BUS - FM 1015 TO BRIDGE AVE

 Scale:


Author: Eric Davila, PE, PMP, CFM Date: 3/7/2019



► **OVERWEIGHT REPORT FOR JAN 2022:**
JAN 1, 2014 – DEC 31, 2021

OW

Total Permits Issued:	223,952
Total Amount Collected:	\$ 36,352,576
■ Convenience Fees:	\$ 725,976
■ Total Permit Fees:	\$ 35,626,600
– Pro Miles:	\$ 671,856
– TxDOT:	\$ 30,282,610
– HCRMA:	\$ 4,672,134

► **OVERWEIGHT REPORT FOR JAN 2022:**
JAN 1, 2021 – DEC 31, 2021

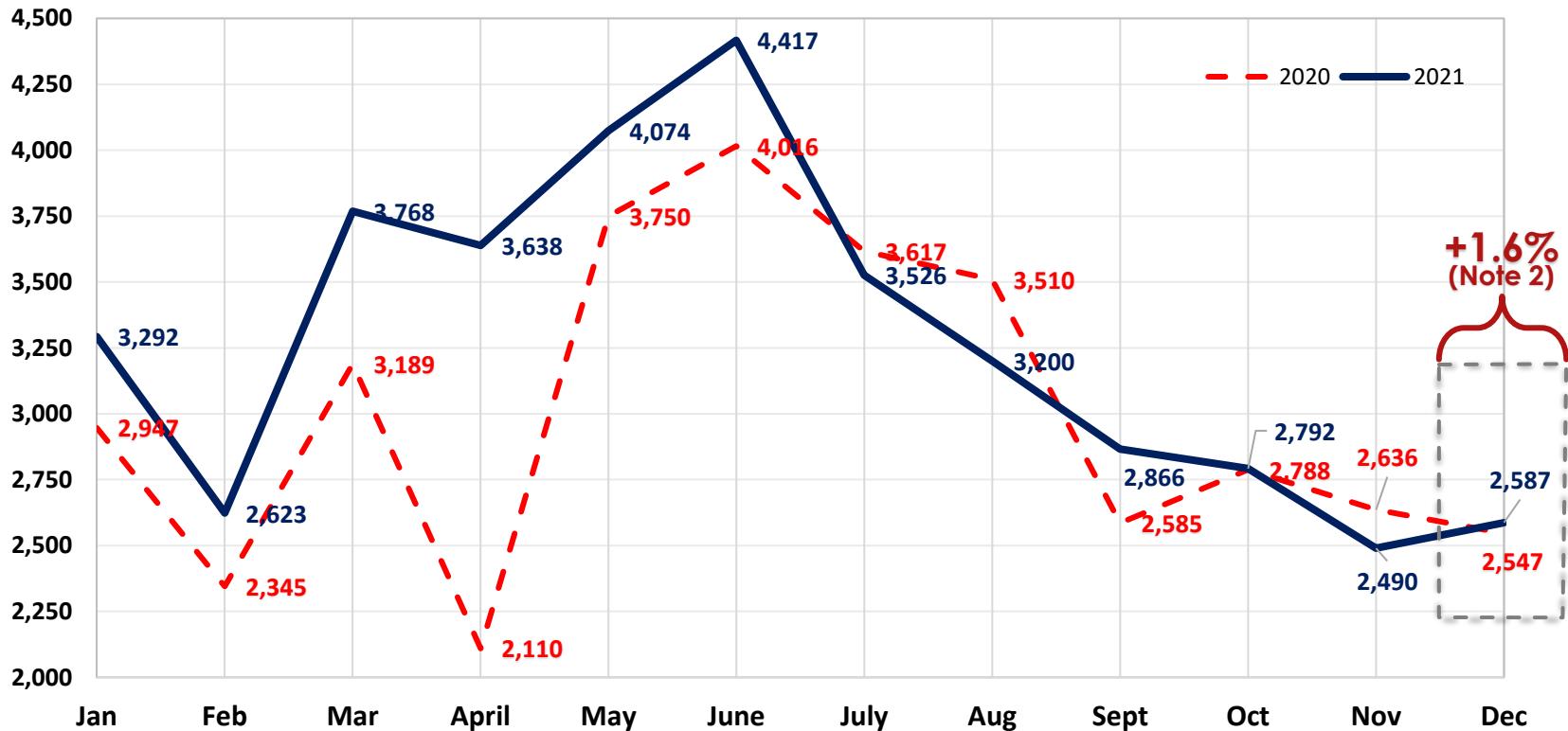
OW

Total Permits Issued:	39,273
Total Amount Collected:	\$ 7,948,416
■ Convenience Fees:	\$ 93,816
■ Total Permit Fees:	\$ 7,854,600
– Pro Miles:	\$ 117,819
– TxDOT:	\$ 6,676,410
– HCRMA:	\$ 1,060,371

► OVERWEIGHT REPORT FOR JAN 2022: JAN 1, 2021 – DEC 31, 2021

OW

Overweight/Oversized Permit Count
2020 - 2021 Monthly Comparison



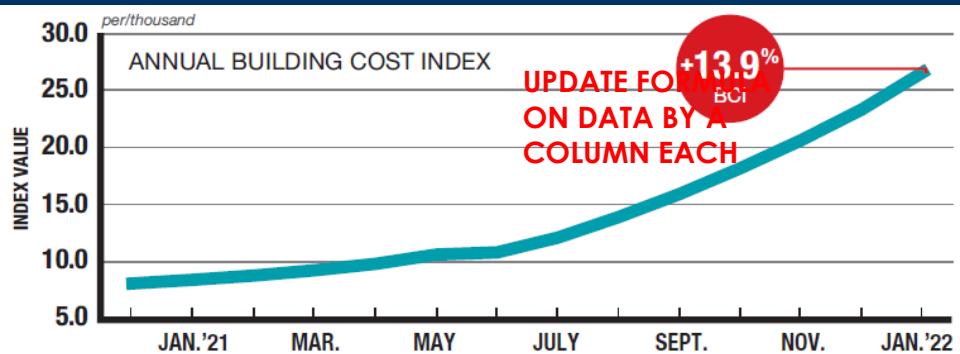
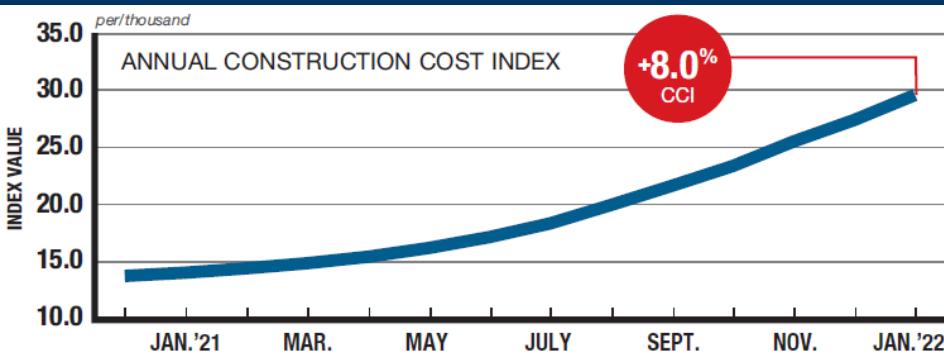
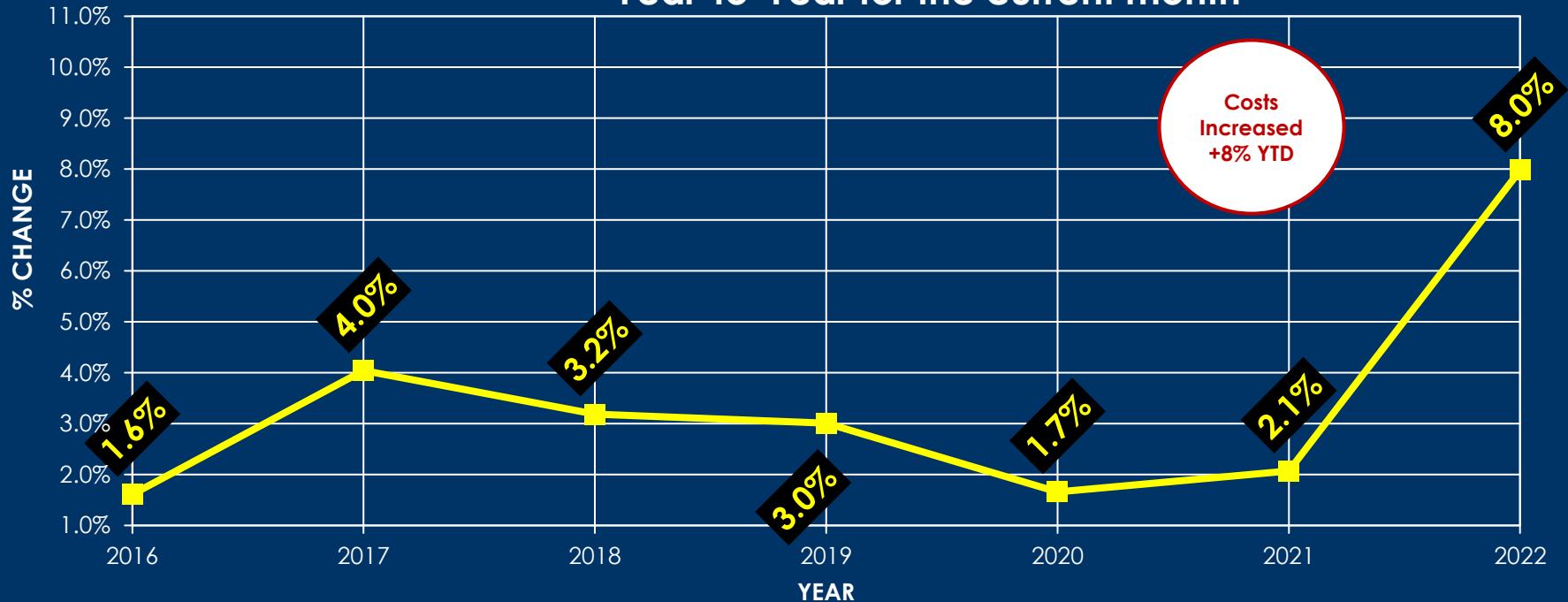
Notes:

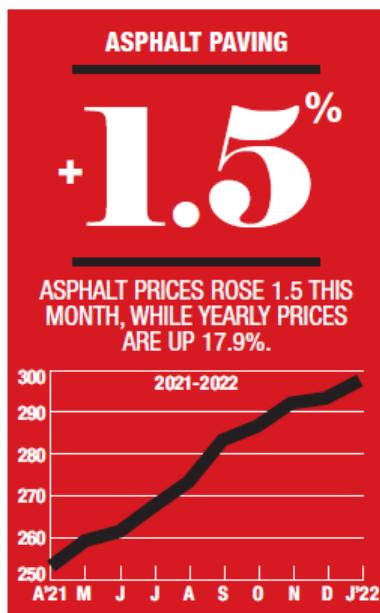
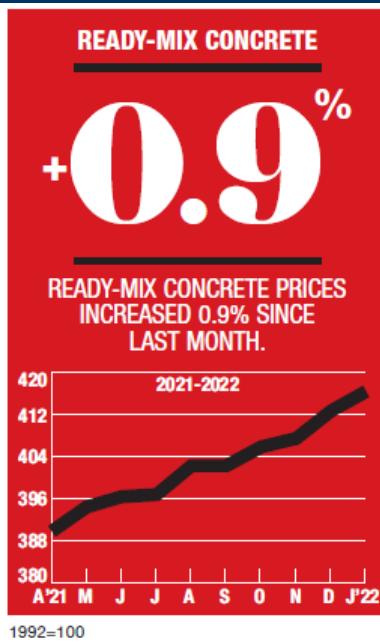
1. The permit count for 2020 (36,040) ended with a +6.7% increase compared to 2019 (33,790).
2. Monthly permit count of 2,587 represents a +1.6% decrease compared to the same month in 2020.

► CONSTR. ECONOMICS JAN 2022

CE

Construction Cost Index (CCI) Change (%) Year-to-Year for the current month





20-CITY AVERAGE

ITEM	UNIT	\$PRICE	%MONTH	%YEAR
ASPHALT PAVING				
PG 58	TON	470.66	+1.5	+17.9
Cutback, MC800	TON	390.66	-0.1	+5.3
Emulsion, RAPID SET	TON	365.26	-0.3	+2.7
Emulsion, SLOW SET	TON	379.93	0.0	+3.7
PORTLAND CEMENT				
Type one	TON	153.72	+1.5	+3.6
MASONRY CEMENT				
70-lb bag	TON	11.19	+1.5	+3.1
CRUSHED STONE				
Base course	TON	14.85	+2.1	+18.1
Concrete course	TON	14.87	+9.7	+26.8
Asphalt course	TON	15.85	+8.0	+14.7
SAND				
Concrete	TON	13.63	+14.4	+29.7
Masonry	TON	14.44	+2.2	+15.8
READY-MIX CONCRETE				
3,000 psi	CY	135.11	+0.9	+8.5
4,000 psi	CY	145.28	+0.2	+3.6
5,000 psi	CY	183.26	+0.1	-3.1
CONCRETE BLOCK				
Normal weight: 8" x 8" x 16"	C	179.48	+0.0	+16.5
Lightweight: 8" x 8" x 16"	C	168.45	+0.1	+1.7
12" x 8" x 16"	C	258.30	+1.2	+41.0

SOURCE: ENR

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Item 1B

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>1B</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>1/18/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>1/25/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: REPORT ON 365 TOLLWAY PROJECT FINANCING ACTIVITIES.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Report on 365 Tollway Project Financing Activities – Richard Ramirez, Hilltop Securities.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Report only.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: Approved Disapproved X None



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HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

Post Pricing
Summary

**Toll and Vehicle Registration Fee Revenue and Refunding Bonds,
Series 2022A&B,
Bonds Priced January 20, 2022**



Background

Transaction Team and Timeline

	<u>Timeline</u>	<u>Date</u>
• Issuer	• Post POS	January 10
• Financial Advisor	• Marketing Period	January 10 – 19
• Bond Counsel / Disclosure Counsel	• Pricing	January 20
• Traffic and Revenue Consultant	• Closing	February 10
• General Engineering Consultant		
• General Counsel		
• Joint Senior Managers		
• Underwriters' Counsel		

• Hidalgo County Regional Mobility Authority

• Hilltop Securities, Inc.

• Bracewell LLP

• C&M Associates, Inc.

• HDR, Inc.

• Bracewell LLP

• Morgan Stanley & Co., LLC (Bookrunner)

• Estrada Hinojosa & Company, Inc.

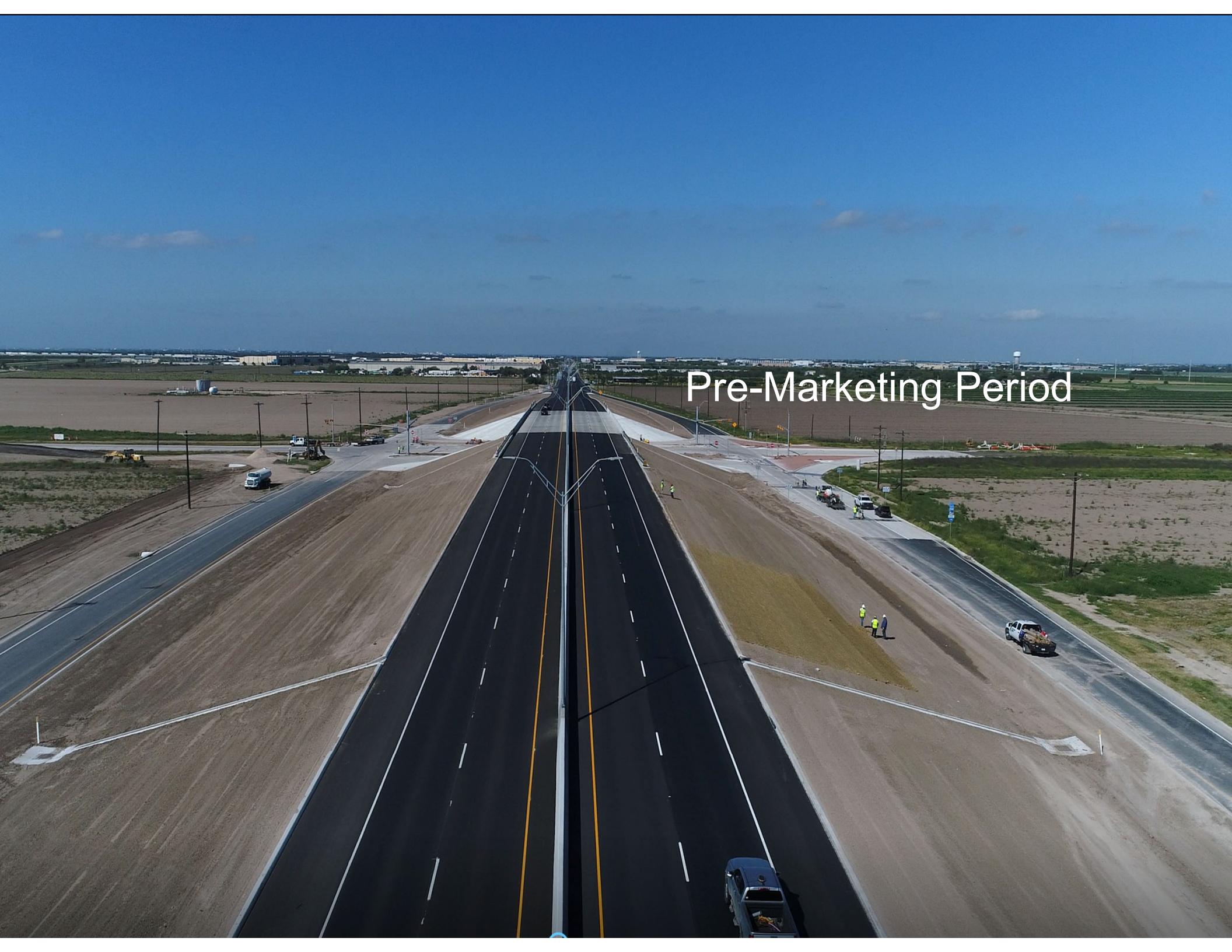
• Locke Lord LLP

Transaction Summary



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Key Terms	Senior Lien Toll and Vehicle Registration Fee Revenue Bonds, Series 2022A	Junior Lien Toll and Vehicle Registration Fee Revenue and Refunding Bonds, Series 2022B
Issuer	Hidalgo County Texas Regional Mobility Authority (the "Authority")	
Par Amount*	■ \$ 151,650,344.75	■ \$ 63,884,707.35
Security & Sources of Payment	<p>Paid from and secured by a first lien on the net toll revenues of the HCRMA System as well as surplus VRF revenues</p> <ul style="list-style-type: none"> ■ 125% Annual Debt Service Rate Covenant ■ 1.40x Additional Bonds Test 	<p>Paid from and secured by a junior lien on the net toll revenues of the HCRMA System as well as surplus VRF revenues</p> <ul style="list-style-type: none"> ■ 120% Annual Debt Service Rate Covenant ■ 1.20x Additional Bonds Test
Use of Funds	<ul style="list-style-type: none"> ■ Pay a portion of the costs of the 365 Toll Project ■ Fund a portion of scheduled interest payments through 12/1/2026 ■ Fund Senior Lien Debt Service Reserve Fund 	<ul style="list-style-type: none"> ■ Pay a portion of the costs of the 365 Toll Project ■ Refund the 2016 TxDOT SIB Loan ■ Fund a portion of scheduled interest payments through 12/1/2026 ■ Fund Junior Lien Debt Service Reserve Fund
Tax Status	<ul style="list-style-type: none"> ■ Federal tax-exempt ■ Not subject to AMT 	
Bond Structure*	<ul style="list-style-type: none"> ■ Current interest bonds maturing from 12/1/2028 to 12/1/2041 ■ CABs maturing from 12/1/2042 to 12/1/2056 	<ul style="list-style-type: none"> ■ Current interest bonds maturing from 12/1/2028 to 12/1/2041 ■ CABs maturing from 12/1/2042 to 12/1/2056
Optional Redemption*	<ul style="list-style-type: none"> ■ CIBs: 12/1/2031 @ PAR ■ CABs: 12/1/2031 @ Accreted Value 	<ul style="list-style-type: none"> ■ CIBS: 12/1/2031 @ PAR ■ CABs: 12/1/2031 @ Accreted Value
Ratings (Sr/Jr):	Moody's: Baa2/Baa3 S&P: BBB-/BB+	
Pricing Date*	Thursday, January 20, 2022	
Closing Date*	Thursday, February 10, 2022	



Pre-Marketing Period

New Issue Calendar for W/O January 17th



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Par	Issuer	State	Type	Sector	Tax Status	Lead
950,000	NYC TFA	NY	Neg	Transportation	T-E	JP Morgan
750,000	NJ TTFA	NJ	Neg	Transportation	T-E	JP Morgan
418,640	MWAA Dulles Toll Road	DC	Neg	Transportation	T-E	Wells Fargo
321,175	MWAA Dulles Toll Road	DC	Neg	Transportation	Tax	Wells Fargo
250,000	NYC TFA	NY	Comp	Transportation	Tax	TBD
219,260	State of Hawaii Airports System	HI	Neg	Airport	AMT	Morgan Stanley
211,315	Hidalgo County Regional Mobility Authority	TX	Neg	General Infrastructure	T-E	Morgan Stanley
190,000	Texas Dept of Housing	TX	Neg	Housing	T-E	RBC
165,175	The Medical College of Wisconsin	WI	Neg	Healthcare	T-E	JP Morgan
130,000	Contra Costa CCD	CA	Neg	School District	Tax	Morgan Stanley
75,000	Carnegie Mellon University	PA	Neg	Higher Education	Tax	Goldman Sachs
62,610	Roseman University of Health Sciences	WI	Neg	Higher Education	T-E	Stifel Nicolaus
55,530	Fowlerville Community Schools	MI	Neg	General Infrastructure	T-E	Raymond James
54,395	State of Hawaii Airports System	HI	Neg	Airport	T-E	Morgan Stanley
50,000	Contra Costa CCD	CA	Neg	School District	T-E	Morgan Stanley

U.S. Economic Calendar



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

January 2022

• Construction Spending, 10am	• ISM Manufacturing, 10am • JOLTS, 10am • Motor Vehicle Sales	• ADP Survey, 8:15am • FOMC Minutes, 2pm	• Challenger Survey, 7:30am • Trade Balance, 8:30am • Factory Orders, 10am • ISM Services, 10am	• Employment Situation, 8:30am • Consumer Credit, 3pm	
3	4		5	6	7
• Wholesale Trade, 10am • NY Fed Survey of Consumer Expectations, 11am	• NFIB Survey, 6am	• Consumer Price Index, 8:30am • Beige Book, 2pm • Treasury Budget, 2pm • Underlying Inflation Gauge, 2:30pm	• Producer Price Index, 8:30am • MSBCI	• Retail Sales, 8:30am • Import/Export Prices, 8:30am • Industrial Production, 9:15am • Business Inventories, 10am • Univ. of Mich. Consumer Sentiment, 10am	
10	11		12	13	14
MARTIN LUTHER KING JR. DAY		• Empire State Survey, 8:30am • NAHB Housing Market Index, 10am • TICS, 4pm	• Housing Starts, 8:30am	PRICING • Philadelphia Fed Survey, 8:30am • Leading Indicators, 10am • Existing Home Sales, 10am • KC Fed Survey, 11am	
17	18		19	20	21
		• FOMC Meeting • S&P/C-S Home Price Index, 9am • FHFA House Price Index, 9am • Conf. Bd. Consumer Confidence, 10am • Richmond Fed Survey, 10am	• FOMC Meeting, second day • Advance Goods Trade Report, 8:30am • New Home Sales, 10am	• Durable Goods, 8:30am • GDP, 8:30am • Pending Home Sales, 10am	• Employment Cost Index, 8:30am • Personal Income and Spending, 8:30am • Univ. of Mich. Consumer Sentiment, 10am
24	25		26	27	28
• Senior Loan Officer Survey • Chicago PMI, 9:45am • Dallas Fed Survey, 10:30am					
31					

Investor Engagement Recap



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

- **Total Investors Engaged: 78**

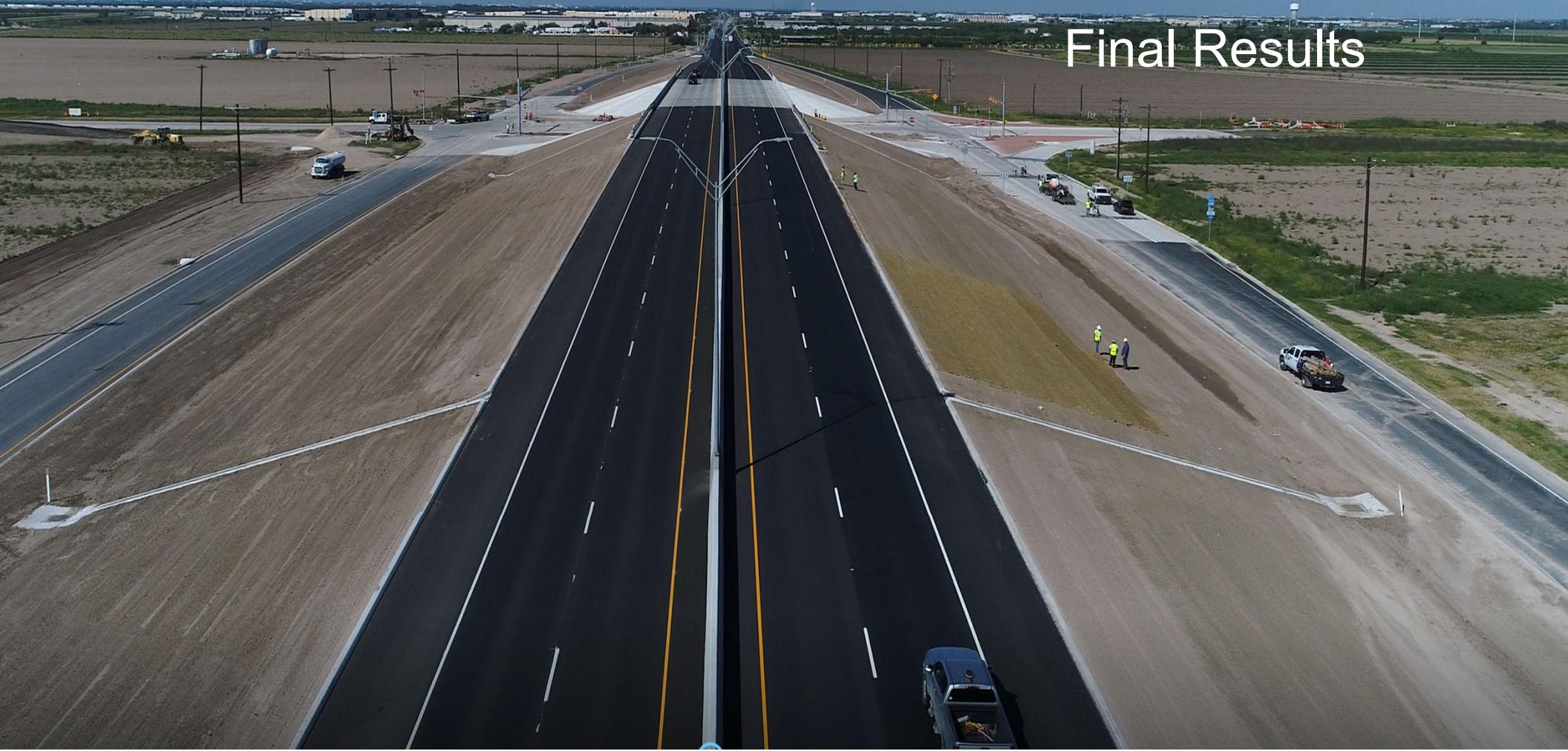
- **Total POS Viewers: 70**
- **Total Roadshow Viewers: 69**
- **Total Investor Questions: 7**
- **Total 1x1 Calls: 5**

#	Firm	#	Firm	#	Firm
1	16th Amendment	29	Foundation Credit	57	Orix
2	Alliance Bernstein	30	Franklin	58	PIMCO
3	American Century	31	Good Hill Partners	59	Principal Financial
4	American Family	32	Gurtin Fixed Income	60	Prudential
5	Appleton Partners	33	GW&K	61	Putnam
6	Baird	34	Hartford	62	RNC Genter
7	Barclays	35	HBK Capital Management	63	Samuel Capital
8	Becker Capital	36	Hill Country Asset Management	64	Segall Bryan & Hamill
9	Belle Haven	37	HIP Investor	65	Seix Investment Advisors
10	BlackRock	38	Invesco	66	Sit Investments
11	Blue Cross Blue Shield of Michigan	39	Jefferies	67	Spring Lake
12	BNY Mellon	40	JP Morgan Asset Management	68	Standish Mellon
13	Brean Capital	41	Logan Circle Partners	69	T Rowe Price
14	Capital Group	42	Loomis Sayles	70	Thornburg
15	Celadon Financial	43	Lord Abbett	71	Thrivent
16	Citi	44	Mackay Shields	72	Vanguard
17	Clark Capital	45	Macquarie	73	Victory Capital
18	Cumberland Advisors	46	Manulife	74	Wellington
19	Delphi	47	McDonnell Investment Management	75	Wells Fargo
20	Deutsche Asset Management	48	MFS	76	Western Asset Management
21	DWS	49	Millennium	77	Whitehaven
22	Eaton Vance	50	Mountainside Securities	78	Wilmington Trust
23	Equus Private Wealth Management	51	Neuberger Berman		
24	Erie Insurance	52	Northern Trust		
25	Evercore Wealth Management	53	Northland Securities		
26	Federated	54	Nuveen		
27	Fidelity	55	Offit Capital		
28	First Trust Advisors	56	Old Orchard		

1x1 Call

Submitted Questions

Final Results



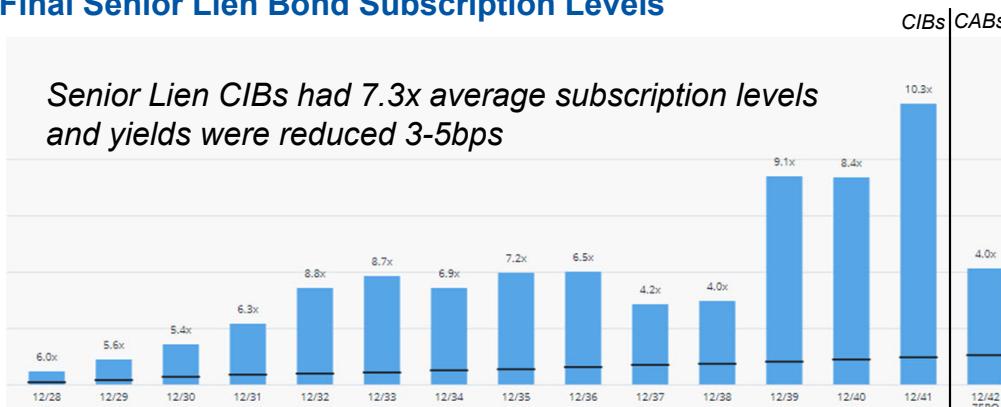
Pricing Day Investor Demand



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Final Senior Lien Bond Subscription Levels

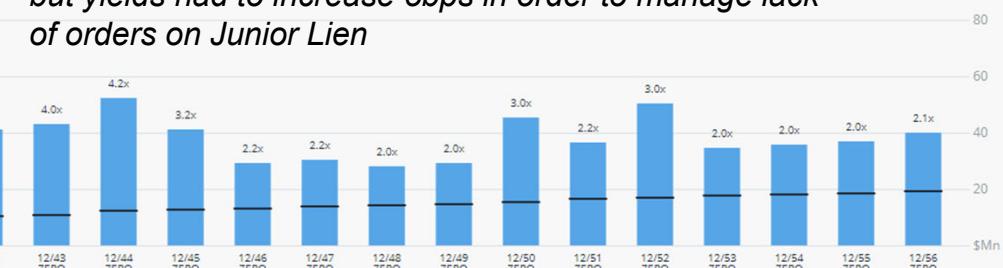
Senior Lien CIBs had 7.3x average subscription levels and yields were reduced 3-5bps



CIBs

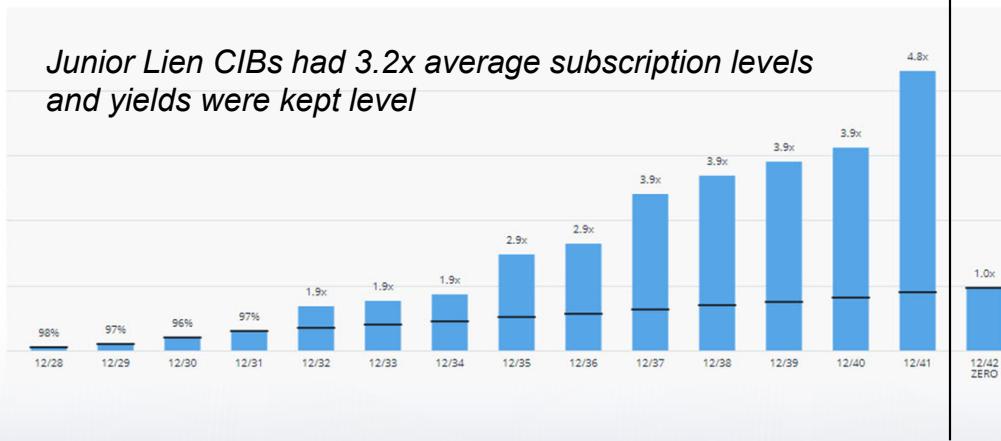
CABs

Senior Lien CABs had 2.6x average subscription levels but yields had to increase 5bps in order to manage lack of orders on Junior Lien

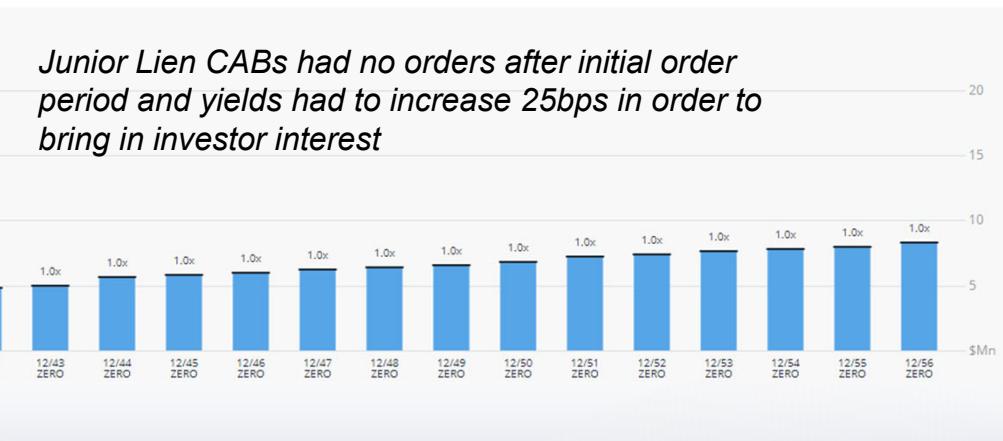


Final Junior Lien Bond Subscription Levels

Junior Lien CIBs had 3.2x average subscription levels and yields were kept level



Junior Lien CABs had no orders after initial order period and yields had to increase 25bps in order to bring in investor interest



- \$1.3 billion of final orders on the Series 2022AB bonds following reprice (3.1x subscription)
- Orders from 25 separate investors
- Several investors made full block orders across the yield curve, with the top four investors representing 54% of all orders
- Morgan Stanley underwrote \$16.1 million of unsold Junior Lien CABs at the time of verbal award

Investor Orders and Allotments



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

Rank	Firm	Orders (\$MM)
1	BlackRock	266.915
2	Alliance Capital Management	169.985
3	Nuveen	168.955
4	Vanguard	152.095
5	Denver Investment Advisors	89.460
6	Boston Company Asset Mgmt.	73.960
7	Spring Lake Asset Management	59.810
8	Goldman Sachs Asset Management	43.455
9	Wellington Management Company	42.915
10	Clinton Asset Management	35.650
11	Neuberger & Berman	35.345
12	T. Rowe Price	33.650
13	Smith Barney	32.070
14	Northern Trust Company	27.835
15	CL King & Associates	17.945
16	Erie Indemnity Company	16.720
17	USAA Investment Management	13.840
18	Eaton Vance Investment Management	10.675
19	Thrivent Financial for Lutherans	9.545
20	First Trust Advisors	7.685
21	RNC Genter Capital Management	6.000
22	Cumberland Advisors, Inc.	4.000
23	Clark Capital Management Group	2.000
24	Norwest/Wells Fargo PCS	0.550
25	Franklin Fund	0.500
Total		\$1,321.560

Note: Orders based on CABs at maturity value

Capital Structure

- **HCRMA issued the following bonds as part of Series 2022 offering:**

- \$151.65MM Series 2022A Senior Lien Revenue Bonds
 - \$74.06MM CIBs amortizing 12/1/2028 – 12/1/2041
 - A portion of scheduled interest payments through 12/1/2026
 - \$77.59MM CABs amortizing 12/1/2042 - 12/1/2056
- \$63.88MM Series 2022B Junior Lien Revenue Bonds
 - \$33.33MM CIBs amortizing 12/1/2028 - 12/1/2041
 - A portion of scheduled interest payments through 12/1/2026
 - \$30.55MM CABs amortizing 12/1/2042 - 12/1/2056

- **Proceeds will be used for the following:**

- Phase II Project Construction Fund
- Debt Service Reserve and Capitalized Interest
- Refund outstanding TxDOT SIB Loan
- Financing Costs

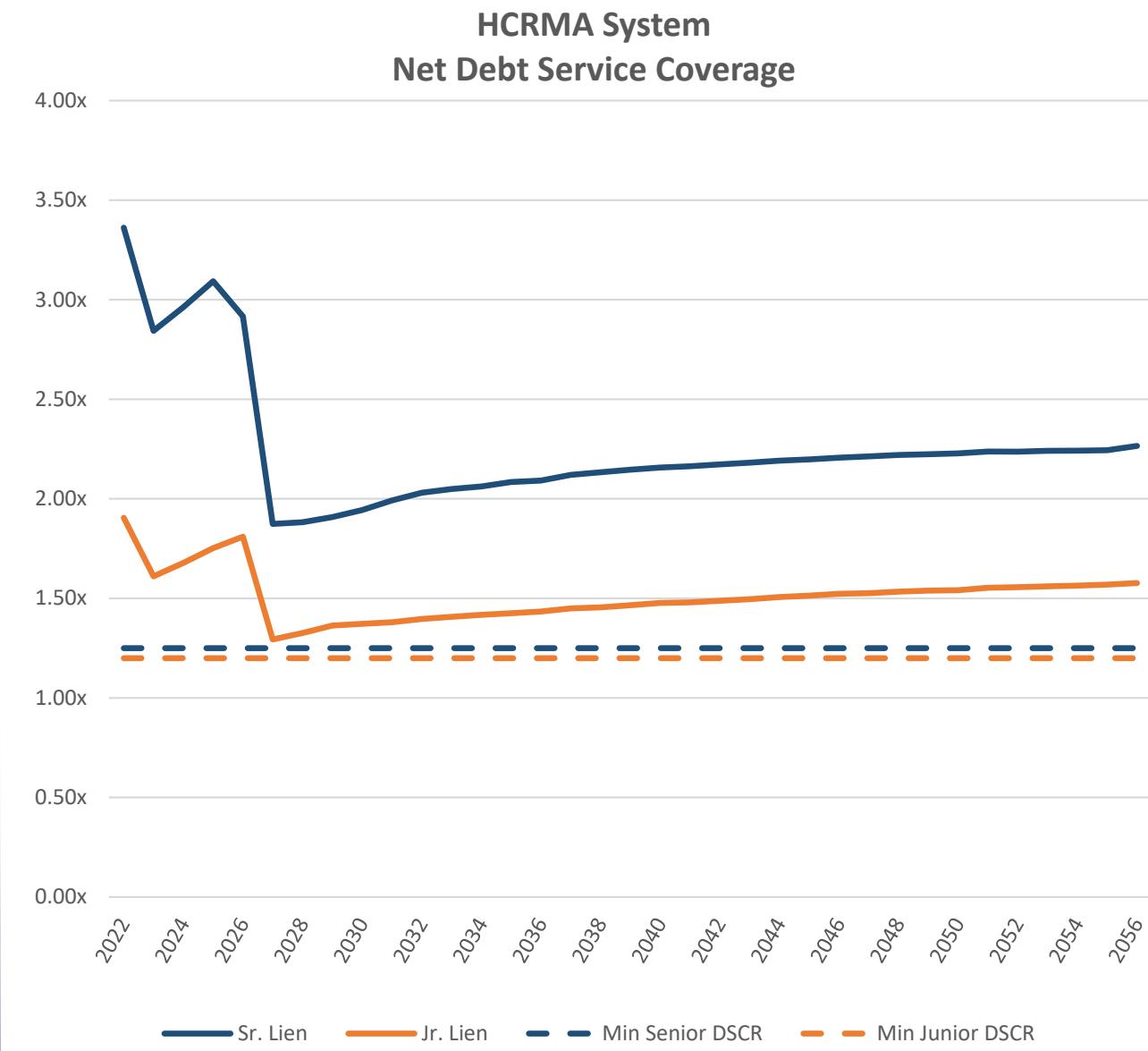
Element	Amount (\$)
Sources	
Par Amount Series 2022A Senior Lien Bonds	\$151,650,345
Par Amount Series 2022B Junior Lien Bonds	63,884,707
Net Original Issue Discount/Premium	17,013,807
Total Sources	\$232,548,859
Uses	
Deposit to Project Construction Fund	\$175,843,337
SIB Loan Repayment	23,534,334
Deposit to Capitalized Interest Subaccounts	12,482,916
Deposit to Senior Debt Service Reserve Fund	12,140,390
Deposit to Junior Debt Service Reserve Fund	5,475,386
Financing Costs	3,072,494
Total Uses	\$232,548,859

System Pro Forma Coverage Projections



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

Year Ending Dec 31	Senior Lien Coverage	Total Debt Service Coverage
2022	3.36x	1.91x
2023	2.85x	1.61x
2024	2.96x	1.68x
2025	3.09x	1.75x
2026	2.92x	1.81x
2027	1.87x	1.29x
2028	1.88x	1.33x
2029	1.91x	1.36x
2030	1.94x	1.37x
2031	1.99x	1.38x
2032	2.03x	1.40x
2033	2.05x	1.41x
2034	2.06x	1.42x
2035	2.08x	1.43x
2036	2.09x	1.43x
2037	2.12x	1.45x
2038	2.13x	1.46x
2039	2.15x	1.47x
2040	2.16x	1.48x
2041	2.16x	1.48x
2042	2.17x	1.49x
2043	2.18x	1.50x
2044	2.19x	1.51x
2045	2.20x	1.51x
2046	2.21x	1.52x
2047	2.21x	1.53x
2048	2.22x	1.53x
2049	2.22x	1.54x
2050	2.23x	1.54x
2051	2.24x	1.55x
2052	2.24x	1.56x
2053	2.24x	1.56x
2054	2.24x	1.56x
2055	2.24x	1.57x
2056	2.27x	1.58x



Times Square Marquee



Item 1C

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

1C
01/18/22
01/25/22

1. Agenda Item: **REPORT ON OVERWEIGHT/OVERSIZED VEHICLE PERMITS ISSUED IN 2021.**
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Report on Overweight/Oversized vehicle permits issued in 2021 - Pilar Rodriguez, Executive Director.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: **Report only.**
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: Approved Disapproved X None



Memorandum

To: S. David Deanda, Chairman
From: Pilar Rodriguez, PE, Executive Director
Date: January 18, 2022
Re: Overweight/Oversized Annual Permit Activity - 2021

Attached is a report indicating the statistic for the issuance of Overweight/Oversized Permits for the 2021 calendar year for the Authority. The permit system went live on April 11, 2014 with a permit fee of \$80. Effective November 13, 2017, the fee increased to \$200. Allocation of these permits remains the same with TxDOT receiving 85% and the HCRMA 15% less the ProMiles fee, which is \$3.00 per permit issued. ProMiles also charges a 3% credit card pass-through convenience fee to those that pay by credit card.

For the period of January 1, 2015 to December 31, 2015, the Authority issued 14,427 permits for the overweight cargo shipments and generated permit fees in the amount of \$1,183,442.40. Of the total collected, TxDOT received \$981,036; HCRMA \$129,843; ProMiles \$43,281 and \$29,282.40 in credit card pass-through convenience fees.

For the period of January 1, 2016 to December 31, 2016, the Authority issued 28,357 permits for the overweight cargo shipments and generated permit fees totaling \$2,331,860. Of this amount, TxDOT received \$1,928,276; HCRMA \$255,213; ProMiles \$85,071 and \$63,300 in credit card pass-through fees.

For the period of January 1, 2017 to December 31, 2017, the Authority issued 37,048 permits for the overweight cargo shipments and generated permit fees totaling \$3,536,079.20. Of this amount, TxDOT received \$2,925,428; HCRMA \$405,108; ProMiles \$111,144 and \$94,399.20 in credit card pass-through fees.

For the period of January 1, 2018 to December 31, 2018, the Authority issued 34,502 permits for the overweight cargo shipments and generated permit fees totaling \$7,061,812. Of this amount, TxDOT received \$5,865,340; HCRMA \$931,554; ProMiles \$103,506 and \$161,412 in credit card pass-through fees.

For the period of January 1, 2019 to December 31, 2019, the Authority issued 33,790 permits for the overweight cargo shipments and generated permit fees totaling \$6,918,764. Of this amount, TxDOT received \$5,744,300; HCRMA \$912,330; ProMiles \$101,370 and \$160,764 in credit card pass-through fees.

For the period of January 1, 2020 to December 31, 2020, the Authority issued 36,040 permits for the overweight cargo shipments and generated permit fees totaling \$7,330,148. Of this amount, TxDOT received \$6,126,800; HCRMA \$973,080; ProMiles \$108,120 and \$122,148 in credit card pass-through fees.

For the period of January 1, 2021 to December 31, 2021, the Authority issued 39,273 permits for the overweight cargo shipments and generated permit fees totaling \$7,948,416. Of this amount, TxDOT received \$6,676,410; HCRMA \$1,060,371; ProMiles \$117,819 and \$93,816 in credit card pass-through fees.

If you should have any questions or require additional information, please feel free to contact me.



HCRMA Permits Total Payments Report

1/1/2021 - 12/31/2021

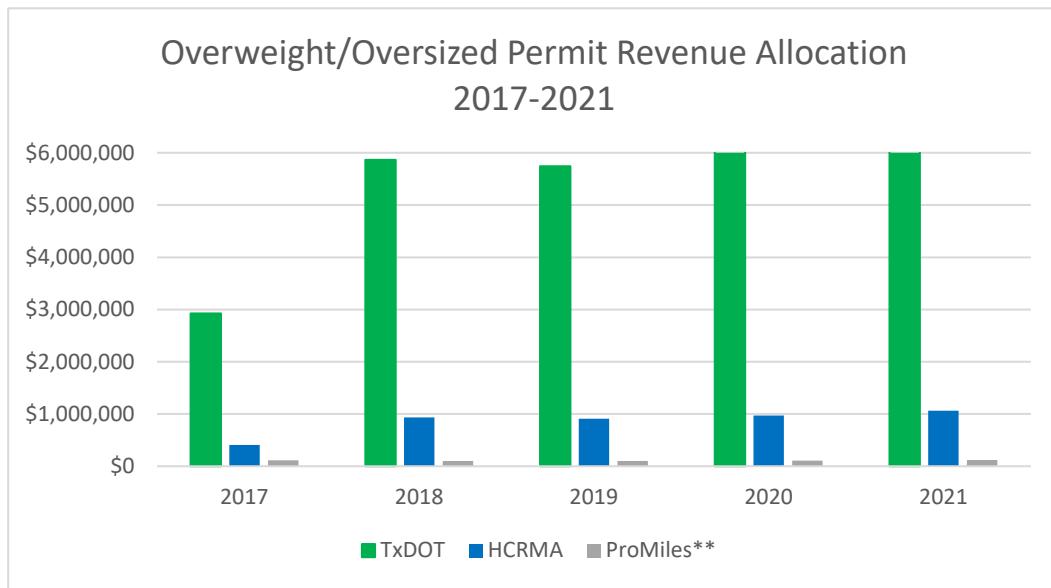
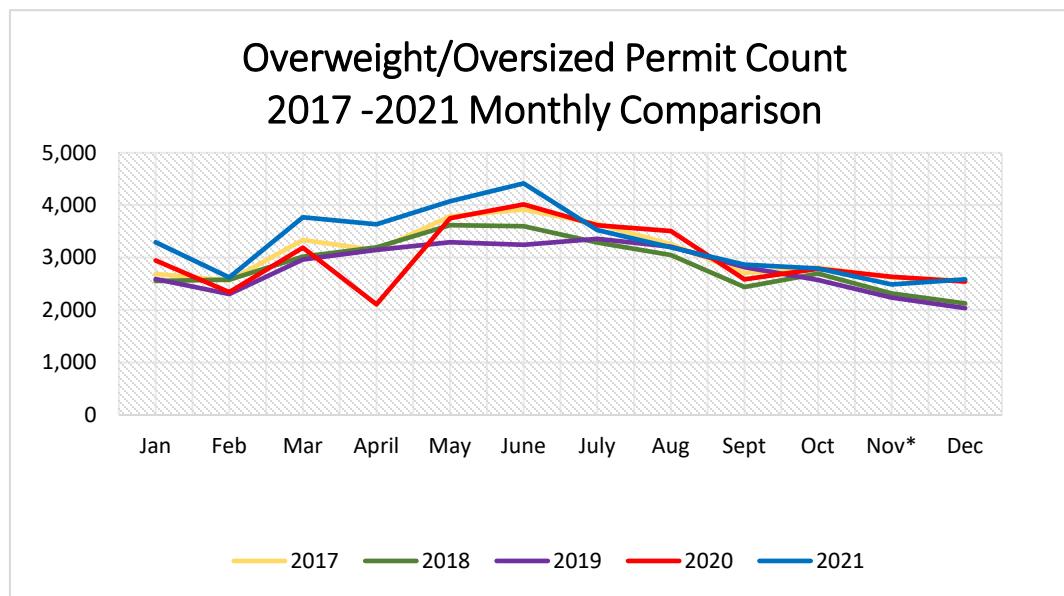
<u>Payment Type</u>	<u>Count</u>	<u>Amount</u>
Credit Cards	15636	\$3221016.00
Escrow	23637	\$4727400.00
Total Permits	39273	\$7948416.00

<u>Convenience Fees</u>	<u>\$93816.00</u>
Total Permit Fees	\$7854600.00

ProMiles Fees	\$117819.00
TxDOT Total	\$6676410.00
HCRMA Total	\$1060371.00
Total Permit Fees	\$7854600.00

**HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
ANNUAL OVERWEIGHT/OVERSIZE PERMIT 5-YEAR COMPARISON**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov*	Dec	Total
2017	2,689	2,565	3,336	3,141	3,788	3,918	3,643	3,260	2,710	2,814	2,621	2,563	37,048
2018	2,558	2,580	3,022	3,200	3,620	3,600	3,291	3,049	2,439	2,699	2,316	2,128	34,502
2019	2,591	2,305	2,966	3,150	3,292	3,244	3,360	3,212	2,818	2,573	2,241	2,038	33,790
2020	2,947	2,345	3,189	2,110	3,750	4,016	3,617	3,510	2,585	2,788	2,636	2,547	36,040
2021	3,292	2,623	3,768	3,638	4,074	4,417	3,526	3,200	2,866	2,792	2,490	2,587	39,273



*Effective November 13, 2017, permit fee increased from \$80 to \$200

** ProMiles Revenue excludes credit card convenience fees

Item 2A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>2A</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/11/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/25/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: APPROVAL OF MINUTES FOR REGULAR MEETING HELD DECEMBER 20, 2021.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and Approval of Minutes for the Hidalgo County Regional Mobility Authority Board of Directors Regular Meeting held December 20, 2021.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Motion to approve the minutes for the Board of Director's Regular Meeting held December 20, 2021, as presented.
6. Planning Committee's Recommendation: Approved Disapproved X None
7. Finance Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: X Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: X Approved Disapproved None

**STATE OF TEXAS
COUNTY OF HIDALGO
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY**

The Hidalgo County Regional Mobility Authority Board of Directors convened for a Regular Meeting on **Monday, December 20, 2021**, at 5:30 pm by video/ teleconference, with the following participating:

Board Members: S. David Deanda, Jr., Chairman
Forrest Runnels, Vice-Chairman
Ezequiel Reyna, Jr., Secretary/Treasurer
Alonzo Cantu, Director
Paul Moxley, Director
Frank Pardo, Director
Joaquin Spamer, Director

Absent: None

Staff: Pilar Rodriguez, Executive Director
Ramon Navarro, Chief Construction Engineer
Eric Davila, Chief Development Engineer
Celia Gaona, Chief Auditor/Compliance Officer
Jose Castillo, Chief Financial Officer
Blakely Fernandez, Bracewell Law, Legal Counsel
Barron Wallace, Bracewell Law, Bond Counsel
Richard A. Cantu, Law Office of Richard Cantu, PC, Legal Counsel
Richard Ramirez, Hilltop Securities, Financial Advisor

PLEDGE OF ALLEGIANCE

Chairman Deanda led the Pledge of Allegiance.

INVOCATION

Ms. Gaona led the Invocation.

CALL TO ORDER OF A WORKSHOP at 5:30 p.m.

1. Updates on State Highway 68 and I69 Connector Project Development- TxDOT.
Mr. Margil Maldonado, TxDOT, and Pedro Alvarez, TxDOT, presented updates on State Highway 68 and I69 Connector Project Development.
2. Review of proposed Fiscal Year 2022 Operating and Capital Budget.
Mr. Pilar Rodriguez reviewed the proposed Fiscal Year 2022 Operating and Capital Budget.
3. Presentation on the HCRMA Wetland Mitigation Site Development.
Mr. Eric Davila presented the HCRMA wetland mitigation site development.

ADJOURNMENT OF WORKSHOP

CALL TO ORDER FOR REGULAR MEETING AND ESTABLISH A QUORUM

Chairman Deanda called the Regular Meeting to order at 6:14 p.m.

PUBLIC COMMENT

No Comments.

1. REPORTS

- A. Report on Program Manager Activity for 365 Tollway Project and IBTC Environmental Clearance Document – Eric Davila, HCRMA.

Mr. Eric Davila reported on Program Manager Activity for 365 Tollway Project and IBTC Environmental Clearance Document. No action taken.

- B. Report on 365 Tollway Project Financing Activities – Richard Ramirez, Hilltop Securities.

Mr. Richard Ramirez, Hilltop Securities, reported on the 365 Tollway Project Financing Activities. No action taken.

2. CONSENT AGENDA.

Motion by Forrest Runnels, with a second by Ezequiel Reyna, to approve the Consent Agenda. Motion carried unanimously.

- A. Approval of Minutes for the Special Board Meeting held November 10, 2021, and Regular Meeting held November 23, 2021.

Approved the Minutes for the Special Board Meeting held November 10, 2021, and Regular Meeting held November 23, 2021.

- B. Approval of Project & General Expense Report for the period from November 6, 2021, to December 3, 2021.

Approved the Project & General Expense Report for the period from November 6, 2021, to December 3, 2021.

- C. Approval of Financial Reports for October 2021.

Approved the Financial Reports for October 2021.

- D. Resolution 2021 – 77 - Approval of Public Fund Investment Act Training for Investment Officers Jose Castillo and Pilar Rodriguez.

Approved Resolution 2021-77 – Approval of Public Fund Investment Act Training for Investment Officers Jose Castillo and Pilar Rodriguez.

- E. Resolution 2021-79 – Approval of Work Authorization Number 11 to the Professional Service Agreement with C&M Associates, Inc. for an updated Traffic and Revenue Bringdown Letter for the 365 Tollway Project that incorporates Toll Collection Fees associated with Video Tolling.

Approved Resolution 2021-79 –Approval of Work Authorization Number 11 to the Professional Service Agreement with C&M Associates, Inc. in the amount of \$18,796.82 for an updated Traffic and Revenue Bringdown Letter for the 365 Tollway Project that incorporates Toll Collection Fees associated with Video Tolling.

- F. Resolution 2021-80 – Consideration and Approval of Contract Amendment 12 to the Professional Services Agreement with C&M Associates, Inc. to increase the maximum payable amount for Work Authorization Number 11.

Approved Resolution 2021-80 – Consideration and Approval of Contract Amendment 12 to the Professional Services Agreement with C&M Associates, Inc. to increase the maximum payable amount for Work Authorization Number 11 for a revised maximum payable amount of \$742,765.16.

3. REGULAR AGENDA

- A. Resolution 2021-53 – Consideration and Approval of Utility Relocation Agreement with Enbridge for the 365 Tollway Project.

Item Removed from agenda. No action taken.

- B. Resolution 2021-73 - Adoption of Fiscal Year 2022 Operating and Capital Budget for the Hidalgo County Regional Mobility Authority.

Motion by Joaquin Spamer, with a second by Alonzo Cantu, to approve Resolution 2021-73 – Adoption of Fiscal Year 2022 Operating and Capital Budget for the Hidalgo County Regional Mobility Authority. Motion carried unanimously.

- C. Resolution 2021-49 – Consideration and Approval of Work Authorization 8 with Blanton & Associates, Inc. for environmental services for development of site soils and planting strategies (including monitoring) for the 365 Tollway Wetland Mitigation site.

Motion by Forrest Runnels, with a second by Ezequiel Reyna, to approve Resolution 2021-49 – Consideration and Approval of Work Authorization 8 with Blanton & Associates, Inc. in the amount of \$400,103.66 for environmental services for development of site soils and planting strategies (including monitoring) for the 365 Tollway Wetland Mitigation site. Motion carried unanimously.

- D. Resolution 2021-50 – Consideration and Approval of Contract Amendment 7 to the Professional Service Agreement with Blanton & Associates, Inc. to increase the maximum payable amount for Work Authorization Number 8.

Motion by Frank Pardo, with a second by Joaquin Spamer, to approve Resolution 2021-50 – Consideration and Approval of Contract Amendment 7 to the Professional Service Agreement with Blanton & Associates, Inc. to increase the maximum payable amount for Work Authorization Number 8 for a revised maximum payable amount of \$1,378,125.25. Motion carried unanimously.

- E. Resolution 2021-51 – Consideration and Approval of Work Authorization 5 with HDR Engineering, Inc. for engineering support for the design and construction of the 365 Tollway Wetland Mitigation site.

Motion by Alonzo Cantu, with a second by Forrest Runnels, to approve Resolution 2021-51 – Consideration and Approval of Work Authorization 5 with HDR Engineering, Inc. in the amount of \$310,039.40 for engineering support for the design and construction of the 365 Tollway Wetland Mitigation site. Motion carried unanimously.

- F. Resolution 2021 – 74 - Consideration and Approval of Work Authorization 6 with HDR Engineering, Inc. for engineering support for review of the 365 Tollway Value Engineering Change Proposals.

Motion by Ezequiel Reyna, with a second by Joaquin Spamer, to approve Resolution 2021-74 - Consideration and Approval of Work Authorization 6 with HDR Engineering, Inc. in the amount of \$79,429.57 for engineering support for review of the 365 Tollway Value Engineering Change Proposals. Motion carried unanimously.

- G. Resolution 2021-52 - Consideration and Approval of Contract Amendment 3 to the Professional Service Agreement with HDR Engineering, Inc. to increase the maximum payable amount for Work Authorization Number 5 and Work Authorization Number 6.

Motion by Ezequiel Reyna, with a second by Joaquin Spamer, to approve Resolution 2021-52 – Consideration and Approval of Contract Amendment 3 to the Professional Service Agreement with HDR Engineering, Inc. to increase the maximum payable amount for Work Authorization Number 5 and Work Authorization Number 6 for a revised maximum payable amount of \$1,407,587.59. Motion carried unanimously.

H. Resolution 2021-76 - Resolution authorizing the issuance, sale and delivery of the Hidalgo County Regional Mobility Authority Senior Lien Toll and Vehicle Registration Fee Revenue Bonds, Series 2022A and Junior Lien Toll and Vehicle Registration Fee Revenue and Refunding bonds, Series 2022B; Approving and Authorizing the execution and delivery of the Master Trust Indenture, the First Supplemental Indenture and the Second Supplemental Indenture; Authorizing certain designated officers to approve the terms, interest rate and redemption features of such bonds and any bond insurance and/or reserve fund surety policies in respect to the bonds; Authorizing the redemption and/or discharge of certain outstanding obligations of the Hidalgo County Regional Mobility Authority; Authorizing and approving the execution and delivery of bond purchase agreement and any and all related documents, agreements, certificates and instruments necessary or desirable to be executed and delivered in connection with the issuance and delivery of such bonds; and enacting other provisions related to the subject.

Motion by Alonzo Cantu, with a second by Frank Pardo, to approve Resolution 2021-76 – Resolution authorizing the issuance, sale and delivery of the Hidalgo County Regional Mobility Authority Senior Lien Toll and Vehicle Registration Fee Revenue Bonds, Series 2022A and Junior Lien Toll and Vehicle Registration Fee Revenue and Refunding bonds, Series 2022B; Approving and Authorizing the execution and delivery of the Master Trust Indenture, the First Supplemental Indenture and the Second Supplemental Indenture; Authorizing certain designated officers to approve the terms, interest rate and redemption features of such bonds and any bond insurance and/or reserve fund surety policies in respect to the bonds; Authorizing the redemption and/or discharge of certain outstanding obligations of the Hidalgo County Regional Mobility Authority; Authorizing and approving the execution and delivery of bond purchase agreement and any and all related documents, agreements, certificates and instruments necessary or desirable to be executed and delivered in connection with the issuance and delivery of such bonds; and enacting other provisions related to the subject. Motion carried unanimously.

I. Resolution 2021-78 – Consideration and Approval of Change Order 2 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from US 281/Military Highway to FM 396 (Anzalduas Highway).
Motion by Ezequiel Reyna, with a second by Joaquin Spamer, to approve Resolution 2021-78 – Consideration and Approval of Change Order 2 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from US 281/Military Highway to FM 396 (Anzalduas Highway). Motion carried unanimously

4. CHAIRMAN'S REPORT

A. None.

5. TABLED ITEMS

A. None.

6. EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.072 (DELIBERATION OF REAL PROPERTY) AND SECTION 551.074 (PERSONNEL MATTERS)

A. Consultation with Attorney on legal issues pertaining to the acquisition, including the use of Eminent Domain, for property required to complete the project alignments of the 365 Tollway Project (Sections 551.071 and 551.072 T.G.C.).

No action taken

B. Consultation with Attorney on personnel matters related annual evaluation of the Executive Director (551.074 T.G.C.)

No action taken

- C. Consultation with Attorney on legal issues pertaining to an Interlocal Cooperative Agreement with the City of Mission to provide Right of Way Acquisition Services (Section 551.071 T. G.C.)
No action taken.
- D. Consultation with Attorney on legal issues pertaining to the Texas Department of Transportation State Infrastructure Bank Loan for the 365 Tollway Project (Section 551.071 T.G.C.).
No action taken.
- E. Consultation with Attorney on legal issues pertaining to Professional Service Agreements for Engineering, Surveying and Environmental Services (Section 551.071 T.G.C.).
No action taken.
- F. Consultation with Attorney on legal issues pertaining to the acquisition of real property for various parcels for the 365 Tollway Project and International Bridge Trade Corridor Project (Sections 551.071 and 551.072 T.G.C.).
No action taken.
- G. Consultation with Attorney on legal issues pertaining to the Environmental Clearance Document for the International Bridge Trade Corridor Project (Section 551.071 T.G.C.).
No action taken.
- H. Consultation with Attorney on legal issues pertaining to the issuance of one or more Series of Hidalgo County Regional Mobility Authority bonds and related agreements and provisions relating to the subject (Section 551.071 T.G.C.).
No action taken.
- I. Consultation with Attorney on personnel matters related to the COVID-19 pandemic (Section 551.074 T.G.C.).
No action taken.

ADJOURNMENT

There being no other business to come before the Board of Directors, meeting adjourned at 6:45 p.m.

S. David Deanda, Jr, Chairman

Attest:

Ezequiel Reyna, Jr., Secretary/Treasurer

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Item 2B

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>2B</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/18/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/25/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: APPROVAL OF PROJECT AND GENERAL EXPENSE REPORT FROM DECEMBER 4, 2021, TO JANUARY 13, 2022
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and approval of project and general expense report for the period from December 4, 2021, to January 13, 2022
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: X Yes No N/A Funding Source: VRF Bond

General Account	\$ 186,148.78
Disbursement Account	\$ 150,276.01
VRF Series 2020A	\$ 64,622.21
Total Project Expenses for Reporting Period	\$ 401,047.00

Fund Balance after Expenses	\$ 8,317,635.43
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5. Staff Recommendation: Motion to approve the project and general expense report for the December 4, 2021, to January 13, 2022, as presented.
6. Planning Committee's Recommendation: Approved Disapproved X None
7. Finance Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: X Approved Disapproved None
11. Chief Development Engineer's Recommendation: X Approved Disapproved None
12. Chief Construction Engineer's Recommendation: X Approved Disapproved None
13. Executive Director's Recommendation: X Approved Disapproved None



Memorandum

To: S. David Deanda Jr., Chairman
From: Pilar Rodriguez, PE, Executive Director
Date: January 18, 2022
Re: **Expense Report for the Period from December 4, 2021, to January 13, 2022**

Attached is the expense report for the period commencing on December 4, 2021, to January 13, 2022.

Expenses for the General Account total \$186,148.78, Disbursement Account total \$150,276.01 and the VRF Series 2020A Account is \$64,622.21. The aggregate expense for the reporting period is \$401,047.00.

Based on review by this office, **approval of expenses for the reporting period is recommended in the aggregate amount of \$401,047.00.**

This leaves a fund balance (all funds) after expenses of \$8,317,635.43.

If you should have any questions or require additional information, please advise.

Dec. 4 - Jan. 13
Jan. 2022

Plains Capital 41	Make Check Payable to	Date Work Performed	Amount
	City of Pharr	December 2021 \$	135,261.99
	Office Depot	December 2021 \$	248.98
	Gateway	December 2021 \$	63.36
	A-Fast Delivery, LLC	December 2021 \$	164.75
	Copy Zone	December 2021 \$	955.78
	Bracewell, LLP	December 2021 \$	1,640.00
	Escobedo & Cardenas, LLP	December 2021 \$	75.00
	Pathfinder Public Affairs	December 2021 \$	10,000.00
	City of Pharr	December 2021 \$	205.00
	City of Pharr	December 2021 \$	4,480.00
	City of Pharr	December 2021 \$	4,305.00
	City of Pharr	January 2022 \$	450.00
	Xerox Financial Services	1/01/22-1/31/2022 \$	591.60
	Xerox Financial Services	1/1/2022-1/31/2022 \$	194.05
	Pen Designs	December 2021 \$	200.00
	Texas Municipal League Intergovernmental Risk Pool	2022 \$	4,045.44
	Texas Municipal League Intergovernmental Risk Pool	2022 \$	1,756.16
	Texas Municipal League Intergovernmental Risk Pool	2022 \$	3,332.00
	Wilmington	12/10/21-12/09/22 \$	2,000.00
	Wilmington	12/02/21-12/01/22 \$	3,750.00
	Wilmington	10/01/21-09/30/22 \$	750.00
	IBTTA	Thru 12/31/2022 \$	2,500.00
	Superior Alarm	December 2021 \$	871.00
	Info Tech	2/01/2022-1/31/2023 \$	6,000.00
	Maria Alaniz	5/24/21-1/06/2022 \$	34.28
	Ivonne Rodriguez	9/16/21-12/22/2021 \$	52.75
	Hidalgo County Irrigation District No. 2	2022 \$	8.24
	Credit Card Services	12/04/2021-1/03/2022 \$	210.00
	Credit Card Services	12/04/2021-1/03/2022 \$	1,524.20
	Credit Card Services	12/04/2021-1/03/2022 \$	479.20
		\$	186,148.78

Wilmington Trust 45/Capital Projects

Bracewell, LLP	December 2021 \$	20,292.62
Escobedo & Cardenas, LLP	December 2021 \$	7,550.00
Blanton & Associates, Inc.	December 2021 \$	3,970.09
Blanton & Associates, Inc.	December 2021 \$	1,642.48
C&M Associates, Inc.	12/01/2021-12/31/2021 \$	47,029.67
C&M Associates, Inc.	12/13/2021-12/31/2021 \$	18,796.82
HDR Engineering, Inc.	11/21/2021-12/25/2021 \$	41,123.35
HDR Engineering, Inc.	11/21/2021-12/25/2021 \$	1,871.75
HDR Engineering, Inc.	11/21/2021-12/25/2021 \$	6,197.45
HDR Engineering, Inc.	11/21/2021-12/25/2021 \$	1,801.78
	\$	\$150,276.01

Wilmington Trust 46/VRF Series 2020A

Valley Land Fund	2022 \$	21,500.00
Saenz Oil & Gas Services	December 2021 \$	34,122.21
Garza & Associates	December 2021 \$	9,000.00
	\$	64,622.21

Sub Total - Ge \$ 186,148.78
 Sub Total - Ca \$ 150,276.01
 Sub Total - VRF \$ 64,622.21
 Total \$ **401,047.00**

Approved: _____
 S. David Deanda, Jr., Chairman

Recommend Approval: _____
 Pilar Rodriguez, Executive Director

Approved: _____
 Ezequiel Reyna, Jr., Secretary/Treasurer

Date: _____ **1/25/2022**

Item 2C

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<input checked="" type="checkbox"/>	AGENDA ITEM	<u>2C</u>
PLANNING COMMITTEE	<input type="checkbox"/>	DATE SUBMITTED	<u>01/18/22</u>
FINANCE COMMITTEE	<input type="checkbox"/>	MEETING DATE	<u>01/25/22</u>
TECHNICAL COMMITTEE	<input type="checkbox"/>		

1. Agenda Item: APPROVAL OF THE FINANCIAL REPORT FOR THE MONTHS OF NOVEMBER 2021 AND DECEMBER 2021.
2. Nature of Request: (Brief Overview) Attachments: Yes No
Consideration and approval of financial report for the months of November 2021 and December 2021.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No N/A
Funding Source:
5. Staff Recommendation: Motion to approve the Financial Report for the months of November 2021 and December 2021, as presented.
6. Planning Committee's Recommendation: Approved Disapproved None
7. Finance Committee's Recommendation: Approved Disapproved None
8. Board Attorney's Recommendation: Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved None
10. Chief Financial Officer's Recommendation: Approved Disapproved None
11. Chief Development Engineer's Recommendation: Approved Disapproved None
12. Chief Construction Engineer's Recommendation: Approved Disapproved None
13. Executive Director's Recommendation: Approved Disapproved None

**HIDALGO CO. REGIONAL MOBILITY AUTHORITY
STATEMENT OF NET POSITION NOVEMBER 30, 2021**

ASSETS		
CURRENT ASSETS		
Cash	\$ 104,134	
Investment-Cap. Projects nonrestricted	26,878	
Pool Investments	3,378,140	
Promiles-Prepaid/Escrow Overweight Permit Fees	112,582	
Accounts Receivable - VR Fees	489,230	
Prepaid expense	1,271	
Prepaid bond insurances	<u>309,595</u>	
Total Current Assets	<u>4,421,830</u>	
RESTRICTED ASSETS		
Construction 2020A Series	5,044,426	
Investment-2020 debt service	1,637,658	
Investment-debt service	1,400,879	
Investment-debt service jr. lien	<u>6,255,539</u>	
Total Restricted Assets	<u>14,338,502</u>	
CAPITAL ASSETS		
Land-ROW	914,934	
Land-enviornmental	441,105	
Leashold improvements	266,776	
Office equipment/other	33,136	
Road-BSIF	3,010,637	
Construction in progress	123,662,623	
Accumulated depreciation	<u>(56,858)</u>	
Total Capital Assets	<u>128,272,353</u>	
DEFERRED OUTFLOW OF RESOURCES		
Deferred charges on refunding	<u>6,153,048</u>	
Total Deferred Outflows	<u>6,153,048</u>	
TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES		
	<u>\$ 153,185,733</u>	
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable-City of Pharr	\$ 76,895	
Unearned Revenue - Overweight Permit Escrow	112,582	
Current Portion of Bond Premium 2013	53,223	
Current Portion of Bond Premium 2020A	<u>45,256</u>	
Total Current Liabilities	<u>287,956</u>	
RESTRICTED LIABILITIES		
Current Portion of Long-Term 2020 Debt	805,000	
Current Portion of Long-Term Debt 2013	<u>1,305,000</u>	
Total Restricted Liabilities	<u>2,110,000</u>	
LONG-TERM LIABILITIES		
2013 VRF Bonds Payable	2,785,000	
2020 Series A Bonds Payable	9,870,000	
2020 Series B Bonds Payable	57,210,000	
Jr. Lien Bonds	23,377,510	
Bond premium 2013VRF	106,987	
Bond premium 2020A	<u>1,301,108</u>	
Total Long-Term Liabilities	<u>94,650,605</u>	
Total Liabilities	<u>97,048,561</u>	
NET POSITION		
Investment in Capital Assets, Net of Related Debt	42,610,743	
Restricted for:		
Debt Service	7,184,076	
Unrestricted	<u>6,342,353</u>	
Total Net Position	<u>56,137,172</u>	
TOTAL LIABILITIES AND NET POSITION		
	<u>\$ 153,185,733</u>	



Pharr, TX

Balance Sheet

Account Summary

As Of 11/30/2021

Account	Name	Balance
Fund: 41 - HCRMA-GENERAL		
Assets		
GENERAL OPERATING		
41-1-1100-000	GENERAL OPERATING	104,133.90
41-1-1102-000	POOL INVESTMENTS	3,378,139.99
41-1-1113-000	ACCOUNTS RECEIVABLES-VR FEES	489,230.00
41-1-1113-100	PROMILES-PREPAID/ESCROW OVERWE	112,581.56
41-1-1601-000	PREPAID EXPENSE	1,271.08
41-1-1601-001	PREPAID BOND INSURANCE	309,594.70
41-1-1700-001	DEFERRED CHARGES ON REFUNDING	6,153,048.16
41-1-1910-001	LAND - RIGHT OF WAY	914,933.99
41-1-1910-002	LAND - ENVIRONMENTAL	441,105.00
41-1-1920-004	LEASEHOLD IMPROV.	266,776.38
41-1-1922-000	ACCUM DEPR - BUILDINGS	-48,352.03
41-1-1940-001	OFFICE FURNITURE & FIXTURES	24,529.90
41-1-1940-002	COMPUTER/SOFTWARE	8,606.51
41-1-1942-000	ACCUM DEPR - MACH & EQUIP	-8,505.50
41-1-1950-001	ROADS - BSIF	3,010,636.97
41-1-1960-000	CONSTRUCTION IN PROGRESS	123,662,622.91
	Total Assets:	<u>138,820,353.52</u>
Liability		
41-2-1212-001	A/P CITY OF PHARR	76,895.39
41-2-1213-009	CURRENT-UNAMORTIZED PREMIUM	53,223.39
41-2-1213-010	CURRENT- UNAMORTIZED- PREM 2020A	45,255.92
41-2-1213-012	BONDS PAYABLE CURRENT- 2020B	805,000.00
41-2-1213-100	UNEARNED REV.-OVERWEIGHT	112,581.56
41-2-1214-001	BONDS PAYABLE-CURRENT	1,305,000.00
41-2-1214-002	BONDS PAYABLE-LONG TERM PORTIO	2,785,000.00
41-2-1214-003	UNAMORTIZED PREMIUM ON BOND	106,986.78
41-2-1214-004	UNAMORTIZED PREM- 2020A	1,301,107.70
41-2-1214-010	LONG TERM BONDS- JR LIEN	23,377,510.34
41-2-1214-011	LONG TERM BONDS- 2020A	9,870,000.00
41-2-1214-012	LONG TERM BONDS- 2020B	57,210,000.00
	Total Liability:	<u>97,048,561.08</u>
Equity		
41-3-3400-000	FUND BALANCE	41,689,825.95
	Total Beginning Equity:	<u>41,689,825.95</u>
Total Revenue		7,432,123.20
Total Expense		7,350,156.71
Revenues Over/Under Expenses		<u>81,966.49</u>
	Total Equity and Current Surplus (Deficit):	<u>41,771,792.44</u>
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>138,820,353.52</u>



Pharr, TX

Income Statement**Account Summary**

For Fiscal: 2021 Period Ending: 11/30/2021

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 41 - HCRMA-GENERAL						
Revenue						
<u>41-4-1504-000</u>	VEHICLE REGISTRATION FEES	6,500,000.00	6,500,000.00	489,230.00	6,441,450.00	58,550.00
<u>41-4-1505-005</u>	PROMILES-OW/OS PERMIT FEES	1,000,000.00	1,000,000.00	79,893.00	989,145.00	10,855.00
<u>41-4-1506-000</u>	INTEREST REVENUE	15,000.00	15,000.00	108.56	1,528.20	13,471.80
	Revenue Total:	7,515,000.00	7,515,000.00	569,231.56	7,432,123.20	82,876.80
Expense						
<u>41-52900-1100-000</u>	SALARIES	538,184.00	538,184.00	35,890.75	427,552.39	110,631.61
<u>41-52900-1104-000</u>	OVERTIME	500.00	500.00	0.00	204.57	295.43
<u>41-52900-1105-000</u>	FICA	45,608.00	45,608.00	1,711.73	27,695.93	17,912.07
<u>41-52900-1106-000</u>	HEALTH INSURANCE	29,000.00	29,000.00	2,473.00	24,490.44	4,509.56
<u>41-52900-1115-000</u>	EMPLOYEES RETIREMENT	45,608.00	45,608.00	2,534.64	30,891.71	14,716.29
<u>41-52900-1116-000</u>	PHONE ALLOWANCE	6,300.00	6,300.00	392.30	4,707.60	1,592.40
<u>41-52900-1117-000</u>	CAR ALLOWANCE	22,800.00	22,800.00	1,200.00	14,400.00	8,400.00
<u>41-52900-1122-000</u>	EAP- ASSISTANCE PROGRAM	0.00	0.00	5.36	58.96	-58.96
<u>41-52900-1178-000</u>	ADMIN FEE	9,750.00	9,750.00	750.00	9,000.00	750.00
<u>41-52900-1179-000</u>	CONTINGENCY	28,400.00	28,400.00	0.00	0.00	28,400.00
<u>41-52900-1200-000</u>	OFFICE SUPPLIES	12,000.00	12,000.00	227.95	3,622.52	8,377.48
<u>41-52900-1603-000</u>	BUILDING REMODEL	70,000.00	70,000.00	14,106.00	18,090.74	51,909.26
<u>41-52900-1604-000</u>	MAINTENANCE & REPAIR	25,000.00	25,000.00	1,386.09	17,286.72	7,713.28
<u>41-52900-1605-000</u>	JANITORIAL	1,000.00	1,000.00	0.00	7.79	992.21
<u>41-52900-1606-000</u>	UTILITIES	2,800.00	2,800.00	191.17	2,413.18	386.82
<u>41-52900-1607-000</u>	CONTRACTUAL ADM/IT SERVICES	8,500.00	8,500.00	655.00	6,905.00	1,595.00
<u>41-52900-1610-000</u>	DUES & SUBSCRIPTIONS	15,000.00	15,000.00	0.00	13,861.09	1,138.91
<u>41-52900-1610-001</u>	SUBSCRIPTIONS-SOFTWARE	500.00	500.00	0.00	714.16	-214.16
<u>41-52900-1611-000</u>	POSTAGE/FEDEX/COURTIER	2,500.00	2,500.00	192.00	1,768.50	731.50
<u>41-52900-1620-000</u>	GENERAL LIABILITY	3,000.00	3,000.00	0.00	2,902.60	97.40
<u>41-52900-1621-000</u>	INSURANCE-E&O	1,500.00	1,500.00	0.00	1,465.10	34.90
<u>41-52900-1622-000</u>	INSURANCE-SURETY	800.00	800.00	0.00	0.00	800.00
<u>41-52900-1623-000</u>	INSURANCE-LETTER OF CREDIT	500.00	500.00	500.00	500.00	0.00
<u>41-52900-1623-001</u>	INSURANCE-OTHER	3,000.00	3,000.00	55.09	10,369.95	-7,369.95
<u>41-52900-1623-002</u>	INSURANCE- CYBERSECURITY	2,500.00	2,500.00	0.00	3,200.22	-700.22
<u>41-52900-1630-000</u>	BUSINESS MEALS	500.00	500.00	0.00	0.00	500.00
<u>41-52900-1640-000</u>	ADVERTISING	4,000.00	4,000.00	0.00	0.00	4,000.00
<u>41-52900-1650-000</u>	TRAINING	8,000.00	8,000.00	0.00	3,087.00	4,913.00
<u>41-52900-1660-000</u>	TRAVEL	10,000.00	10,000.00	0.00	725.32	9,274.68
<u>41-52900-1662-000</u>	PRINTING & PUBLICATIONS	8,000.00	8,000.00	937.76	4,837.35	3,162.65
<u>41-52900-1703-000</u>	BANK SERVICE CHARGES	100.00	100.00	0.00	0.00	100.00
<u>41-52900-1705-000</u>	ACCOUNTING FEES	30,000.00	30,000.00	205.00	28,800.00	1,200.00
<u>41-52900-1710-000</u>	LEGAL FEES	65,000.00	65,000.00	685.50	26,080.75	38,919.25
<u>41-52900-1710-001</u>	LEGAL FEES-GOV.AFFAIRS	120,000.00	120,000.00	10,000.00	110,000.00	10,000.00
<u>41-52900-1712-000</u>	FINANCIAL CONSULTING FEES	4,000.00	4,000.00	0.00	4,005.00	-5.00
<u>41-52900-1712-001</u>	INSURANCE CONSULTANT	10,000.00	10,000.00	0.00	0.00	10,000.00
<u>41-52900-1715-000</u>	RENT-OFFICE	54,000.00	54,000.00	4,480.00	49,280.00	4,720.00
<u>41-52900-1715-001</u>	RENT-OFFICE EQUIPMENT	8,500.00	8,500.00	591.60	6,557.27	1,942.73
<u>41-52900-1715-002</u>	RENT-OTHER	500.00	500.00	0.00	0.00	500.00
<u>41-52900-1716-000</u>	CONTRACTUAL WEBSITE SERVICES	2,400.00	2,400.00	200.00	2,200.00	200.00
<u>41-52900-1731-000</u>	MISCELLANEOUS	500.00	500.00	0.00	0.00	500.00
<u>41-52900-1732-000</u>	PENALTIES & INTEREST	100.00	100.00	0.00	0.00	100.00
<u>41-52900-1796-000</u>	DEBT INTEREST	0.00	0.00	402,070.20	402,070.20	-402,070.20
<u>41-52900-1850-000</u>	CAPITAL OUTLAY	10,000.00	10,000.00	0.00	0.00	10,000.00
<u>41-52900-1899-000</u>	NON-CAPITAL	10,000.00	10,000.00	0.00	1,900.00	8,100.00
<u>41-52900-1999-003</u>	TRANSFER OUT TO DEBT	1,496,450.00	1,496,450.00	124,703.24	1,373,735.64	122,714.36

Income Statement

For Fiscal: 2021 Period Ending: 11/30/2021

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
41-52900-1999-005	TRANS OUT DEB-JR LIEN	1,126,162.00	1,126,162.00	0.00	1,126,162.00	0.00
41-52900-1999-006	TRANS OUT- 2020 DEBT SVC	2,470,095.00	2,470,095.00	209,841.20	2,268,253.20	201,841.80
41-52900-1999-009	TRANSFER OUT-CAPITAL PROJ	700,000.00	700,000.00	120,000.00	829,000.00	-129,000.00
41-53000-1100-000	SALARIES	496,536.00	496,536.00	14,021.48	172,812.77	323,723.23
41-53000-1104-000	OVERTIME	10,500.00	10,500.00	0.00	0.00	10,500.00
41-53000-1105-000	FICA	44,968.00	44,968.00	1,061.82	13,157.68	31,810.32
41-53000-1106-000	HEALTH INSURANCE	25,000.00	25,000.00	1,236.50	12,598.38	12,401.62
41-53000-1115-000	EMPLOYEES RETIREMENT	44,968.00	44,968.00	1,129.14	13,898.02	31,069.98
41-53000-1116-000	PHONE ALLOWANCE	9,600.00	9,600.00	184.60	2,215.20	7,384.80
41-53000-1117-000	CAR ALLOWANCE	43,200.00	43,200.00	553.84	6,646.08	36,553.92
41-53000-1122-000	EAP- ASSISTANCE PROGRAM	0.00	0.00	2.68	29.48	-29.48
41-53000-1178-000	ADMN FEE	15,600.00	15,600.00	300.00	3,600.00	12,000.00
41-53000-1179-000	CONTINGENCY	27,992.00	27,992.00	0.00	0.00	27,992.00
41-53000-1200-000	OFFICE SUPPLIES	1,500.00	1,500.00	0.00	43.98	1,456.02
41-53000-1201-000	SMALL TOOLS	5,000.00	5,000.00	-21.54	276.42	4,723.58
41-53000-1604-000	MAINTENCE & REPAIRS	0.00	0.00	0.00	28.58	-28.58
41-53000-1606-001	UTILITIES	0.00	0.00	30.24	110.93	-110.93
41-53000-1608-000	UNIFORMS	6,000.00	6,000.00	0.00	0.00	6,000.00
41-53000-1610-000	DUES & SUBSCRIPTIONS	2,000.00	2,000.00	0.00	740.00	1,260.00
41-53000-1610-001	SUBSCRIPTIONS - SOFTWARE	7,000.00	7,000.00	0.00	8,745.07	-1,745.07
41-53000-1611-000	POSTAGE/FEDEX/COURTIER	500.00	500.00	8.76	24.66	475.34
41-53000-1640-000	ADVERTISING	5,000.00	5,000.00	394.30	8,576.84	-3,576.84
41-53000-1650-000	TRAINING	5,000.00	5,000.00	0.00	890.00	4,110.00
41-53000-1660-000	TRAVEL	5,000.00	5,000.00	0.00	575.32	4,424.68
41-53000-1715-000	RENT CONSTRUCTION OFFICE	2,700.00	2,700.00	0.00	0.00	2,700.00
41-53000-1715-001	RENTAL - OFFICE EQUIPMENT	0.00	0.00	194.05	2,363.40	-2,363.40
41-53000-1715-002	RENT-OTHER	500.00	500.00	0.00	989.34	-489.34
41-53000-1850-000	CAPITAL OUTLAY	62,500.00	62,500.00	0.00	7,810.04	54,689.96
41-53000-1899-000	NON-CAPITALIZED	22,000.00	22,000.00	0.00	0.00	22,000.00
41-54000-1100-000	SALARIES	426,970.00	426,970.00	10,382.38	129,312.55	297,657.45
41-54000-1104-000	OVERTIME	500.00	500.00	0.00	0.00	500.00
41-54000-1105-000	FICA	36,480.00	36,480.00	805.76	10,068.43	26,411.57
41-54000-1106-000	HEALTH INSURANCE	16,800.00	16,800.00	618.25	6,449.07	10,350.93
41-54000-1115-000	EMPLOYEES RETIREMENT	36,480.00	36,480.00	843.68	10,485.55	25,994.45
41-54000-1116-000	PHONE ALLOWANCE	4,800.00	4,800.00	92.30	1,107.60	3,692.40
41-54000-1117-000	CAR ALLOWANCE	21,600.00	21,600.00	553.84	6,646.08	14,953.92
41-54000-1122-000	EAP- ASSISTANCE PROGRAM	0.00	0.00	1.34	14.74	-14.74
41-54000-1178-000	ADMN FEE	7,800.00	7,800.00	150.00	1,800.00	6,000.00
41-54000-1179-000	CONTINGENCY	23,000.00	23,000.00	0.00	0.00	23,000.00
41-54000-1200-000	OFFICE SUPPLIES	500.00	500.00	0.00	568.46	-68.46
41-54000-1610-000	DUES & SUBSCRIPTIONS	2,500.00	2,500.00	0.00	407.00	2,093.00
41-54000-1610-001	SUBSCRIPTIONS-SOFTWARE	69,000.00	69,000.00	238.50	64,813.59	4,186.41
41-54000-1611-000	POSTAGE/FEDEX/COURTIER	100.00	100.00	0.00	0.00	100.00
41-54000-1640-000	ADVERTISING	1,500.00	1,500.00	0.00	199.98	1,300.02
41-54000-1650-000	TRAINING	3,000.00	3,000.00	0.00	350.00	2,650.00
41-54000-1660-000	TRAVEL	2,000.00	2,000.00	0.00	0.00	2,000.00
41-54000-1850-000	CAPITAL OUTLAY	25,000.00	25,000.00	0.00	0.00	25,000.00
41-54000-1899-000	NON-CAPITALIZED	16,100.00	16,100.00	0.00	0.00	16,100.00
41-58000-1604-001	MAINTENANCE AND REPAIR -BSIF	3,000.00	3,000.00	465.00	2,325.00	675.00
41-58000-1606-002	UTILITIES - BSIF	1,000.00	1,000.00	67.22	673.57	326.43
Expense Total:		8,554,251.00	8,554,251.00	969,299.72	7,350,156.71	1,204,094.29
Fund: 41 - HCRMA-GENERAL Surplus (Deficit):		-1,039,251.00	-1,039,251.00	-400,068.16	81,966.49	
Total Surplus (Deficit):		-1,039,251.00	-1,039,251.00	-400,068.16	81,966.49	



Pharr, TX

Bank Statement Register**GENERAL OPERATING**

Period 11/1/2021 - 11/30/2021

*11/21/21***Bank Statement****General Ledger**

Beginning Balance	92,382.27	Account Balance	104,133.90
Plus Debits	257,628.56	Less Outstanding Debits	0.00
Less Credits	231,505.57	Plus Outstanding Credits	14,371.36
Adjustments	0.00	Adjustments	0.00
Ending Balance	118,505.26	Adjusted Account Balance	118,505.26

Statement Ending Balance	118,505.26
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

41-1-1100-000 GENERAL OPERATING

Cleared Deposits

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DEP0030488	Deposit	FUND 41- PROMILES	63,234.00
11/30/2021	DEP0030585	Deposit	TO RECORD	16,659.00
11/30/2021	DEP0030590	Deposit	FUND 41	177,735.56
Total Cleared Deposits (3)				257,628.56

Cleared Checks

Item Date	Reference	Item Type	Description	Amount
10/27/2021	2554	Check	A FAST DELIVERY	-112.25
10/27/2021	2556	Check	COPYZONE	-554.28
10/27/2021	2557	Check	OFFICE DEPOT	-123.10
10/27/2021	2558	Check	SHEPARD WALTON KING INSURANCE GROUP	-7,147.50
10/27/2021	2559	Check	XEROX CORPORATION	-785.65
11/24/2021	2560	Check	A FAST DELIVERY	-192.00
11/24/2021	2563	Check	GATEWAY OFFICE SUPPLIES	-55.09
11/24/2021	2564	Check	OFFICE DEPOT	-75.28
11/24/2021	2566	Check	XEROX CORPORATION	-591.60
11/24/2021	2567	Check	XEROX CORPORATION	-194.05
11/24/2021	2569	Check	CHARISMA REMODELING SERVICES, LLC	-7,053.00
Total Cleared Checks (11)				-16,883.80



Pharr, TX

Bank Statement Register

POOL INVESTMENTS

Period 11/1/2021 - 11/30/2021

11/21/21

Bank Statement

	General Ledger
Beginning Balance	3,378,031.43
Plus Debits	108.56
Less Credits	0.00
Adjustments	0.00
Ending Balance	3,378,139.99

General Ledger

Account Balance	3,378,139.99
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	3,378,139.99

Statement Ending Balance	3,378,139.99
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

41-1-1102-000 POOL INVESTMENTS

Cleared Other

Item Date	Reference	Item Type	Description	Amount
11/30/2021	INT0000792	Interest	FUND 41- LOGIC	108.56
Total Cleared Other (1)				108.56

Cleared Other

Item Date	Reference	Item Type	Description	Amount
11/24/2021	DFT0004864	Bank Draft	FUND 41- TO REC WIRE TXFRS	-500.00
11/24/2021	DFT0004865	Bank Draft	FUND 41- TO REC WIRE TXFRS	-120,000.00
11/30/2021	DFT0004866	Bank Draft	CITY OF PHARR	-72,138.08
11/30/2021	DFT0004867	Bank Draft	BRACEWELL LLP ATTORNEYS AT LAW	-648.00
11/30/2021	DFT0004868	Bank Draft	ESCOBEDO & CARDENAS, LLP	-37.50
11/30/2021	DFT0004869	Bank Draft	PATHFINDER PUBLIC AFFAIRS	-10,000.00
11/30/2021	DFT0004870	Bank Draft	CITY OF PHARR	-9,645.00
11/30/2021	DFT0004871	Bank Draft	PENA DESIGNS	-200.00
11/30/2021	DFT0004872	Bank Draft	SAN MIGUEL LAWN CARE SERVICES	-465.00
11/30/2021	DFT0004874	Bank Draft	PLAINS CAPITAL-CREDIT CARD SERVICES	-557.59
11/30/2021	DFT0004875	Bank Draft	PLAINS CAPITAL-CREDIT CARD SERVICES	-430.60
Total Cleared Other (11)				-214,621.77

Outstanding Checks

Item Date	Reference	Item Type	Description	Amount
09/29/2021	2548	Check	ADVANCE PUBLISHING LLC	-848.25
10/27/2021	2555	Check	ADVANCE PUBLISHING LLC	-73.13
11/24/2021	2561	Check	ADVANCE PUBLISHING LLC	-73.13
11/24/2021	2562	Check	COPYZONE	-937.76
11/24/2021	2565	Check	WILMINGTON TRUST FEE COLLECTIONS	-4,000.00
11/24/2021	2568	Check	CARPET EXPRESS	-1,386.09
11/24/2021	2570	Check	CHARISMA REMODELING SERVICES, LLC	-7,053.00
Total Outstanding Checks (7)				-14,371.36



Pharr, TX

Balance Sheet
Account Summary
As Of 11/30/2021

Account	Name	Balance
Fund: 42 - HCRMA-DEBT SERVICE		
Assets		
42-1-4105-000	WILMINGTON-DEBT SERVICE	1,400,878.95
42-1-4105-001	DEBT SVC - JR LIEN	6,255,539.10
42-1-4105-002	DEBT SERVICE- 2020 SERIES	1,637,657.58
	Total Assets:	9,294,075.63
		<u>9,294,075.63</u>
Liability		
	Total Liability:	0.00
Equity		
42-3-4400-000	FUND BALANCE	5,710,256.78
	Total Beginning Equity:	5,710,256.78
Total Revenue		4,772,485.81
Total Expense		1,188,666.96
Revenues Over/Under Expenses		3,583,818.85
	Total Equity and Current Surplus (Deficit):	9,294,075.63
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>9,294,075.63</u>



Pharr, TX

Income Statement

Account Summary

For Fiscal: 2021 Period Ending: 11/30/2021

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 42 - HCRMA-DEBT SERVICE						
Revenue						
42-4-1506-000	INTEREST INCOME	0.00	0.00	26.18	153.94	-153.94
42-4-1506-001	INTEREST INCOME-JR LIEN	0.00	0.00	213.71	4,108.60	-4,108.60
42-4-1506-002	INTEREST 2020 SERIES	0.00	0.00	0.00	72.43	-72.43
42-4-1999-000	TRANSFERS IN-FROM GENERAL FUND	0.00	0.00	334,544.44	4,768,150.84	-4,768,150.84
	Revenue Total:	0.00	0.00	334,784.33	4,772,485.81	-4,772,485.81
Expense						
42-52900-4703-001	INTEREST EXPENSE-VRF 13 BOND	0.00	0.00	0.00	79,771.00	-79,771.00
42-52900-4703-003	INTEREST EXPENSE-SIB BOND	0.00	0.00	409,106.43	409,106.43	-409,106.43
42-52900-4703-005	INTEREST EXPENSE- 2020 SERIES	0.00	0.00	0.00	693,789.53	-693,789.53
42-52900-4727-000	FEES	0.00	0.00	4,000.00	6,000.00	-6,000.00
	Expense Total:	0.00	0.00	413,106.43	1,188,666.96	-1,188,666.96
Fund: 42 - HCRMA-DEBT SERVICE Surplus (Deficit):						
	Total Surplus (Deficit):	0.00	0.00	-78,322.10	3,583,818.85	
		0.00	0.00	-78,322.10	3,583,818.85	



Pharr, TX

Bank Statement Register

WILMINGTON-DEBT SERVICE

Period 11/1/2021 - 11/30/2021

01/21/21

Bank Statement

	General Ledger
Beginning Balance	1,276,149.53
Plus Debits	124,729.42
Less Credits	0.00
Adjustments	0.00
Ending Balance	1,400,878.95

Statement Ending Balance	1,400,878.95
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

42-1-4105-000

WILMINGTON-DEBT SERVICE

Cleared Deposits

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DEP0030605	Deposit	TO RECORD WILMINGTON TRUST CASH ACT1	124,729.42
Total Cleared Deposits (1)				124,729.42



Pharr, TX

Bank Statement Register

DEBT SVC - JR LIEN

Period 11/1/2021 - 11/30/2021

11/21/21

Bank Statement

	General Ledger
Beginning Balance	6,664,431.82
Plus Debits	213.71
Less Credits	409,106.43
Adjustments	0.00
Ending Balance	6,255,539.10

General Ledger

Account Balance	6,255,539.10
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	6,255,539.10

Statement Ending Balance	6,255,539.10
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

42-1-4105-001 DEBT SVC - JR LIEN

Cleared Other

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DFT0004885	Bank Draft	TO RECORD LOGIC WITHDRAWAL	-409,106.43
11/30/2021	INT0000794	Interest	FUND 42- LOGIC INTEREST	213.71
Total Cleared Other (2)				-408,892.72



Pharr, TX

Bank Statement Register

INVESTMENTS D/S 2020 SERIES -

Period 11/1/2021 - 11/30/2021

11/1/21

Bank Statement		General Ledger	
Beginning Balance	1,431,816.38	Account Balance	1,637,657.58
Plus Debits	205,841.20	Less Outstanding Debits	0.00
Less Credits	0.00	Plus Outstanding Credits	0.00
Adjustments	0.00	Adjustments	0.00
Ending Balance	1,637,657.58	Adjusted Account Balance	1,637,657.58
		Statement Ending Balance	1,637,657.58
		Bank Difference	0.00
		General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

42-1-4105-002 DEBT SERVICE- 2020 SERIES

Cleared Deposits

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DEP0030606	Deposit	FUND 42- WILMINGTON TRUST NEW ACCT	205,841.20
Total Cleared Deposits (1)				205,841.20



Pharr, TX

Balance Sheet
Account Summary
As Of 11/30/2021

Account	Name	Balance
Fund: 45 - HCRMA - CAP.PROJECTS FUND		
Assets		
45-1-1102-000	Pool Investment	26,877.80
	Total Assets:	26,877.80
Liability		
	Total Liability:	0.00
Equity		
45-3-1400-000	Fund Balance	-19,007.46
	Total Beginning Equity:	-19,007.46
Total Revenue		919,011.83
Total Expense		873,126.57
Revenues Over/Under Expenses		45,885.26
	Total Equity and Current Surplus (Deficit):	26,877.80
	Total Liabilities, Equity and Current Surplus (Deficit):	26,877.80



Pharr, TX

Income Statement

Account Summary

For Fiscal: 2021 Period Ending: 11/30/2021

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 45 - HCRMA - CAP.PROJECTS FUND						
Revenue						
45-4-1506-000	Interest Revenue	0.00	0.00	0.56	11.83	-11.83
45-4-1999-000	TRANSFER IN - GENERAL FUND	0.00	0.00	120,000.00	829,000.00	-829,000.00
45-4-4710-000	CITY CONTRIBUTIONS	0.00	0.00	0.00	90,000.00	-90,000.00
	Revenue Total:	0.00	0.00	120,000.56	919,011.83	-919,011.83
Expense						
45-52900-8800-000	Consulting & Engineering	0.00	0.00	78,298.01	597,764.53	-597,764.53
45-52900-8810-000	SH 365- Enviormental	0.00	0.00	0.00	19,646.45	-19,646.45
45-52900-8810-001	SH 365-Design	0.00	0.00	440,070.95	440,070.95	-440,070.95
45-52900-8810-003	365 RIGHT OF WAY	0.00	0.00	-508,976.92	-502,139.12	502,139.12
45-52900-8810-004	365 UTILITIES RELOCATION	0.00	0.00	71,308.78	71,308.78	-71,308.78
45-52900-8820-000	IBTC - Enviormental	0.00	0.00	15,854.56	83,149.91	-83,149.91
45-52900-8820-003	IBTC - ROW	0.00	0.00	0.00	47,030.07	-47,030.07
45-52900-8841-000	LEGAL FEES	0.00	0.00	18,785.00	116,295.00	-116,295.00
	Expense Total:	0.00	0.00	115,340.38	873,126.57	-873,126.57
Fund: 45 - HCRMA - CAP.PROJECTS FUND Surplus (Deficit):						
	Total Surplus (Deficit):	0.00	0.00	4,660.18	45,885.26	



Pharr, TX

Bank Statement Register

Pool Investment

Period 11/1/2021 - 11/30/2021

Bank Statement

General Ledger

Beginning Balance	22,217.62	Account Balance	26,877.80
Plus Debits	120,000.56	Less Outstanding Debits	0.00
Less Credits	114,387.57	Plus Outstanding Credits	952.81
Adjustments	0.00	Adjustments	0.00
Ending Balance	27,830.61	Adjusted Account Balance	27,830.61

Statement Ending Balance	27,830.61
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

45-1-1102-000 Pool Investment

Cleared Deposits

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DEP0030607	Deposit	FUND 45- WILMINGTON TRUST	120,000.56
Total Cleared Deposits (1)				120,000.56

Cleared Other

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DFT0004876	Bank Draft	BRACEWELL LLP ATTORNEYS AT LAW	-16,760.00
11/30/2021	DFT0004877	Bank Draft	ESCOBEDO & CARDENAS, LLP	-2,025.00
11/30/2021	DFT0004878	Bank Draft	BLANTON & ASSOCIATES, INC.	-15,854.56
11/30/2021	DFT0004879	Bank Draft	C&M ASSOCIATES, INV.	-7,119.64
11/30/2021	DFT0004880	Bank Draft	HDR	-71,178.37
11/30/2021	DFT0004882	Bank Draft	SAN MIGUEL LAWN CARE SERVICES	-1,450.00
Total Cleared Other (6)				-114,387.57

Outstanding Other

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DFT0004881	Bank Draft	HIDALGO COUNTY IRRIGATION DISTRICT #2	-952.81
Total Outstanding Other (1)				-952.81



Pharr, TX

Balance Sheet
Account Summary
As Of 11/30/2021

Account	Name	Balance
Fund: 46 - HCRMA- VRF SERIES 2020A		
Assets		
46-1-1102-000	INVESTMENTS	5,044,425.86
	Total Assets:	<u>5,044,425.86</u>
Liability		
	Total Liability:	0.00
Equity		
46-3-3400-000	FUND BALANCE	5,660,123.03
	Total Beginning Equity:	<u>5,660,123.03</u>
Total Revenue		2,726.44
Total Expense		618,423.61
Revenues Over/Under Expenses		<u>-615,697.17</u>
	Total Equity and Current Surplus (Deficit):	5,044,425.86
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>5,044,425.86</u>



Pharr, TX

Income Statement

Account Summary

For Fiscal: 2021 Period Ending: 11/30/2021

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 46 - HCRMA- VRF SERIES 2020A						
Revenue						
46-4-1506-000	INTEREST REVENUE	0.00	0.00	162.80	2,726.44	-2,726.44
	Revenue Total:	0.00	0.00	162.80	2,726.44	-2,726.44
Expense						
46-52900-8810-003	365 RIGHT OF WAY	0.00	0.00	21,500.00	602,787.20	-602,787.20
46-52900-8810-004	365 UTILITY RELOCATIONS	0.00	0.00	15,636.41	15,636.41	-15,636.41
	Expense Total:	0.00	0.00	37,136.41	618,423.61	-618,423.61
Fund: 46 - HCRMA- VRF SERIES 2020A Surplus (Deficit):						
	Total Surplus (Deficit):	0.00	0.00	-36,973.61	-615,697.17	
		0.00	0.00	-36,973.61	-615,697.17	



Pharr, TX

Bank Statement Register

INVESTMENTS

Period 11/1/2021 - 11/30/2021

✓✓✓✓✓

Bank Statement

General Ledger

Beginning Balance	5,081,399.47	Account Balance	5,044,425.86
Plus Debits	162.80	Less Outstanding Debits	0.00
Less Credits	37,136.41	Plus Outstanding Credits	0.00
Adjustments	0.00	Adjustments	0.00
Ending Balance	<u>5,044,425.86</u>	Adjusted Account Balance	<u>5,044,425.86</u>

Statement Ending Balance	5,044,425.86
Bank Difference	0.00
General Ledger Difference	0.00

CASH BALANCE CONSISTS OF THE FOLLOWING GENERAL LEDGER ACCOUNTS

46-1-1102-000 INVESTMENTS

Cleared Other

Item Date	Reference	Item Type	Description	Amount
11/30/2021	DFT0004883	Bank Draft	SAENZ OIL & GAS SERVICES	-15,636.41
11/30/2021	DFT0004886	Bank Draft	VALLEY LAND FUND, INC.	-21,500.00
11/30/2021	INT0000795	Interest	FUND 46- LOGIC	162.80
Total Cleared Other (3)				-36,973.61

Item 2D

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>2D</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/18/2022</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/25/2022</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: **APPROVAL OF QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING DECEMBER 31, 2021.**
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and approval of the quarterly investment reports for the period ending December 31, 2021.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Public Funds Investment Act Section 2256
4. Budgeted: Yes No X N/A
5. Staff Recommendation: **Motion to approve the Quarterly Investment Report for the period ending December 31, 2021, as presented**
6. Planning Committee's Recommendation: Approved Disapproved X None
7. Board Attorney's Recommendation: Approved Disapproved X None
8. Chief Auditor's Recommendation: Approved Disapproved X None
9. Chief Financial Officer's Recommendation: X Approved Disapproved None
10. Chief Development Engineer's Recommendation: Approved Disapproved X None
11. Chief Construction Engineer's Recommendation: Approved Disapproved X None
12. Executive Director's Recommendation: X Approved Disapproved None



Board of Directors

S. David Deanda, Jr., Chairman
Forrest Runnels, Vice Chairman
Ezequiel Reyna, Jr., Secretary/Treasurer
Alonzo Cantu, Director
Paul S. Moxley, Director
Francisco "Frank" Pardo, Director
Joaquin Spamer, Director

January 7, 2022

To: S. David Deanda, Chairman

Members of the Board of Directors

From: Pilar Rodriguez, Executive Director/Investment Officer

Jose Castillo, Chief Financial Officer/Investment Officer

RE: Quarterly Investment Report for QE December 2021/Statement of Compliance

The above-referenced report is hereby presented, pursuant to the Public Funds Investment Act (PFIA), for your review and acceptance.

This quarter investment disbursements totaled \$4,103,720, issued for the following: debt service--\$3,447,378, which consisted of principal--\$2,110,000 and interest--\$1,337,378 and project activities--\$656,342. Other sources: included internal transfers-in--\$1,386,889 and interest income of \$2,056.

The PFIA also requires that the report contain a Statement of Compliance, signed by the Investment Officers, as presented below:

STATEMENT OF COMPLIANCE

This report complies with the requirements of the Public Investment Act as well as the Hidalgo County Regional Mobility Authority's (RMA) adopted investment policy. The RMA follows all provisions of the Public Investment Act and the RMA's investment policy.

Presented by RMA Investment Officers:

Pilar Rodriguez, Investment Officer

Jose H. Castillo, Investment Officer

Hidalgo County Regional Mobility Authority
QUARTERLY INVESTMENT SUMMARY REPORT
Quarter Ending December 31, 2021

	Local Govt.		
	Investment	Govt.	
	<u>Pool</u>	<u>Securities</u>	<u>Total</u>
COST			
Beginning Balance	\$ 15,310,431	\$ 2,399,069	\$ 17,709,500
Additions:			
Interfund Transfers-in	-	1,386,889	1,386,889
Investment earnings	1,870	186	2,056
Deductions:			
Disbursements	<u>(676,317)</u>	<u>(3,427,403)</u>	<u>(4,103,720)</u>
Ending Balance	<u>\$ 14,635,984</u>	<u>\$ 358,741</u>	<u>\$ 14,994,725</u>
MARKET VALUE			
Beginning Balance	<u>\$ 15,311,395</u>	<u>\$ 2,399,070</u>	<u>\$ 17,710,465</u>
Ending Balance	<u>\$ 14,634,417</u>	<u>\$ 358,742</u>	<u>\$ 14,993,159</u>
Weighted Average Maturity- Logic/Gov. Sec.	57	30	
Logic/gov sec. Weighted Average Yield	0.0496%	0.03%	

Hidalgo County Regional Mobility Authority
HOLDINGS BY INVESTMENTS
QUARTERLY INVESTMENT REPORT
Quarter Ending December 31, 2021

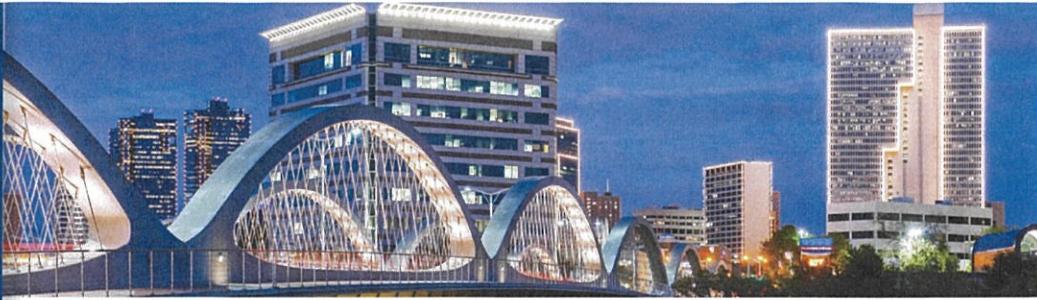
<u>Type of Investment</u>	<u>Beginning Cost</u>	<u>Interest</u>	<u>Interfund Transfers</u>	<u>Disbursements</u>	<u>Ending Cost</u>	<u>Market Value</u>
Local Govt. Investment Pool:						
Logic-Debt Service Jr. Lien: 7731494002	\$ 6,664,229	\$ 808	\$ -	\$ (409,106)	\$ 6,255,931	6,255,261
Logic-Contingency: 2731494001	3,377,928	423		-	3,378,351	3,377,990
Logic-2020 Project: 7731494004	<u>5,268,273</u>	<u>638</u>	<u>-</u>	<u>(267,210)</u>	<u>5,001,701</u>	<u>5,001,166</u>
Total Local Govt Investment Pool	<u>\$ 15,310,430</u>	<u>\$ 1,869</u>	<u>\$ -</u>	<u>\$ (676,317)</u>	<u>\$ 14,635,983</u>	<u>\$ 14,634,417</u>
Government Securities:						
(Federated Govt Obligations):						
Disbursement Account: 106912-006	21,671	3	395,000	(389,130)	27,544	27,544
Debt Service Fund 2020: 143255-001	1,225,975	106	617,545	(1,637,548)	206,078	206,078
Debt Service Fund: 106912-001	<u>1,151,424</u>	<u>77</u>	<u>374,344</u>	<u>(1,400,725)</u>	<u>125,120</u>	<u>125,120</u>
Total Government Securities	<u>\$ 2,399,070</u>	<u>\$ 186</u>	<u>\$ 1,386,889</u>	<u>\$ (3,427,403)</u>	<u>\$ 358,743</u>	<u>\$ 358,743</u>
Combined Totals	<u>\$ 17,709,500</u>	<u>\$ 2,055</u>	<u>\$ 1,386,889</u>	<u>\$ (4,103,719)</u>	<u>\$ 14,994,725</u>	<u>\$ 14,993,159</u>

**Hidalgo County Regional Mobility Authority
Wilmington Trust Investments Detail Activity
Quarter Ending December 31, 2021**

Debt Service Account #106912-001						
Debt Svc.:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	1,151,423.27	23.02	-	124,703.24	-	1,276,149.53
November	1,276,149.53	26.18	-	124,703.24	-	1,400,878.95
December	1,400,878.95	28.12	-	124,937.50	(1,400,725.00)	125,119.57
		77.32	-	374,343.98	(1,400,725.00)	
Debt Service Account #143255-001 2020 DS Fund						
Debt Svc.:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	1,225,975.18	-	-	205,841.20	-	1,431,816.38
November	1,431,816.38	-	-	205,841.20	-	1,637,657.58
December	1,637,657.58	105.84	-	205,862.80	(1,637,547.53)	206,078.69
		105.84	-	617,545.20	(1,637,547.53)	
Debt Service Account-Logic # 7731494002						
Debt Svc-SIB:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	6,664,228.54	203.28	-	-	-	6,664,431.82
November	6,664,431.82	213.71	-	-	(409,106.43)	6,255,539.10
December	6,255,539.10	391.38	-	-	-	6,255,930.48
		808.37	-	-	(409,106.43)	
Hidalgo Co RMA Account #7731494004 2020 Project (Logic)						
Project:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	5,268,273.34	159.91	-	-	(187,033.78)	5,081,399.47
November	5,081,399.47	162.80	-	-	(37,136.41)	5,044,425.86
December	5,044,425.86	315.10	-	-	(43,040.06)	5,001,700.90
		637.81	-	-	(267,210.25)	
Disb. Account #106912-006						
Disbursement:	Opening balance:	Income			Disb.	Ending Balance
		Interest	Contributions	Interfund Transfers		
October	21,671.40	1.48		140,000.00	(139,455.26)	22,217.62
November	22,217.62	0.56		120,000.00	(114,387.57)	27,830.61
December	27,830.61	0.68		135,000.00	(135,287.20)	27,544.09
		2.72	-	395,000.00	(389,130.03)	



LOGIC
MONTHLY
NEWSLETTER
DECEMBER
2021



PERFORMANCE

As of December 31, 2021

Current Invested Balance	\$ 8,385,049,075.34
Weighted Average Maturity (1)	51 Days
Weighted Average Life (2)	74 Days
Net Asset Value	0.999893
Total Number of Participants	639
Management Fee on Invested Balance	0.0975%*
Interest Distributed	\$ 1,072,713.29
Management Fee Collected	\$ 561,373.30
% of Portfolio Invested Beyond 1 Year	0.00%
Standard & Poor's Current Rating	AAAm

Rates reflect historical information and are not an indication of future performance.

December Averages

Average Invested Balance	\$ 8,137,398,517.44
Average Monthly Yield, on a simple basis	0.0737%
Average Weighted Maturity (1)	56 Days
Average Weighted Life (2)	80 Days

Definition of Weighted Average Maturity (1) & (2)

(1) This weighted average maturity calculation uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instruction to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

(2) This weighted average maturity calculation uses the final maturity of any floating rate instruments held in the portfolio to calculate the weighted average maturity for the pool.

The maximum management fee authorized for the LOGIC Cash Reserve Fund is 12 basis points. This fee may be waived in full or in part in the discretion of the LOGIC co-administrators at any time as provided for in the LOGIC Information Statement.

HOLIDAY REMINDER

In observance of Martin Luther King Jr. holiday, **LOGIC will be closed Monday, January 17, 2022**. All ACH transactions initiated on Friday, January 14th will settle on Tuesday, January 18th.

ECONOMIC COMMENTARY

Market review

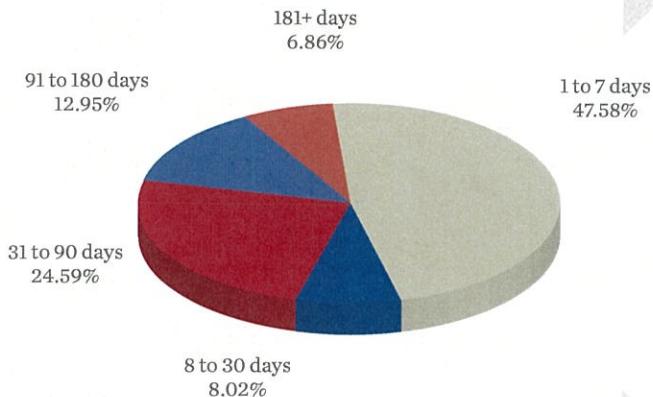
The fundamentals of fixed income markets have changed considerably over 2021. We have moved from a market environment expecting the Federal Reserve (Fed) to be on hold for years to come, to one in which the Fed is seeking to tighten monetary policy and expectations of multiple rate hikes in 2022. Three new Covid-19 variants were designated by the World Health Organization in 2021, which led to further disruptions in supply chains and international travel. However, it was the ever extending timeframe for “transitory” inflation, which was the greatest surprise of 2021. Currently, U.S. inflation has surged to the highest levels seen this century. This has been due to a multitude of factors such as higher shelter and car prices, which are both expected to continue rising as we enter 2022. Services inflation is also picking up while core goods inflation has increased by over 9% year-on-year. With this said, economic growth remains strong and corporate health is resilient as companies are able to pass along these inflated costs to consumers. In December, after some political wrangling, the Democrats voted to raise the debt ceiling, removing any uncertainty and providing expectations for an increase in Treasury bill issuance; the Federal Open Market Committee (FOMC), due to increasing inflation fears, announced that they would double the pace of tapering from \$15 billion to \$30 billion monthly; and the FOMC published their longer term rate projections which showed a marked increase in future rate expectations. The market shook off the Omicron variant and became more comfortable with the faster pace of tapering – although inflation remained a concern.

The November CPI report showed consumer prices rising at their fastest pace in nearly 40 years as surging gasoline prices, vehicle prices, and owner's equivalent rent continued to accelerate. Headline CPI met expectations, rising 0.8% month-over-month (m/m) and 6.8% year-over-year (y/y). Excluding the volatile food and energy components, core CPI still rose at a rapid clip of 0.5% m/m and 4.9% y/y, the highest in 30 years. However, as we look to 2022, we should see a significant moderation in inflation as supply chain issues ease, energy prices cool, and the reopening categories stabilize. While gains in auto and energy prices can be tied to supply issues, and hotel and airfares tied to reopening, housing costs are more likely to be sticky.

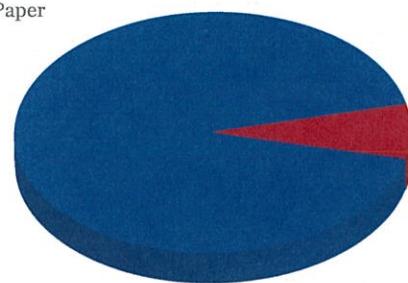
(continued page 4)

INFORMATION AT A GLANCE

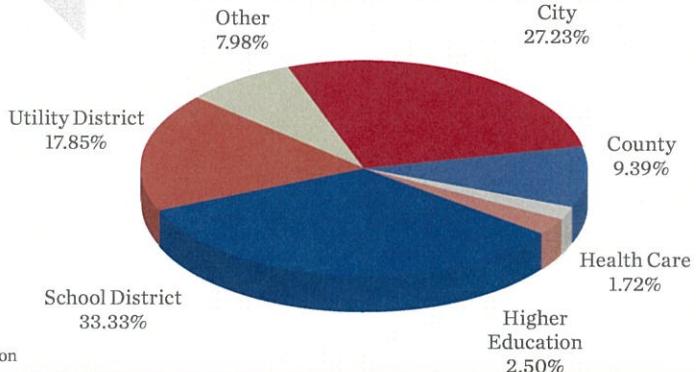
PORTFOLIO BY TYPE OF INVESTMENT AS OF DECEMBER 31, 2021



Commercial Paper 92.57%



PORTFOLIO BY MATURITY AS OF DECEMBER 31, 2021⁽¹⁾



DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF DECEMBER 31, 2021

(1) Portfolio by Maturity is calculated using WAM (1) definition for stated maturity. See page 1 for definition

HISTORICAL PROGRAM INFORMATION

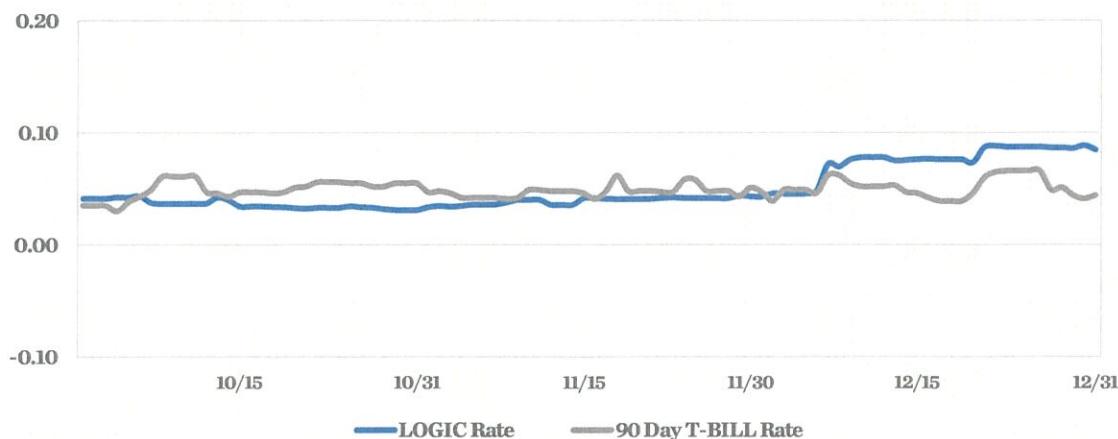
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)	WAL (2)	NUMBER OF PARTICIPANTS
Dec 21	0.0737%	\$8,385,049,075.34	\$8,384,214,271.06	0.999893	56	80	639
Nov 21	0.0391%	7,411,179,653.22	7,410,655,775.38	0.999929	58	85	639
Oct 21	0.0359%	7,626,140,578.49	7,626,031,479.47	0.999985	57	85	638
Sep 21	0.0364%	7,714,285,206.63	7,714,772,100.29	1.000063	55	84	638
Aug 21	0.0389%	7,988,170,930.55	7,988,635,509.33	1.000058	57	78	637
Jul 21	0.0518%	8,486,193,640.40	8,486,669,984.38	1.000052	56	70	634
Jun 21	0.0588%	8,138,541,079.97	8,139,200,825.94	1.000081	53	68	634
May 21	0.0756%	8,319,276,029.47	8,320,047,319.98	1.000092	55	72	633
Apr 21	0.0851%	8,622,615,270.40	8,623,393,682.38	1.000082	56	77	632
Mar 21	0.0964%	9,125,381,719.33	9,126,326,472.17	1.000103	55	77	632
Feb 21	0.1007%	9,460,972,953.48	9,462,118,206.95	1.000121	54	73	630
Jan 21	0.1289%	9,748,281,870.13	9,749,479,482.18	1.000122	55	69	629

PORTFOLIO ASSET SUMMARY AS OF DECEMBER 31, 2021

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 885.04	\$ 885.04
Accrual of Interest Income	296,847.13	296,847.13
Interest and Management Fees Payable	(1,065,175.56)	(1,065,175.56)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	623,416,999.87	623,416,999.87
Commercial Paper	7,762,399,518.86	7,761,564,714.58
Government Securities	0.00	0.00
TOTAL	\$ 8,385,049,075.34	\$ 8,384,214,271.06

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by J.P. Morgan Chase & Co. and the assets are safekept in a separate custodial account at the Federal Reserve Bank in the name of LOGIC. The only source of payment to the Participants are the assets of LOGIC. There is no secondary source of payment for the pool such as insurance or guarantee. Should you require a copy of the portfolio, please contact LOGIC Participant Services.

LOGIC VERSUS 90-DAY TREASURY BILL



This material is for information purposes only. This information does not represent an offer to buy or sell a security. The above rate information is obtained from sources that are believed to be reliable; however, its accuracy or completeness may be subject to change. The LOGIC management fee may be waived in full or in part at the discretion of the LOGIC co-administrators and the LOGIC rate for the period shown reflects waiver of fees. This table represents historical investment performance/return to the customer, net of fees, and is not an indication of future performance. An investment in the security is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the issuer seeks to preserve the value of an investment of \$1.00 per share, it is possible to lose money by investing in the security. Information about these and other program details are in the fund's Information Statement which should be read carefully before investing. The yield on the 90-Day Treasury Bill ("T-Bill Yield") is shown for comparative purposes only. When comparing the investment returns of the LOGIC pool to the T-Bill Yield, you should know that the LOGIC pool consists of allocations of specific diversified securities as detailed in the respective Information Statements. The T-Bill Yield is taken from Bloomberg Finance L.P. and represents the daily closing yield on the then current 90-Day T-Bill. The LOGIC yield is calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940 as promulgated from time to time by the federal Securities and Exchange Commission.

DAILY SUMMARY FOR DECEMBER 2021

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)	WAL DAYS (2)
12/1/2021	0.0428%	0.000001172	\$7,842,149,061.00	0.999909	54	78
12/2/2021	0.0457%	0.000001253	\$7,821,026,755.50	0.999891	59	82
12/3/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/4/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/5/2021	0.0453%	0.000001242	\$7,827,754,675.26	0.999861	57	80
12/6/2021	0.0484%	0.000001325	\$7,844,648,266.90	0.999874	58	82
12/7/2021	0.0717%	0.000001965	\$7,859,389,628.98	0.999873	58	82
12/8/2021	0.0696%	0.000001906	\$7,840,690,831.82	0.999861	58	86
12/9/2021	0.0759%	0.000002079	\$7,996,569,103.06	0.999863	54	79
12/10/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/11/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/12/2021	0.0779%	0.000002133	\$8,050,807,184.70	0.999858	56	82
12/13/2021	0.0749%	0.000002051	\$8,115,861,748.90	0.999873	57	82
12/14/2021	0.0754%	0.000002065	\$8,156,123,616.12	0.999874	56	82
12/15/2021	0.0761%	0.000002084	\$8,076,219,609.58	0.999875	56	82
12/16/2021	0.0764%	0.000002092	\$8,022,696,016.98	0.999877	56	82
12/17/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/18/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/19/2021	0.0760%	0.000002082	\$8,166,147,356.06	0.999873	54	80
12/20/2021	0.0734%	0.000002010	\$8,744,796,139.71	0.999893	54	77
12/21/2021	0.0869%	0.000002382	\$8,231,725,060.86	0.999884	56	80
12/22/2021	0.0882%	0.000002416	\$8,241,766,082.63	0.999883	58	83
12/23/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/24/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/25/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/26/2021	0.0873%	0.000002392	\$8,307,481,439.23	0.999875	55	79
12/27/2021	0.0864%	0.000002366	\$8,409,935,125.10	0.999895	55	78
12/28/2021	0.0865%	0.000002369	\$8,449,760,287.97	0.999896	54	77
12/29/2021	0.0859%	0.000002353	\$8,520,981,734.69	0.999897	53	76
12/30/2021	0.0883%	0.000002419	\$8,335,912,490.60	0.999897	54	77
12/31/2021	0.0846%	0.000002317	\$8,385,049,075.34	0.999893	51	74
Average	0.0737%	0.000002018	\$8,137,398,517.44		56	80



ECONOMIC COMMENTARY (cont.)

Initial jobless claims hit a new 52 year low in early December of 188,000 before ending the year at 198,000 as businesses struggled to find workers and JOLTS data showed more people quitting and fewer being laid off. The unemployment rate has come down significantly ending November at 4.2% and may fall below 4% by mid-2022. Meanwhile, wages are still rising at rates not seen since the 1980s. A rapidly improving labor market and persistent inflationary pressures pushed the Fed to adopt a more hawkish stance towards monetary policy. At its December meeting, the Federal Open Market Committee (FOMC) announced its plans to accelerate its tapering of asset purchases from \$15bn to \$30bn per month beginning in January. This strategy suggests the FOMC will conclude tapering by March 2022, paving the way for rate hikes in 2022. The Fed's dot plot now implies three rate hikes in 2022 and 2023. In the statement, the Fed retired the word "transitory", making clear that high inflation and a falling unemployment rate prompted the committee to hasten its tapering timeline.

In response to the announcement, equities and Treasury yields moved higher. The two-year U.S. Treasury note yield increased almost 46 basis points (bps) during the fourth quarter and almost 17 bps in December alone to end the year at 0.73%. The Treasury bill yield curve steepened as the three-month Treasury bill yield remained relatively unchanged during the quarter at 0.04% while the six-month and 12-month Treasury bill yields increased 13 bps and 31 bps to end the year at 0.18% and 0.38% respectively.

Outlook

The two catalysts for the recent sharp move in Treasury yields were the emergence of the Omicron variant and the Fed's pivot away from the "transitory" narrative on inflation. On the former, we believe new variants are an important tail risk to the central case that the pandemic's impact is fading. While the transmissibility of the Omicron variant is concerning, the severity appears to be contained, particularly for those who are fully vaccinated. There is reason to hope that, once this wave wanes, and if no more lethal variant takes over, society can finally return to close to normality. However, Omicron is also, by far, the most contagious of the variants, and this has led to widespread illness across the country, which has resulted in numerous cancelations of events and activities and is, once again, hitting demand in the leisure, entertainment, travel and restaurant industries, as indicated by high-frequency data. It will also lead to widespread absenteeism in early 2022, applying a significant drag to the economy in the first quarter, following a very strong fourth quarter. While inflation is expected to moderate in 2022, it is likely to remain uncomfortably high, reflecting the ongoing strength of goods demand, together with slow-to-resolve supply constraints in both goods and labor markets. More importantly, the more persistent components of inflation, namely wages and shelter, are showing clear signs of upward momentum that will ultimately outlast the near-term inflation in durable goods. The shift in the Fed's narrative from "transitory" (inflation) to "optionality" (to tighten monetary policy) seems reasonable and long overdue. Whether the Fed chooses to use its optionality and hike rates earlier than the market expects will depend on how tolerant they are of high inflationary pressures. Factors that could worry them include a surge in energy prices that de-anchors inflation expectations, evidence of a wage-price spiral, rocketing housing prices, a lack of relief on core goods prices, the shortage of used cars, etc.

However, we do see some tentative signs of an easing of goods supply constraints and believe that the peak in core PCE inflation will occur in the early spring, before it declines to approximately 2.5% at year-end 2022. Supply chain problems should be resolved in the latter part of 2022 and 2023 through vaccinations, more capital spending and a shift in spending from goods back to services. We expect goods-related supply chain issues to be resolved, and for goods price inflation to fall as the Fed has been expecting. However, U.S. labor shortages appear to be a chronic issue, driving up wage inflation in tight labor markets. While we expect growth to decelerate in 2022, the U.S. output gap should close over the coming months, with GDP settling in above trend at 4% during the second half of 2022. The last month has also clarified the path forward for the Fed. We expect the Fed to wind up its large-scale asset purchases in March and then begin hiking rates in June 2022. It will likely hike rates by 25 bps each quarter until they reach 2.25%-2.5% in mid-2024.

This information is an excerpt from an economic report dated December 2021 provided to LOGIC by JP Morgan Asset Management, Inc., the investment manager of the LOGIC pool.





LOGIC BOARD MEMBERS

Sandy Newby	Tarrant Regional Water District	Governing Board President
Greg Jordan	City of Grapevine	Governing Board Vice President
Erik Felthous	North Texas Municipal Water District	Governing Board Treasurer
Cindy Demers	North Texas Tollway Authority	Governing Board Asst Treasurer
Darla Moss	Arlington ISD	Governing Board Secretary
Rene Barajas	Northside ISD	Advisory Board Member
Eric Cannon	Qualified Non-Participant	Advisory Board Member

The material provided to LOGIC from J.P. Morgan Asset Management, Inc., the investment manager of the LOGIC pool, is for informational and educational purposes only, as of the date of writing and may change at any time based on market or other conditions and may not come to pass. While we believe the information presented is reliable, we cannot guarantee its accuracy. HilltopSecurities is a wholly owned subsidiary of Hilltop Holdings, Inc. (NYSE: HTH) located at 717 N. Hardwood Street, Suite 3400, Dallas, TX 75201, (214) 859-1800. Member NYSE/FINRA/SIPC. Past performance is no guarantee of future results. Investment Management Services are offered through J.P. Morgan Asset Management Inc. and/or its affiliates. Marketing and Enrollment duties are offered through HilltopSecurities and/or its affiliates. HilltopSecurities and J.P. Morgan Asset Management Inc. are separate entities.



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Item 2E

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2E
01/18/22
01/25/22

1. Agenda Item: RESOLUTION 2022-01 – ANNUAL REVIEW AND APPROVAL OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY INVESTMENT POLICY
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Annual review and approval of the HCRMA Investment Policy as required by Public Fund Investment Act.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Motion to approve Resolution 2022-01 – Annual Review and Approval of the Hidalgo County Regional Mobility Authority Investment Policy as presented.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: X Approved Disapproved None
11. Chief Development Engineers' Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: X Approved Disapproved None



Memorandum

To: S. David Deanda, Chairman

From: Pilar Rodriguez, PE, Executive Director

Date: January 18, 2022

Re: **Annual Review of Investment Policy Required by the Public Funds Investment Act and the HCRMA Investment Policy**

Background

The Public Funds Investment Act (PFIA) requires that a public entity perform an annual review of its investment policy and adopt a resolution stating that it has performed the review, noting any changes. The last review was done on January 26, 2021 with no changes. This year, the HCRMA has reviewed the Investment Policy and has determined no changes are necessary.

Goal

The goal of the HCRMA Investment Policy is safety, liquidity and yield – in that order and in so doing comply with the PFIA, as it may change from time to time.

Options

The Board may opt to consider any change it deems appropriate.

Recommendation

Based on review by this office, approval of Resolution 2022-01 – Annual review and approval of the Investment Policy for the Hidalgo County Regional Mobility Authority, is recommended.

If you should have any questions or require additional information, please advise.

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
BOARD RESOLUTION NO. 2022-01

RESOLUTION FOR THE ANNUAL REVIEW AND APPROVAL OF THE HIDALGO
COUNTY REGIONAL MOBILITY AUTHORITY INVESTMENT POLICY

THIS RESOLUTION is adopted this 25th day of January, 2022 by the Board of Director of the Hidalgo County Regional Mobility Authority.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”); is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”); and

WHEREAS, the Authority was created by Order of Hidalgo County (the “County”) dated October 26, 2004; Petition of the County dated April 21, 2005; and a Minute Order of the Texas Transportation Commission (the “Commission”) dated November 17, 2005, pursuant to provisions under the Act the Authority; and

WHEREAS, the Board of Directors of the Authority has been constituted in accordance with the Act; and

WHEREAS, the prudent and legally permissible management and investment of Authority funds is responsibility of the Board of Directors and its designees; and

WHEREAS, the Authority initially adopted the Investment Policy at a regularly scheduled meeting on April 10, 2008 and reviewed and revised the policy on November 23, 2010 and May 16, 2012; and

WHEREAS, on September 18, 2013, the Authority reviewed the Investment Policy as required by the Public Fund Investment Act annually; and

WHEREAS, on October 16, 2013, the Authority amended the Investment Policy to add Flexible Repurchase Agreements and Brokered Certificate of Deposit Programs as part of allowed investments; and

WHEREAS, on January 22, 2014, the Authority has determined it is necessary to exclude mortgage backed securities from the Investment Policy as authorized investments; and

WHEREAS, on January 27, 2015, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, on February 23, 2016, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, on January 24, 2017, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, on January 23, 2018, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, on January 22, 2019, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, on January 28, 2020, the Authority reviewed the Investment Policy and determined changes to the Investment Policy are necessary to reflect industry name changes and weighted average maturity (WAM) limitations; and

WHEREAS, on January 26, 2021, the Authority reviewed the Investment Policy and determined that no changes to the Investment Policy were necessary; and

WHEREAS, the Authority has reviewed the Investment Policy as required annually by the Public Fund Investment Act and has determined no changes to the Investment Policy are necessary;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTOR OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY THAT:

- Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.
- Section 2. The Board approves the annual review of the Authority's Investment Policy with no changes, hereto attached as Exhibit A.

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A REGULAR MEETING, duly posted and noticed, on the 25th day of January, 2022, at which meeting a quorum was present.

S. David Deanda, Chairman

Attest:

Ezequiel Reyna, Secretary/Treasurer

EXHIBIT A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
INVESTMENT POLICY
ADOPTED
MAY 16, 2012
AND
AMENDED
JANUARY 22, 2014
JANUARY 28, 2020

Investment Policy

I. Scope

This policy complies with the Texas Public Funds Investment Act and applies to the investment of short-term operating funds and proceeds from certain bond issues. Longer-term funds, including investments of employees' investment retirement funds, are covered by a separate policy.

1. **Pooling of Funds** Except for cash in certain restricted and special funds, Hidalgo County Regional Mobility Authority (RMA) will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. **Safety** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- a. **Credit Risk** Hidalgo County RMA will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities and the highest credit quality investment counterparts
- Qualifying the financial institutions, broker/dealers, intermediaries, counterparties, investment agreement providers, and investment advisers with which Hidalgo County RMA will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

- b. **Interest Rate Risk** Hidalgo County RMA will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity (matching cash flow requirement with investment cash flow)
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

2. **Liquidity** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds. Investment agreements that provide cash flow flexibility may also be used.
3. **Yield** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of subordinated importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:
 - A security with declining credit may be sold early to minimize loss of principal.
 - A security swap would improve the quality, yield, or target duration in the portfolio.
 - Liquidity needs of the portfolio require that the security be sold.

III. Standards of Care

1. **Prudence** The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
2. **Ethics and Conflicts of Interest** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Hidalgo County RMA.
3. **Delegation of Authority** Authority to manage the investment program is granted to a designated official as appointed by the Board, hereinafter referred to as "investment officer", and derived from the following: Texas Public Fund Investment Act. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall

act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository investment agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

IV. Financial Dealers and Institutions

1. **Authorized Financial Dealers and Institutions** A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include, but are not limited to, "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) certification, as appropriate
- Proof of state registration, as appropriate
- Completed broker/dealer questionnaire, as appropriate
- Certification of having read and understood the Hidalgo County RMA investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer.

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

2. **Internal Controls** The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of Hidalgo County RMA are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

3. **Delivery vs. Payment** All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

V. Suitable and Authorized Investments

In accordance with authorizing Federal and State laws, the Trust Agreements, the Authority's depository contract, and appropriate approved collateral provisions, and in furtherance of the Investment Strategy Statement attached hereto, the Authority may utilize the following investments for the investment of the Authority's funds:

Obligations of or Guaranteed by Governmental Entities

- a) Obligations of the United States or its agencies and instrumentalities, excluding mortgage-backed securities.
- b) Direct obligations of the State of Texas or its agencies and Instrumentalities.
- c) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities.
- d) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
- e) Certificates of Deposit and Share Certificates

A certificate of deposit, or share certificate meeting the requirements of the Act that are issued by or through a depository institution that either has its main office, or a branch in the State of Texas that is (1) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations described in clauses (a)-(d) above, excluding mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of

the certificates and those mortgage-backed securities listed in Section 16.0; or (3) secured in any other manner and amount provided by law for deposits of the Authority.

In addition to Hidalgo County RMA to invest funds in certificates of deposit above, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this policy:

1. The funds are invested by Hidalgo County RMA through: (1) a broker that has its main office or a branch office in the State of Texas and is selected from a list adopted by Hidalgo County RMA as required by Section IV(1) of this Investment Policy; or (2) a depository institution that has its main office or a branch office in the State of Texas and that is selected by the investing entity.
2. The broker or the depository institution selected by the investing entity under subparagraph (i) above arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of Hidalgo County RMA.
3. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. Hidalgo County RMA appoints the depository institution selected by Hidalgo County RMA under subparagraph (i) above, an entity described by Section 2257.041(d) of the Act, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

f) Repurchase Agreements

A fully collateralized repurchase agreement that (1) has a defined termination date; (2) is secured by obligations described in clause (a) above; (3) requires the securities being purchased by the Authority to be pledged to the Authority, held in the Authority's name, and deposited at the time the investment is made with the Authority or with a third party selected and approved by the Authority; and (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas. "Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described in clause (a) above, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and reverse security repurchase agreement.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 180 days after the date the reverse security repurchase agreement is delivered. Money received by the Authority under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement. The Authority requires the execution of a Master Repurchase Agreement in substantially the form as may be prescribed by The Securities Industry and Financial Markets Association (SIFMA).

g) Banker's Acceptance

A Bankers' acceptance that (1) has a stated maturity of 270 days or fewer from the date of its issuance; (2) will be, in accordance with its terms, liquidated in full at maturity; (3) is eligible for collateral for borrowing from a Federal Reserve Bank; and (4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank,

or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating of at least one nationally recognized credit rating agency. Such transactions shall not exceed 5% of the total Authority's Investment Portfolio, and all such endorsing banks shall come only from a list of entities that are constantly monitored as to financial solvency.

h) Commercial Paper

Commercial Paper that (1) has a stated maturity of 270 days or fewer from the date of its issuance; and (2) is rated not less than A-1 or P-1 or an equivalent rating by at least (A) two nationally recognized credit rating agencies or (B) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any State. Such transactions shall not exceed 25% of the total Authority's Investment Portfolio with no more than 5% in any one issuer or its subsidiaries.

i) Mutual Funds

A no-load money market mutual fund that (1) is registered with and regulated by the Securities and Exchange Commission; (2) provides the Authority with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940; (3) has a dollar-weighted average stated maturity of 60 days or fewer; and (4) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

A no-load mutual fund that (1) is registered with the Securities and Exchange Commission; (2) has an average weighted maturity of less than two years; (3) is invested exclusively in obligations described in this Section 14.0; (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and (5) conforms to the requirements set forth in Sections 2256.016(b) and (c) of the Act, relating to the eligibility of investment pools to receive and invest funds of investing entities.

The Authority is not authorized to (1) invest in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in the immediately preceding paragraph; (2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in the immediately preceding paragraph; or (3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in either paragraph above in an amount that exceeds 10% of the total assets of the mutual fund. In addition, the total assets invested in any single mutual fund may not exceed 5% of the Authority's average fund balance, excluding bond proceeds and reserves and other funds held for debt service.

With regard to Money Market Mutual Funds, the Authority is not authorized to invest its funds in any one money market mutual fund in an amount that exceeds 5% of the total assets of the money market mutual fund.

j) Investment Pools

The Authority may invest its funds and funds under its control through an eligible investment pool if the Board of Directors by official action authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Act. The Authority may invest its funds through an eligible investment pool if the pool provides to the Investment Officer an offering circular or other similar disclosure document that contains, at a minimum, the following information:

- 1) The types of investments in which money is allowed to be invested.

- 2) The maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool.
- 3) The maximum stated maturity date any investment security within the portfolio has.
- 4) The objectives of the pool.
- 5) The size of the pool.
- 6) The names of the members of the advisory board of the pool and the dates their terms expire.
- 7) The custodian bank that will safe keep the pool's assets.
- 8) Whether the intent of the pool is to maintain a net asset value of \$1 and the risk of market price fluctuation.
- 9) Whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment.
- 10) The name and address of the independent auditor of the pool.
- 11) The requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool.
- 12) The performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

To maintain eligibility to receive funds from and invest funds on behalf of the Authority, an investment pool must be continuously rated no lower than AAA, AAA-m, and AAA-f or at an equivalent rating of at least one nationally recognized rating service and must furnish to the Investment Officer: (i) Investment transaction confirmations and (ii) A monthly report that contains, at a minimum, the following information:

- 1) The types and percentage breakdown of securities in which the pool has invested.
- 2) The current average dollar-weighted maturity, based on the stated maturity date of the pool.
- 3) The current percentage of the pool's portfolio in investments that have stated maturities of more than one year.
- 4) The book value versus the market value of the pool's portfolio, using amortized cost valuation.
- 5) The size of the pool.
- 6) The number of participants in the pool.
- 7) The custodian bank that is safekeeping the assets of the pool.
- 8) A listing of daily transaction activity of the Authority in the pool.
- 9) The yield and expense ratio of the pool.
- 10) The portfolio managers of the pool.
- 11) Any changes or addenda to the offering circular.

The Authority by contract may delegate to an investment pool the Authority to hold legal title as custodian of investments purchased with its local funds.

For purposes of investment in an investment pool, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

To be eligible to receive funds from and invest funds on behalf of the Authority, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

To be eligible to receive funds from and invest funds on behalf of the Authority, a public funds investment pool must have an advisory board composed:

- 1) Equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791, Texas Government Code, and managed by a state agency; or
- 2) Of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

k) Guaranteed Investment Contracts

A Guaranteed Investment Contract is an authorized investment for bond proceeds if the guaranteed investment contract:

- 1) Has a defined termination date;
- 2) Is secured by obligations described by clause (a) above, but excluding those obligations described by Section 16.0 herein in an amount at least equal to the amount of bond proceeds invested under the contract;
- 3) Is pledged to the Authority and deposited with the Authority or with a third party selected and approved by the Authority; and
- 4) Meets the following requirements:
 - a) The Board of Directors of the Authority must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;
 - b) The Authority must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

- c) The Authority must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
- d) The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be reinvested; and

The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

The following are not authorized investments under this Section V:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and.
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

VI. Investment Parameters

1. **Diversification** The investments shall be diversified by:

- limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- limiting investment in securities that have higher credit risks,
- investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. **Maximum Maturities** To the extent possible, Hidalgo County RMA shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Hidalgo County RMA will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. Hidalgo County RMA shall adopt weighted average maturity limitations (which often range from 60 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

VII. Reporting

1. **Methods** The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow Hidalgo County RMA to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment officer, the legislative body, and any pool participants. The report will include the following:
 - Listing of individual securities held at the end of the reporting period.
 - Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
 - Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
 - Listing of investment by maturity date.
 - Percentage of the total portfolio which each type of investment represents.
2. **Performance Standards** The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates.
3. **Marking to Market** The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

VIII. Policy Considerations

1. **Exemption** Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy
2. **Amendments** This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

IX. List of Attachments

The following documents, as applicable, are (or may be in the future) attached to this policy:

- Listing of authorized personnel,
- Repurchase agreements and tri-party agreements,
- Listing of authorized broker/dealers and financial institutions,
- Credit studies for securities purchased and financial institutions used,
- Safekeeping agreements,
- Wire transfer agreements,
- Sample investment reports, and
- Methodology for calculating rate of return.

Item 2F

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2F
01/14/2022
01/25/2022

1. Agenda Item: RESOLUTION 2022-02 - CONSIDERATION AND APPROVAL OF WORK AUTHORIZATION 1 SUPPLEMENTAL 1 TO THE PROFESSIONAL SERVICE AGREEMENT WITH HDR ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR GENERAL ENGINEERING CONSULTING SERVICES TO THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY.

2. Nature of Request: (Brief Overview) Attachments: Yes No
Consideration and Approval of WA 1 Supplement 1 to PSA with HDR Engineering, Inc. to provide general engineering consulting services.

3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy

4. Budgeted: Yes No N/A
5. Staff Recommendation: Motion to Approve Resolution 2022-02 - Consideration and Approval of Work Authorization 1 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, as presented.

6. Program Manager's Recommendation: Approved Disapproved None
7. Planning Committee's Recommendation: Approved Disapproved None
8. Board Attorney's Recommendation: Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved None
10. Chief Financial Officer's Recommendation: Approved Disapproved None
11. Chief Development Engineer's Recommendation: Approved Disapproved None
12. Chief Construction Engineer's Recommendation: Approved Disapproved None
13. Executive Director's Recommendation: Approved Disapproved None



- CMT Services
- Environmental
- Engineering **HDR Engineering, Inc.**
- Geo-Technical
- Surveying

WORK AUTHORIZATION SUMMARY

RESOLUTION 2022-02

Work Authorization # 1 Supplemental # 1

Amount \$ 0.00

Approved Work Authorizations:

Resolution No.	Description	Amount
2020-32	WA No. 1-Amended & Restated	\$ 301,579.58
2020-33	WA No. 2-Construction Contract Letting Support	\$ 125,723.03
2020-35	SA 1 to WA No. 2-Construction Contract Letting	\$ 93,284.63
2020-36	WA No. 3-365 Toll Integration Contract Letting	\$ 299,785.36
2021-21	WA 4 IBTC Final Schematic Environmental	\$ 197,746.02
Subtotal from Cont. Page		<u>\$ 389,468.97</u>
Total Approved WA		\$ 1,407,587.59

Proposed Work Authorization and/or Supplemental

2022-02 WA No. 1 - Supplemental 1 - No Cost Time Ext. **\$ 0.00**

Goal and Options:

Work Authorization 1 Supplemental 1 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

Staff is recommending approval of this request in the amount of \$ 0.00
Proposed total approved WA and/or Supplementals \$ 1,407,587.59

E. Davila, Develop Eng
Requested By:

Work Authorizations Cont...

Resolution No.

2022-02

Subtotal \$ 389,468.97

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

BOARD RESOLUTION No. 2022-02

APPROVAL OF WORK AUTHORIZATION 1 SUPPLEMENTAL 1 TO
THE PROFESSIONAL SERVICES AGREEMENT WITH HDR
ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR
GENERAL ENGINEERING CONSULTING SERVICES TO THE
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

THIS RESOLUTION is adopted this 25th day of January 2022, by the Board of Directors of the Hidalgo County Regional Mobility Authority at a regular meeting.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”);

WHEREAS, the Authority is authorized by the Act to address mobility issues in and around Hidalgo County;

WHEREAS, on February 22, 2012 the Authority approved Resolution 2012-04, which created the Technical Committee, comprised of senior level engineers and professional from various communities and agencies in the jurisdiction of the Authority, to serve to advise the Board on procurement and consultant work products; and

WHEREAS, Resolution 2012-04 also authorized the Executive Committee to determine the size, structure and scope of the Technical Committee, identify candidates and issue requests for participation; and

WHEREAS, February 27, 2018, the Authority approved Resolution 2018-07 which for the procurement of Professional Engineering Services for a General Engineering Consultant for the Hidalgo County Loop System including, but not limited to Advance Project Development and Construction Management Support; and

WHEREAS, the Technical Committee has rated and ranked the Statements of Qualifications for the General Engineering Consultant Services and recommends interviews be dispensed with and that staff be authorized to negotiate with HDR Engineering, Inc.;

WHEREAS, on February 26, 2019 the Authority approved Resolution 2019-01 Approval of a Professional Service Agreement with HDR Engineering, Inc. to provide General Consultant Services for the Hidalgo County Loop System of the Hidalgo County Regional Mobility Authority in the amount of \$488,657.91; and

WHEREAS, on March 5, 2019 the Authority approved Resolution 2019-02 Approval of a Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. Project Management for the 365 Tollway Project in the amount of \$171,350.84; however, no notice to proceed was issued; and

WHEREAS, on November 17, 2020 in order to reflect a change in the planned series of tasks relating to a changed project letting schedule, the Board found it to be in the best interest of the Authority to approve Resolution 2020-32 Approval of Amended and Restated Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consulting Services for the 365 Tollway Program Management Support in the amount of \$301,579.58; and

WHEREAS, on November 17, 2020 the Authority approved Resolution 2020-33 Approval of a Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$125,723.03; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-35 Approval of Supplemental Agreement 1 to Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$93,284.63; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-36 Approval of a Work Authorization 3 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Integration Contract Letting Support in the amount of \$299,785.36; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-37 Approval of Contract Amendment 1 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$488,657.91 to \$820,372.60 for a total increase of \$331,714.69 due to additional scope and effort outlined in Supplemental Agreement 1 to Work Authorization No. 2 and Work Authorization No. 3; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-21 Approval of a Work Authorization 4 to the Professional Service Agreement with HDR Engineering, Inc. for IBTC final schematic Support for the Environmental Clearance in the amount of \$197,746.02; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-22 Approval of Contract Amendment 2 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$820,372.60 to \$1,018,118.62 for a total increase of \$197,746.02 for Work Authorization No. 4; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-51 Approval of a Work Authorization 5 to the Professional Service Agreement with HDR Engineering, Inc. for engineering support for the design and construction of the 365 Tollway Wetland Mitigation site in the amount of \$310,039.40; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-52 Approval of Contract Amendment 3 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$1,018,118.62 to \$1,407,587.59 for a total increase of \$389,468.97 for Work Authorization No. 5 & Work Authorization No. 6; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-74 Consideration and Approval of Work Authorization 6 with HDR Engineering, Inc. for engineering support for review of the 365 Tollway Value Engineering Change Proposals in the amount of \$79,429.57; and

WHEREAS, the authority finds it necessary to approve Resolution 2022-02 Consideration and Approval of Work Authorization 1 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY THAT:

- Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.
- Section 2. The Board hereby approves Work Authorization 1 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, hereto attached as Exhibit A.
- Section 3. The Board authorizes the Executive Director to execute Work Authorization 1 Supplemental 1 to the Professional Services Agreement for Program Management Support.

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A REGULAR MEETING, duly posted and noticed, on the 25th day of January 2022, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

WORK AUTHORIZATION 1 SUPPLEMENT 1
TO THE PROFESSIONAL SERVICE AGREEMENT
FOR
GENERAL ENGINEERING CONSULTANT SERVICES
BETWEEN
THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
AND
HDR ENGINEERING, INC.

**SUPPLEMENTAL AGREEMENT NO.1 TO WORK AUTHORIZATION
NO.1 TO PROFESSIONAL SERVICES AGREEMENT
FOR GENERAL ENGINEERING CONSULTING SERVICES**

THIS SUPPLEMENTAL WORK AUTHORIZATION is made pursuant to the terms and conditions of “Article V of that certain Professional Services Agreement for General Engineering Consulting Services” (the Agreement) entered into by and between the Hidalgo County Regional Mobility Authority (Authority), and HDR Engineering Inc. (the GEC).

PART IV. This Work Authorization shall become effective on the date of final acceptance of the parties hereto and shall terminate on March 31, 2022, unless extended by a supplemental Work Authorization as provided in Attachment A, Section 1.

IN WITNESS WHEREOF, this Supplemental Work Authorization is executed in duplicate counterparts and hereby accepted and acknowledged below.

THE GEC

(Signature)

David C. Weston

(Printed Name)

Gulf Coast Area Manager

(Title)

(Date)

THE AUTHORITY

(Signature)

Pilar Rodriguez, P.E.

(Printed Name)

Executive Director

(Title)

12/22/2021

(Date)

Item 2G

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2G
01/14/2022
01/25/2022

1. Agenda Item: RESOLUTION 2022-03 - CONSIDERATION AND APPROVAL OF WORK AUTHORIZATION 2 SUPPLEMENTAL 2 TO THE PROFESSIONAL SERVICE AGREEMENT WITH HDR ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR GENERAL ENGINEERING CONSULTING SERVICES TO THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY.

2. Nature of Request: (Brief Overview) Attachments: Yes No
Consideration and Approval of WA 2 Supplement 2 to PSA with HDR Engineering, Inc. to provide general engineering consulting services.

3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy

4. Budgeted: Yes No N/A
5. Staff Recommendation: Motion to Approve Resolution 2022-03 - Consideration and Approval of Work Authorization 2 Supplemental 2 to the Professional Service Agreement with HDR Engineering, Inc. for a no cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, as presented.

6. Program Manager's Recommendation: Approved Disapproved None
7. Planning Committee's Recommendation: Approved Disapproved None
8. Board Attorney's Recommendation: Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved None
10. Chief Financial Officer's Recommendation: Approved Disapproved None
11. Chief Development Engineer's Recommendation: Approved Disapproved None
12. Chief Construction Engineer's Recommendation: Approved Disapproved None
13. Executive Director's Recommendation: Approved Disapproved None



- CMT Services
- Environmental
- Engineering **HDR Engineering, Inc.**
- Geo-Technical
- Surveying

WORK AUTHORIZATION SUMMARY

RESOLUTION 2022-03

Work Authorization # 2 Supplemental # 2

Amount \$ 0.00

Approved Work Authorizations:

Resolution No.	Description	Amount
2020-32	WA No. 1-Amended & Restated	\$ 301,579.58
2020-33	WA No. 2-Construction Contract Letting Support	\$ 125,723.03
2020-35	SA 1 to WA No. 2-Construction Contract Letting	\$ 93,284.63
2020-36	WA No. 3-365 Toll Integration Contract Letting	\$ 299,785.36
2021-21	WA 4 IBTC Final Schematic Environmental	\$ 197,746.02
Subtotal from Cont. Page		<u>\$ 389,468.97</u>
Total Approved WA		\$ 1,407,587.59

Proposed Work Authorization and/or Supplemental

2022-03 WA No. 2 - Supplemental 2 - No Cost Time Ext. **\$ 0.00**

Goal and Options:

Work Authorization 2 Supplemental 2 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

Staff is recommending approval of this request in the amount of \$ 0.00
Proposed total approved WA and/or Supplementals \$ 1,407,587.59

E. Davila, Develop Eng
Requested By:

Work Authorizations Cont...**Resolution No.**

2022-03

Resolution No.	Description	Amount
2021-51	WA 5 Support Wetland Mitigation Site	\$ 310,039.40
2021-74	WA 6 365 Toll VE - Change Proposal	\$ 79,429.57
2022-02	WA No. 1 Supp. 1 No Cost Time Extension	\$ 0.00
	WA No.	

Subtotal \$ 389,468.97

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

BOARD RESOLUTION No. 2022-03

APPROVAL OF WORK AUTHORIZATION 2 SUPPLEMENTAL 2 TO
THE PROFESSIONAL SERVICES AGREEMENT WITH HDR
ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR
GENERAL ENGINEERING CONSULTING SERVICES TO THE
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

THIS RESOLUTION is adopted this 25th day of January 2022, by the Board of Directors of the Hidalgo County Regional Mobility Authority at a regular meeting.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”);

WHEREAS, the Authority is authorized by the Act to address mobility issues in and around Hidalgo County;

WHEREAS, on February 22, 2012 the Authority approved Resolution 2012-04, which created the Technical Committee, comprised of senior level engineers and professional from various communities and agencies in the jurisdiction of the Authority, to serve to advise the Board on procurement and consultant work products; and

WHEREAS, Resolution 2012-04 also authorized the Executive Committee to determine the size, structure and scope of the Technical Committee, identify candidates and issue requests for participation; and

WHEREAS, February 27, 2018, the Authority approved Resolution 2018-07 which for the procurement of Professional Engineering Services for a General Engineering Consultant for the Hidalgo County Loop System including, but not limited to Advance Project Development and Construction Management Support; and

WHEREAS, the Technical Committee has rated and ranked the Statements of Qualifications for the General Engineering Consultant Services and recommends interviews be dispensed with and that staff be authorized to negotiate with HDR Engineering, Inc.;

WHEREAS, on February 26, 2019 the Authority approved Resolution 2019-01 Approval of a Professional Service Agreement with HDR Engineering, Inc. to provide General Consultant Services for the Hidalgo County Loop System of the Hidalgo County Regional Mobility Authority in the amount of \$488,657.91; and

WHEREAS, on March 5, 2019 the Authority approved Resolution 2019-02 Approval of a Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. Project Management for the 365 Tollway Project in the amount of \$171,350.84; however, no notice to proceed was issued; and

WHEREAS, on November 17, 2020 in order to reflect a change in the planned series of tasks relating to a changed project letting schedule, the Board found it to be in the best interest of the Authority to approve Resolution 2020-32 Approval of Amended and Restated Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consulting Services for the 365 Tollway Program Management Support in the amount of \$301,579.58; and

WHEREAS, on November 17, 2020 the Authority approved Resolution 2020-33 Approval of a Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$125,723.03; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-35 Approval of Supplemental Agreement 1 to Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$93,284.63; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-36 Approval of a Work Authorization 3 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Integration Contract Letting Support in the amount of \$299,785.36; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-37 Approval of Contract Amendment 1 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$488,657.91 to \$820,372.60 for a total increase of \$331,714.69 due to additional scope and effort outlined in Supplemental Agreement 1 to Work Authorization No. 2 and Work Authorization No. 3; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-21 Approval of a Work Authorization 4 to the Professional Service Agreement with HDR Engineering, Inc. for IBTC final schematic Support for the Environmental Clearance in the amount of \$197,746.02; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-22 Approval of Contract Amendment 2 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$820,372.60 to \$1,018,118.62 for a total increase of \$197,746.02 for Work Authorization No. 4; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-51 Approval of a Work Authorization 5 to the Professional Service Agreement with HDR Engineering, Inc. for engineering support for the design and construction of the 365 Tollway Wetland Mitigation site in the amount of \$310,039.40; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-52 Approval of Contract Amendment 3 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$1,018,118.62 to \$1,407,587.59 for a total increase of \$389,468.97 for Work Authorization No. 5 & Work Authorization No. 6; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-74 Consideration and Approval of Work Authorization 6 with HDR Engineering, Inc. for engineering support for review of the 365 Tollway Value Engineering Change Proposals in the amount of \$79,429.57; and

WHEREAS, on Jaunaury 25, 2022 the Authority approved Resolution 2022-02 Consideration and Approval of Work Authorization 1 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority; and

WHEREAS, the authority finds it necessary to approve Resolution 2022-03 Consideration and Approval of Work Authorization 2 Supplemental 2 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY THAT:

- Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.
- Section 2. The Board hereby approves Work Authorization 2 Supplemental 2 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, hereto attached as Exhibit A.
- Section 3. The Board authorizes the Executive Director to execute Work Authorization 2 Supplemental 2 to the Professional Services Agreement for Program Management Support.

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A REGULAR MEETING, duly posted and noticed, on the 25th day of January 2022, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

WORK AUTHORIZATION 2 SUPPLEMENT 2
TO THE PROFESSIONAL SERVICE AGREEMENT
FOR
GENERAL ENGINEERING CONSULTANT SERVICES
BETWEEN
THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
AND
HDR ENGINEERING, INC.

**SUPPLEMENTAL AGREEMENT NO.2 TO WORK AUTHORIZATION
NO.2 TO PROFESSIONAL SERVICES AGREEMENT
FOR GENERAL ENGINEERING CONSULTING SERVICES**

THIS SUPPLEMENTAL WORK AUTHORIZATION is made pursuant to the terms and conditions of "Article V of that certain Professional Services Agreement for General Engineering Consulting Services" (the Agreement) entered into by and between the Hidalgo County Regional Mobility Authority (Authority), and HDR Engineering Inc. (the GEC).

PART IV. This Work Authorization shall become effective on the date of final acceptance of the parties hereto and shall terminate on March 31, 2022, unless extended by a supplemental Work Authorization as provided in Attachment A, Section 1.

IN WITNESS WHEREOF, this Supplemental Work Authorization is executed in duplicate counterparts and hereby accepted and acknowledged below.

THE GEC

(Signature)

David C. Weston

(Printed Name)

Gulf Coast Area Manager

(Title)

(Date)

THE AUTHORITY

(Signature)

Pilar Rodriguez, P.E.

(Printed Name)

Executive Director

(Title)

12/22/2021

(Date)

Item 2H

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2H
01/14/2022
01/25/2022

1. Agenda Item: RESOLUTION 2022-04 - CONSIDERATION AND APPROVAL OF WORK AUTHORIZATION 3 SUPPLEMENTAL 1 TO THE PROFESSIONAL SERVICE AGREEMENT WITH HDR ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR GENERAL ENGINEERING CONSULTING SERVICES TO THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY.

2. Nature of Request: (Brief Overview) Attachments: Yes No
Consideration and Approval of WA 3 Supplement 1 to PSA with HDR Engineering, Inc. to provide general engineering consulting services.

3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy

4. Budgeted: Yes No N/A
5. Staff Recommendation: Motion to Approve Resolution 2022-04 - Consideration and Approval of Work Authorization 3 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, as presented.

6. Program Manager's Recommendation: Approved Disapproved None
7. Planning Committee's Recommendation: Approved Disapproved None
8. Board Attorney's Recommendation: Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved None
10. Chief Financial Officer's Recommendation: Approved Disapproved None
11. Chief Development Engineer's Recommendation: Approved Disapproved None
12. Chief Construction Engineer's Recommendation: Approved Disapproved None
13. Executive Director's Recommendation: Approved Disapproved None



- CMT Services
- Environmental
- Engineering **HDR Engineering, Inc.**
- Geo-Technical
- Surveying

WORK AUTHORIZATION SUMMARY

RESOLUTION 2022-04

Work Authorization # 3 Supplemental # 1

Amount \$ 0.00

Approved Work Authorizations:

Resolution No.	Description	Amount
2020-32	WA No. 1-Amended & Restated	\$ 301,579.58
2020-33	WA No. 2-Construction Contract Letting Support	\$ 125,723.03
2020-35	SA 1 to WA No. 2-Construction Contract Letting	\$ 93,284.63
2020-36	WA No. 3-365 Toll Integration Contract Letting	\$ 299,785.36
2021-21	WA 4 IBTC Final Schematic Environmental	\$ 197,746.02
Subtotal from Cont. Page		<u>\$ 389,468.97</u>
Total Approved WA		\$ 1,407,587.59

Proposed Work Authorization and/or Supplemental

2022-04 WA No. 3 - Supplemental 1 - No Cost Time Ext. **\$ 0.00**

Goal and Options:

Work Authorization 3 Supplemental 1 to the Professional Services Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

Staff is recommending approval of this request in the amount of \$ 0.00
Proposed total approved WA and/or Supplementals \$ 1,407,587.59

E. Davila, Develop Eng
Requested By:

Work Authorizations Cont...**Resolution No.**

2022-04

Resolution No.	Description	Amount
2021-51	WA 5 Support Wetland Mitigation Site	\$ 310,039.40
2021-74	WA 6 365 Toll VE - Change Proposal	\$ 79,429.57
2022-02	WA No. 1 Supp. 1 No Cost Time Extension	\$ 0.00
2022-03	WA No. 2 Supp 2 No Cost Time Extension	\$ 0.00
	WA No.	

Subtotal \$ 389,468.97

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

BOARD RESOLUTION No. 2022-04

APPROVAL OF WORK AUTHORIZATION 3 SUPPLEMENTAL 1 TO
THE PROFESSIONAL SERVICES AGREEMENT WITH HDR
ENGINEERING, INC. FOR A NO COST TIME EXTENSION FOR
GENERAL ENGINEERING CONSULTING SERVICES TO THE
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

THIS RESOLUTION is adopted this 25th day of January 2022, by the Board of Directors of the Hidalgo County Regional Mobility Authority at a regular meeting.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”);

WHEREAS, the Authority is authorized by the Act to address mobility issues in and around Hidalgo County;

WHEREAS, on February 22, 2012 the Authority approved Resolution 2012-04, which created the Technical Committee, comprised of senior level engineers and professional from various communities and agencies in the jurisdiction of the Authority, to serve to advise the Board on procurement and consultant work products; and

WHEREAS, Resolution 2012-04 also authorized the Executive Committee to determine the size, structure and scope of the Technical Committee, identify candidates and issue requests for participation; and

WHEREAS, February 27, 2018, the Authority approved Resolution 2018-07 which for the procurement of Professional Engineering Services for a General Engineering Consultant for the Hidalgo County Loop System including, but not limited to Advance Project Development and Construction Management Support; and

WHEREAS, the Technical Committee has rated and ranked the Statements of Qualifications for the General Engineering Consultant Services and recommends interviews be dispensed with and that staff be authorized to negotiate with HDR Engineering, Inc.;

WHEREAS, on February 26, 2019 the Authority approved Resolution 2019-01 Approval of a Professional Service Agreement with HDR Engineering, Inc. to provide General Consultant Services for the Hidalgo County Loop System of the Hidalgo County Regional Mobility Authority in the amount of \$488,657.91; and

WHEREAS, on March 5, 2019 the Authority approved Resolution 2019-02 Approval of a Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. Project Management for the 365 Tollway Project in the amount of \$171,350.84; however, no notice to proceed was issued; and

WHEREAS, on November 17, 2020 in order to reflect a change in the planned series of tasks relating to a changed project letting schedule, the Board found it to be in the best interest of the Authority to approve Resolution 2020-32 Approval of Amended and Restated Work Authorization 1 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consulting Services for the 365 Tollway Program Management Support in the amount of \$301,579.58; and

WHEREAS, on November 17, 2020 the Authority approved Resolution 2020-33 Approval of a Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$125,723.03; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-35 Approval of Supplemental Agreement 1 to Work Authorization 2 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Roadway Construction Contract Letting Support in the amount of \$93,284.63; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-36 Approval of a Work Authorization 3 to the Professional Service Agreement with HDR Engineering, Inc. for General Engineering Consultant Services for the 365 Tollway Integration Contract Letting Support in the amount of \$299,785.36; and

WHEREAS, on December 15, 2020 the Authority approved Resolution 2020-37 Approval of Contract Amendment 1 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$488,657.91 to \$820,372.60 for a total increase of \$331,714.69 due to additional scope and effort outlined in Supplemental Agreement 1 to Work Authorization No. 2 and Work Authorization No. 3; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-21 Approval of a Work Authorization 4 to the Professional Service Agreement with HDR Engineering, Inc. for IBTC final schematic Support for the Environmental Clearance in the amount of \$197,746.02; and

WHEREAS, on June 22, 2021 the Authority approved Resolution 2021-22 Approval of Contract Amendment 2 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$820,372.60 to \$1,018,118.62 for a total increase of \$197,746.02 for Work Authorization No. 4; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-51 Approval of a Work Authorization 5 to the Professional Service Agreement with HDR

Engineering, Inc. for engineering support for the design and construction of the 365 Tollway Wetland Mitigation site in the amount of \$310,039.40; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-52 Approval of Contract Amendment 3 to the Professional Service Agreement with HDR to increase the maximum payable amount from \$1,018,118.62 to \$1,407,587.59 for a total increase of \$389,468.97 for Work Authorization No. 5 & Work Authorization No. 6; and

WHEREAS, on December 20, 2021 the Authority approved Resolution 2021-74 Consideration and Approval of Work Authorization 6 with HDR Engineering, Inc. for engineering support for review of the 365 Tollway Value Engineering Change Proposals in the amount of \$79,429.57; and

WHEREAS, on January 25, 2022 the Authority approved Resolution 2022-02 Consideration and Approval of Work Authorization 1 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority; and

WHEREAS, on January 25, 2022 the Authority approved Resolution 2022-03 Consideration and Approval of Work Authorization 2 Supplemental 2 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority; and

WHEREAS, the authority finds it necessary to approve Resolution 2022-04 Consideration and Approval of Work Authorization 3 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority.

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY THAT:

- Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.
- Section 2. The Board hereby approves Work Authorization 3 Supplemental 1 to the Professional Service Agreement with HDR Engineering, Inc. for a no-cost time extension for general engineering consulting services to the Hidalgo County Regional Mobility Authority, hereto attached as Exhibit A.
- Section 3. The Board authorizes the Executive Director to execute Work Authorization 3 Supplemental 1 to the Professional Services Agreement for Program Management Support.

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A REGULAR MEETING, duly posted and noticed, on the 25th day of January 2022, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

WORK AUTHORIZATION 3 SUPPLEMENT 1
TO THE PROFESSIONAL SERVICE AGREEMENT
FOR
GENERAL ENGINEERING CONSULTANT SERVICES
BETWEEN
THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
AND
HDR ENGINEERING, INC.

**SUPPLEMENTAL AGREEMENT NO.1 TO WORK AUTHORIZATION
NO.3 TO PROFESSIONAL SERVICES AGREEMENT
FOR GENERAL ENGINEERING CONSULTING SERVICES**

THIS SUPPLEMENTAL WORK AUTHORIZATION is made pursuant to the terms and conditions of “Article V of that certain Professional Services Agreement for General Engineering Consulting Services” (the Agreement) entered into by and between the Hidalgo County Regional Mobility Authority (Authority), and HDR Engineering Inc. (the GEC).

PART IV. This Work Authorization shall become effective on the date of final acceptance of the parties hereto and shall terminate on November 30, 2022, unless extended by a supplemental Work Authorization as provided in Attachment A, Section 1.

IN WITNESS WHEREOF, this Supplemental Work Authorization is executed in duplicate counterparts and hereby accepted and acknowledged below.

THE GEC

(Signature)

David C. Weston

(Printed Name)

Gulf Coast Area Manager

(Title)

(Date)

THE AUTHORITY

(Signature)

Pilar Rodriguez, P.E.

(Printed Name)

Executive Director

(Title)

12/22/2021

(Date)

Item 3A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>3A</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/18/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/25/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: RESOLUTION 2022-05 – CONSIDERATION AND APPROVAL OF AMENDMENT TO THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY OVERWEIGHT/OVERSIZED VEHICLE PERMIT CORRIDOR DESIGNATING ADDITIONAL ROUTE OF US 281 MILITARY HIGHWAY FROM FM1015 EAST TO THE HIDALGO/CAMERON COUNTY LINE.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and Approval of amendment to the HCRMA OW/OS Vehicle Permit Corridor designating additional route of US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Motion to approve Resolution 2022-05 – Consideration and Approval of amendment to the Hidalgo County Regional Mobility Authority Overweight/Oversized Vehicle Permit Corridor designating additional route of US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line, as presented.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: Approved Disapproved X None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: X Approved Disapproved None



Memorandum

To: S. David Deanda, Chairman

From: Pilar Rodriguez, PE, Executive Director

Date: January 18, 2022

Re: **Resolution 2022-05 - Consideration and Approval of amendment to the Hidalgo County Regional Mobility Authority Overweight/Oversized Vehicle Permit Corridor designating additional route of US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line**

Background

On September 1, 2013, the Hidalgo County Regional Mobility Authority (HCRMA) was authorized by House Bill 474 to establish an overweight and oversized truck corridor, as well as, issue permits for use of the corridor. Provisions in House Bill 474 allow amendment of the Overweight/Oversized Vehicle Corridor by the Texas Transportation Commission in consultation with the HCRMA.

Goal

The proposed route to be added is:

US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line

Options

The Board of Directors may opt to not approve the additional route.

Recommendation

Based on review by this office, **approval of Resolution 2022-05 – Consideration and Approval of amendment to the Hidalgo County Regional Mobility Authority Overweight/Oversized Vehicle Permit Corridor designating additional route of US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line is recommended.**

If you should have any questions or require additional information, please advise.

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
BOARD RESOLUTION No. 2022-05

DESIGNATING ADDITIONAL ROUTES TO THE HIDALGO COUNTY
OVERWEIGHT AND OVERSIZED VEHICLE CORRIDOR

THIS RESOLUTION is adopted this 25th day of January, 2022, by the Board of Directors of the Hidalgo County Regional Mobility Authority.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”);

WHEREAS, on November 17, 2005, the Texas Transportation Commission (the “Commission”) created the Authority pursuant to (i) the Act; (ii) Title 43, Texas Administrative Code; (iii) a petition of the Hidalgo County Commissioners Court (the “County”); and (iv) findings by the Commission that the creation of the Authority would result in certain direct benefits to the State of Texas (the “State”), local governments, and the traveling public and would improve the State’s transportation system;

WHEREAS, during its 83rd Regular Session, the Texas Legislature passed House Bill 474 amending Texas Transportation Code 626 by adding Subchapter Q providing that The Texas Department of Transportation (the “Department”) may authorize the Authority to issue permits for the movement of oversize or overweight vehicles carrying cargo on certain roads in Hidalgo County;

WHEREAS, the Department has adopted rules prescribing procedures for issuing permits for the movement of oversize and overweight vehicles in Chapter 28 of Title 43 of the Texas Administration Code and has published rules authorizing the Authority to issue such permits and prescribing procedures for the same;

WHEREAS, oversize and overweight vehicles have a unique commercial purpose but also cause considerable wear and tear on roadways requiring additional maintenance, repair and reconstruction;

WHEREAS, the issuance of permits for such oversize and overweight vehicles for travel on restricted corridors creates a revenue stream to offset the increased maintenance expenses for such roadways; and

WHEREAS, the Board finds it to be in the best interest of the Authority and the County to designate additional routes for the issuance of oversize and overweight permits, the collection of fees, and the maintenance of the roadways located in certain oversize and overweight corridors;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Hidalgo County Regional Mobility Authority that:

Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.

Section 2. The Board hereby approves the additional routes relating to the permitting of oversize and overweight vehicles carrying cargo on certain roadways in the County, attached hereto as Exhibit A.

Section 3. The Board hereby authorizes the Executive Director to submit the additional route to the Texas Department of Transportation for consideration by the Texas Transportation Commission.

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A SPECIAL MEETING on the 25th day of January, 2022, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Attest:

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

ADDITIONAL ROUTES TO THE HIDALGO COUNTY OVERWEIGHT AND OVERSIZED VEHICLE CORRIDOR

US 281 Military Highway from FM1015 East to the Hidalgo/Cameron County line



**EXHIBIT A. PROPOSED OW ROUTE:
US 281 / MILITARY HIGHWAY FROM
FM 1015 TO COUNTY LINE (MILE 3E)**

Scale:
0 0.25 0.5 1 Miles

Author: Eric Davila, PE, PMP, CCM
Date: 1/19/2022



Existing OW
Network

US 281

Military Hwy.

US 281

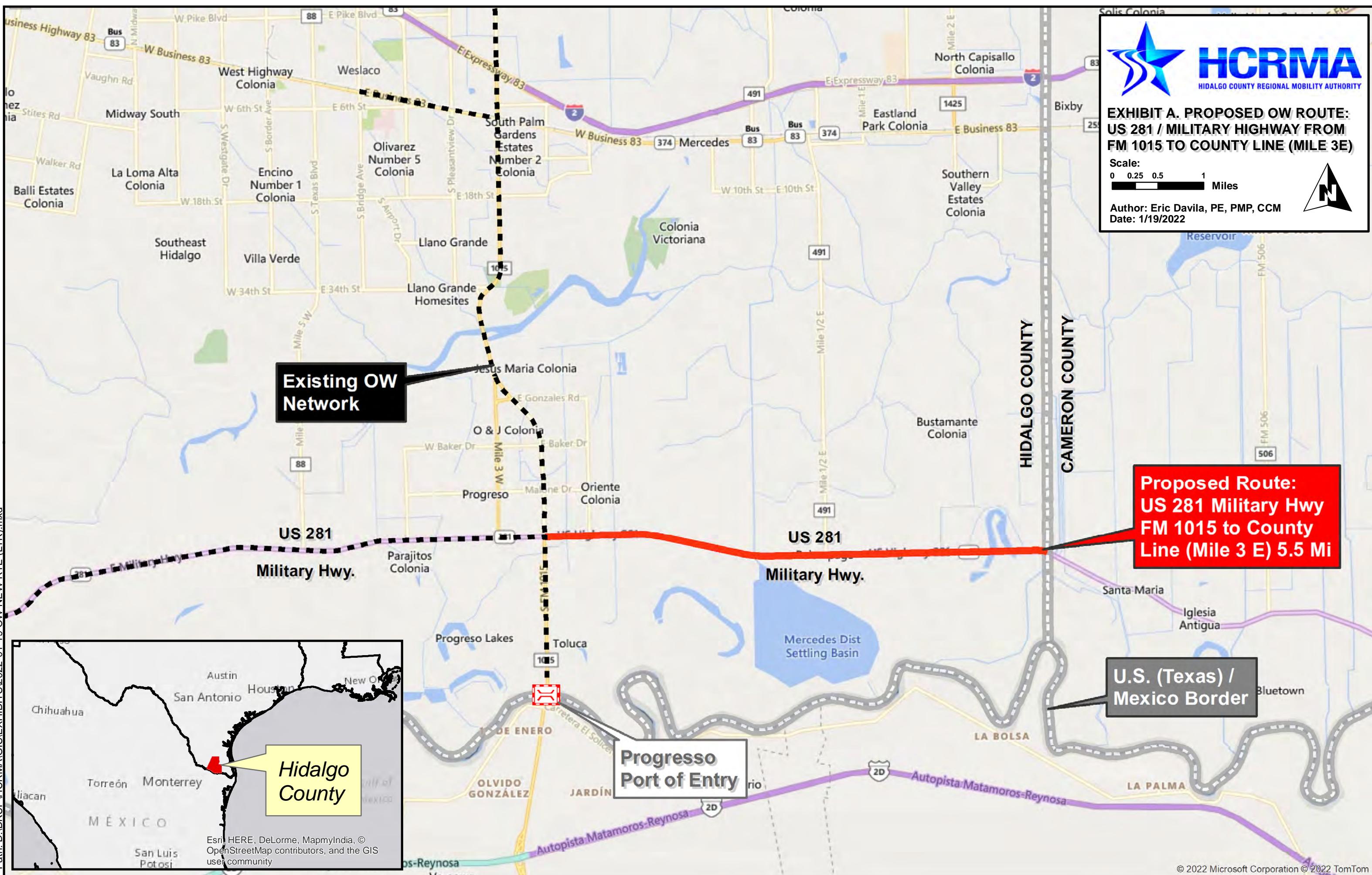
Military Hwy.

Proposed Route:
US 281 Military Hwy
FM 1015 to County
Line (Mile 3 E) 5.5 Mi

U.S. (Texas) /
Mexico Border

Progresso
Port of Entry

Hidalgo
County



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Item 3B

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>3B</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/17/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/17/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: Resolution 2022-06 Consideration and Approval of Utility Relocation Agreement with Enbridge for the 365 Tollway Project.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and Approval of Resolution 2022-06 for final close out adjustment.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Motion to approve Resolution 2022-06 Consideration and Approval of Utility Relocation Agreement with Enbridge for the 365 Tollway Project., as presented.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: X Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: X Approved Disapproved None
13. Executive Director's Recommendation: X Approved Disapproved None



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

Memorandum

To: Pilar Rodriguez, P.E.
HCRMA, Executive Director

From: Ramon Navarro, IV, P.E., C.F.M.
Chief Construction Engineer

Date: January 17, 2022

Subject: Resolution 2022-06 Consideration and Approval of Utility Relocation
Agreement with Enbridge for the 365 Tollway Project
Reimbursable Utility Adjustment U0031033
RCSJ:3627-01-001
FROM: Sta. 1182+04.43
DMO2013(420)
Hidalgo County

GOAL

Approval of final reconciliation for reimbursement of 30" high pressure gas line adjustment to Enbridge [Spectra Energy / Texas Eastern] line .

HISTORY

Planned construction on the above project required that utilities, "In Conflict", be relocated or adjusted due to existing elevation conflicts at Sta. 1182+04, perpendicular crossing of Federal Energy Regulatory Commission [F.E.R.C.] natural gas pipeline. The work consisted of the adjustment, removal, and/or relocation of 959' of existing 30" O.D. 0.375" WT X-52 pipe and the installation of approximately 959' of 30" O.D. 0.500" WT X-65 FBE pipe at the proper depth to provide required clearances for the safe construction of proposed HCRMA roadway facility; as shown in the Utility's plans, specifications and estimated costs. Facilities were reported to have been installed in accordance with the UAR (Utility Accommodation Rules) and all Federal requirements.

Enbridge submitted an original estimate of \$2,582,223 [08.16.21]. Upon review, it was determined that only 567'(59.12%) of 959' were eligible for compensation; remaining 392' of line were attributable to company betterment. Ratio was applied and proved for an overall total estimated reimbursable cost of \$982,275.00. This adjustment is eligible for Federal Aid cost participation per the provisions of 23 CFR 645 A&B. The utility has right of occupancy in its existing location because it holds an easement, or another real property interest, therefore the eligibility ratio is 100%. There is no declared salvage for this adjustment.

All work has been reviewed and approved by the HCRMA Construction Division. Final quantities and participation are based on the costs of actual work performed. All parties are in concurrence. Total reimbursement due is \$982,275.00

RECOMMENDATION

Staff recommends approval of Utility Relocation Agreement U-0031-033 with Enbridge for the 365 Tollway Project and payment of \$982,275.00 to Enbridge for 59.12% participation. The project shall be submitted to record for official final acceptance and closeout.

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
BOARD RESOLUTION No. 2022-06

**CONSIDERATION AND APPROVAL OF UTILITY
RELOCATION AGREEMENT WITH ENBRIDGE FOR THE
365 TOLLWAY**

THIS RESOLUTION is adopted this 25th day of January, 2022 by the Board of Directors of the Hidalgo County Regional Mobility Authority.

WHEREAS, the Hidalgo County Regional Mobility Authority (the "Authority"), acting through its Board of Directors (the "Board"), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the "Act"); and

WHEREAS, on November 17, 2005, the Texas Transportation Commission (the "Commission") created the Authority pursuant to (i) the Act; (ii) Title 43, Texas Administrative Code; (iii) a petition of the Hidalgo County Commissioners Court (the "County"); and {iv) findings by the Commission that the creation of the Authority would result in certain direct benefits to the State of Texas (the "State"), local governments, and the traveling public and would improve the State's transportation system; and

WHEREAS, the Act allows the Authority to construct transportation projects within the County, including the 365 Tollway Project (the "Project"); and

WHEREAS, on August 29, 2017 the Authority approved Resolution 2017-73, pursuant to Sections 370.033 and 370.170 of the Act, the Authority has the power and authority to request an implement the relocation of a public utility facility located in, on, along, over, or under the Project;

WHEREAS, Enbridge, a subsidiary of Spectra Energy Midstream, relocated or adjusted a Federal Energy Regulatory Commission [F.E.R.C.] natural gas pipeline at Sta. 1182+04, perpendicular crossing. The work consisted of the adjustment, removal, and/or relocation of 959' of existing 30" pipe at the proper depth to provide required clearances for the safe construction of proposed HCRMA 365 Toll roadway facility;

WHEREAS, Enbridge is eligible for Federal Aid cost participation in accordance with the provisions of 23 CFR 645 A&B. The utility has right of occupancy in its existing location as it holds an easement, or another real property interest, therefore the eligibility ratio is 100%; however, it was determined that only 567'(59.12%) of 959' were eligible for compensation; remaining 392' of line were attributable to company betterment; Ratio was applied and proved for an overall total estimated reimbursable cost of \$982,275.00..

WHEREAS, the Authority finds it necessary to approve Resolution 2022-06 for final form of Utility Relocation Agreement U-0031-033 and payment of \$982,275.00 to Enbridge for 59.12% participation for the 365 Tollway Project.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY THAT:

Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.

Section 2. The Board hereby approves Resolution 2022-06 for final form of Utility Relocation Agreement U-0031-033 and payment of \$982,275.00 to Enbridge for 59.12% participation for the 365 Tollway Project.

Section 3. The Board hereby authorized agreement and payment in substantially the form as the document attached hereto as Exhibit A and authorizes the Executive Director to execute the agreement upon final review and approval of legal counsel.

• • • •

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY THE BOARD OF DIRECTORS
OF THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AT A REGULAR MEETING
on the 25th day of January, 2022, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

AGREEMENT

BETWEEN

ENBRIDGE AND

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

FOR

UTILITY RELOCATION

OF

365 TOLLWAY PROJECT

DRAFT

Form ROW-U-35
(Rev. 08/19)
Page 1

STANDARD UTILITY AGREEMENT

U-Number: **U-0031-033**

District: PHARR
Federal Project No.: DMO2013(420)
ROW CSJ: 0921-02-368
Highway Project Letting Date: SEPT. 2021

County: HIDALGO
Highway: 365 TOLL
From: FM396(ANZALDUAS HIGHWAY) at GSA CONNECTOR
To: US281(MILITARY HIGHWAY)

This Agreement by and between the Hidalgo County Regional Mobility Authority, ("Authority"), and **Enbridge**, ("Utility"), acting by and through its duly authorized representative, shall be effective on the date of approval and execution by and on behalf of the **Authority**.

WHEREAS, the **Authority** has deemed it necessary to make certain highway improvements as designated by the **Authority** and approved by the Federal Highway Administration within the limits of the highway as indicated above (the "Highway Project");

WHEREAS, the proposed Highway Project will necessitate the adjustment, removal, and/or relocation of certain facilities of the **Utility** as indicated in the following statement of work: excavate 591 feet of existing natural gas 30" pipe line, remove the existing coating, inspect and re-coat the existing pipe line, backfill the excavation to the specified requirements (including 860 CY flowable fill) at approximate station 1182+00; and more specifically as shown in the **Utility's** plans, specifications and estimated costs, which are attached hereto as Attachment "A".

WHEREAS, the **Authority** will participate in the costs of the adjustment, removal, and relocation of certain facilities to the extent as may be eligible for State and/or Federal participation.

WHEREAS, the **Authority**, upon receipt of evidence it deems sufficient, acknowledges the **Utility's** interest in certain lands and facilities that entitle it to reimbursement for the adjustment, removal, and relocation of certain of its facilities located upon the lands as indicated in the statement of work above.

NOW, THEREFORE, BE IT AGREED:

The **Authority** will pay to the **Utility** the costs incurred in adjustment, removal, and relocation of the **Utility's** facilities up to the amount said costs may be eligible for **Authority's** participation.

All conduct under this agreement, including but not limited to the adjustment, removal, and relocation of the facility, the development and reimbursement of costs, any environmental requirements, and retention of records will be in accordance with all applicable federal and state laws, rules and regulations, including, without limitation, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. §§ 4601, et seq., the National Environmental Policy Act, 42 U.S.C. §§ 4321, et seq., the Buy America provisions of 23 U.S.C. § 313 and 23 CFR 635.410, as amended, Texas Transportation Code § 223.045, the Utility Relocations, Adjustments, and Reimbursements provisions of 23 CFR 645, Subpart A, and the Utility Accommodation provisions of 23 CFR 645, Subpart B.

The **Utility** shall supply, upon request by the **Authority**, proof of compliance with the aforementioned laws, rules, regulations, and guidelines prior to the commencement of the adjustment, removal, and relocation of the facility.

The **Utility** shall not commence any physical work, including without limitation site preparation, on the State's right of way or future right of way, until Authority provides the Utility with written authorization to proceed with the physical work upon Authority completion and clearance of its environmental review of the Highway Project. Any such work by the Utility prior to Authority's written authorization to proceed will not be eligible for reimbursement and the Utility is responsible for entering any property within the proposed limits of the Highway Project that has not yet been

Initial

Date

Initial

Date

HCRMA

Utility

acquired by Authority. This written authorization to proceed with the physical work is in addition to the authorization to commence work outlined below. Notwithstanding the foregoing, the provisions of this paragraph are required only when Authority has not obtained completion and clearance of its environmental review of the Highway Project prior to the execution of this Agreement by the HCRMA and the Utility.

The **Utility** shall comply with the Buy America provisions of 23 U.S.C. § 313, 23 CFR 635.410, as amended, and the Steel and Iron Preference provisions of Texas Transportation Code § 223.045 and, when products that are composed predominately of steel and/or iron are incorporated into the permanent installation of the utility facility, use domestically manufactured products. HCRMA Form 1818 (Material Statement), along with all required attachments, must be submitted, prior to the commencement of the adjustment, removal, and relocation of the facility, as evidence of compliance with the aforementioned provisions. Failure to submit the required documentation or to comply with the Buy America, and Steel and Iron Preference requirements shall result in: (1) the **Utility** becoming ineligible to receive any contract or subcontract made with funds authorized under the Intermodal Surface Transportation Efficiency Act of 1991; (2) the **Authority** withholding reimbursement for the costs incurred by the **Utility** in the adjustment, removal, and relocation of the **Utility's** facilities; and (3) removal and replacement of the non-compliant products.

The **Utility** agrees to develop relocation or adjustment costs by accumulating actual direct and related indirect costs in accordance with a work order accounting procedure prescribed by the **Authority**, or may, with the **Authority's** approval, accumulate actual direct and related indirect costs in accordance with an established accounting procedure developed by the **Utility**. The Utility acknowledges that only documented and substantiated actual costs will be paid by the HCRMA. Bills for work hereunder are to be submitted to the **Authority** not later than one (1) year after completion of the work. Failure to submit the request for final payment, in addition to all supporting documentation, within one (1) year after completion of the work may result in forfeiture of payment for said work.

When requested, the **Authority** will make intermediate payments at not less than monthly intervals to the **Utility** when properly billed. Such payments will not exceed 90 percent (90%) of the eligible cost, \$ 982,275(% of \$), as shown in each such billing. Intermediate payments shall not be construed as final payment for any items included in the intermediate payment.

The **Authority** will, upon satisfactory completion of the adjustment, removal, and/or relocation and upon receipt of final billing prepared in an approved form and manner and accounting for any intermediate payments, make payment in the amount of 90 percent (90%) of the eligible costs as shown in the final billing prior to audit and after such audit shall make an additional final payment totaling the reimbursement amount found eligible for **Authority** reimbursement. Alternatively, the **Authority** agrees to pay the **Utility** an agreed lump sum of \$ (TBD% of \$) as supported by the attached estimated costs. The **Authority** will, upon satisfactory completion of the adjustments, removals, and relocations and upon receipt of a final billing, make payment to the **Utility** in the agreed amount.

Upon execution of this agreement by both parties hereto, the **Authority** will, by written notice, authorize the **Utility** to perform such work diligently and to conclude said adjustment, removal, and relocation by the stated completion date which is attached hereto in Attachment "C". The completion date shall be extended for delays caused by events outside the **Utility's** control, including an event of Force Majeure, which shall include a strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, sabotage, or other events, interference by the **Authority** or any other party with the **Utility's** ability to proceed with the work, or any other event in which the **Utility** has exercised all due care in the prevention thereof so that the causes of other events are beyond the control and without the fault or negligence of the **Utility**.

This agreement in its entirety consists of the following elements:

Standard Utility Agreement – ROW-U-35;

- Plans, Specifications, and Estimated Costs (Attachment "A");
- Accounting Method (Attachment "B");
- Schedule of Work (Attachment "C");
- Statement Covering Contract Work – ROW-U-48 (Attachment "D");

Initial _____ Date _____
HCRMA

Initial _____ Date _____
Utility

- Utility Joint Use Acknowledgment – ROW-U-JUAA and/or Utility Installation Request – Form 1082 (Attachment “E”);
- Eligibility Ratio (Attachment “F”);
- Betterment Calculation and Estimate (Attachment “G”); and
- Proof of Property Interest – ROW-U-1A, ROW-U-1B, or ROW-U-1C (Attachment “H”).

All attachments are included herein as if fully set forth. In the event it is determined that a substantial change from the statement of work contained in this agreement is required, reimbursement therefore shall be limited to costs covered by a modification or amendment of this agreement or a written change or extra work order approved by the **Authority** and the **Utility**.

This agreement is subject to cancellation by the **Authority** at any time up to the date that work under this agreement has been authorized, and such cancellation will not create any liability on the part of the **Authority**. However, the **Authority** will review and reimburse the **Utility** for eligible costs incurred by the **Utility** in preparation of this Agreement.

The HCRMA Auditor may conduct an audit or investigation of any entity receiving funds from the **Authority** directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the HCRMA or and State Auditor, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the HCRMA and or state auditor with access to any information the HCRMA and or state auditor considers relevant to the investigation or audit.

The **Utility** by execution of this agreement does not waive any of the rights that the **Utility** may have within the limits of the law.

It is expressly understood that the **Utility** conducts the adjustment, removal, and relocation at its own risk, and that the **Authority** makes no warranties or representations regarding the existence or location of utilities currently within its right of way.

Initial _____ Date _____
HCRMA

Initial _____ Date _____
Utility

The signatories to this agreement warrant that each has the authority to enter into this agreement on behalf of the party represented.

UTILITY**Utility:**

Name of Utility

By:

Authorized Signature

Print or Type Name

Title:**Date:****EXECUTION RECOMMENDED:**

Chief Construction Engineer, HCRMA

Initial Date
HCRMA

Initial Date
Utility

Scope of Work:	Hidalgo County Tollway
RFP Number:	XX-XXXX
Evaluation Date:	August 2, 2021



PRICE					
Description	Bid 1	Bid 2	Bid 3	Bid 4	Bid 5
OVERALL NOTES:					
Lump Sum Price					
Performance and Payment Bonds	\$3,603.00	\$5,247.06	\$18,000.00	\$5,809.00	\$5,000.00
Mobilization	\$57,041.00	\$137,500.00	\$60,000.00	\$83,000.00	\$75,000.00
Site Work	\$136,092.00	\$168,750.00	\$210,000.00	\$57,600.00	\$70,000.00
Retirement / Removal / Abandonment	\$66,740.00	\$163,518.75	\$150,001.20	\$99,002.73	\$193,800.00
Fabrication and Installation	\$91,623.00	\$629,850.00	\$420,003.36	\$274,004.13	\$368,220.00
Pressure Testing	\$79,498.00	\$84,787.50	\$85,000.68	\$242,734.50	\$72,675.00
Restoration / Cleanup	\$68,298.00	\$60,562.50	\$150,001.20	\$54,002.37	\$116,280.00
Demobilization	\$19,851.00	\$56,250.00	\$60,000.00	\$21,138.00	\$35,000.00
Total Lump Sum Price	\$522,746.00	\$1,306,465.81	\$1,153,006.44	\$837,290.73	\$935,975.00
EXTRA WORK UP!					
Additional Welds	\$76.00	\$281.25	\$125.00	\$80.00	\$150.00
Additional Bevels	\$300.00	\$28.13	\$35.00	\$40.00	\$15.00
Additional Internal Mechanical Transitions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Internal Hand Transitions	\$1,800.00	\$62.50	\$75.00	\$120.00	\$20.00
Additional Concrete - Placement, Formed	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Concrete - Placement, Neat	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Paving	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crushed Stone with Geotech Fabric	\$72.00	\$93.75	\$110.00	\$65.00	\$55.00
Solid Rock Excavation (Mechanical Method) - In Ditch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Solid Rock Excavation (Mechanical Method) - Fabrication / Bore Pits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Solid Rock Excavation (Blasting) - In Ditch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Solid Rock Excavation (Blasting) - Fabrication / Bore Pits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Chisel Plow/Rock Picking	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Ditch Depth - By Conventional Method	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Ditch Depth - By Mechanical Rock Excavation Method	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Ditch Depth - By Blasting Rock Excavation Method	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Topsoil Separation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Topsoil	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Single Wire Electric	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Single Strand Barbed Wire	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Three Strand Barbed Wired	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Woven Wire - Min. 4' High W / Single Strand Barbed Wire	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Woven Wire - Min. 4' High W / Single Strand Electric	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Fencing - Woven Wire - Min. 4' High	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Five Strand (two strands electric and three strands high tensile)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional 4 strand high tensile	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Flowable Fill	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Farm Type Gate - 12' Farm Type Gate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Farm Type Gate - 16' and Larger Farm Type Gate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Farm Type Gate - Cattle Guard	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Permanent Access Road	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Hard Trench Plug	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Clearing Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Grading Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Blasting and Ditching Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Stringing Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Bending Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Welding Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Field Joint Coating Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Lowering In and Backfill Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Tie-In Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Crew Move Around - Clean-Up Crew	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Fabricated Pipe Gate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Lawn Restoration	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Pipeline Markers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Typical Site (TS)	\$250.00	\$750.00	\$225.00	\$225.00	\$500.00
Additional Cathodic Protection Test Sites - Calibrated Site (CS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Foreign Pipe Crossing CP Site (FS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Insulated Flange CP Site (IS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Coupon Test Site (CSS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Typical CP Test Station Site with GCM and SSD (TS-GCM)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Calibrated CP Test Station Site with GCM and SSD (CS-GCM)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Foreign Pipe Crossing CP Test Station Site With GCM an SSD (FS-GCM)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites - Insulated Flange CP Test Station Site with GCM and SSD (IS-GCM)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Additional Cathodic Protection Test Sites – Coupon Test Station Site with GCM and SSD (CSS-GCM)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites – Pipe-to-Pipe Bond Test Station	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Cathodic Protection Test Sites – Pipe-to-Pipe Bond Test Station with PCR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Field Drain Tile Crossing - 4" – 8" Drain Tile	\$50.00	\$37.50	\$35.00	\$150.00	\$45.00
Field Drain Tile Crossing - 10" – 14" Drain Tile	\$75.00	\$50.00	\$45.00	\$260.00	\$50.00
Field Drain Tile Crossing - 16" – 20" Drain Tile	\$91.00	\$68.75	\$55.00	\$375.00	\$55.00
Field Drain Tile Crossing - 24" – 30" Drain Tile	\$183.00	\$87.50	\$65.00	\$562.00	\$60.00
Additional Timber Construction Mats (non-wetland area)	\$600.00	\$250.00	\$75.00	\$187.50	\$325.00
Additional 4" Steel Pipe Guard Post	\$175.00	\$625.00	\$60.00	\$300.00	\$50.00
Additional 36' x 9,000 Pound Saddle Bag Weight	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional 9,000 Pound Set-on Weights	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Rock Shield	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Sheet Piling	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Dewatering by Well Pointing Installation and Removal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Dewatering by Well Pointing Daily Operations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wash Station Installation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wash Station Operation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Chipping, Hauling and Disposal of Trees / Bushes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXTRA WORK UPI SUBTOTAL:	\$3,672.00	\$2,334.38	\$905.00	\$2,364.50	\$1,325.00
ENVIRONMENTAL PROTECTION					
Trench Breakers - Earth Filled Sacks	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trench Breakers - Sackcrete, in Lieu of Earth Filled Sacks	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trench Breakers - Foam Breakers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BSRF Priority 1 – Green Band Heavy Duty Silt Fence	\$6.50	\$8.75	\$15.00	\$14.50	\$10.00
BSRF Priority 2 – Non-Woven Medium Duty Silt Fence	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Super Silt Fence	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Safety Fence	\$5.00	\$5.00	\$7.00	\$6.75	\$6.00
Wetlands Technique (includes timber mats)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Erosion Control Fabric - Curlex or Equivalent	\$0.00	\$6.25	\$3.25	\$3.50	\$8.00
Erosion Control Fabric - High Velocity Curlex	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Erosion Control Fabric - Non-woven Geotech Fabric (Ercomat or Equivalent)	\$4.50	\$6.25	\$6.25	\$11.25	\$8.00
Erosion Control Fabric - Jute Mat / Netting	\$9.00	\$6.25	\$7.25	\$12.15	\$8.00
Erosion Control Fabric - 100% Biodegradable Erosion Control Matting	\$12.50	\$6.25	\$10.00	\$13.00	\$8.00
Straw Bale	\$12.00	\$25.00	\$26.00	\$28.00	\$35.00
Additional Rock Access Pad	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rock Access Pad Refurbishment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Compacted Earth Slope Breakers (Interceptor Dikes)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Culvert - With Crushed Stone	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Temporary Culvert - Without Crushed Stone	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permanent Culvert - Per 12" Steel Culvert (20' Minimum)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permanent Culvert - Per 16" Steel Culvert (20' Minimum)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Filter Bag - 6' x 13' Bag	\$350.00	\$500.00	\$300.00	\$575.00	\$650.00
Filter Bag - 13' x 15' Bag	\$425.00	\$625.00	\$450.00	\$1,150.00	\$950.00
Upland Swale Culvert	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Double Layer Timber Construction Mats (small stream crossings)	\$225.00	\$312.50	\$150.00	\$375.00	\$150.00
Additional Fertilize	\$500.00	\$750.00	\$650.00	\$900.00	\$750.00
Additional Seed	\$650.00	\$625.00	\$750.00	\$600.00	\$650.00
Additional Mulch	\$700.00	\$1,362.50	\$1,000.00	\$750.00	\$2,500.00
Winter Stabilization	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Erosion Control Filter Log - 9" Diameter x 10' Long Log	\$54.00	\$125.00	\$325.00	\$85.00	\$100.00
Erosion Control Filter Log - 12" Diameter x 10' Long Log	\$73.00	\$150.00	\$400.00	\$110.00	\$120.00
Flexterra® - 3000 lbs/acre rate for ≤ 33% slope	\$800.00	\$12,500.00	\$12,500.00	\$6,000.00	\$10,000.00
Flexterra® - 3500 lbs/acre rate for 34% - 49% slope	\$975.00	\$15,625.00	\$15,000.00	\$6,000.00	\$12,000.00
Flexterra® - 4000 lbs/acre rate for 50% - 100% slope	\$1,185.00	\$17,500.00	\$17,500.00	\$6,700.00	\$13,000.00
Flexterra® - 4500 lbs/acre rate for > 100% slope	\$1,250.00	\$25,000.00	\$20,000.00	\$6,700.00	\$15,000.00
Additional - 12" Filter Soxx	\$229.00	\$15.00	\$10.00	\$13.50	\$12.00
Additional - 18" Filter Soxx	\$229.00	\$22.50	\$18.00	\$22.50	\$15.00
Additional - 24" Filter Soxx	\$229.00	\$30.00	\$25.00	\$30.00	\$20.00
French Drain	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Drain Away™ Panel Drain	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trench Breaker Drain per ES-0017C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trench Breaker Drain per ES-0017D	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Catch Basin Inserts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Run-on and Run-off Swales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ENVIRONMENTAL PROTECTION SUBTOTAL					
Total Additional Costs	\$11,595.50	\$77,740.63	\$70,057.75	\$32,464.65	\$57,325.00
Total Contract Price:	\$534,341.50	\$1,384,206.44	\$1,223,064.19	\$869,755.38	\$993,300.00



GTM Pipeline Programs

Hidalgo Co. Tollroad
Class III Estimate
8/20/2021

WBS	WBS Code	Description	Original Unclassified Estimate	Revised Class III Estimate	With betterment % applied
01.00		Prime Contractor - Lay Price			
	01.09	CON - Mobilization	\$100,000	\$329,154	\$194,201
	01.01	CON - Clearing / Grading 10% of Lay Price	35,789	\$0	\$0
	01.02	CON - Ditching 10% of Lay Price	35,789	\$0	\$0
	01.03	CON - Stringing 5% of Lay Price	17,895	\$0	\$0
	01.04	CON - Welding 30% of Lay Price	107,361	\$0	\$0
	01.05	CON - Coating 5% of Lay Price	17,895	\$0	\$0
	01.06	CON - Lower-in / Tie-in 10% of Lay Price	35,789	\$0	\$0
	01.07	CON - Backfilling / Padding 10% of Lay Price	35,789	\$0	\$0
	01.08	CON - Clean-Up 20% of Lay Price	71,572	\$0	\$0
	01.10	CON - Demobilization	\$0	\$0	\$0
		01.00 Prime Contractor - Lay Price	\$457,879	\$329,154	\$194,201
02.00		Prime Contractor - General			
	02.01	CON - Mobilization	\$0	\$258,621	\$152,586
	02.02	CON - Site Work	\$0	\$0	\$0
	02.03	CON - Foundations	\$0	\$0	\$0
	02.04	CON - Equipment	\$0	\$0	\$0
	02.05	CON - Open Cuts	\$0	\$0	\$0
	02.06	CON - Road / Railroad Bores	\$0	\$0	\$0
	02.07	CON - Waterbody Crossings	\$0	\$0	\$0
	02.08	CON - HDD	\$0	\$0	\$0
	02.09	CON - Fab & Install	\$0	\$0	\$0
	02.10	CON - Pressure Testing / Start-Up	\$65,000	\$0	\$0
	02.11	CON - Electrical	\$0	\$0	\$0
	02.12	CON - Instrumentation	\$0	\$0	\$0
	02.13	CON - Paint / Coating / Insulation	\$0	\$0	\$0
	02.15	CON - Contractor Services	\$0	\$0	\$0
	02.24	CON - Retirement / Removal / Abandonments	\$175,500	\$0	\$0
	02.25	CON - Performance / Payment Bonds	\$8,629	\$0	\$0
	02.27	CON - Extra Work (Unit Pay Items)	\$56,195	\$0	\$0
	02.28	CON - Environmental Protection	\$6,500	\$0	\$0
	02.29	CON - Change Orders	\$41,089	\$0	\$0
	02.34	CON - Demobilization	\$0	\$0	\$0
		02.00 Prime Contractor - General	\$352,913	\$258,621	\$152,586
03.00		Rotating Equipment			
	03.01	MAT - Prime Movers and Compressor Sets	\$0	\$0	\$0
	03.02	MAT - Air Compressors	\$0	\$0	\$0
	03.03	MAT - Generators	\$0	\$0	\$0
		03.00 Rotating Equipment	\$0	\$0	\$0
04.00		Engineered Equipment			
	04.01	MAT - Coolers	\$0	\$0	\$0
	04.02	MAT - Heaters	\$0	\$0	\$0
	04.03	MAT - Buildings	\$0	\$0	\$0
	04.04	MAT - Tanks / Vessels	\$0	\$0	\$0
	04.05	MAT - Scrubbers / Filter Separators	\$0	\$0	\$0
	04.07	MAT - Fabrications - General	\$0	\$0	\$0
		04.00 Engineered Equipment	\$0	\$0	\$0
05.00		Pipe			
	05.01	MAT - Pipe - 30" & Larger	\$54,302	\$54,302	\$32,036
	05.02	MAT - Pipe - 16" - 26"	\$0	\$0	\$0
	05.03	MAT - Pipe - 14" & Smaller	\$0	\$0	\$0
	05.04	MAT - Pipe Bends	\$0	\$0	\$0
		05.00 Pipe	\$54,302	\$54,302	\$32,036
06.00		Valves			
	06.01	MAT - Valves - 30" & Larger	\$0	\$0	\$0
	06.02	MAT - Valves - 16" - 26"	\$0	\$0	\$0
	06.03	MAT - Valves - 14" & Smaller	\$0	\$0	\$0
		06.00 Valves	\$0	\$0	\$0
07.00		General Materials			
	07.01	MAT - Materials General	\$2,410	\$2,410	\$1,422
	07.02	MAT - Fittings & Flanges	\$0	\$0	\$0
	07.03	MAT - Spare Parts / Bundles	\$0	\$0	\$0
	07.04	MAT - Freight & Handling	\$5,498	\$5,498	\$3,244
	07.05	MAT - Sales / Use Tax	\$7,531	\$7,531	\$4,443
		07.00 General Materials	\$15,439	\$15,439	\$9,105
08.00		Electrical & Instrumentation			
	08.01	MAT - Power	\$0	\$0	\$0
	08.02	MAT - Controls	\$0	\$0	\$0
	08.03	MAT - Instrumentation	\$0	\$0	\$0
	08.04	MAT - Meters	\$0	\$0	\$0
	08.05	MAT - Regulators	\$0	\$0	\$0
		08.00 Electrical & Instrumentation	\$0	\$0	\$0
10.00		Engineering & Design			
	10.01	ENG - Design Services	\$80,369	\$76,360	\$76,360
	10.02	ENG - Testing Services	\$0	\$0	\$0
	10.03	ENG - Geo-Tech / HDD Services	\$0	\$0	\$0
	10.04	ENG - EPC Substation	\$0	\$0	\$0
	10.05	ENG - Storage Permits	\$0	\$0	\$0
	10.06	ENG - Engineering Design Consultants	\$0	\$0	\$0
	10.07	ENG - Commissioning Services	\$0	\$0	\$0
	10.08	ENG - Close Out & As-Builts	\$374	\$0	\$0
		10.00 Engineering & Design	\$80,743	\$76,360	\$76,360
11.00		Right of Way			
	11.01	ENG - ROW Permitting Fees	\$0	\$0	\$0
	11.02	ENG - ROW Acquisitions	\$19,050	\$11,750	\$6,933
	11.03	ENG - ROW Acquisition Fee Simple	\$0	\$0	\$0
	11.04	ENG - ROW Agents	\$240,000	\$63,000	\$37,170

Split*	Estimate Notes
N/A	All construction costs are % based with the exception of mobilization
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N/A	
N/A	All construction costs are % based with the exception of mobilization
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N/A	Won't apply to this project
N/A	
N/A	Won't apply to this project
N/A	
%	% based on LF
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%	
%	
%	Freight & Handling, default is 3%
%	Sales Tax, use % provided by Accounting
<u>%</u>	
N/A	Won't apply to this project
N/A	
N/A	Design remained static regardless of additional pipe footage
N/A	
<u>N/A</u>	
N/A	Permits remain unchanged
N/A	Actual acquisitions costs
N/A	Actual fees
%	

11.05	ENG - ROW Legal Support	\$20,000	\$0	\$0		%	
11.06	ENG - ROW Damages	\$4,445	\$4,881	\$4,881	N/A	Actual damages for effected parcels	
11.07	ENG - ROW Other	\$20,000	\$0	\$0	%		
	11.00 Right of Way	\$303,495	\$79,631	\$48,984			
12.00	Environmental Permitting						
12.01	ENV - Bio Field Surveys	\$4,000	\$4,000	\$2,360	%	Survey work is % based	
12.02	ENV - Cultural Resources Surveys	\$18,500	\$18,500	\$10,915	%	Survey work is % based	
12.03	ENV - FERC Application	\$0	\$0	\$0	N/A		
12.04	ENV - Permit Application, Federal, State, County & Local	\$8,000	\$8,000	\$8,000	N/A	Permit is static	
12.05	ENV - Air Permitting	\$0	\$0	\$0	N/A		
12.06	ENV - FERC 3rd Party EA / EIS	\$0	\$0	\$0	N/A		
12.07	ENV - Environmental Inspection	\$100,000	\$20,000	\$11,800	%	Inspection is % based	
12.08	ENV - FERC 3rd Party Construction Monitoring	\$0	\$0	\$0	N/A		
12.09	ENV - Cultural Resources / Data Recoveries	\$0	\$0	\$0	N/A		
12.10	ENV - Environmental Mitigation	\$0	\$0	\$0	N/A		
12.11	ENV - Waste Sampling / Disposal	\$0	\$0	\$0	N/A		
12.12	ENV - Hydrostatic Testing Sampling / Disposal	\$10,000	\$10,000	\$10,000	N/A	Test sampling is static	
12.13	ENV - Post Construction Monitoring / Reporting	\$10,000	\$10,000	\$5,900	%	Post construction monitoring is % based	
	12.00 Environmental Permitting	\$150,500	\$70,500	\$48,975			
13.00	Construction Services						
13.01	CSV - Core Staff Services	\$148,843	\$60,000	\$35,400	%	All construction services are % based	
13.02	CSV - Inspection Services	\$159,726	\$156,191	\$92,153	%		
13.03	CSV - Survey Services	\$72,000	\$49,950	\$29,471	%		
13.04	CSV - X-Ray / UT Services	\$87,000	\$45,908	\$27,086	%		
13.05	CSV - Consulting Services	\$0	\$0	\$0	%		
13.06	CSV - Yard & Warehouse Services	\$0	\$0	\$0	%		
13.07	CSV - General Construction Expenses	\$13,658	\$9,100	\$5,369	%		
	13.00 Construction Services	\$481,227	\$321,149	\$189,478	%		
14.00	Intercompany Services						
14.01	ICS - Supply Chain Services	\$0	\$0	\$0	N/A		
14.02	ICS - Transmission Services	\$45,755	\$45,755	\$45,755	%	Transmission cost is static - same activities irregardless of pipe footage	
14.03	ICS - PR Services	\$0	\$0	\$0	N/A		
14.04	ICS - Legal Services	\$0	\$0	\$0	N/A		
14.05	ICS - Quality & Expediting Services	\$1,170	\$1,170	\$690	%	% based -- Quality & Expediting default is 2%	
14.07	ICS - GR Services	\$0	\$0	\$0	N/A		
	14.00 Intercompany Services	\$46,925	\$46,925	\$46,445			
15.00	General Project Expenses						
15.01	GEN - Gas Pack & Purge	\$22,492	\$22,492	\$22,492	N/A	Gas purge and pack is static	
15.03	GEN - Power & Gas Agreements	\$0	\$0	\$0	N/A		
15.05	GEN - Insurance & Bonds	\$1,108	\$1,108	\$654	%	Bonds are value based so also % based	
15.06	GEN - General Expenses	\$0	\$0	\$0	N/A	Project Staff (contract)	
15.07	GEN - Ad Valorum Tax	\$0	\$0	\$0	N/A		
	15.00 General Project Expenses	\$23,600	\$23,600	\$23,146			
16.00	Company Labor & Overhead						
16.01	EMP - Engineering Labor & Expenses	\$31,529	\$31,529	\$31,529	N/A	Overhead is static, unchanged by footage increase	
16.02	EMP - Transmission Labor & Expenses	\$78,405	\$78,405	\$78,405	N/A	Transmission overhead same as above	
16.03	EMP - General Company Labor & Exp	\$0	\$0	\$0	N/A		
16.04	EMP - A & G	\$141,681	\$86,472	\$51,019	%	A&G, default is 6%	
	16.00 Company Labor & Overhead	\$251,615	\$196,406	\$160,953			
17.00	Contingency						
17.01	CTG - Contingency	\$308,000	\$0	\$0	N/A	Contingency removed. Default is 15%	
	17.00 Contingency	\$308,000	\$0	\$0	N/A		
18.00	Escalation						
18.01	Escalation	\$0	\$0	\$0	N/A	Escalation, default is 3%	
	18.00 Escalation	\$0	\$0	\$0	N/A		
19.00	AFUDC						
19.01	AFUDC - Equity	\$38,910	\$0	\$0	N/A	Determined non-compensable by HCRMA.	
19.02	AFUDC - Debt	\$16,676	\$0	\$0	N/A	Determined non-compensable by HCRMA.	
	19.00 AFUDC	\$55,585	\$0	\$0	N/A		
	Total	\$2,582,223	\$1,472,087	\$982,275			

*Split key:

% - 59% betterment ratio applied (59% HCRMA, 41% TETLP)

N - No ratio applied

A - Actual cost

N/A - Not applicable

Attachment "A"

Plans, Specifications, and Estimated Costs

All material items that must meet Buy America or Steel and Iron Preference Provision requirements must be indicated with an asterisk (*).

PROVIDE DETAILED ESTIMATE

PROVIDE PLAN SPECIFICATIONS

Initial _____ Date _____
HCRMA

Initial _____ Date _____
Utility



Material Statement

Form 1818
Rev. 08/12)
(a.k.a. Form D-9-USA-1)

Sheet 1 of 1

Supplier: ArcelorMittal
Address: Burns Harbor, IN
Contract No.:

County: Hidalgo County
Project: Hidalgo Co. Tollroad
Control: _____
Contractor: Texas Eastern Transmission, LP

This is to certify that the materials listed above and on the attached supplement (if attached) are in conformance with the governing specification(s). This is to also certify that all manufacturing processes for steel and iron materials or for the application of coatings (epoxy, galvanizing, painting or any other coating that protects or enhances the value of the steel or iron metal) to these materials occurred in the United States of America. Manufacturing processes are defined as all processes required to change the raw ore or scrap metal into the finished in-place steel or iron product. The attached mill test reports (MTRs) and Certifications (Cert.) are offered as proof of Domestic Origin.

Subscribed and sworn to before me this 3 day of

September 1 2021

Notary Public

My Commission expires:

Commonwealth of Pennsylvania - Notary Seal
Sandra L. Moses, Notary Public
Westmoreland County
My commission expires May 31, 2025
Commission number 1116370

Member, Pennsylvania Association of Notaries

I declare under penalty of perjury under the laws of the United States of America and the State of Texas that the foregoing is true and correct and that I am authorized to sign for the Firm listed below.

(Authorized Corporate Official Signature)

Date

Vice President - Commerce

(Type Name and Title)

Dura-Bond Pipe
(Firm Name)

(Firm Name)

SSC DOC EXP

From: Stephen Rapp
Sent: Monday, July 19, 2021 12:58 PM
To: SSC DOC EXP
Cc: vendor.inspection; CHERAE STEPHENS; Debbie Honish; Ronald Spencer
Subject: RE: PO 3100062681 Line 10 - MTR Approval (Edgen 2422130)

MTR review has been completed.

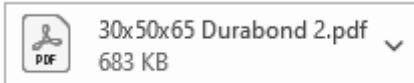
This pipe is suitable for service in USA only.

Steve

From: SSC DOC EXP <SSCDocExp@Enbridge.com>
Sent: Monday, July 19, 2021 9:19 AM
To: Stephen Rapp <Stephen.Rapp@enbridge.com>
Cc: vendor.inspection <vendor.inspection@enbridge.com>; CHERAE STEPHENS <CHERAESTEPHENS@enbridge.com>; Debbie Honish <Debbie.Honish@enbridge.com>; Ronald Spencer <Ronald.Spencer@enbridge.com>
Subject: FW: PO 3100062681 Line 10 - MTR Approval (Edgen 2422130)
Importance: High

Good Morning, Stephen

Please review the attached MTR and advise if approved.



Please ensure that the Enbridge Purchase Order Number is always included in the email subject line. Any emails that arrive with unrecognizable information in the subject line will be forwarded on as a Phishing Email, attachments will not be opened, and the email will not be recovered.

Thank you,

Tara Nunes

Expeditor
SCM Supply Service Delivery Assurance (Edmonton)

ENBRIDGE

TEL: 780-508-8014 | FAX: 780-392-4066 | tara.nunes@enbridge.com
10175 101 St NW, Edmonton, Alberta T5J 0H3 Canada

enbridge.com

Safety. Integrity. Respect. Inclusion.

From: Margaret Duta <Margaret.Duta@edgenmurray.com>
Sent: Monday, July 19, 2021 7:52 AM
To: SSC DOC EXP <SSCDocExp@Enbridge.com>
Cc: Debbie Honish <Debbie.Honish@enbridge.com>; Robert Coyle <bobby.coyle@edgenmurray.com>

DURA-BOND PIPE, LLC
LINE PIPE TEST REPORT
CERTIFICATE OF COMPLIANCE

Customer Customer Purchase Order
S13-81528

Dura-Bond Pipe Job No.
18-74-845-CP8

DURA-BOND PIPE, LLC
2716 SOUTH FRONT STREET
STEELTON, PA 17113

Product Description Specification
30" x 0.500" X65M API 5L 45th Ed. 07/01/13 PSL 2

Certification Date
October 05, 2018

Heat Number 802C36290
Heat Code 3671
Pipe Number C1622

Weld Charpy V Notch Test Results

Center Line	Ft-Lbs	@ +20°F	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
<u>Min. Avg./Min. Indiv.</u>	<u>15/11</u>	Orientation	3/4 Specimen Size
Energy No.1	82	Transverse	
Energy No.2	73	Transverse	
<u>Energy No.3</u>	<u>67</u>	Transverse	
Avg. Energy	74		

Heat Affected Zone	Ft-Lbs	@ +20°F	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
<u>Min. Avg./Min. Indiv.</u>	<u>15/11</u>	Orientation/Location	3/4 Specimen Size
Energy No.1	158	Transverse @ FL +2mm	
Energy No.2	173	Transverse @ FL +2mm	
<u>Energy No.3</u>	<u>156</u>	Transverse @ FL +2mm	
Avg. Energy	162		

I hereby certify that the above material has been manufactured, sampled, tested, and inspected in accordance with the above listed specification(s) and has been found to meet the requirements of the specification(s).

Material was melted and manufactured in the U.S.A

Approved By:

Mark J. Anderson

Date:
October 05, 2018

DURA-BOND PIPE, LLC
LINE PIPE TEST REPORT
CERTIFICATE OF COMPLIANCE

Customer Purchase Order
S13-81528

Dura-Bond Pipe Job No.
18-74-845-CP8

DURA-BOND PIPE, LLC
2716 SOUTH FRONT STREET
STEELTON, PA 17113

Product Description Specification
30" x 0.500" X65M API 5L 45th Ed. 07/01/13 PSL 2

Certification Date
October 05, 2018

Heat Number 802C36300
Heat Code 3672
Pipe Number B1612

Weld Charpy V Notch Test Results

Center Line	Ft-Lbs	@ +20°F	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
<u>Min. Avg./Min. Indiv.</u>	<u>15/11</u>	Orientation	3/4 Specimen Size
Energy No.1	57	Transverse	
Energy No.2	65	Transverse	
<u>Energy No.3</u>	<u>50</u>	Transverse	
Avg. Energy	57		

Heat Affected Zone Min. Avg./Min. Indiv.	Ft-Lbs 15/11	@ +20°F Orientation/Location	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement 3/4 Specimen Size
Energy No.1	151	Transverse @ FL +2mm	
Energy No.2	149	Transverse @ FL +2mm	
<u>Energy No.3</u>	<u>148</u>	Transverse @ FL +2mm	
Avg. Energy	149		

I hereby certify that the above material has been manufactured, sampled, tested, and inspected in accordance with the above listed specification(s) and has been found to meet the requirements of the specification(s). Material was melted and

Material was melted and manufactured in the U.S.A.

Approved By: Mark J. Anderson

Date:
October 05, 2018

DURA-BOND PIPE, LLC
LINE PIPE TEST REPORT
CERTIFICATE OF COMPLIANCE

Customer Purchase Order
S13-81528

Product Description
30" x 0.500" X65M

Specification
API 5L 45th Ed. 07/01/13 PSL 2

Dura-Bond Pipe Job No.
18-74-845-CP8

DURA-BOND PIPE, LLC
2716 SOUTH FRONT STREET
STEELTON, PA 17113

Certification Date
October 05, 2018

MFG. Process: Double Submerged Arc Welded - Type SAWL
Cold Expanded - No Heat Treatment of Pipe Body or Weld Seam.
Steel Plate Manufacturer: ArcelorMittal Burns Harbor, IN
Steel Melt and Slab Cast: ArcelorMittal Burns Harbor, IN

CE Max.	CE Max.
---------	---------

Chemistry Weight %	C	Mn	P	S	Si	Cu	Ni	Cr	Mo	V	Al	Nb	Ti	Ca	N	Sn	B	V+Nb+Ti	CE Max.
Heat Analysis	0.08	1.45	0.008	0.004	0.28	0.02	0.01	0.02	0.006	0.066	0.025	0.025	0.014	0.0028	0.006	0.004	0.0002	0.15%	IW Pcm
Product No.1	0.08	1.46	0.007	0.003	0.29	0.02	0.01	0.02	0.007	0.070	0.027	0.027	0.016	0.0031	0.004	0.004	0.0002	0.11	0.34 0.17
Product No.2	0.08	1.47	0.007	0.003	0.29	0.02	0.01	0.02	0.007	0.070	0.027	0.027	0.016	0.0032	0.004	0.004	0.0002	0.11	0.34 0.17
																		0.43 0.21	

Heat Code	3670	Heat Number	802C36280	Plates Received	49
Pipe Number	A1618				
Mechanical Tests	Yield	Tensile	Y/T Ratio	Elongation %	Tension Test Method
Spec. Min (psi)	65300	77600	0.93 Max.	24 Min.	
Spec. Max. (psi)	87000	110200			
Pipe Body T180 (psi)	71000	85100	0.83	32.8	0.5% E.U.L. 2" Gage 1½" Width

Element Ratios	Al:N	Ti:N
Heat Analysis	4.2	2.3
Product No.1	6.8	4.0
Product No.2	6.8	4.0

Weld Heat Test (psi)	89200	Pipe No. A1618
<u>Body Charpy Results Ft-Lbs</u>		
Min. Avg./Min. Indiv.	23/17	@+20°F 30/23 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
Energy No.1	108	Orientation/Location 3/4 Specimen Size
Energy No.2	112	T90 Transverse
Energy No.3	116	T90 Transverse
Avg. Energy	112	

Body Charpy Shear	% Shear
Sample Min.	75
Min. Heat Avg	85
Sample No. 1	100
Sample No. 2	100
Sample No. 3	100
Avg. % Shear	100

All pipes shipped on this order passed NDT requirements

FINAL NDT INSPECTION PER API 5L:

Ultrasonic Test of Weld Seam:

Ref. Standard: 1/16" Drilled Holes and N5 Notches
2" Long 1/8" Centerline End Hole

Radiographic Inspection of Weld:

Penetrometer: #12 ISO Wire

X-ray Ends 8" Min. with 2" Clear

100% SMYS for a Duration of 10 Seconds Minimum

90% SMYS for a Duration of 10 Seconds Minimum

Guided Bend Test Passed in accordance with specification.
Guided Bend Test Conducted on Pipe No. A1618

Hydrostatic Pressure Test

Tested Pressure Min. 2180 psi
Min. Specified Pressure 1960 psi

I hereby certify that the above material has been manufactured, sampled, tested, and inspected in accordance with the above listed
specification(s) and has been found to meet the requirements of the specification(s).
Material was melted and manufactured in the U.S.A.

Approved By: *Mark J. Anderson*

Date:
October 05, 2018

DURA-BOND PIPE, LLC
LINE PIPE TEST REPORT
CERTIFICATE OF COMPLIANCE

DURA-BOND PIPE, LLC
2716 SOUTH FRONT STREET
STEELTON, PA 17113

Customer Purchase Order
S13-81528

Dura-Bond Pipe Job No.
18-74-845-CP8

Certification Date
October 05, 2018

Product Description
30" x 0.500" X65M

Specification
API 5L 45th Ed. 07/01/13 PSL 2

Heat Number
802C36280

Heat Code
3670

Pipe Number
A1618

Weld Charpy V Notch Test Results			
		@ +20°F	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
Center Line	Ft-Lbs	Orientation	3/4 Specimen Size
<u>Min. Avg./Min. Indiv.</u>	<u>15/11</u>	Transverse	
Energy No.1	65	Transverse	
Energy No.2	70	Transverse	
<u>Energy No.3</u>	<u>75</u>	Transverse	
Avg. Energy	70		

		@ +20°F	20/15 Ft-Lbs Min. Avg./Min. Ind. Full Size Requirement
Heat Affected Zone	Ft-Lbs	Orientation/Location	3/4 Specimen Size
<u>Min. Avg./Min. Indiv.</u>	<u>15/11</u>	Transverse @ FL +2mm	
Energy No.1	128	Transverse @ FL +2mm	
Energy No.2	160	Transverse @ FL +2mm	
<u>Energy No.3</u>	<u>140</u>	Transverse @ FL +2mm	
Avg. Energy	143		

I hereby certify that the above material has been manufactured, sampled, tested, and inspected in accordance with the above listed specification(s) and has been found to meet the requirements of the specification(s).

Material was melted and manufactured in the U.S.A.

Approved By:

Mark J. Anderson

Date:
October 05, 2018

DWG. NO.	DWG. TITLE
GENERAL	
MEXI-C-8010	COVER SHEET
MEXI-L-1000	AREA LOCATION MAP
MEXI-X-2001	FLOW SCHEMATIC - PLD
LOCATION	
MEXI-A-1001	ALIGNMENT
MEXI-W-1001	WORKSPACE AND ACCESS ROAD DETAILS
MEXI-R-1001	REMOVAL ALIGNMENT
MEXI-R-1002	REMOVAL DETAILS

DWG. NO.	DWG. TITLE
STANDARD SHEETS	
SHEET 1 OF 2	
SA-5005	TEMPORARY FENCE AND GATE DETAILS
SF-9001	LINE MARKER TEST SITE
SF-9005	PIN BRAZE CONNECTION
SHEET 2 OF 2	
SG-0003	PIPELINE MARKER
SG-0004	PIPELINE AERIAL MARKER
SP-1000	PIPELINE CROSSING MAT
SA-4010	TEMPORARY PIPE SUPPORT
ENVIRONMENTAL DETAILS	
SHEET 1 OF 2	
ES-0001	TYPICAL TRENCH DETAIL
ES-0002	RIGHT-OF-WAY TOPSOIL SEGREGATION TECHNIQUES
ES-0004	TYPICAL CONSTRUCTION WIDTHS NOT ACQUIRING NEW PERMANENT RIGHT-OF-WAY (SINGLE LINE SYSTEM)
ES-0006	ACCESS ROAD CROSS SECTION
ES-0007	ROCK ACCESS PAD
ES-0008	TYPICAL TEMPORARY ACCESS ROAD THROUGH WETLANDS
SHEET 2 OF 2	
ES-0011	SILT FENCE DETAIL
ES-0012	STRAW BALE DETAIL
ES-0023	EROSION CONTROL FABRIC INSTALLATION
ES-0024	TYPICAL EROSION CONTROL BLANKETS ON SLOPES
ES-0025	FILTER BAG
ES-0026	DISCHARGE STRUCTURE FOR HYDROSTATIC TEST WATER
ES-0029	TEMPORARY EQUIPMENT BRIDGE (EQUIPMENT PADS WITH OR WITHOUT CULVERTS)

DWG. NO.	DWG. TITLE

MEXI-STFE

HIDALGO TOLL ROAD REPLACEMENT

30" LINE 16

MP 6.49 TO MP 6.67

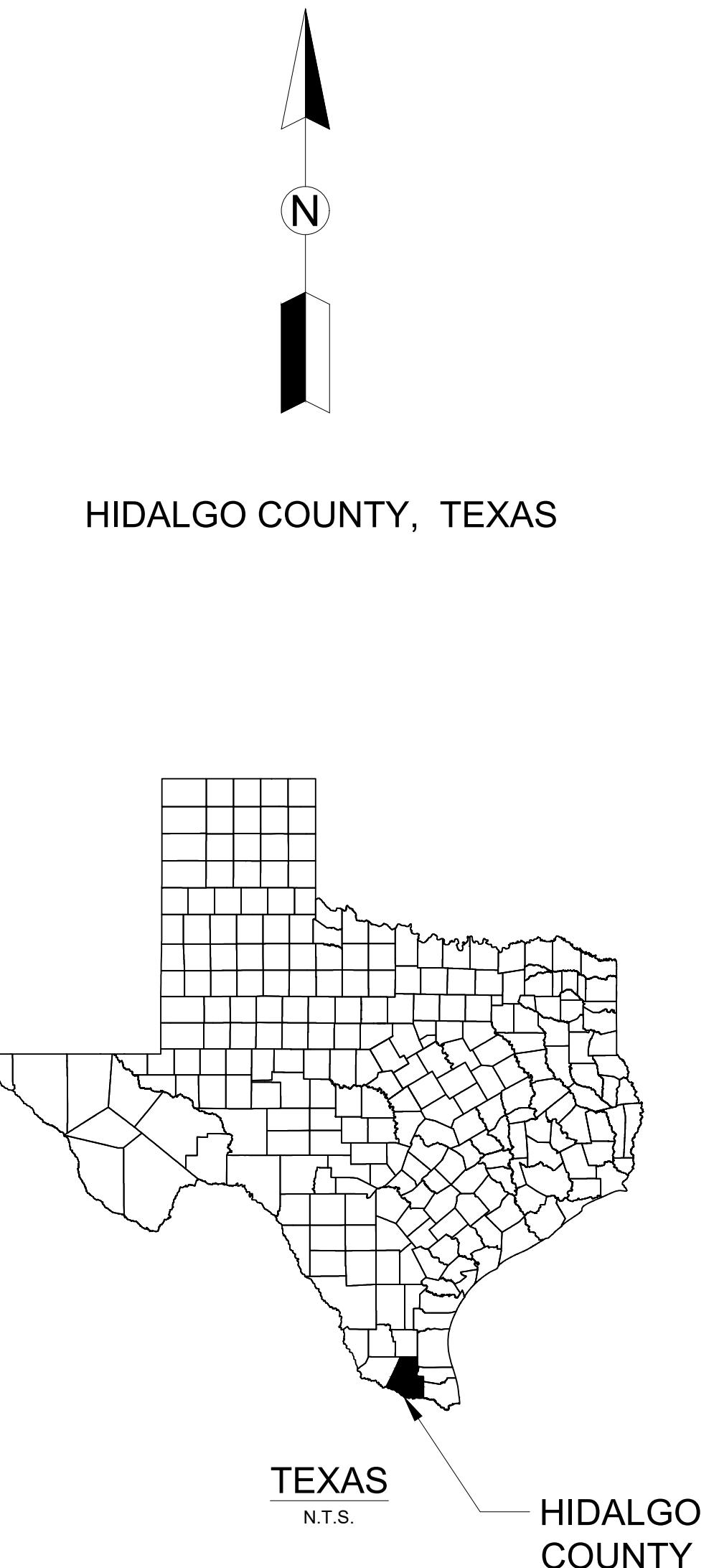
HIDALGO COUNTY, TX

DATE	ISSUE	APPROVALS			
		LEAD DFRS.	SECT. SUPV.	PROJ. ENG./ DESIGN ENG.	PROJ. MGR./ DESIGN MGR.
06/23/21	<input type="checkbox"/> PRELIMINARY (P2)			EW/JP (ENE)	EW (ENE)
07/08/21	<input checked="" type="checkbox"/> PRELIMINARY (P3)			EW/JP (ENE)	EW (ENE)
07/08/21	<input checked="" type="checkbox"/> BID			EW/JP (ENE)	EW (ENE)
08/11/21	<input checked="" type="checkbox"/> CONSTRUCTION			EW/JP (ENE)	EW (ENE)
	<input type="checkbox"/> AS-CONSTRUCTED				

EXHIBIT A
CONTRACT NO. E-_____
PLANT W.O. NO._____
PIPELINE W.O. NO. MC.00022.146.10.01
YEAR 2021



Texas Eastern Transmission, LP
5400 Westheimer Ct. Houston, TX 77056-5310 713 / 627-5400



SITE LOCATIONS:

Begin Lat: 26° 7' 17.69" N, Long: 98° 10' 34.97" W
End Lat: 26° 7' 23.35" N, Long: 98° 10' 26.24" W

DWG. NO.	REFERENCE DWG.	REV	DSN	CK	ISSUED FOR CONSTRUCTION (IFC)	PREPARED BY:	ENGINEERING APPROVALS			MEXI-STFE HIDALGO TOLL ROAD REPLACEMENT 30" LINE 16 AREA LOCATION MAP	LOC. HIDALGO COUNTY, TX	ENBRIDGE®	
							DRAWN BY:	BID	CONSTRUCTION				
IG#MEXI-L-1000.dwg						Engineering 28750 100th Street Warrenville IL 60093 TEL 630-583-4000 FAX 630-583-7777 WWW.ENBRIDGE.COM	DM					TITLE SIGNATURE DATE SIGNATURE DATE	YEAR: 2021 W.O. MC.000022.146.10.01 SCALE: AS NOTED DWG. MEXI-L-1000 REV. 0

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Item 3C

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>3C</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>01/18/22</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>01/25/22</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: RESOLUTION 2022-07 -- CONSIDERATION AND APPROVAL OF CONTRACT AMENDMENT NO. 1 TO THE CONSTRUCTION CONTRACT WITH PULICE CONSTRUCTION INC. FOR THE 365 TOLLWAY PROJECT FROM US 281/MILITARY HIGHWAY TO FM 396 (ANZALDUAS HIGHWAY)
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Approving Resolution 2022-07 -- Consideration and Approval of Contract Amendment No. 1 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from US 281/Military Highway to FM 396 (Anzalduas Highway).
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No X N/A
5. Staff Recommendation: Motion to approve Resolution 2022-07 -- Consideration and Approval of Contract Amendment No. 1 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from US 281/Military Highway to FM 396 (Anzalduas Highway), as presented.
6. Program Manager's Recommendation: Approved Disapproved X None
7. Planning Committee's Recommendation: Approved Disapproved X None
8. Board Attorney's Recommendation: X Approved Disapproved None
9. Chief Auditor's Recommendation: Approved Disapproved X None
10. Chief Financial Officer's Recommendation: Approved Disapproved X None
11. Chief Development Engineer's Recommendation: Approved Disapproved X None
12. Chief Construction Engineer's Recommendation: Approved Disapproved X None
13. Executive Director's Recommendation: X Approved Disapproved None

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
BOARD RESOLUTION No. 2022-07

CONSIDERATION AND APPROVAL OF CONTRACT AMENDMENT NO. 1 TO
THE CONSTRUCTION CONTRACT WITH PULICE CONSTRUCTION INC. FOR
THE 365 TOLLWAY PROJECT FROM US 281/MILITARY HIGHWAY TO FM 396
(ANZALDUAS HIGHWAY)

THIS RESOLUTION is adopted this 25th day of January, 2022, by the Board of Directors of the Hidalgo County Regional Mobility Authority.

WHEREAS, the Hidalgo County Regional Mobility Authority (the “Authority”), acting through its Board of Directors (the “Board”), is a regional mobility authority created pursuant to Chapter 370, Texas Transportation Code, as amended (the “Act”);

WHEREAS, on November 17, 2005, the Texas Transportation Commission (the “Commission”) created the Authority pursuant to (i) the Act; (ii) Title 43, Texas Administrative Code; (iii) a petition of the Hidalgo County Commissioners Court (the “County”); and (iv) findings by the Commission that the creation of the Authority would result in certain direct benefits to the State of Texas (the “State”), local governments, and the traveling public and would improve the State’s transportation system;

WHEREAS, on August 8, 2021, 2021, the Authority published bid documents (including the “Contract”, attached hereto as Exhibit A - Contract) for the 365 Tollway (the “Project”); and

WHEREAS, bid proposals were received October 13, 2021; and of the three bidders, Contractor was identified as the lowest, responsive, responsible bidder (the “Contractor”); and

WHEREAS, on October 26, 2021, the Authority issued a conditional award of contract to Contractor; and

WHEREAS, Section V of the Contract provides for a post-award value engineering change proposal (“VECP”) process; and

WHEREAS, on November 11, 2021 the Contractor and the Authority entered into Change Order No. 1 initiating the VECP process (incorporated herein and attached hereto as Exhibit B – Change Order No. 1); and

WHEREAS, on December 21, 2021 the Contractor and the Authority entered into Change Order No. 2 authorizing Project Savings and payment for the design fees supporting the Project Savings and on January 6, 2022, the Texas Department of Transportation issued its concurrence to Change Order No. 2; and

WHEREAS, Change Order No. 2 amends the plans and specifications attached to the Contract and will be incorporated into the Scope of Work; and

WHEREAS, Change Order No. 2 does not amend the time for performance or add any additional working days under the Contract; and

WHEREAS, the Board finds it to be in the best interest of the Authority to incorporate the terms, concepts, and intention of the VECP Change Order No. 2, into Contract Amendment No. 1;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Hidalgo County Regional Mobility Authority that:

Section 1. The recital clauses are incorporated in the text of this Resolution as if fully restated.

Section 2. The Board hereby approves the Contract Amendment No. 1 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from U.S. 281/Military Highway to FM 396 (Anzalduas Highway), attached hereto as Exhibit A.

Section 3. The Board hereby authorizes the Executive Director to execute Contract Amendment No. 1 to the construction contract with Pulice Construction Inc. for the 365 Tollway Project from U.S. 281/Military Highway to FM 396 (Anzalduas Highway).

PASSED AND APPROVED AS TO BE EFFECTIVE IMMEDIATELY BY
THE BOARD OF DIRECTORS OF THE HIDALGO COUNTY REGIONAL
MOBILITY AUTHORITY AT A SPECIAL MEETING on the 25th day of January, 2022,
at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Attest:

Ezequiel Reyna, Jr., Secretary/Treasurer

EXHIBIT A

CONTRACT AMENDMENT NO. 1 TO THE CONSTRUCTION CONTRACT WITH
PULICE CONSTRUCTION INC. FOR THE 365 TOLLWAY PROJECT FROM US
281/MILITARY HIGHWAY TO FM 396 (ANZALDUAS HIGHWAY)

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

365 TOLL PROJECT (Contract No. 0921-02-368)

CONTRACT AMENDMENT NO. 1

This Contract Amendment No. 1 is a supplemental agreement amending that certain Contract No. 0921-020368 for the construction of the 365 Toll Project, by and between the Hidalgo County Regional Mobility Authority (the “Authority” or “Owner”) and Pulice Construction, Inc. (the “Contractor”), effective as of December 21, 2021 (the “Effective Date”) and incorporating the terms and conditions of Change Order No. 2 into the Contract.

RECITALS

WHEREAS, on August 8, 2021, the Authority published bid documents (including the “Contract”, attached hereto as Exhibit A - Contract) for the 365 Tollway (the “Project”); and

WHEREAS, bid proposals were received October 13, 2021; and of the three bidders, Contractor was identified as the lowest, responsive, responsible bidder (the “Contractor”); and

WHEREAS, on October 26, 2021, the Authority issued a conditional award of contract to Contractor; and

WHEREAS, Section V of the Contract provides for a post-award value engineering change proposal (“VECP”) process; and

WHEREAS, on November 11, 2021 the Contractor and the Authority entered into Change Order No. 1 initiating the VECP process (incorporated herein and attached hereto as Exhibit B – Change Order No. 1); and

WHEREAS, on December 21, 2021 the Contractor and the Authority entered into Change Order No. 2 authorizing Project Savings (defined therein) and payment for the design fees supporting the Project Savings (incorporated herein and attached hereto as Exhibit C – Change Order No. 2) and on January 6, 2022, the Texas Department of Transportation issued its concurrence to Change Order No. 2; and

WHEREAS, Change Order No. 2 amends the plans and specifications attached to the Contract and will be incorporated into the Scope of Work; and

WHEREAS, Change Order No. 2 does not amend the time for performance or add any additional working days under the Contract; and

WHEREAS, to incorporate the terms, concepts, and intention of the VECP Change Order No. 2, the parties agree to the contract amendments stated below;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements authorized herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. CONTRACT PRICE. “Section D. Proposal” is amended to include the following:

Section D-1. Value Engineering Change Proposal Contract Price

Contractor has submitted and Owner hereby accepts a reduction in Project cost of \$38,163,935.40 (the “Savings”), revising the Contract price to: \$281,723,797.95 (the “Contract Price”). During the VECP process, Contractor confirmed quantities and unit pricing for each unit in the Contract. Items included in the Savings have been conceptually designed by Contractor to 30% of final design (the “Schematics”). Change Order No. 2 attached hereto provides the final units, quantities, and unit pricing under the Contract.

SECTION 2. CONTRACT DOCUMENTS. To the extent specific terms in Change Order No. 2 conflict with the terms of “Section E. Bid”, Change Order No. 2 shall prevail, as provided for in “Section M. Contract Agreement”.

SECTION 3. CONTRACT AGREEMENT. “Section M. Contract Agreement” is amended as follows:

(i) Paragraph 3 is restated in its entirety as follows:

This Contract was conditionally awarded on the basis of the Official Total Bid Amount based on the unit price Bid of TWO HUNDRED NINETY FIVE MILLION, NINE HUNDRED THIRTY TWO THOUSAND, FOUR HUNDRED TWENTY dollars and TWENTY FIVE Cents (\$295,932,420.25); provided that the Contract price could be financed. The parties entered into the Value Engineering Change Proposal (“VECP”) process to identify cost savings to bring the Project costs in line with the Authority’s financing capacity. In accordance with Change Order No. 2, the contract price is amended to \$281,723,797.95 (the “Contract Price”).

(ii) Paragraph 4 is restated in its entirety as follows:

During the VECP process, Contractor confirmed quantities and unit pricing for each unit in the Contract. Items included in the Savings have been conceptually designed by Contractor’s design engineer to 30% of final design (the “Schematics”). Change Order No. 2 provides the final units, quantities, and unit pricing under the Contract. The Authority agrees to pay Contractor the Contract Price, subject to the conditions set forth in the Specifications.

(iii) “Section e” is amended to add a new provision after “The Work will be Substantially Complete within one thousand two hundred sixty four (1264) calendar days after receipt of the initial Notice to Proceed (“NTP”).”:

Time charges will be suspended for thirty (30) days after the NTP. Contractor agrees that this suspension shall not impact the Bid price guarantee provided for in “Section F. Attachments. Attachment A – Bidder Certificate.”

(iv) “Section r” is amended to include “Section r-1”

IN PREPARING THE VECP CHANGE ORDER NO. 2 CHANGES, CONTRACTOR ENGAGED ONE OR MORE PROFESSIONAL ENGINEERS, INCLUDING OTHON ENGINEERING (A “SUBCONTRACTOR” OR THE “VECP ENGINEER”) TO UNDERTAKE DESIGN AND ENGINEERING ON CONTRACTOR’S BEHALF. THE VECP ENGINEER SHALL SEAL THE FINAL DESIGN UNDER THE VECP CHANGE ORDER.

SECTION 4. PERFORMANCE BOND. “Section N. Performance Bond” is replaced to reflect the Contract Price with Exhibit D – Performance Bond.

SECTION 5. PAYMENT BOND. “Section O. Payment Bond” is replaced to reflect the Contract Price with Exhibit E – Payment Bond.

SECTION 6. WARRANTY BOND. “Section P. Warranty Bond” is replaced to reflect the Contract Price with Exhibit F – Warranty Bond.

SECTION 7. ENGINEER’S SEAL. “Section R. Engineer’s Seal” is or shall be amended to include “Section R-1. VECP Engineer’s Seal” attached hereto as Exhibit G – VECP Engineer’s Seal for all concepts Contractor has designed as alternate designs with its VECP Engineer under Change Order No. 2.

SECTION 8. GENERAL NOTES. “Section S. General Notes” is amended as follows:

3. All improvements shall be constructed in accordance with the attached plans and specifications, including the plans and specifications provided by Contractor supporting the VECP concepts provided for in Change Order No. 2 (the “plans”).

7. The Contractor shall allow time for utility relocation. The Contractor shall allow time for environmental reevaluation of VECP concepts. The Contractor shall be entitled to a time extension(s) for critical path delays, if any, caused by utility relocations and/or environmental reevaluations of VECP concepts, provided Contractor provides a written Notice of Potential Time Impact as provided for in Section T, Item 8L, subsection 5.5.3, for such time extension. The extension must be approved by the Engineer in writing. There will be no compensation for down time related to VECP concepts and Contractor is not entitled to damages for delays regardless of the cause of the delays.

25. The Contractor shall provide final design for the VECP concepts approved in Change Order No. 2 as prepared by the VECP Engineer.

SECTION 9. VECP. “Section V. Value Engineering Change Proposals (VECP)” is amended as

follows:

(i) to correct a drafting error in Section 7:

7. *The ~~gross~~ net savings of any accepted FINAL VECP under this Contract shall be shared between the Owner and Contract as follows: Owner 40% and Contractor 60%.*

(ii) to add the following new sections:

8. *Unit pricing changes approved under a VECP change order, shall be agreed to by the parties as a change in the Scope of Work and shall not result in any (i) “Payment for Extra Work and Force Account Method” or (ii) significant change resulting in additional unit price adjustment unless expressly stated thereunder. Approved unit pricing under a VECP change order is deemed to include labor, insurance and taxes, materials, equipment, subcontracting, law enforcement, flaggers, costs related to required sureties, and other ancillary costs.*

9. *Items approved under a VECP change order shall not be subject to “Requests for Additional Compensation” purely on the basis of the Contractor’s proposed and approved changes. To the extent damages occur based on impacts that are the responsibility of the Authority, additional costs to Contractor may be applicable under Section 6, Item 4L, Section T of the Contract.*

10. *The Contractor’s share of the net savings described in Section 7 above includes the “Contractor’s Risk” that the actual costs of implementing the approved VECP changes may not result in the Savings approved by the parties. To the extent actual costs exceed the amounts approved by a VECP change order, all overages due to errors, oversights, omissions, additions, or corrections to final units, final quantities, or final unit pricing or cost increases shall be deducted from the Contractor’s 60% portion of the net savings.*

11. *The “Final Design” under a VECP change order means the final construction plans, specifications, reports, studies, calculations, electronic files, records, and related documents submitted by Contractor for review and comment to Owner, along with the required certifications and documentation demonstrating compliance with the Contract, including confirmation that all Engineer comments from any prior design stages have been addressed. The Engineer shall approve the Final Design on a schedule agreed to by the parties. Final Design must be prepared and sealed by the VECP Engineer, a qualified engineer licensed in the State of Texas.*

12. *At all times that professional services are rendered under a VECP change order respecting design and construction of the Project, until three years after the period of design and construction of the Project, Contractor shall procure and keep in force, or cause to be procured and kept in force, with Contractor listed as a named insured, professional liability insurance. The professional liability insurance policy shall provide coverage of liability of the party performing the*

professional services arising out of any negligent act, error, or omission in the performance of the professional services. Such insurance policy shall include coverage for bodily injury or property damage. Each policy shall have a limit of not less than \$2,000,000 per claim and in the aggregate. Such insurance shall provide an indemnified party endorsement for the benefit of the Owner and the Owner Indemnified Parties with regard to third party claims for bodily injury or property damage.

SECTION 10. INSURANCE CERTIFICATES. In compliance with Section 4.3, Item 3.L, Section T of the Contract, Contractor is attaching required Insurance Certificates hereto as Exhibit G (naming the Authority as an insured on each policy), including Builder's Risk Insurance which shall provide coverage for "all risks" of direct physical loss or damage to the portions or elements of the Project under construction including the perils of loss or damage by fire, collapse, lightning, explosion, vandalism and malicious mischief, civil commotion, aircraft, earthquake, earth movement, flood, storm, windstorm, hurricane, and tornado, subsidence and terrorism. The Builder's Risk policy shall contain extensions of coverage that are typical for a project of the nature of the Project including coverage for physical damage resulting from faulty workmanship and shall contain only those exclusions that are typical for a project of the nature of the Project. The Builder's Risk policy shall cover (i) all property, roads, buildings, structures, fixtures, materials, supplies, foundations, pilings, machinery and equipment that are part of or related to the portions of the Project under construction, and the works of improvement, including permanent and temporary works and materials, and including goods intended for incorporation into the works located at the Site, in storage or in the course of inland transit on land to the Site, (ii) all existing property and improvements that are within the construction work zone or are or will be affected by the construction work, and (iii) valuable papers and restoration of data, plans and drawings.

SECTION 11. RETAINAGE. "Section T, Governing Specifications and Special Provisions, Item 9L, subsection 8" is amended by adding a final sentence::

If requested by Contractor, Owner will not withhold retainage if Contractor provides a retention release bond acceptable to Owner. However, Owner shall still be entitled to pay out the VECP Savings Payments pursuant to the schedule set forth in Change Order No. 2.

[signature page to follow]

January 21, 2022

IN WITNESS WHEREOF, the Parties have executed this Amendment.

AUTHORITY

HIDALGO COUNTY REGIONAL MOBILITY
AUTHORITY

By: _____

Name: Pilar Rodriguez
Title: Executive Director

Date: _____

CONTRACTOR

PULICE CONSTRUCTION, INC.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBITS

- Exhibit A: Contract
- Exhibit B: Change Order No. 1
- Exhibit C: Change Order No. 2
- Exhibit D: Revised Payment Bond
- Exhibit E: Revised Performance Bond
- Exhibit F: Revised Warranty Bond
- Exhibit G: Insurance Certificates