

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, JULY 28, 2020**
TIME: **5:30 PM**
PLACE: **HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
TELECONFERENCE MEETING**

PRESIDING: S. DAVID DEANDA, JR, CHAIRMAN

MEMBERS OF THE PUBLIC ARE WELCOMBE TO PARTICIPATE REMOTELY BY TELEPHONE
DIAL-IN NUMBER : +1 956-413-7950
CONFERENCE ID: 256 420 774 #
WEBLINK: [Join Microsoft Teams 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. Hidalgo County Regional Mobility Authority Board of Directors Annual Ethics and Compliance Training.
2. Review of Quarterly Investment Report for Period Ending June 30, 2020 – HCRMA Staff.

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.
- 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 June 23, 2020 and Special Board Meeting held July 14, 2020.
- B. Approval of Project & General Expense Report for the period from June 6, 2020 to July 6, 2020.
- C. Approval of Financial Reports for June 2020.
- D. Approval of Quarterly Investment Report for the Period Ending June 30, 2020.
- E. Resolution 2020 – 19 – Authorizing Ivonne Rodriguez, Administrative Assistant, as a signatory for a Hidalgo County Regional Mobility Authority credit card with PlainsCapital Bank and authorizing monthly credit limit of \$5,000.

3. REGULAR AGENDA

- A. None.

4. CHAIRMAN'S REPORT

- A. None.

5. TABLED ITEMS

- A. Resolution 2020-12 – Approval of One Year Extension to the Professional Service Agreement with Hilltop Securities (First Southwest) to provide Financial Advisory Services to the Hidalgo County Regional Mobility Authority.

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 Texas Department of Transportation State Infrastructure Bank Loan for the 365 Tollway Project (Section 551.071 T.G.C.)
- B. Consultation with Attorney on legal issues pertaining to Professional Service Agreements for Engineering, Surveying and Environmental Services (Section 551.071 T.G.C.).
- C. 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.).
- D. 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.).
- E. 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.).
- F. 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.).
- G. Consultation with Attorney on personnel matters related to the COVID-19 pandemic (Section 551.074 T.G.C.).
- H. Consultation with Attorney regarding the terms and conditions of the Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020 (Section 551.071 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 22nd day of July 2020 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. 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."

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Workshop

Item 1

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>1</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>07/21/20</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>07/28/20</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: WORKSHOP ITEM 1 – PRESENTATION OF HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY BOARD OF DIRECTORS ANNUAL ETHICS AND COMPLIANCE TRAINING
2. Nature of Request: (Brief Overview) Attachments: Yes No
Presentation by Blakely Fernandez, Bracewell LLP, on Hidalgo County Regional Mobility Authority Board of Directors Annual Ethics and Compliance Training
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: **Presentation only.**
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

Hidalgo County Regional Mobility Authority

Ethics & Compliance Training

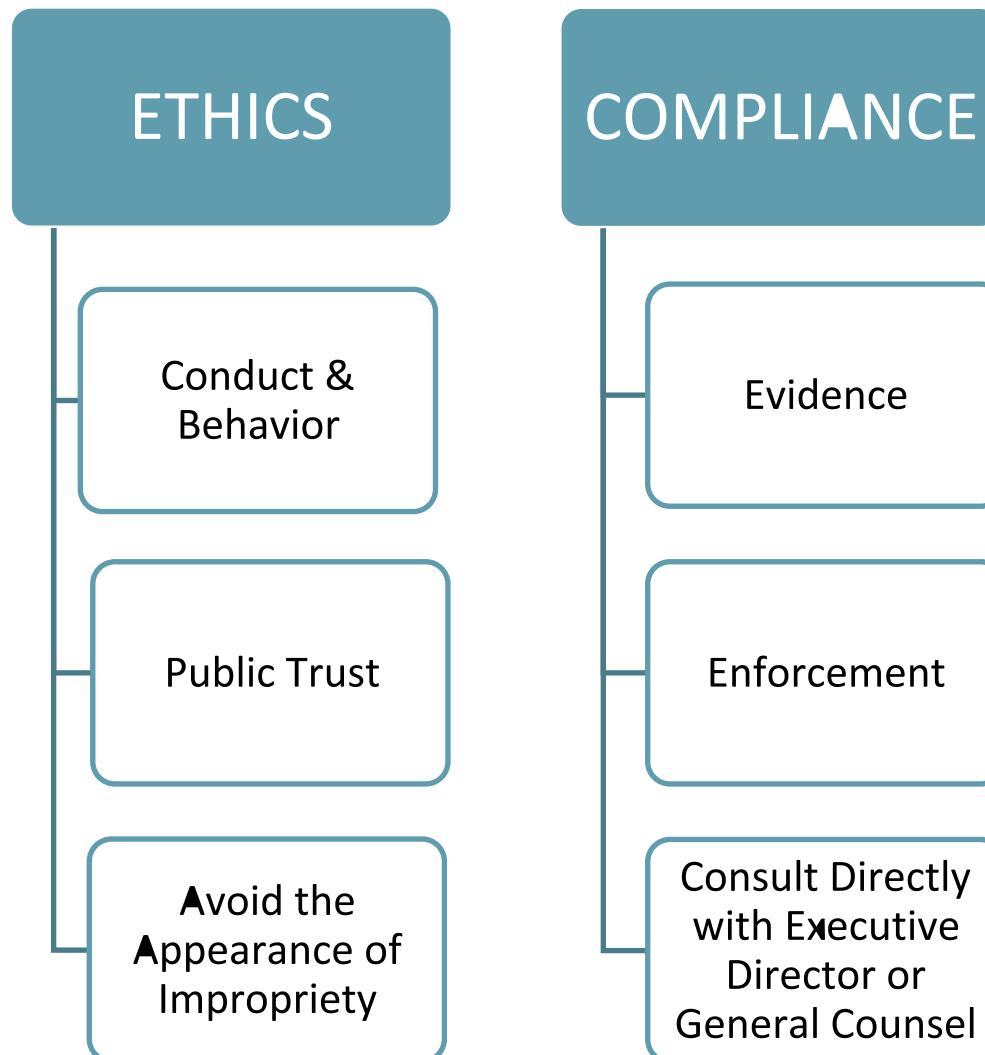
July 28, 2020



INTERNAL ETHICS & COMPLIANCE

RMAs required to **adopt** and **enforce** an internal ethics and compliance program

- Detect and prevent violations of the law, regulations and ethical standards
- Enforce compliance with program
- Institute monitoring and auditing systems
- Provide periodic training for Board Members and Employees



Overview of Discussion

7 KEY AREAS:

- Conflict of Interest
- Bribery & Gifts / Honoraria
- Use of Government Property
- Nepotism
- Open Government
- Public Information & Records Retention
- Compliance Requirements

STATE LAW | TXDOT RULES | HCRMA POLICIES

1. CONFLICT OF INTEREST



1. CONFLICT OF INTEREST

Under State law:

No participation in a vote on a matter involving a **business entity** or **property** in which an official has a **substantial business or property interest** and would receive **economic benefit**

Local Government Code, Chapter 171; violation is Class A misdemeanor

RESPONSIBILITY OF OFFICIAL

- 1. Don't vote or deliberate**
- 2. Disclose**

Thresholds are low:

Substantial Business Interest =
10% voting shares / 10% of total income /
\$15,000 in FMV

Substantial Property Interest =
value of \$2,500 or more

1. CONFLICT OF INTEREST

RMA RULES

- No acceptance or solicitation of any gift, favor or service that *might* influence official duties
- No employment, business or professional activity that *might* require/induce the disclosure of RMA's confidential information
- No employment or compensation that *could* impair independence of judgement
- No personal investments (including spouse) that *could* create a conflict with the RMA
- No solicitation or acceptance of any benefit for the exercise of official duties
- No performance of official duties in favor of another
- No personal interest in RMA agreement

RESPONSIBILITY OF OFFICIAL

- No lunches, dinners, trips that would be *perceived* to influence decisions
- No sharing HCRMA confidential information – information not yet public
- No purchase of land in or near projected ROW
- No interest in RMA contracts

1. CONFLICT OF INTEREST

RMA RULES

CONSEQUENCE FOR CONFLICTS IS

INELIGIBILITY FOR SERVICE

- A person is ineligible to serve on the RMA Board or as Executive Director if that person or his spouse:
 - Is employed by, manages, or owns (directly or indirectly more than 10%) a business entity or other organization that is regulated by or receives funds from TxDOT, the RMA, or the County
 - Uses or receives a substantial amount of tangible goods, services or funds from TxDOT, the RMA, or the County
 - Is required to register as a lobbyist

RESPONSIBILITY OF OFFICIAL

- Disclose potential conflicts
- If a conflict exists, resign from position

1. CONFLICT OF INTEREST

HCRMA Disclosure Requirements

- Board Ethics and Compliance Certificate
 - Annually
- Conflicts Disclosure Statement - Contracting
 - File within 7 days of becoming aware of interest
 - Applies to immediate family
 - Interest includes employment or business relations with an HCRMA vendor resulting in taxable income
 - Triggered by a contract

Similar certificate for consultants and contractors

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT		FORM CIS
(Instructions for completing and filing this form are provided on the next page.)		
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.</p> <p>1 Name of Local Government Officer</p> <p>2 Office Held</p> <p>3 Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code</p> <p>4 Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.</p> <p>5 List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100 during the 12-month period described by Section 176.003(a)(2)(B).</p> <p>Date Gift Accepted _____ Description of Gift _____</p> <p>Date Gift Accepted _____ Description of Gift _____</p> <p>Date Gift Accepted _____ Description of Gift _____</p> <p>(attach additional forms as necessary)</p> <p>6 AFFIDAVIT</p> <p>I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.</p> <p>Signature of Local Government Officer _____</p> <p>AFFIX NOTARY STAMP / SEAL ABOVE</p> <p>Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.</p> <p>Signature of officer administering oath _____ Printed name of officer administering oath _____ Title of officer administering oath _____</p>		OFFICE USE ONLY Date Received _____

2. BRIBERY & GIFTS

2. BRIBERY & GIFTS

Under State law:

Bribery is intentionally or knowingly soliciting, offering, or accepting a **benefit** in exchange **for a decision, opinion, recommendation, vote, or other exercise of official discretion.**

Violation is a 2nd Degree Felony

Benefit	Acceptance	Timing	Influence
<ul style="list-style-type: none">• Any financial gain or advantage• Under TxDOT conflict rules, includes working meal	<ul style="list-style-type: none">• In exchange for vote or action• From a party interested in a business opportunity or subject to HCRMA jurisdiction	<ul style="list-style-type: none">• An item accepted <i>after</i> the exercise of official action may still be considered bribery	<ul style="list-style-type: none">• Bribery may occur even if the item was not solicited and had no influence over the decision

2. Bribery & Gifts

Exceptions to the Bribery Statute *with TxDOT clarifications*

Non Cash Items

- token item distributed generally as a normal means of advertising and that does not exceed an estimated value of \$25

Food, lodging, transportation

- reimbursement for food, travel, or lodging to an official event
- honorarium in the form of a meal served at an official, transportation-related event such as a conference

Gift from a friend, relative, or business associate

- [No TxDOT clarification]

A payment for legitimate consideration

- [No TxDOT clarification]

Note:

State law exceptions are to criminal liability. Consider other applicable rules and appearance of impropriety.

3. USE OF GOVERNMENT PROPERTY

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- Computers and software (including **email systems**, phones, fax and copy machines, and other equipment owned or leased by HCRMA or provided for HCRMA use should be used only for official HCRMA business)
- Lost or stolen property must be reported immediately

Note:

Applies to Information

- Using official information to acquire or assist another acquire a pecuniary interest in any property, transaction, or enterprise.
- Speculating or aiding another to speculate on the basis of official information.
- Disclosing or using the information to obtain a benefit or to harm another.

4. NEPOTISM

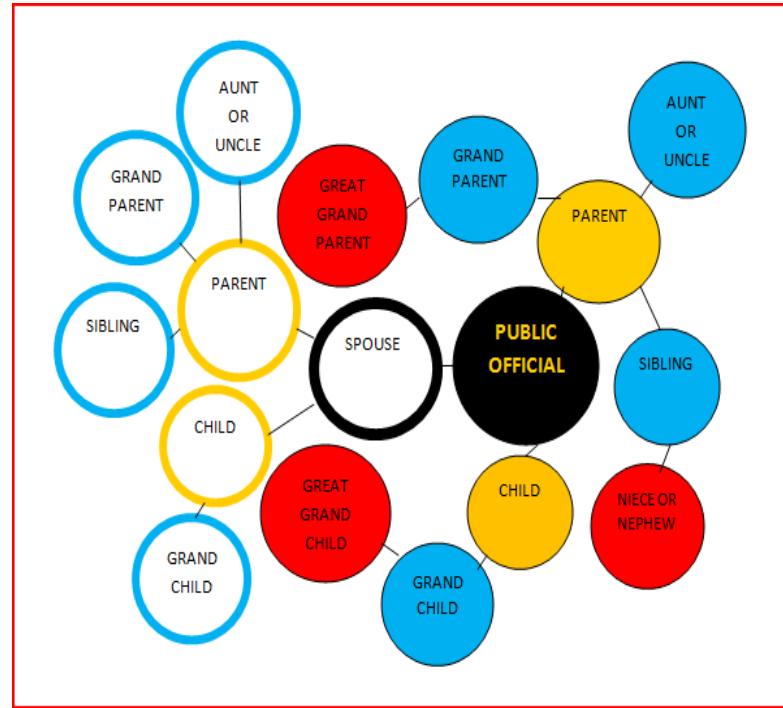
4. NEPOTISM

State Law

- May not appoint or vote for the appointment of an individual to a paid position if the individual is related to the public official within the:
 - 3rd degree of consanguinity (filled circles)
 - 2nd degree of affinity (outlined circles)
- Prohibition applies to all members of the board (unlike conflict of interest where the affected member abstains)

RESPONSIBILITY OF OFFICIAL

- Do not hire a relative as Executive Director



CIRCLES:

- Solid = by blood/consanguinity;
- Open = by marriage/affinity

COLOR:

- Yellow = 1st; Blue = 2nd; Red = 3rd

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OPEN GOVERNMENT

5. OPEN GOVERNMENT

OPEN MEETINGS ACT

- Applicability of the Act
- Notice Requirements
- How to Conduct Open Meetings
- When Closed Sessions are Permissible
- Conducting Meetings by Teleconference or Video Conference
- Penalties and Remedies under the Act



5. OPEN GOVERNMENT

OPEN MEETINGS

- All meetings of **governmental bodies** are open
 - Unless the law provides an exception (Executive Session)
 - Meetings may be regular, special, or called meetings
 - Open = Accessible to the Public
 - Within the boundaries of Hidalgo County
 - Accessible to individuals with disabilities
 - Provide for public comment
 - Internet broadcasting of meetings
- All meetings **require public notice**
 - Date, time, place, and subject posting
 - Note: Subject requires enough specificity to be actual notice to the public
 - 72 hours notice required
 - Emergency situations require 1 hour notice (notify media directly)
 - Notice provided on website and physically
- Records of meetings must be maintained
- **It is the Board Members' duty to comply with the Open Meetings Act and failure may be a criminal offense**

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What if there is a failure to provide proper meeting notice or other violation of the Act?

- Actions taken are voidable (any such actions must be ratified at a subsequent meeting)
- Individuals may sue to prevent threatened actions in violation of the Act

5. OPEN GOVERNMENT

PUBLIC MEETING

- Quorum (4 board members) + Discussion of HCRMA Business
 - Public Hearing
 - County Workshop
 - Emails / Text Messages
 - Walking Quorums
 - Multiple conversations
 - “Polling” Board Members
- **Violation = action is voidable**
 - In some circumstances, criminal fine and or jail time

NOT A PUBLIC MEETING

- Social Setting / Holiday Event / Dinner
- Convention / Symposium
- Ceremonial event
- Press Conference
- Committee Meetings of less than a quorum (and no final action)
- Candidates Forum or Debate

PROVIDED:

No Discussion of RMA Business

5. OPEN GOVERNMENT

WALKING QUORUMS

- Open Meetings Act makes it illegal for members of government body to “**knowingly conspire to circumvent [the Act] by meeting in numbers less than a quorum for purposes of secret deliberations in violation of [the Act].**”
- In 2018, Texas Court of Criminal Appeals found “more clarity is required of a criminal law when that law implicates First Amendment freedoms”, basically striking down this provision of the Act. (*The State of Texas v. Craig Doyal*)

A Board Member commits an offense if he:

- (a) **Knowingly** engages in at least one communication among a series of communications that each occur outside of a meeting and that concern an issue within the jurisdiction of the Authority in which the Members engaging in the individual communications constitute fewer than a quorum of the Members, but the sum of all the Members engaging in the series of communications constitute a quorum of the Members, and
- (b) **Knew at the time** the Member engaged in the communication that the series of communications (i) **involved or would involve a quorum**; and (ii) **would constitute a “deliberation”** once a quorum of members engaged in the series of communications.

Effective September 1, 2019

5. OPEN GOVERNMENT

Exceptions to Open Meetings: Closed Session

Exceptions to the Open Meetings Requirement

- Consultation with attorney
 - Seek advice on legal matters, like pending litigation or settlement matters or contract negotiations, or in compliance with the Texas Disciplinary Rules of Professional Conduct
 - No discussion of non-legal issues
 - No discussion of policy matters
 - No discussion of merits of a contract
- Real Property
 - To deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party
- Security Devices
- Personnel
 - To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or
 - To hear a complaint or charge against an officer or employee
- Security Devices or Audits (network security information)

Who attends a Closed Meeting?

- All members of the RMA board are permitted
- Attorney, if attorney consultation is exception
- Board's discretion
 - Officers, employees/consultants if necessary to further discussion
 - NOT arm's length parties
- Do not begin until quorum is present

Must give public notice of Exception

- Post on Agenda
- Identify in the Open Meeting the legal provision authorizing the Closed Session

Must keep a Record

- Certified Agenda
 - Record of presiding officer announcing date and time at both beginning and end of Closed Meeting
 - Includes subjects of all deliberations
 - Certification that the agenda is a true correct record of the Closed meeting
 - Confidential document that must be retained for 2 years
- If closed for Attorney Client Privilege, attorney maintains meeting notes.

FINAL ACTION must take place in an open meeting

5. OPEN GOVERNMENT

Responsibility of Official

- It is misdemeanor offense to:
 - Knowingly conspire to circumvent the Act by deliberately meeting with less than a quorum for the purpose of a secret meeting;
 - Participate in a closed session knowing there is no agenda of topics or record taken of the meeting;
 - Knowingly make public the results of a legally held closed meeting

6. PUBLIC INFORMATION

6. PUBLIC INFORMATION

- Public Information
 - Information collected, assembled, maintained by or for the HCRMA (any format; any device)
 - Information on HCRMA business belongs to the HCRMA, regardless of whether it's on a personal device
 - Certain exceptions apply
 - Agency Memoranda
 - Drafts
 - Attorney Client Communication
 - Third Party Proprietary Information
 - Security / Technology / Network Information

The PIA does not distinguish between personal or government issued devices, rather, focuses on the nature of the communication or document.

6. PUBLIC INFORMATION

- Temporary Custodian (SB 944 (86R))
 - Any employee who, in the transaction of official business, creates or receives public information
 - Public information maintained on a personal device must be forwarded to the HCRMA's server for preservation

- Director's Responsibility
- Complete Open Records Training
- Avoid using personal devices and email accounts when conducting HCRMA business
- Forward communications

Public Information Act Inquiries and Requests should be directed to the HCRMA Public Information Act Officer or General Counsel

7. COMPLIANCE PROGRAM

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INTERNAL ETHICS & COMPLIANCE PROGRAM

RMAs required to **adopt** and **enforce** an internal ethics and compliance program

- Detect and prevent violations of the law, regulations and ethical standards
- Enforce compliance with program
- Institute monitoring and auditing systems
- Provide periodic training for Board Members and Employees

7. COMPLIANCE PROGRAM

Compliance Program Elements:

- Record retention
- Fraud
- Equal Opportunity
- Employment
- Sexual Harassment and Sexual Misconduct
- Personal use of HCRMA property
- Gifts and Honoraria

A suspected violation of HCRMA policies, a violation of law, or a breach of fiduciary duty must be immediately reported to the Executive Director or Chairman

Anonymous website reporting:

Fraud Reporting

The HCRMA has a responsibility to Hidalgo County and the public to maintain the highest ethical standard when conducting business. To that end, we have adopted a formal fraud reporting program which enables employees, vendors, and citizens to anonymously report any suspected fraudulent, unethical or illegal activity. Click here to make an anonymous report: reportfraud@hcrma.net.

7. Compliance Program

HCRMA Annual Certifications to TxDOT

- Ethics and Compliance Program adopted
- Program is designed to detect and prevent violations of law, regulations, and ethic standards
- HCRMA enforces compliance
- Program satisfies these requirements:
 - Written manual and employee code of conduct
 - Record retention, fraud, equal opportunity employment, sexual harassment and sexual misconduct, conflicts of interest, person use of HCRMA property, and gifts and honoraria.
 - High-level personnel are responsible for oversight
 - Compliance standards are communicated to employees and board
 - Compliance standards are communicated to HCRMA's agents
 - Compliance standards are achieved through
 - Monitoring and auditing systems
 - Providing and publicizing a mechanism for reporting without fear of retaliation
 - Consistent enforcement through appropriate disciplinary mechanisms
 - Reasonable measures to respond to offenses and prevent future offenses

7. COMPLIANCE PROGRAM

Training Evidence:

- Open Meetings Training Certificates
- Public Information Act Training Certificates
- HCRMA Compliance Certificates
- Public Investment Act

Reports:

- Strategic Plan
- Annual Report
- Financial Reports/Audit
- Investment Reports
- Project Reports
- Toll Entity Financial Report
- Notice of Debt
- Compliance Report
- Disclosure / Gift / Interests
- Post-Issue Compliance Records
- Comptroller Tax / Fee / Debt Report
- Board: Annual Personal Financial Statement

BRACEWELL

ETHICS AND COMPLIANCE HANDBOOK

ELECTRONIC ETHICS & COMPLIANCE HANDBOOK

Section A.	Law Governing Regional Mobility Authorities
1.	Chapter 370, Texas Transportation Code
2.	Title 43, Chapter 26, Texas Administrative Code
Section B.	Conflict of Interest
1.	Texas Attorney General Handbook (2012)
2.	See Title 43, Chapter 26, Rule 26.51 (Section A-2)
Section C.	Open Government
1.	Texas Attorney General Handbook – Open Meetings (2020)
2.	Texas Attorney General Handbook – Public Information Act (2020)
Section D.	Ethics for Officials
	Texas Ethics Commission Handbook (2017)
Section E.	HCRMA Operations
1.	Bylaws
2.	Current Strategic Plan
3.	Current Budget (2020)
4.	2019 Audit
5.	TxDOT Audit Results
6.	Travel and Reimbursement Policy
7.	Ethics and Compliance Manual (2020)
8.	Ethics and Compliance Training Presentation (2020)
9.	Board Certificate (2020)

**HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY
BOARD OF DIRECTORS
2020 CERTIFICATE**

Chapter 370, Texas Transportation Code and Title 43, Rule 26.51 of the Texas Administrative Code establish certain requirements for Hidalgo County Regional Mobility Authority Board Members. Accordingly, I, the undersigned, hereby certify as follows:

1. At the time of my appointment, I did not own an interest in any real property that was known to be necessary for any project included in the Hidalgo County Loop System and subject to potential acquisition by the Authority.
2. Neither my spouse nor I:
 - (a) is employed by or participates in the management of a business entity or other organization, other than a political subdivision, that is regulated by or receives funds from the Texas Department of Transportation ("TxDOT"), the Hidalgo County Regional Mobility Authority (the "Authority"), or Hidalgo County;
 - (b) directly or indirectly owns or controls more than a 10% interest in a business or other organization that is regulated by or receives funds from TxDOT, the Authority, or Hidalgo County;
 - (c) uses or receives a substantial amount of tangible goods, services, or funds from TxDOT, the Authority, or Hidalgo County; or
 - (d) is required to register as a lobbyist under Government Code, Chapter 305, because of any activities for compensation on behalf of a profession related to the operation of TxDOT, the Authority, or Hidalgo County.
3. I am not an officer, employee, or paid consultant of a Texas trade association in the field of road construction or maintenance, public transportation, rail, or aviation, and my spouse is not an officer, manager, or paid consultant of a Texas trade association in the field of road construction or maintenance, public transportation, rail, or aviation.
4. I have not received funds from TxDOT, the Authority, or Hidalgo County for acquisition of highway right-of-way, except as disclosed in writing to the Authority.
5. While serving as a Board Member of the Authority, I agree that I will not:
 - (a) accept or solicit any gift, favor, or service that might reasonably tend to influence me in the discharge of official duties or that I know or should know is being offered with the intent to influence my official conduct;
 - (b) accept employment or engage in a business or professional activity that I might reasonably expect would require or induce me to disclose confidential information acquired by reason of my official position;
 - (c) accept employment or compensation that could reasonably be expected to impair my independence of judgment in the performance of my official duties;

- (d) make personal investments, including any investments of my spouse, that could reasonably be expected to create a conflict between my private interest and the interest of the Authority or that could impair my ability to make independent decisions;
- (e) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised my official powers or performed my official duties in favor of another; or
- (f) have a personal interest in an agreement executed by the Authority.

6. If I should ever have a substantial interest (either own 10% of, or receive 10% of my income from) in a business interest or in real property coming before the Authority, I will file an affidavit with the Authority stating the nature and extent of the interest; and, I shall abstain from further participation in the matter if (a) the matter will have special economic on my business entity, distinguishable from the effect on the public; or, (b) it is reasonable to foresee that an action on the matter will have special economic effect on the value of the real property, distinguishable from its effect on the public.

7. I am qualified to serve as Board Member of the Authority, to wit:

- (a) I am a resident of Texas and Hidalgo County.
- (b) I am not an elected official, TxDOT employee, or employee of any governmental entity located in Hidalgo County.

8. For each year that I serve as a Board Member of the Authority, I agree to file a personal financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with the Texas Ethics Commission.

9. I received the 2020 Hidalgo County Regional Mobility Authority Board of Directors Ethics and Compliance manual electronically. I acknowledge that a complete copy of the Authority's Ethics & Compliance Handbook is available from the Authority's website and that a hard copy will be provided to me upon request.

Signature

Name: _____

Date: _____

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Workshop

Item 2

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	2
PLANNING COMMITTEE	____	DATE SUBMITTED	07/15/2020
FINANCE COMMITTEE	____	MEETING DATE	07/28/2020
TECHNICAL COMMITTEE	____		

1. Agenda Item: **WORKSHOP ITEM 2 – QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING JUNE 30, 2020.**
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Presentation of the quarterly investment report.
2. 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: **Report Only.**
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: Approved Disapproved X 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: Approved Disapproved X None



Board of Directors

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

July 6, 2020

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 June 30, 2020/Statement of Compliance

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

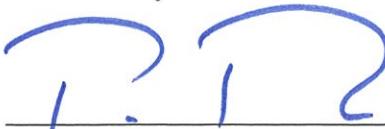
This quarter total investment disbursements totaled \$1,460,588 issued for: interest on debt service--\$1,359,156 and project activities--\$101,432. Local contributions were received in the amount of \$55,000 and internal transfers-in amounted to \$1,568,328. Total combined interest earned was \$15,481.

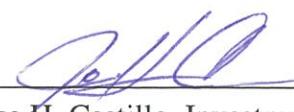
The PFIA also requires that the report contain a Statement of Compliance, signed by the Investment Officers, as presented below:

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
SUMMARY
QUARTERLY INVESTMENT REPORT
Quarter Ending June 30, 2020

	Local Govt.			
	Investment	Govt.		
	<u>Pool</u>	<u>Securities</u>		<u>Total</u>
COST				
Beginning Balance	\$ 7,007,427	\$ 1,390,512	\$	8,397,939
Additions:				
Transfers-in	475,000	1,093,328		1,568,328
Investment earnings	14,800	681		15,481
Contributions		55,000		55,000
Deductions:				
Transfers-out	-	-		-
Disbursements	-	(1,460,588)		(1,460,588)
Ending Balance	<u>\$ 7,497,227</u>	<u>\$ 1,078,933</u>	<u>\$</u>	<u>8,576,160</u>
MARKET VALUE				
Beginning Balance	\$ 6,978,987	\$ 360,893	\$	7,339,880
Ending Balance	<u>\$ 7,501,479</u>	<u>\$ 1,078,933</u>	<u>\$</u>	<u>8,580,412</u>
Weighted Average Maturity- Logic/Gov. Sec	51	30		
Logic/gov sec. Weighted Average Yield		0.83%		0.01%

Hidalgo County Regional Mobility Authority
HOLDINGS BY INVESTMENTS
QUARTERLY INVESTMENT REPORT
Quarter Ending June 30, 2020

<u>Type of Security/Fund</u>	<u>Yield</u>	<u>Beginning Cost</u>	<u>Interest</u>	<u>Contributions/Transfers</u>	<u>Disbursements</u>	<u>Ending Cost</u>	<u>Market Value</u>
Local Govt Investment Pool:							
Debt Service Jr. Lien: 7731494002		\$ 5,516,038	\$ 11,436	\$ -	\$ -	\$ 5,527,474	\$ 5,530,608
Logic-Contingency: 2731494001		1,491,390	3,364	475,000	-	1,969,754	1,970,871
Total Local Govt Investment Pool	0.83%	\$ 7,007,428	\$ 14,800	\$ 475,000	\$ -	\$ 7,497,228	\$ 7,501,479
Government Securities							
(Federated Govt Obligations):							
Disbursement Account: 106912-006		49,928	44	155,000	(101,432)	103,540	103,540
Debt Service Fund: 106912-001		1,340,584	637	993,328	(1,359,156)	975,393	975,393
Total Government Securities	0.88%	\$ 1,390,512	\$ 681	\$ 1,148,328	\$ (1,460,588)	\$ 1,078,933	\$ 1,078,933
Combined Totals		\$ 8,397,940	\$ 15,481	\$ 1,623,328	\$ (1,460,588)	\$ 8,576,161	\$ 8,580,412

**Hidalgo County Regional Mobility Authority
Wilmington Trust Investments Detail Activity
Quarter Ending June 30, 2020**

Debt Service Account #106912-001						
		Income				Ending
	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
Debt Svc	April	1,340,583.89	593.41	-	331,109.38	-
	May	1,672,286.68	27.33	-	331,109.38	-
	June	2,003,423.39	16.15	-	331,109.38	(1,359,156.25)
		<hr/> 636.89	<hr/> -	<hr/> 993,328.14	<hr/> (1,359,156.25)	

Debt Service Account-Logic # 7731494002						
		Income				Ending
	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
Debt Svc-SIB	April	5,516,037.56	4,788.35	-	-	-
	May	5,520,825.91	3,805.46	-	-	-
	June	5,524,631.37	2,842.54	-	-	-
		<hr/> 11,436.35	<hr/> -	<hr/> -	<hr/> -	<hr/> -

Disb. Account #106912-006						
		Income				Ending
	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
Disbursement	April	49,927.80	42.84	-	-	(29,197.56)
	May	20,773.08	0.87	-	100,000.00	(41,962.44)
	June	78,811.51	0.48	55,000.00	-	(30,271.83)
		<hr/> 44.19	<hr/> 55,000.00	<hr/> 100,000.00	<hr/> (101,431.83)	<hr/> 103,540.16



MONTHLY
NEWSLETTER
JUNE 2020



PERFORMANCE

As of June 30, 2020

		June Averages
Current Invested Balance	\$8,844,621,700.82	\$8,612,592,456.54
Weighted Average Maturity (1)	43 Days	0.6260%
Weighted Average Maturity(2)	84 Days	51 Days
Net Asset Value	1.000567	87 Days
Total Number of Participants	618	
Management Fee on Invested Balance	0.0975%*	Definition of Weighted Average Maturity (1) & (2)
Interest Distributed	\$5,116,026.91	(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.
Management Fee Collected	\$689,016.02	(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.
% 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.

NEW PARTICIPANTS

We would like to welcome the following entity who joined the LOGIC program in June:

* City of Lavon

ECONOMIC COMMENTARY

Market review

The first half of 2020 certainly defied expectations. Markets had just begun to improve at the end of the first quarter, after the outbreak of COVID-19, subsequent government mandated lockdowns and travel restrictions brought the economy to a halt. As the US Government and the Federal Reserve (Fed) intervened forcefully and quickly with aid packages and monetary policy of unprecedented size and scope, the growth of coronavirus cases began to slow. Markets reacted quickly in the second quarter as investors began to price in a recovery for an economy that had previously been on solid footing before the pandemic began. By June 30th, the S&P 500 was up 20.5% for the quarter, interest rates were at or near their all-time lows and credit spreads had recovered substantially all of their spread widening. Thanks in part to the government stimulus programs, economic activity revived more quickly and energetically than market participants had anticipated. Impressive jobs and consumption data pointed to significant pent up demand and a strong initial rebound from the dramatic collapse in economic activity.

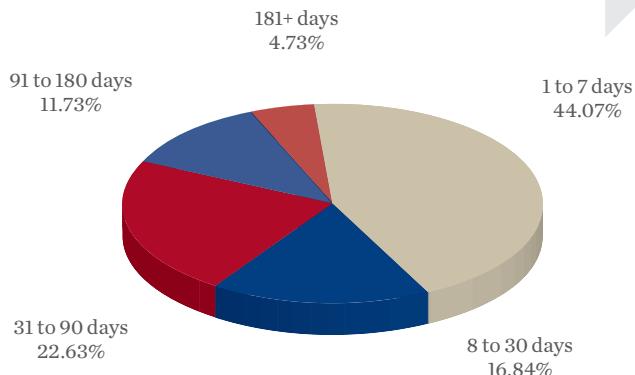
The recovery likely began in May, with real consumer spending increasing a record 8.1% and consumer confidence, as measured by the Conference Board consumer confidence index, climbing to 98.1 in June from 85.9 in May. This strength was echoed in the June employment report, which revealed that the economy added 4.8 million jobs, 1.8 million more than expected. The unemployment rate declined to 11.1% from May's 13.3%. That being said, the level of employment remains almost 15 million below where it was in February, but the speed of the improvement was impressive.

During this period, short term markets recovered substantially. Libor rates materially declined as risk aversion cooled and money flowed back into prime money market funds. 3-month Libor ended the second quarter at a yield of 0.30%, well off its peak of 1.45% at the end of March and down 4 basis points (bps) from the end of May. Meanwhile net U.S. Treasury bill issuance increased given the enormous aid package provided by the U.S. Government. The U.S. 3-month Treasury bill yield rose 5 bps during the quarter to end at 0.14%, while the 12-month Treasury bill yield ended down 1 bp at 0.15%.

(continued page 4)

INFORMATION AT A GLANCE

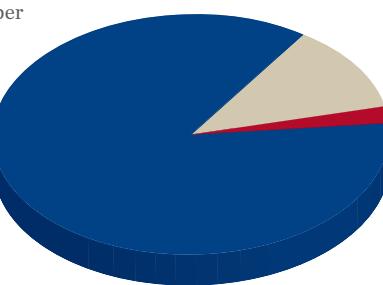
PORTFOLIO BY TYPE OF INVESTMENT AS OF JUNE 30, 2020



Commercial Paper
85.95%

Repurchase
Agreements
11.79%

Treasuries
2.26%



PORTFOLIO BY MATURITY AS OF JUNE 30, 2020

DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF JUNE 30, 2020

181+ days
4.73%

HISTORICAL PROGRAM INFORMATION

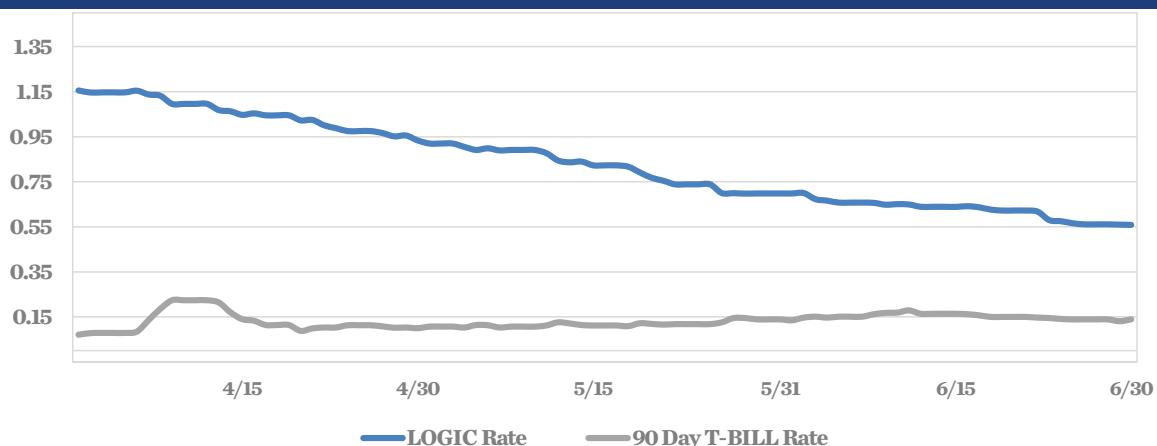
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)*	WAM (2)*	NUMBER OF PARTICIPANTS
Jun 20	0.6260%	\$8,844,621,700.82	\$8,849,637,611.25	1.000567	51	87	618
May 20	0.8116%	8,461,579,899.29	8,467,956,866.78	1.000753	54	85	617
Apr 20	1.0562%	7,819,410,022.25	7,824,353,033.69	1.000632	48	87	617
Mar 20	1.4261%	7,798,393,939.30	7,791,813,338.38	0.999156	35	85	614
Feb 20	1.7619%	8,313,346,145.46	8,315,578,458.07	1.000241	34	87	614
Jan 20	1.7978%	8,259,121,730.04	8,261,042,825.36	1.000174	40	85	613
Dec 19	1.8173%	7,423,771,572.94	7,424,486,642.57	1.000066	43	85	612
Nov 19	1.8429%	6,521,613,270.01	6,522,465,385.69	1.000101	45	87	610
Oct 19	2.0578%	6,313,681,339.23	6,315,173,844.90	1.000236	50	87	608
Sep 19	2.2461%	6,158,077,296.95	6,158,278,453.62	1.000032	49	82	606
Aug 19	2.3324%	6,063,554,824.77	6,064,483,834.72	1.000077	48	81	605
Jul 19	2.4550%	6,480,646,170.16	6,482,033,784.16	1.000214	50	81	603

PORTFOLIO ASSET SUMMARY AS OF JUNE 30, 2020

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 251.80	\$ 251.80
Accrual of Interest Income	3,662,240.67	3,662,240.67
Interest and Management Fees Payable	(5,188,166.21)	(5,188,166.21)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	1,043,249,999.90	1,043,249,999.90
Commercial Paper	7,602,957,874.66	7,607,959,785.09
Government Securities	199,939,500.00	199,953,500.00
TOTAL	\$ 8,844,621,700.82	\$ 8,849,637,611.25

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 JUNE 2020

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)*	WAL DAYS (2)*
6/1/2020	0.6981%	0.000019127	\$8,483,136,345.11	1.000752	57	89
6/2/2020	0.7001%	0.000019182	\$8,484,389,369.56	1.000755	58	90
6/3/2020	0.6728%	0.000018433	\$8,490,842,874.87	1.000746	57	89
6/4/2020	0.6662%	0.000018253	\$8,482,424,097.76	1.000746	57	88
6/5/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/6/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/7/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/8/2020	0.6564%	0.000017983	\$8,510,921,805.21	1.000716	54	87
6/9/2020	0.6482%	0.000017760	\$8,503,643,289.56	1.000711	54	87
6/10/2020	0.6507%	0.000017827	\$8,508,564,741.74	1.000713	54	89
6/11/2020	0.6492%	0.000017786	\$8,525,899,897.60	1.000704	53	89
6/12/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/13/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/14/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/15/2020	0.6384%	0.000017491	\$8,535,185,556.23	1.000677	51	88
6/16/2020	0.6416%	0.000017578	\$8,570,750,195.48	1.000665	52	88
6/17/2020	0.6367%	0.000017443	\$8,562,438,596.05	1.000652	51	88
6/18/2020	0.6264%	0.000017161	\$8,557,084,431.06	1.000646	52	89
6/19/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/20/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/21/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/22/2020	0.6174%	0.000016915	\$8,580,596,409.03	1.000609	50	89
6/23/2020	0.5796%	0.000015880	\$8,735,852,026.07	1.000619	47	84
6/24/2020	0.5749%	0.000015750	\$8,757,588,679.46	1.000613	47	89
6/25/2020	0.5658%	0.000015502	\$8,879,639,691.20	1.000596	46	87
6/26/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/27/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/28/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/29/2020	0.5597%	0.000015334	\$8,857,460,446.64	1.000571	43	84
6/30/2020	0.5586%	0.000015305	\$8,844,621,700.82	1.000567	43	84
Average	0.6260%	0.000017151	\$8,612,592,456.54		51	87



(continued from page 1)

Outlook

With the Fed moving quickly and decisively, and the U.S. Government providing significant aid and support to businesses and consumers, what followed was a commitment of fiscal support at a speed and scale never before seen in peacetime, matched by an extension of Fed intervention in asset markets unimaginable just a few weeks earlier. We estimate that \$17.1 trillion in global policy response has been committed (not yet all spent): \$6.2 trillion in quantitative ease, \$3.5 trillion in direct fiscal stimulus (grants) and \$7.4 trillion in indirect fiscal stimulus (loans). Impressively, these policy responses were created and deployed in a matter of weeks, whereas the entirety of the global financial crisis policy response took years to deploy and was about one-third the size. Nonetheless, we could not bring ourselves to believe in a V-shaped recovery. While annualizing quarterly GDP might look V-shaped, we believe GDP should be viewed relative to its long-term potential. We estimate it could take as long as 10 years in the U.S. to again reach this potential.

A tremendous amount of damage has been done. Many parts of the economy will need to rethink their business models, including anything that involves large gatherings of people. Sporting events will proceed without fans, businesses will return to offices with only a fraction of their staffs and the knock-on effect on businesses that are reliant on a full reopening will be severe. We expect a persistent social distancing drag, and considerable scarring, from the sudden stop in activity. The road to recovery will be long and challenging. Inflation will remain low, and unemployment will be unacceptably high. Certainly, the future of fiscal stimulus will be important in determining the recovery's path. We are concerned about approaching fiscal cliffs in the U.S. as support packages lapse. We are eyeing whether a new round of layoffs could ensue if business owners need to resize their workforces for diminished consumer activity. An escalation of US-China tensions could also weigh on the recovery. And reinfection rates are starting to rise while a vaccine and/or treatment is still a ways away.

We believe we are seeing the deepest and shortest recession that anyone has experienced. Real GDP likely contracted at a 30% annualized rate in 2Q, and we are projecting a 20% pace of rebound in 3Q. But the latest public health developments with infection rates spiking again in many states may add some downside risk to this outlook as there could be a pullback in economic activity. Fed Chairman Jerome Powell stressed to Congress Tuesday that getting the coronavirus under control was vital as the U.S. economy rebound. This is no time for policymakers to rest on their laurels. They must agree to the next round of fiscal support, and the Fed needs to be committed to maintaining enormous levels of accommodation. There are encouraging signs as Congress looks to another CARES package... while the Fed points to years of ultra-low rates and large-scale asset purchases.

This information is an excerpt from an economic report dated June 2020 provided to LOGIC by JP Morgan Asset Management, Inc., the investment manager of the LOGIC pool.

LOGIC BOARD MEMBERS

Philip G. Roberson	Arlington ISD	Governing Board President
Sandra Newby	Tarrant Regional Water District	Governing Board Vice President
Greg Jordan	City of Grapevine	Governing Board Secretary
Erik Felthous	North Texas Municipal Water Dist	Governing Board Treasurer
Eric Cannon	City of Allen/Qualified Non-Part.	Advisory Board

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 1201 Elm Street, Suite 3500, Dallas, Texas 75270, (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.



Item 1A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE

X

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

1A
07/16/2020
07/28/2020

TECHNICAL COMMITTEE

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 JULY 2020

HCRMA Board of Directors

S. David Deanda, Jr., Chairman
Forrest Runnels, Vice-Chairman
Ricardo Perez, Secretary/Treasurer
Francisco “Frank” Pardo, Director
Paul S. Moxley, Director
Alonzo Cantu, Director
Ezequiel Reyna, Jr., 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

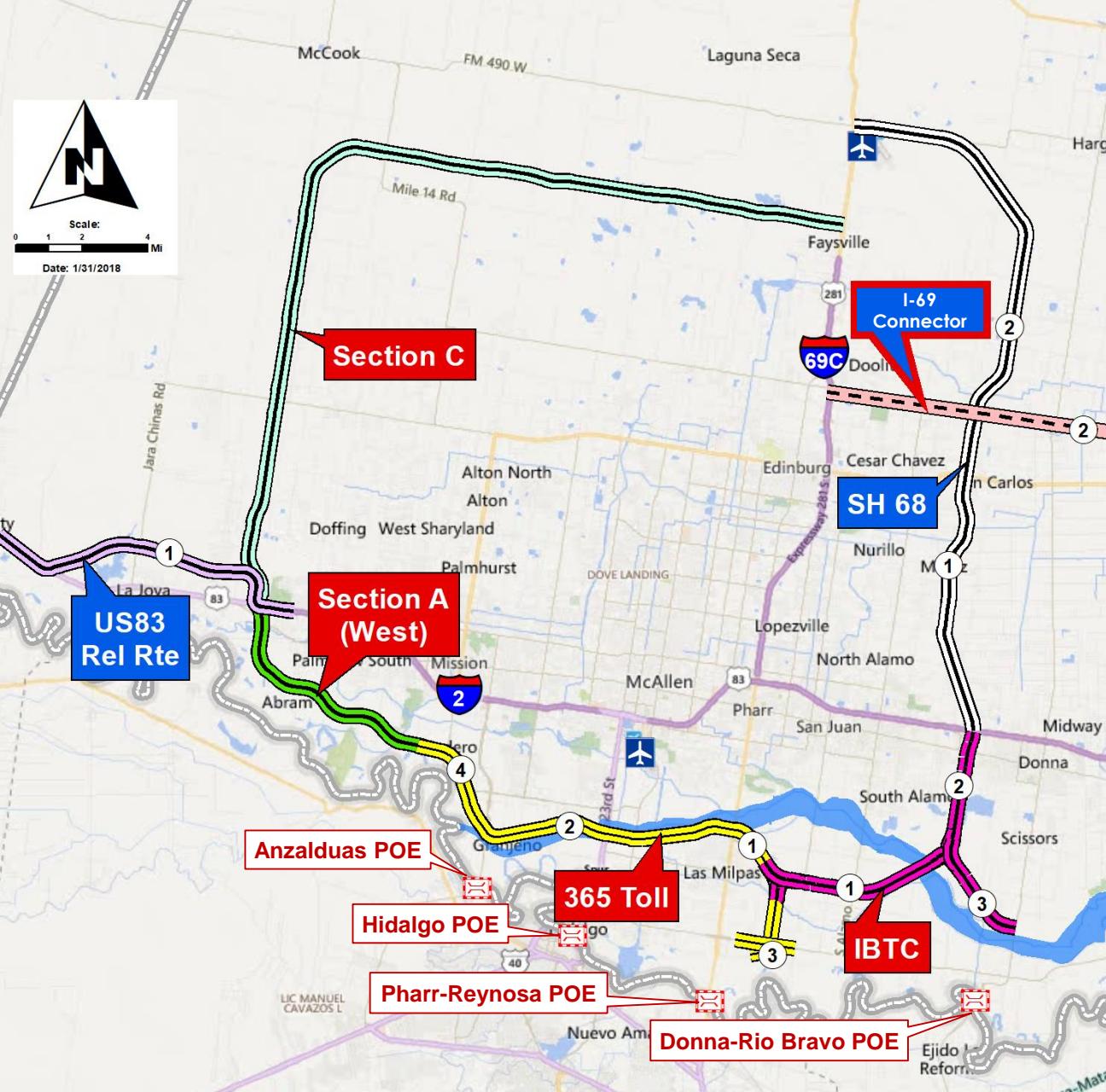
- 365 TOLL Project Overview
- IBTC Project Overview
- Overweight Permit Summary
- Construction Economics Update

MISSION STATEMENT:

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

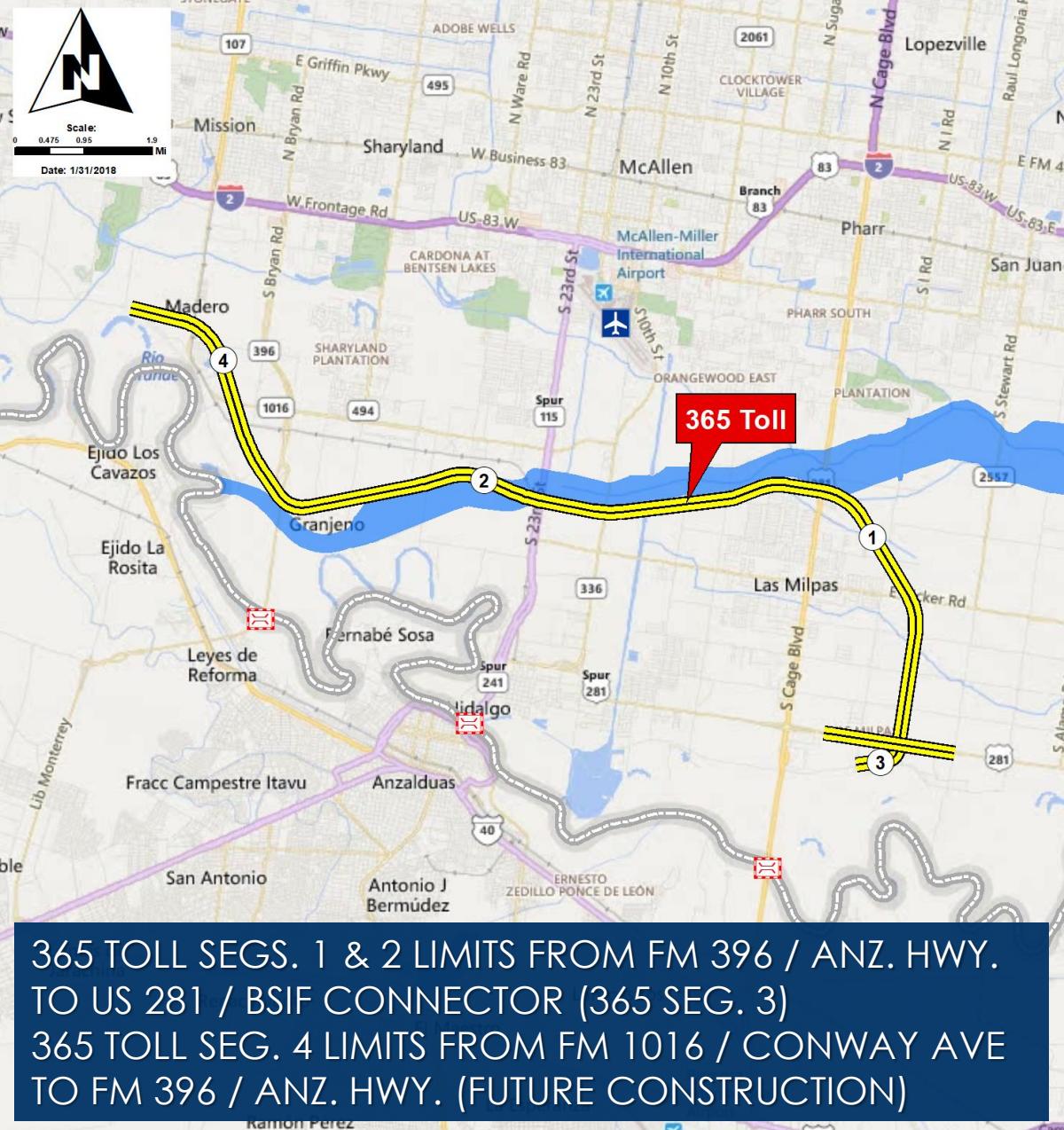
HCRMA STRATEGIC PLAN

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



ROAD TO 2021 UTP

- 2021 UTP Draft Funding Table (released by TxDOT Nov 2019)
 - 365 Toll appears fully funded for construction – project needs revised PDA and FAA
 - IBTC construction is listed – HCRMA provided updated estimate and project needs revised PDA.
 - Pending announcement of public outreach meeting for in early July 2020.
- What's in the RGVMPO (Local Plan)
 - 365 Toll Project (TIP / MTP) thru construction
 - IBTC Project (TIP / MTP) thru design (pending funding commitments to list thru construction)
- Moving Forward:
 - Align both plans together in the 2021 UTP
 - Negotiate PDA's and IBTC and updated FAA for 365 Tollway.



MAJOR MILESTONES:

NEPA CLEARANCE
07/03/2015

98% ROW AS OF
09/30/2018

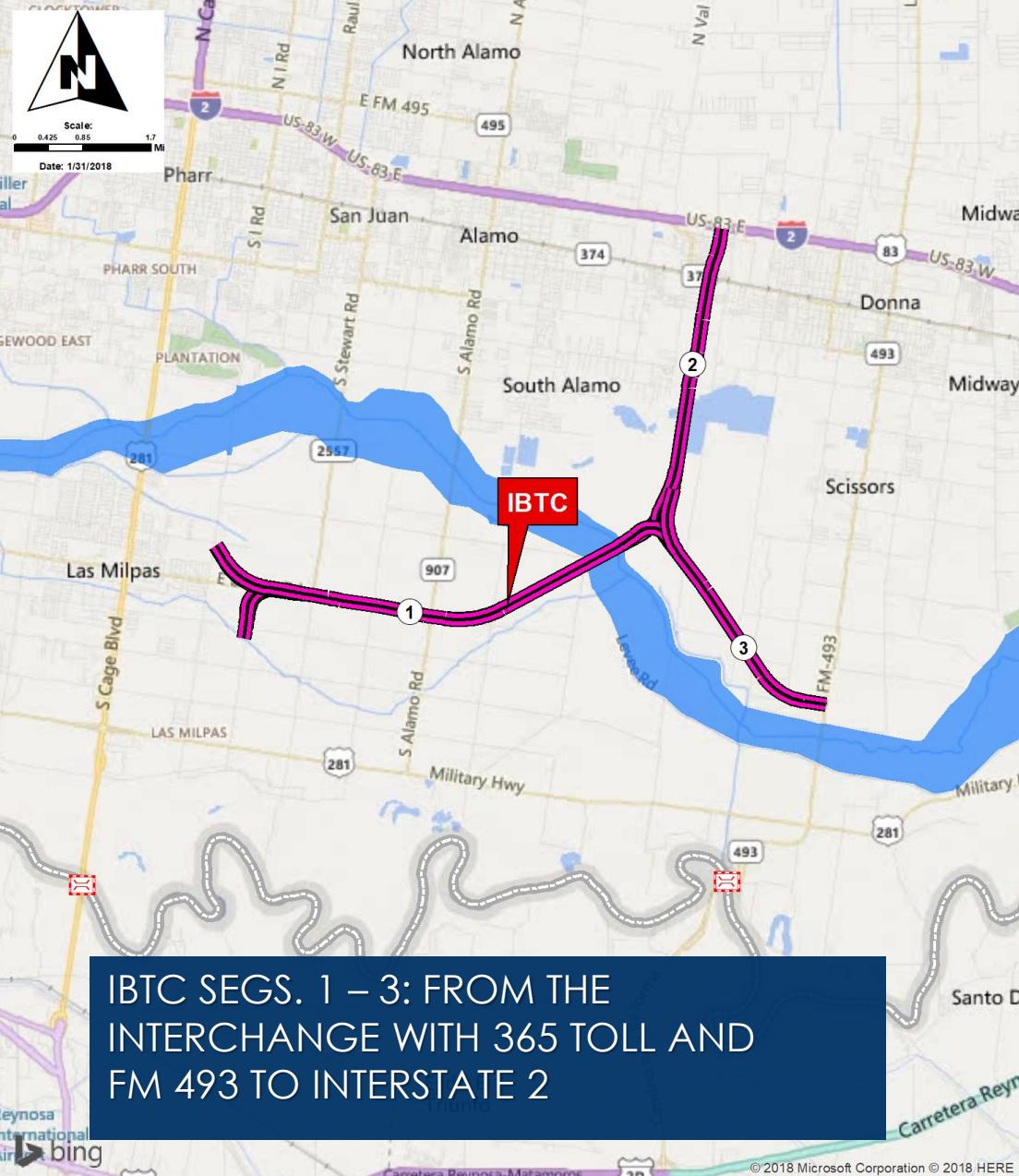
PH 1: 365 SEG. 3 -
LET: 08/2015
STARTED: 02/2016

**PH 2: 365 TOLL
SEGS. 1 & 2 -**
RE-LET: TBD
START: TBD



► TENTATIVE SCHEDULE:

- 04/2020-05/2020**, Submit RGVMPO TIP Revisions based on draft 2021 UTP Funding Tables that are up for potential adoption by the Texas Transportation Commission (TTC) in 08/2020,
- 08/2020**, Obtain addl. funding commitments via adoption of 2021 UTP by the TTC,
- 09/2020 - 10/2020**, TTC to read then adopt a new Minute Order (M.O.) for a new FAA to incorporate the gap funding into the project,
- 11/2020**, HCRMA to provide NTP on Investment Grade T&R Study with a 5-month completion period ending 04/2021,
- 11/2020**, Revise RGVMPO TIP listing for 365 Toll showing the approved funding source(s) for approval by FHWA 01/2021,
- 12/2020**, HCRMA to submit Utility Mitigation Plan for approval by TxDOT ahead of Federal Project Authorization and Agreement (FPAA) Modification request,
- 01/2021-02/2021**, TxDOT to process the FPAA Modification for the gap funding on 365 Tollway,
- 03/2021**, TxDOT to provide “release to advertise” notice to HCRMA,
- 03/2021 - 04/2021**, HCRMA to advertise the 365 Toll (60 days) & hold prebid last week in that period,
- 05/2021**, Open Bids by 1st week & by 2nd week conditionally award contract,
- 07/2021**, Receive TxDOT / FHWA concurrence with award of contract,
- 07/2021-08/2021**, HCRMA meets with rating agencies, prices bonds, and conducts toll revenue bond sale,
- 08/2021**, Purchase remaining 5% of ROW and finalize remaining utility relocation agreements,
- 09/2021**, Commence 42-month construction, and
- 03/2025**, Open to traffic.



IBTC

MAJOR MILESTONES:

OBTAINED EA ENV
CLASSIF.: 11/2017

EST. NEPA CLEARANCE:
LATE 2020

EST. LETTING: 06/2021

EST. OPEN: 03/2025



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

► IBTC SCHEDULE

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

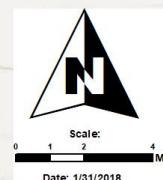
(From the Interchange with 365 Toll and FM 493 to Interstate 2)

► **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 undergoing reviews: Project Description, Hazmat, Historic Resources, Public Meeting Summary Report, Waters of the US, and Archaeological Resources.
- Mitigation plans, as warranted, will be drawn up at completion of the milestone reports.
- Archeological mitigation plan task was initiated May 1, 2020.

► **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



Hidalgo County

I-69 Connector

* Collaboration between HCRMA, CCRMA, and TxDOT.

Date: 1/31/2018

Date: 1/31/2011

bing

10

I-69 Connector

(COLLABORATION W/ TXDOT, CCRMA, AND HCRMA)

DESCRIPTION:

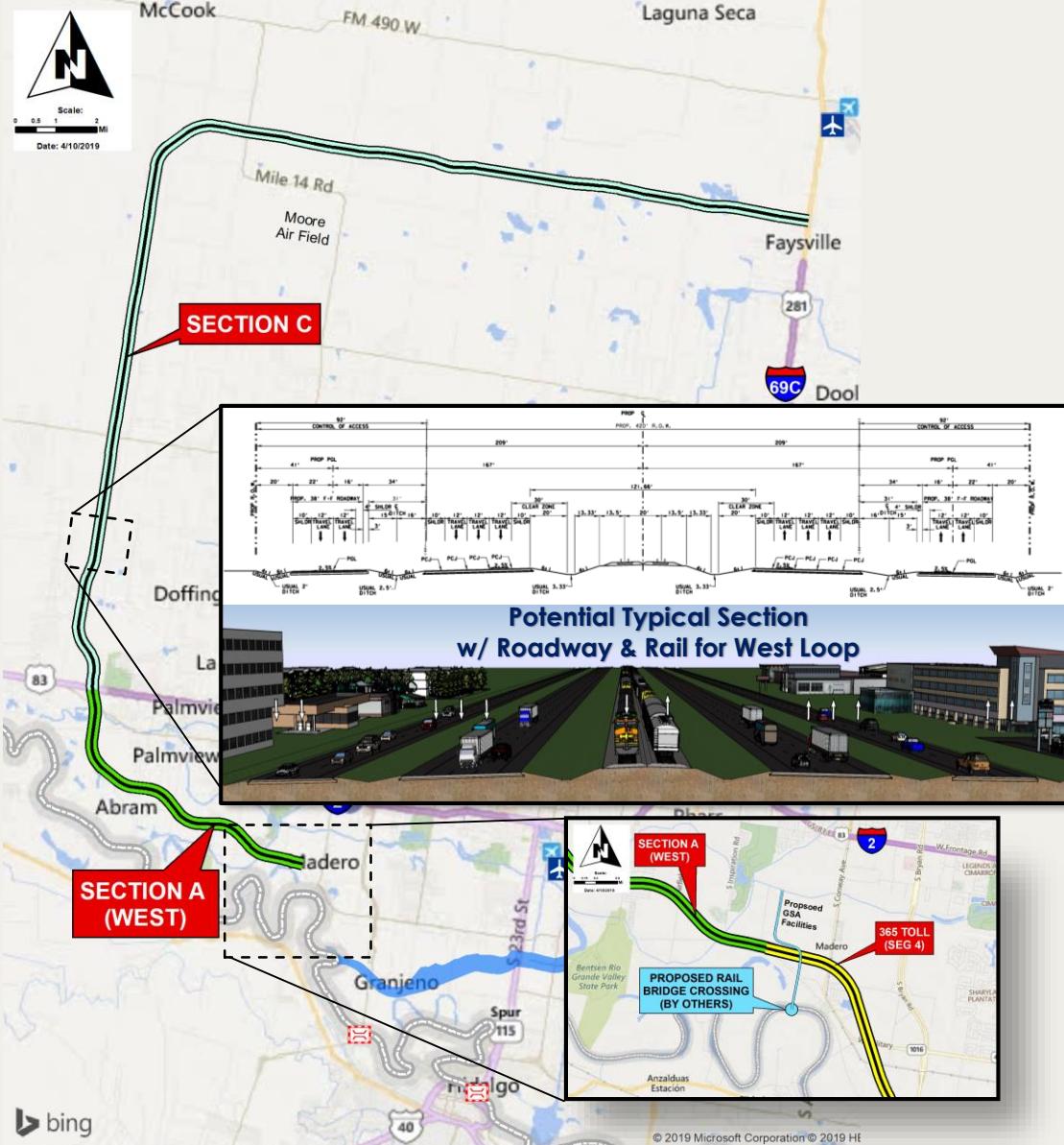
- ▶ PROJECT LENGTH ~27 MILES
- ▶ FROM I-69C IN HIDALGO COUNTY TO I69-E IN CAMERON COUNTY
- ▶ KEY PARALLEL CORRIDOR TO I-2 WITH IMPORTANCE TO MOBILITY PROJECTS BY TXDOT, CCRMA AND HCRMA
- ▶ TXDOT COMMITTED SUPPLEMENTAL DEVELOPMENT AUTHORITY FUNDS FOR THE ENTIRE 27 MILE CORRIDOR AS AN EXPRESSWAY FACILITY.
- ▶ TXDOT HAS COMMITTED TO FUNDING THE DEVELOPMENT OF THE SCHEMATIC DESIGN AND ENVIRONMENTAL DOCUMENTS.
- ▶ FEASIBILITY STUDIES KICKED OFF WITH A STAKEHOLDER MEETING OCT 2019.
- ▶ PUBLIC MEETING ON FEASIBILITY STUDIES HELD DECEMBER 2019.



HCRMA

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY



WEST LOOP

SECTION A(WEST) / SECTION C

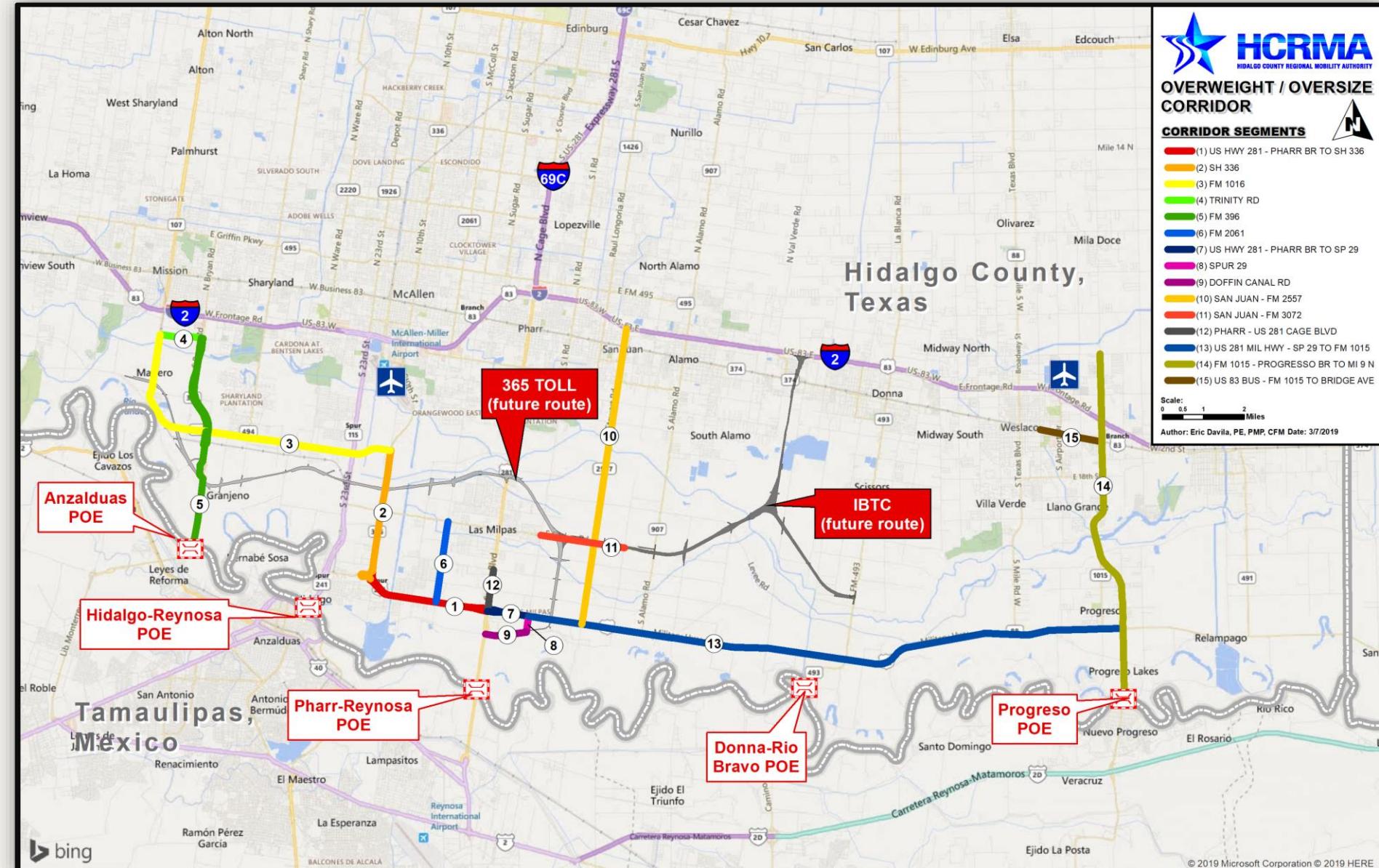
*COMPLIMENTS PROPOSED MISSION/MADERO-REYNOSA INTERNATIONAL BORDER CROSSING (BY OTHERS)

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 CLEARANCE.
- ▶ 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.



HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY



► **OVERWEIGHT REPORT FOR 2014-2020**
PERIOD: JAN 1, 2014 – JUNE 30, 2020

OW

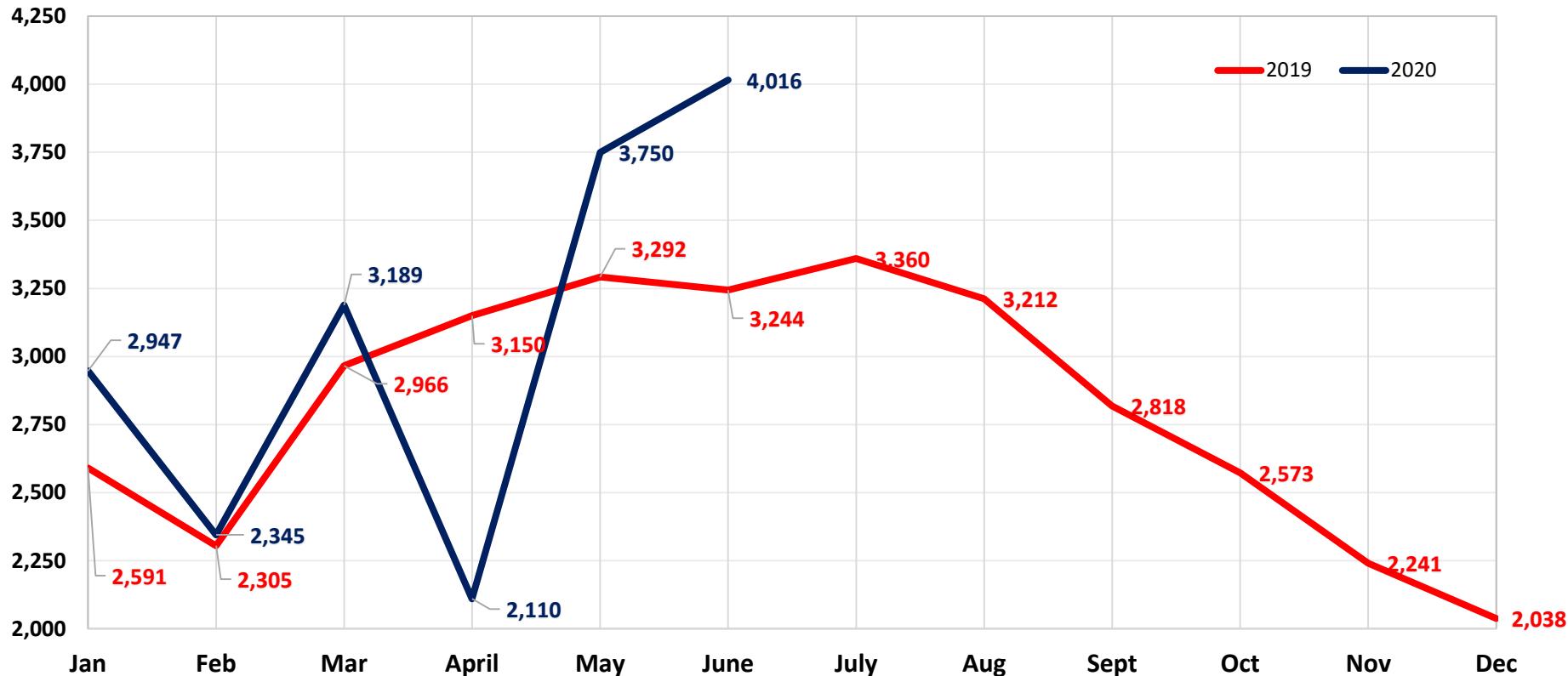
Total Permits Issued:	166,996
Total Amount Collected:	\$ 24,821,786
■ Convenience Fees:	\$ 586,386
■ Total Permit Fees:	\$ 24,235,400
– Pro Miles:	\$ 500,988
– TxDOT:	\$ 20,600,090
– HCRMA:	\$ 3,134,322

► **OVERWEIGHT REPORT FOR YEAR 2020**
PERIOD: JAN 1, 2020 – JUNE 30, 2020

OW

Total Permits Issued:	18,357
Total Amount Collected:	\$ 3,747,774
■ Convenience Fees:	\$ 76,374
■ Total Permit Fees:	\$ 3,671,400
– Pro Miles:	\$ 55,071
– TxDOT:	\$ 3,120,690
– HCRMA:	\$ 495,639

Overweight/Oversized Permit Count 2019 - 2020 Monthly Comparison



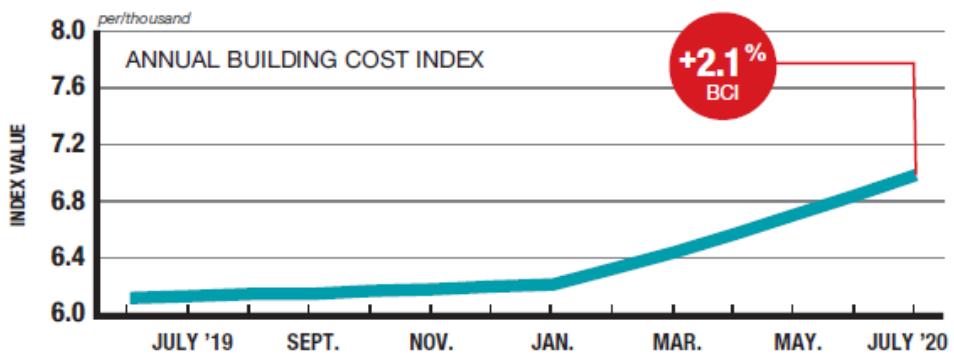
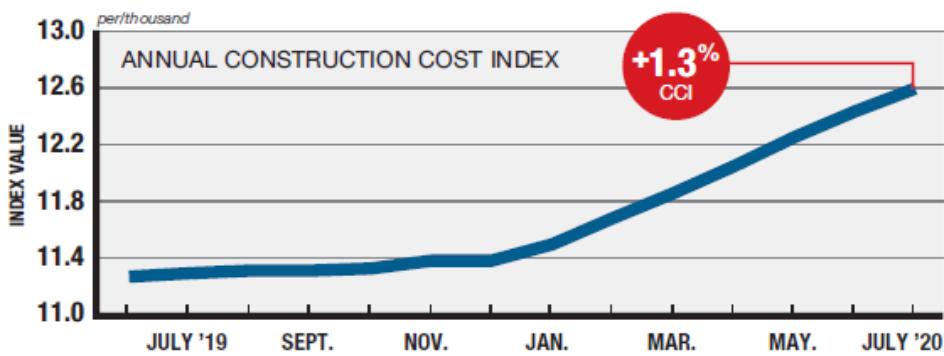
Notes:

1. Unprecedented stay at home orders in response to COVID-19 containment in April 2020 on both sides of the US/ Mexico Border attributed toward a 33% drop in overweight permit purchases within Hidalgo County – April 2019 (3,150 permits) vs. April 2020 (2,110 permits).
2. By the end of May 2020, the total permit count of 3,750 was a 14% increase compared to May 2019 permit count of 3,292 – showing a resurgence in the utilization of overweight permits to allow for greater efficiencies in the transport of perishable agricultural goods.

► CONSTR. ECONOMICS JULY 2020

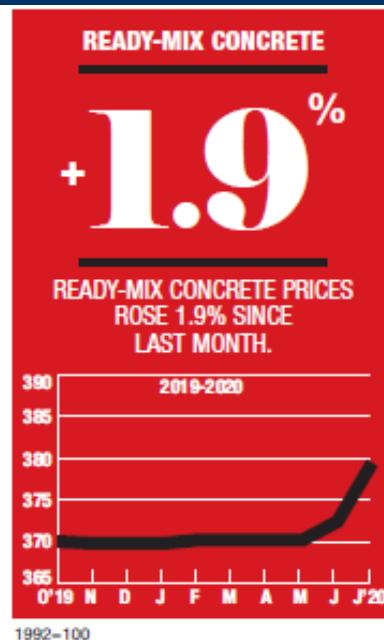
CE

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



► CONSTR. ECONOMICS JULY 2020

CE



20-CITY AVERAGE

ITEM	UNIT	\$PRICE	%MONTH	%YEAR
ASPHALT PAVING				
PG 58	TON	397.11	-1.3	-9.1
Cutback, MC800	TON	372.66	-0.9	-5.1
Emulsion, RAPID SET	TON	356.25	-0.3	-3.6
Emulsion, SLOW SET	TON	366.99	-0.4	-0.7
PORTLAND CEMENT				
Type one	TON	148.44	+0.3	+7.1
MASONRY CEMENT				
70-lb bag	TON	10.72	-0.6	+3.3
CRUSHED STONE				
Base course	TON	12.59	-0.1	+10.4
Concrete course	TON	11.78	0.0	+8.6
Asphalt course	TON	13.75	+0.1	+14.8
SAND				
Concrete	TON	10.43	0.0	+12.3
Masonry	TON	12.40	+0.2	+3.1
READY-MIX CONCRETE				
3,000 psi	CY	121.72	+1.9	+2.5
4,000 psi	CY	139.23	+0.8	+4.8
5,000 psi	CY	193.29	+1.8	+8.5
CONCRETE BLOCK				
Normal weight: 8" x 8" x 16"	C	147.07	0.0	+0.5
Lightweight: 8" x 8" x 16"	C	171.97	0.0	+2.0
12" x 8" x 16"	C	183.01	0.0	+1.4

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	_____	DATE SUBMITTED	<u>07/21/20</u>
FINANCE COMMITTEE	_____	MEETING DATE	<u>07/28/20</u>
TECHNICAL COMMITTEE	_____		

1. Agenda Item: REPORT ON 365 TOLLWAY PROJECT FINANCING ACTIVITIES.
2. Nature of Request: (Brief Overview) Attachments: 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 N/A
5. Staff Recommendation: Report only.
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



Hidalgo County Regional Mobility Authority

Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020

June 2020						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2020						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2020						
S	M	T	W	T	F	S
			1	2	3	4
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Highlighted dates denote holidays

Financing Timetable as of June 29, 2020

Date	Activity	Responsibility
June 30	■ Begin work on POS	RMA/FA/BC
July 14	■ Board meeting to approve financing, parameters resolution, and underwriting syndicate	RMA/FA/BC
July 16	■ Distribute first draft of POS	RMA/BC/FA
July 20	■ Conference call to review 1 st draft of POS	Working Group
July 24	■ Send POS and plan of finance to rating agencies	FA/RMA
August 4	■ Rating agency call (S&P); Tentative 10:00amrr66	RMA/FA/BC/UW
August 14	■ Receive Ratings	FA/BC/RMA
August 17	■ Due Diligence Call	Working Group
August 18	■ Post POS	BC/RMA/FA
August 25	■ Board Meeting	BC/RMA/FA
September 9	■ Pre-Pricing	RMA/FA/BC/UW

LEGEND

BC (Bond Counsel): Bracewell LLP

Financial Advisor (FA): HilltopSecurities

RMA: Hidalgo County Regional Mobility Authority

T&R (Traffic and Revenue consultant): C&M Associates, Inc.

UW (Underwriter): **TBD**

GEC (General Engineering Contractor): HDR Engineering, Inc.

GC (General Counsel): Bracewell LLP

RA: Rating Agency

UC (Underwriter's Counsel): **TBD**

Working Group: RMA, FA, GC, BC, UW, UC



Hidalgo County Regional Mobility Authority

Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020

Date	Activity	Responsibility
September 10	<ul style="list-style-type: none">■ Pricing■ Execute BPA	<p>RMA/FA/BC/UW Working Group</p>
September 14	<ul style="list-style-type: none">■ Distribute FOS to Working Group	BC/RMA/FA
September 16	<ul style="list-style-type: none">■ Receive comments on Final Official Statement	BC/RMA/FA
September 17	<ul style="list-style-type: none">■ Distribute Final Official Statement to Printer	BC/RMA/FA
September 18	<ul style="list-style-type: none">■ FOS to underwriters	RMA/FA/BC
September 28	<ul style="list-style-type: none">■ Pre-closing	BC/RMA/FA/UW/UC
September 29	<ul style="list-style-type: none">■ Closing	BC/RMA/FA/UW/UC

LEGEND

BC (Bond Counsel): Bracewell LLP

Financial Advisor (FA): HilltopSecurities

RMA: Hidalgo County Regional Mobility Authority

T&R (Traffic and Revenue consultant): C&M Associates, Inc.

UW (Underwriter): **TBD**

GEC (General Engineering Contractor): HDR Engineering, Inc.

GC (General Counsel): Bracewell LLP

RA: Rating Agency

UC (Underwriter's Counsel): **TBD**

Working Group: RMA, FA, GC, BC, UW, UC

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>07/21/20</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>07/28/20</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: APPROVAL OF MINUTES FOR REGULAR BOARD MEETING HELD JUNE 23, 2020 AND SPECIAL BOARD HELD JULY 14, 2020.
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 Board Meeting held June 23, 2020 and Special Board Meeting held July 14, 2020.
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 Board Meeting held June 23, 2020 and Special Board Meeting held July 14, 2020, 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

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

The Hidalgo County Regional Mobility Authority Board of Directors convened for a Workshop and Regular Meeting on **Tuesday, June 23, 2020**, at 5:30 pm by video/ teleconference, with the following participating:

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

Absent: None

Staff: Pilar Rodriguez, Executive Director
Ramon Navarro, Chief Construction Engineer
Eric Davila, Chief Development Engineer
Maria Alaniz, Administrative Assistant III
Blakely Fernandez, Bracewell Law, Legal Counsel

PLEDGE OF ALLEGIANCE

Chairman Deanda led the Pledge of Allegiance.

INVOCATION

Ms. Alaniz led the Invocation.

CALL TO ORDER OF A WORKSHOP

Chairman Deanda called the Workshop to order at 5:29 pm.

1. Review of financing, letting and construction schedule for the 365 Tollway Project.
Mr. Pilar Rodriguez, HCRMA, reviewed the financing, letting, and construction schedule for the 365 Tollway Project.

ADJOURNMENT OF WORKSHOP

CALL TO ORDER FOR REGULAR MEETING AND ESTABLISH A QUORUM

PUBLIC COMMENT

No Comments.

Chairman Deanda called the Regular Meeting to order at 5:38 pm.

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.

2. CONSENT AGENDA.

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

A. Approval of Minutes for the Regular Meeting held May 26, 2020.

Approved the Minutes for the Regular Meeting held May 26, 2020.

B. Approval of Project & General Expense Report for the period from May 9, 2020 to June 5, 2020.

Approved the Project & General Expense Report for the period from May 9, 2020 to June 5, 2020.

C. Approval of Financial Reports for May 2020.

Approved the Financial Reports for May 2020.

D. Resolution 2020-15 – Approval of Supplemental No. 1 to Work Authorization #3 to Blanton and Associates, Inc. for a No-cost Time Extension for Environmental Services for the 365 Tollway.

Approved Resolution 2020-15 – Approval of Supplemental No. 1 to Work Authorization #3 to Blanton and Associates, Inc. for a No-cost Time Extension for Environmental Services for the 365 Tollway.

E. Resolution 2020-16 – Approval of Supplemental No. 1 to Work Authorization #4 to Blanton and Associates, Inc. for a No-cost Time Extension for Environmental Services for the IBTC Project.

Approved Resolution 2020-16 – Approval of Supplemental No. 1 to Work Authorization #4 to Blanton and Associates, Inc. for a No-cost Time Extension for Environmental Services for the IBTC Project.

3. REGULAR AGENDA

A. Resolution 2020-14 - Approval of Petition Requesting Annexation by Area Landowners to extend the existing city limits be included as part of the City of Pharr for a 215,168.03 square foot tract of land out of Lot 80, Block 26 and Lot 71, Block 23, Re-subdivision in San Juan Plantation Subdivision, Hidalgo County, Texas.

Motion by Alonzo Cantu, with a second by Rick Perez, to approve Resolution 2020-14 - Approval of Petition Requesting Annexation by Area Landowners to extend the existing city limits be included as part of the City of Pharr for a 215,168.03 square foot tract of land out of Lot 80, Block 26 and Lot 71, Block 23, Re-subdivision in San Juan Plantation Subdivision, Hidalgo County, Texas. Motion carried unanimously.

B. Resolution 2020-17 – Approval of the Financial Underwriting Pool from which Financial Underwriting Syndicates will be selected and approved by the Hidalgo County Regional Mobility Authority for various financings for the period commencing September 1, 2020 and ending September 30, 2021.

Motion by Alonzo Cantu, with a second by Ezequiel Reyna, to approve Resolution 2020-17 – Approval of the Financial Underwriting Pool from which Financial Underwriting Syndicates will be selected and approved by the Hidalgo County Regional Mobility Authority for various financings for the period commencing September 1, 2020 and ending September 30, 2021. Motion carried unanimously.

4. CHAIRMAN'S REPORT

- A. None.

5. TABLED ITEMS

Motion by Paul Moxley, with a second by Forrest Runnels, to enter into Executive Session to consult with the Board Attorney on legal issues pertaining to Items 5A under Section 551.071 of the Texas Government Code at 5:47 pm. Motion carried unanimously.

Motion by Paul Moxley, with a second by Ezequiel Reyna, to reconvene the regular board meeting at 6:18 pm. Motion carried unanimously.

- A. Resolution 2020-12 – Approval of One Year Extension to the Professional Service Agreement with Hilltop Securities (First Southwest) to provide Financial Advisory Services to the Hidalgo County Regional Mobility Authority.

Motion by Ezequiel Reyna, with a second by Rick Perez, to authorize Chairman David Deanda, Vice-Chairman Forrest Runnels, and Pilar Rodriguez to meet with Hilltop Securities regarding the professional service agreement to provide financial services to the Hidalgo County Regional Mobility Authority as discussed in Executive Session.

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 Texas Department of Transportation State Infrastructure Bank Loan for the 365 Tollway Project (Section 551.071 T.G.C.).

No action taken.

- B. 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.

- C. 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.

- D. 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.

- E. 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.

- F. 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.

- G. Consultation with Attorney on legal issues pertaining to the Toll System Installation, Integration and Maintenance Contract for the 365 Tollway Project (Section 551.071 T.G.C.).
No action taken.
- H. Consultation with Attorney on legal issues pertaining to a rescope and re-bid of the 365 Tollway Project (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.
- J. Consultation with Attorney regarding the terms and conditions of the Series 2013 Vehicle Registration bond issuance (Section 551.071 T.G.C.).
No action taken.

ADJOURNMENT

There being no other business to come before the Board of Directors, motion by Paul Moxley, with a second by Ezequiel Reyna, to adjourn the meeting at 6:24 pm.

S. David Deanda, Jr, Chairman

Attest:

Ricardo Perez, Secretary/Treasurer

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

The Hidalgo County Regional Mobility Authority Board of Directors convened for a Special Meeting on **Tuesday, July 14, 2020**, at 5:30 pm by video/ teleconference, with the following participating:

Board Members:	S. David Deanda, Jr., Chairman Forrest Runnels, Vice-Chairman Ricardo Perez, Secretary/Treasurer Alonzo Cantu, Director Paul S. Moxley Director Francisco "Frank" Pardo, Director Ezequiel Reyna, Jr., 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 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 FOR WORKSHOP

Chairman Deanda called the Workshop to order at 5:29 pm.

1. Presentation by CM Associates related to Traffic Forecasting Uncertainty for the Investment Grade Traffic & Revenue Study for the 365 Tollway Project.
Mr. Carlos Contreras, C&M Associates, presented the Traffic Forecasting Uncertainty for the Investment Grade Traffic & Revenue Study for the 365 Tollway Project.
2. Review of schedule for Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020.
Mr. Richard Ramirez, Hilltop Securities, reviewed the schedule for Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020.

ADJOURNMENT OF WORKSHOP

CALL TO ORDER FOR REGULAR MEETING AND ESTABLISH A QUORUM

PUBLIC COMMENT

No Comments.

Chairman Deanda called the Regular Meeting to order at 6:05 pm.

1. REGULAR AGENDA

A. Resolution 2020-18 – Resolution Authorizing the issuance of one or more series of Hidalgo County Regional Mobility Authority Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020; Approval and Designation of a Pricing Committee to determine the Interest Rates, Maturity Dates, Forms of Bonds, Redemption Provisions and other matters pertaining to such bonds; Approving the projects; Prescribing the form, Terms, Conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds, including the designation and appointment of a Syndicate of Underwriters and Approval and Distribution of an Official Statement Pertaining thereto; Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Agreement, and an Escrow Agreement; Ratifying the Pledge Agreement and Indenture of Trust; Ratifying the designation of Bond Counsel and approving other agreements related thereto; Making other findings and provisions relating to the subject and matters incident thereto.

Motion by Forrest Runnels, with a second by Rick Perez, to approve Resolution 2020-18 – Resolution Authorizing the issuance of one or more series of Hidalgo County Regional Mobility Authority Senior Lien Vehicle Registration Fee Revenue and Refunding Bonds, Series 2020; Approval and Designation of a Pricing Committee to determine the Interest Rates , Maturity Dates, Forms of Bonds, Redemption Provisions and other matters pertaining to such bonds; Approving the projects; Prescribing the form, Terms, Conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds, including the designation and appointment of a Syndicate of Underwriters and Approval and Distribution of an Official Statement Pertaining thereto; Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Agreement, and an Escrow Agreement; Ratifying the Pledge Agreement and Indenture of Trust; Ratifying the designation of Bond Counsel and approving other agreements related thereto; Making other findings and provisions relating to the subject and matters incident thereto. Motion carried unanimously.

Motion by Paul Moxley, with a second by Forrest Runnels to appoint Chairman David Deanda, Vice-Chairman Forrest Runnels, and Director Paul Moxley to the Pricing Committee.

ADJOURNMENT

There being no other business to come before the Board of Directors, motion by Ezequiel Reyna, with a second by Paul Moxley, to adjourn the meeting at 6:13 pm.

S. David Deanda, Jr, Chairman

Attest:

Ricardo Perez, Secretary/Treasurer

Item 2B

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

**BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE**

X

**AGENDA ITEM
DATE SUBMITTED
MEETING DATE**

2B
07/21/20
07/28/20

1. Agenda Item: APPROVAL OF PROJECT AND GENERAL EXPENSE REPORT FROM JUNE 6, 2020 THROUGH JULY 6, 2020
2. Nature of Request: (Brief Overview) Attachments: Yes No

Consideration and approval of project and general expense report for the period from June 6, 2020 through July 6, 2020.
3. Policy Implication: Board Policy, Local Government Code, Texas Government Code, Texas Transportation Code, TxDOT Policy
4. Budgeted: Yes No N/A Funding Source: VRF Bond

General Account	\$ 112,032.54
Disbursement Account	\$ 48,865.92
R.O.W Services	\$ 23,822.27
Total Project Expenses for Reporting Period	\$ 184,720.73

Total Project Expenses for Reporting Period **\$ 184,720.73**

5. Staff Recommendation: **Motion to approve the project and general expense report for the June 6, 2020 to July 6, 2020 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: July 21, 2020
Re: **Expense Report for the Period from June 6, 2020 to July 6, 2020**

Attached is the expense report for the period commencing on June 6, 2020 and ending on July 6, 2020.

Expenses for the General Account total \$112,032.54, the Disbursement Account total \$48,865.92, and ROW Services total \$23,822.27. The aggregate expense for the reporting period is \$184,720.73.

Based on review by this office, **approval of expenses for the reporting period is recommended in the aggregate amount of \$184,720.73.**

This leaves a fund balance (all funds) after expenses of \$2,429,242.50.

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

June 6- July 6
July 2020

Plains Capital 41		Make Check Payable to	Date Work Performed	Amount
Wages & Benefits		City of Pharr	June 2020 \$	71,781.43
		Office Depot	June 2020 \$	389.88
		A-Fast Delivery, LLC	June 2020 \$	298.25
		Copy Zone	June 2020 \$	487.74
		Pathfinder Public Affairs	June 2020 \$	10,000.00
		Bracewell, LLP	June 2020 \$	1,360.00
Accounting Fees		City of Pharr	June 2020 \$	205.00
Rent		City of Pharr	July 2020 \$	4,480.00
		City of Pharr	June 2020 \$	2,306.99
		City of Pharr	July 2020 \$	470.77
		Xerox-Dahill	7/8/2020-8/7/2020 \$	683.21
		Xerox	7/1/2020-7/31/2020 \$	194.05
Professional Services		Pena Designs	June 2020 \$	200.00
		Credit Card Services	6/04/20-7/03/20 \$	(1,172.03)
		Credit Card Services	6/04/20-7/03/20 \$	3,557.00
		Carson Map Company, Inc.	7/17/2020-7/16/2021 \$	590.00
		Southern Computer Warehouse	6/19/2020 \$	617.41
		Southern Computer Warehouse	6/24/2020 \$	2,896.10
		Southern Computer Warehouse	7/13/2020-07/12/2021 \$	2,635.01
		SHI Government Solutions	6/30/2020 \$	680.00
		SHI Government Solutions	8/3/2020-08/02/2021 \$	2,083.73
		Liftoff	8/2020-8/2021 \$	6,456.00
		Liftoff	7/16/2020-07/15/2021 \$	780.00
		A Better Water Solution - Get Filtered	June 2020 \$	52.00
				\$ 112,032.54
Wilmington Trust 45/Capital Projects				
Engineering Services		Bracewell, LLP	June 2020 \$	2,080.00
		Blanton & Associates, Inc.	6/1/2020-6/30/2020 \$	702.08
		Blanton & Associates, Inc.	6/1/2020-6/30/2020 \$	1,230.00
		Blanton & Associates, Inc.	6/1/2020-6/30/2020 \$	13,796.79
		C&M Associates, Inc.	thru 6/30/2020 \$	28,989.05
		Top Cut Lawn Care, Inc.	June 2020 \$	648.00
		San Miguel Lawn Care Services	6/19/2020 \$	795.00
		San Miguel Lawn Care Services	6/22/2020 \$	625.00
				\$ 48,865.92
R.O.W. Services		Requisitions		
		Barron, Adler, Clough & Oddo, LLP	7/31/2020 \$	22,772.27
				\$ 22,772.27
SIB Construction Account 45				
Legal Fees		Escobedo & Cardenas, LLP	June 2020 \$	1,050.00
				\$ 1,050.00
Sub Total - General	\$	112,032.54		
Sub Total - Projects	\$	48,865.92		
Sub Total - SIB Acquisitior	\$	1,050.00		
Sub Total - SIB R.O.W.	\$	22,772.27		
Total	\$	184,720.73		

Approved: _____ **Recommend Approval:** _____
 S. David Deanda, Jr., Chairman Pilar Rodriguez, Executive Director

Approved: _____ **Date:** 7/28/2020
 Ricardo Perez, Secretary/Treasurer

Item 2C

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS
PLANNING COMMITTEE
FINANCE COMMITTEE
TECHNICAL COMMITTEE

AGENDA ITEM
DATE SUBMITTED
MEETING DATE

2C
07/15/20
07/28/20

1. Agenda Item: **APPROVAL OF THE FINANCIAL REPORT FOR THE MONTHS OF JUNE 2020.**
2. Nature of Request: (Brief Overview) Attachments: Yes No
Consideration and approval of financial report for the months of June 2020.
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 month of June 2020, 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 JUNE 30, 2020**

ASSETS

CURRENT ASSETS	
Cash	\$ 171,967
Investment-Cap. Projects nonrestricted	103,540
Pool Investments	1,969,754
Promiles-Prepaid/Escrow Overweight Permit Fees	55,190
Accounts Receivable - VR Fees	629,970
Prepaid expense	35,516
	<hr/>
Total Current Assets	<hr/> 2,965,937
RESTRICTED ASSETS	
Investment-debt service	975,393
Investment-debt service jr. lien	<hr/> 5,527,474
	<hr/>
Total Restricted Assets	<hr/> 6,502,867
CAPITAL ASSETS	
Land-environmental	441,105
Leasehold improvements	237,660
Office equipment/other	26,732
Construction in progress	126,709,799
Accumulated depreciation	<hr/> (24,589)
	<hr/>
Total Capital Assets	<hr/> 127,390,707
TOTAL ASSETS	<hr/> <hr/> \$ 136,859,511

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Accounts payable	\$ 23,664
Accounts payable-City of Pharr	74,101
Unearned Revenue - Overweight Permit Escrow	55,190
Current Portion of Bond Premium	<hr/> 76,452
	<hr/>
Total Current Liabilities	<hr/> 229,407
RESTRICTED LIABILITIES	
Current Portion of Long-Term Debt	<hr/> 1,255,000
	<hr/>
Total Restricted Liabilities	<hr/> 1,255,000
LONG-TERM LIABILITIES	
2013 VRF Bonds Payable	53,485,000
Jr. Lien Bonds	22,191,926
Bond premium	1,758,386
Other Payables	<hr/> 5,377,193
	<hr/>
Total Long-Term Liabilities	<hr/> 82,812,506
	<hr/>
Total Liabilities	<hr/> 84,296,912
NET POSITION	
Investment in Capital Assets, Net of Related Debt	43,246,750
Restricted for:	
Debt Service	6,502,867
Unrestricted	<hr/> 2,812,982
	<hr/>
Total Net Position	<hr/> 52,562,599
TOTAL LIABILITIES AND NET POSITION	<hr/> <hr/> \$ 136,859,511



Pharr, TX

Balance Sheet
Account Summary
As Of 06/30/2020

Account

Name

Balance

Fund: 41 - HCRMA-GENERAL

Assets

<u>41-1-1100-000</u>	GENERAL OPERATING	171,966.69
<u>41-1-1102-000</u>	POOL INVESTMENTS	1,969,753.61
<u>41-1-1113-000</u>	ACCOUNTS RECEIVABLES-VR FEES	629,970.00
<u>41-1-1113-100</u>	PROMILES-PREPAID/ESCROW OVERWE	55,190.00
<u>41-1-1117-000</u>	LEASEHOLD IMPROVEMENTS	237,659.63
<u>41-1-1118-000</u>	CONSTRUCTION IN PROGRESS	126,709,798.57
<u>41-1-1119-001</u>	LAND-ENVIRONMENTAL	441,105.00
<u>41-1-1121-000</u>	FURNITURE & FIXTURES	18,125.00
<u>41-1-1122-000</u>	COMPUTER EQUIP/SOFTWARE	8,606.51
<u>41-1-1123-000</u>	ACCUMULATED DEPRECIATION	-24,588.79
<u>41-1-1601-000</u>	PREPAID EXPENSE	35,516.44

Total Assets: 130,253,102.66

Liability

<u>41-2-1212-000</u>	ACCOUNTS PAYABLE	1,626.44
<u>41-2-1212-001</u>	A/P CITY OF PHARR	74,101.38
<u>41-2-1212-009</u>	OTHER PAYABLES	5,377,193.33
<u>41-2-1213-009</u>	CURRENT-UNAMORTIZED PREMIUM	76,451.51
<u>41-2-1213-100</u>	UNEARNED REV.-OVERWEIGHT	55,190.00
<u>41-2-1214-001</u>	BONDS PAYABLE-CURRENT	1,255,000.00
<u>41-2-1214-002</u>	BONDS PAYABLE-LONG TERM PORTIO	53,485,000.00
<u>41-2-1214-003</u>	UNAMORTIZED PREMIUM ON BOND	1,758,385.67
<u>41-2-1214-010</u>	LONG TERM BONDS- JR LIEN	22,191,926.44

Total Liability: 84,274,874.77

Equity

<u>41-3-3400-000</u>	FUND BALANCE	46,308,843.03
	Total Beginning Equity:	46,308,843.03
Total Revenue		3,795,018.67
Total Expense		4,125,633.81
Revenues Over/Under Expenses		<u>-330,615.14</u>

Total Equity and Current Surplus (Deficit): 45,978,227.89

Total Liabilities, Equity and Current Surplus (Deficit): 130,253,102.66



Pharr, TX

Budget Report

Account Summary

For Fiscal: 2020 Period Ending: 06/30/2020

Fund: 41 - HCRMA-GENERAL		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Revenue							
41-4-1504-000	VEHICLE REGISTRATION FEES	6,900,000.00	6,900,000.00	629,970.00	3,320,150.00	-3,579,850.00	48.12 %
41-4-1504-001	VFR DIVIDENDS/INTEREST	1,000,000.00	0.00	0.00	0.00	0.00	0.00 %
41-4-1505-005	PROMILES-OW/OS PERMIT FEES	40,000.00	1,000,000.00	101,169.00	464,562.00	-535,438.00	46.46 %
41-4-1506-000	INTEREST REVENUE	0.00	40,000.00	958.20	10,306.67	-29,693.33	25.77 %
	Revenue Total:	7,940,000.00	7,940,000.00	732,097.20	3,795,018.67	-4,144,981.33	47.80 %
Expense							
41-52900-1100-000	SALARIES	593,000.00	593,000.00	34,935.84	221,828.41	371,171.59	37.41 %
41-52900-1104-000	OVERTIME	500.00	500.00	0.00	33.35	466.65	6.67 %
41-52900-1105-000	FICA	51,500.00	51,500.00	1,922.58	16,391.82	35,108.18	31.83 %
41-52900-1106-000	HEALTH INSURANCE	29,300.00	29,300.00	1,110.40	12,744.86	16,555.14	43.50 %
41-52900-1115-000	EMPLOYEES RETIREMENT	53,900.00	53,900.00	2,625.74	16,675.25	37,224.75	30.94 %
41-52900-1116-000	PHONE ALLOWANCE	7,500.00	7,500.00	300.00	1,857.70	5,642.30	24.77 %
41-52900-1117-000	CAR ALLOWANCE	30,000.00	30,000.00	1,200.00	7,246.16	22,753.84	24.15 %
41-52900-1122-000	EAP- ASSISTANCE PROGRAM	0.00	0.00	5.36	30.82	-30.82	0.00 %
41-52900-1178-000	ADMIN FEE	11,700.00	11,700.00	750.00	4,650.00	7,050.00	39.74 %
41-52900-1179-000	CONTINGENCY	42,000.00	42,000.00	0.00	0.00	42,000.00	0.00 %
41-52900-1200-000	OFFICE SUPPLIES	15,000.00	15,000.00	2,150.77	4,637.88	10,362.12	30.92 %
41-52900-1603-000	BUILDING REMODEL	30,000.00	30,000.00	1,626.44	23,075.79	6,924.21	76.92 %
41-52900-1604-000	MAINTENANCE & REPAIR	5,000.00	5,000.00	318.74	318.74	4,681.26	6.37 %
41-52900-1605-000	JANITORIAL	500.00	500.00	86.00	838.97	-338.97	167.79 %
41-52900-1606-000	UTILITIES	2,700.00	2,700.00	243.84	1,213.84	1,486.16	44.96 %
41-52900-1607-000	CONTRACTUAL ADM/IT SERVICES	8,500.00	8,500.00	255.00	3,530.00	4,970.00	41.53 %
41-52900-1610-000	DUES & SUBSCRIPTIONS	20,000.00	20,000.00	0.00	11,070.00	8,930.00	55.35 %
41-52900-1610-001	SUBSCRIPTIONS-SOFTWARE	3,500.00	3,500.00	79.99	79.99	3,420.01	2.29 %
41-52900-1611-000	POSTAGE/FEDEX/COURTIER	2,500.00	2,500.00	179.15	909.25	1,590.75	36.37 %
41-52900-1620-000	GENERAL LIABILITY	5,000.00	5,000.00	0.00	2,902.00	2,098.00	58.04 %
41-52900-1621-000	INSURANCE-E&O	1,500.00	1,500.00	0.00	1,404.00	96.00	93.60 %
41-52900-1622-000	INSURANCE-SURETY	800.00	800.00	0.00	0.00	800.00	0.00 %
41-52900-1623-000	INSURANCE-LETTER OF CREDIT	550.00	550.00	0.00	0.00	550.00	0.00 %
41-52900-1623-001	INSURANCE-OTHER	4,500.00	4,500.00	0.00	5,079.05	-579.05	112.87 %
41-52900-1630-000	BUSINESS MEALS	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
41-52900-1640-000	ADVERTISING	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00 %
41-52900-1650-000	TRAINING	8,000.00	8,000.00	0.00	4,438.00	3,562.00	55.48 %
41-52900-1660-000	TRAVEL	10,000.00	10,000.00	0.00	4,445.90	5,554.10	44.46 %
41-52900-1662-000	PRINTING & PUBLICATIONS	10,000.00	10,000.00	398.72	3,065.74	6,934.26	30.66 %
41-52900-1703-000	BANK SERVICE CHARGES	100.00	100.00	0.00	0.00	100.00	0.00 %
41-52900-1705-000	ACCOUNTING FEES	30,000.00	30,000.00	205.00	27,775.00	2,225.00	92.58 %
41-52900-1710-000	LEGAL FEES	50,000.00	50,000.00	680.00	6,454.50	43,545.50	12.91 %
41-52900-1710-001	LEGAL FEES-GOV.AFFAIRS	120,000.00	120,000.00	10,000.00	50,000.00	70,000.00	41.67 %
41-52900-1712-000	FINANCIAL CONSULTING FEES	2,000.00	2,000.00	0.00	1,270.00	730.00	63.50 %
41-52900-1712-001	INSURANCE CONSULTANT	7,000.00	7,000.00	0.00	0.00	7,000.00	0.00 %
41-52900-1715-000	RENT-OFFICE	54,000.00	54,000.00	4,480.00	26,880.00	27,120.00	49.78 %
41-52900-1715-001	RENT-OFFICE EQUIPMENT	8,500.00	8,500.00	683.21	4,099.26	4,400.74	48.23 %
41-52900-1715-002	RENT-OTHER	500.00	500.00	0.00	0.00	500.00	0.00 %
41-52900-1716-000	CONTRACTUAL WEBSITE SERVICES	3,600.00	3,600.00	200.00	1,000.00	2,600.00	27.78 %
41-52900-1731-000	MISCELLANEOUS	500.00	500.00	0.00	0.00	500.00	0.00 %
41-52900-1732-000	PENALTIES & INTEREST	100.00	100.00	0.00	0.00	100.00	0.00 %
41-52900-1850-000	CAPITAL OUTLAY	7,500.00	7,500.00	0.00	0.00	7,500.00	0.00 %
41-52900-1899-000	NON-CAPITAL	15,000.00	15,000.00	199.99	812.19	14,187.81	5.41 %
41-52900-1999-003	TRANSFER OUT TO DEBT	3,975,312.00	3,975,312.00	331,109.38	1,988,656.28	1,986,655.72	50.03 %

Budget Report

For Fiscal: 2020 Period Ending: 06/30/2020

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
41-52900-1999-005	TRANS OUT DEB-JR LIEN	1,104,081.00	1,104,081.00	0.00	1,104,081.00	0.00	100.00 %
41-52900-1999-009	TRANSFER OUT-CAPITAL PROJ	850,000.00	850,000.00	0.00	339,000.00	511,000.00	39.88 %
41-53000-1100-000	SALARIES	490,000.00	490,000.00	13,887.47	90,001.51	399,998.49	18.37 %
41-53000-1104-000	OVERTIME	500.00	500.00	0.00	0.00	500.00	0.00 %
41-53000-1105-000	FICA	43,600.00	43,600.00	1,052.54	6,854.25	36,745.75	15.72 %
41-53000-1106-000	HEALTH INSURANCE	24,900.00	24,900.00	729.57	9,805.48	15,094.52	39.38 %
41-53000-1115-000	EMPLOYEES RETIREMENT	45,700.00	45,700.00	1,170.08	7,584.15	38,115.85	16.60 %
41-53000-1116-000	PHONE ALLOWANCE	9,600.00	9,600.00	184.60	1,199.90	8,400.10	12.50 %
41-53000-1117-000	CAR ALLOWANCE	43,200.00	43,200.00	553.84	3,599.96	39,600.04	8.33 %
41-53000-1122-000	EAP- ASSISTANCE PROGRAM	0.00	0.00	2.68	16.08	-16.08	0.00 %
41-53000-1178-000	ADMN FEE	15,600.00	15,600.00	300.00	1,950.00	13,650.00	12.50 %
41-53000-1179-000	CONTINGENCY	27,200.00	27,200.00	0.00	0.00	27,200.00	0.00 %
41-53000-1200-000	OFFICE SUPPLIES	1,500.00	1,500.00	0.00	189.83	1,310.17	12.66 %
41-53000-1201-000	SMALL TOOLS	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
41-53000-1608-000	UNIFORMS	6,000.00	6,000.00	0.00	0.00	6,000.00	0.00 %
41-53000-1610-000	DUES & SUBSCRIPTIONS	2,000.00	2,000.00	14.23	744.23	1,255.77	37.21 %
41-53000-1610-001	SUBSCRIPTIONS - SOFTWARE	7,000.00	7,000.00	0.00	4,000.00	3,000.00	57.14 %
41-53000-1640-000	ADVERTISING	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
41-53000-1650-000	TRAINING	5,000.00	5,000.00	0.00	375.00	4,625.00	7.50 %
41-53000-1660-000	TRAVEL	8,000.00	8,000.00	0.00	610.06	7,389.94	7.63 %
41-53000-1715-001	RENTAL - OFFICE EQUIPMENT	2,400.00	2,400.00	194.05	1,164.30	1,235.70	48.51 %
41-53000-1715-002	RENT-OTHER	750.00	750.00	0.00	0.00	750.00	0.00 %
41-53000-1850-000	CAPITAL OUTLAY	54,000.00	54,000.00	0.00	0.00	54,000.00	0.00 %
41-53000-1899-000	NON-CAPITALIZED	22,000.00	22,000.00	0.00	0.00	22,000.00	0.00 %
41-54000-1100-000	SALARIES	350,000.00	350,000.00	10,382.38	67,223.43	282,776.57	19.21 %
41-54000-1104-000	OVERTIME	500.00	500.00	0.00	0.00	500.00	0.00 %
41-54000-1105-000	FICA	29,600.00	29,600.00	805.76	5,236.36	24,363.64	17.69 %
41-54000-1106-000	HEALTH INSURANCE	16,800.00	16,800.00	489.82	7,197.92	9,602.08	42.84 %
41-54000-1115-000	EMPLOYEES RETIREMENT	31,000.00	31,000.00	882.28	5,713.86	25,286.14	18.43 %
41-54000-1116-000	PHONE ALLOWANCE	3,600.00	3,600.00	92.30	599.95	3,000.05	16.67 %
41-54000-1117-000	CAR ALLOWANCE	14,400.00	14,400.00	553.84	3,599.96	10,800.04	25.00 %
41-54000-1122-000	EAP- ASSISTANCE PROGRAM	0.00	0.00	1.34	8.04	-8.04	0.00 %
41-54000-1178-000	ADMN FEE	5,850.00	5,850.00	150.00	975.00	4,875.00	16.67 %
41-54000-1179-000	CONTINGENCY	18,400.00	18,400.00	0.00	0.00	18,400.00	0.00 %
41-54000-1200-000	OFFICE SUPPLIES	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
41-54000-1610-000	DUES & SUBSCRIPTIONS	2,500.00	2,500.00	148.17	256.17	2,243.83	10.25 %
41-54000-1610-001	SUBSCRIPTIONS-SOFTWARE	71,350.00	71,350.00	1,511.25	6,012.06	65,337.94	8.43 %
41-54000-1650-000	TRAINING	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
41-54000-1660-000	TRAVEL	5,000.00	5,000.00	0.00	951.75	4,048.25	19.04 %
41-54000-1850-000	CAPITAL OUTLAY	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
41-54000-1899-000	NON-CAPITALIZED	16,100.00	16,100.00	0.00	0.00	16,100.00	0.00 %
41-58000-1604-001	MAINTENANCE AND REPAIR -BSIF	6,000.00	6,000.00	465.00	930.00	5,070.00	15.50 %
41-58000-1606-002	UTILITIES - BSIF	1,200.00	1,200.00	68.39	338.81	861.19	28.23 %
Expense Total:		8,603,393.00	8,603,393.00	429,385.74	4,125,633.81	4,477,759.19	47.95 %
Fund: 41 - HCRMA-GENERAL Surplus (Deficit):		-663,393.00	-663,393.00	302,711.46	-330,615.14	332,777.86	49.84 %
Report Surplus (Deficit):		-663,393.00	-663,393.00	302,711.46	-330,615.14	332,777.86	49.84 %



Pharr, TX

Bank Statement Register

GENERAL OPERATING

Period 6/1/2020 - 6/30/2020

Bank Statement

Beginning Balance	170,795.90
Plus Debits	404,126.57
Less Credits	395,726.56
Adjustments	0.00
Ending Balance	179,195.91

General Ledger

Account Balance	171,966.69
Less Outstanding Debits	0.00
Plus Outstanding Credits	7,229.22
Adjustments	0.00
Adjusted Account Balance	179,195.91

Statement Ending Balance	179,195.91
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
06/30/2020	<u>DEP 063020</u>	Deposit	FUND 41- PROMILES	24,030.00
06/30/2020	<u>DEP 063020</u>	Deposit	FUND 41- PROMILES	24,624.00
06/30/2020	<u>DEP 063020</u>	Deposit	FUND 41- PROMILES	27,567.00
06/30/2020	<u>DEP 063020</u>	Deposit	FUND 41- PROMILES	24,948.00
			Total Cleared Deposits (4)	101,169.00

Cleared Checks

Item Date	Reference	Item Type	Description	Amount
05/28/2020	<u>2410</u>	Check	A BETTER WATER SOLUTION	-52.00
05/28/2020	<u>2411</u>	Check	A FAST DELIVERY	-117.75
05/28/2020	<u>2412</u>	Check	BENTLEY SYSTEMS, INC.	-4,112.81
05/28/2020	<u>2413</u>	Check	BLUE MARBLE GROUP	-220.00
05/28/2020	<u>2414</u>	Check	COPYZONE	-967.28
05/28/2020	<u>2416</u>	Check	LIFTOFF, LLC	-168.00
05/28/2020	<u>2417</u>	Check	OFFICE DEPOT	-85.78
05/28/2020	<u>2418</u>	Check	XEROX CORPORATION	-194.05
05/29/2020	<u>2419</u>	Check	THE SLIDING DOOR COMPANY	-7,890.21
05/29/2020	<u>2420</u>	Check	THE SLIDING DOOR COMPANY	-3,140.21
06/05/2020	<u>2422</u>	Check	DE SARO RODRIGUEZ LLC	-360.00
06/11/2020	<u>2423</u>	Check	THE SLIDING DOOR COMPANY	-1,626.44
06/25/2020	<u>2422</u>	Check	DAHILL	-683.21

Cleared Checks

Item Date	Reference	Item Type	Description	Amount
06/25/2020	<u>2428</u>	Check	ENVIRONMENTAL SYSTEMS RESEARCH INC	-1,511.25
			Total Cleared Checks (14)	-21,128.99

Cleared Other

Item Date	Reference	Item Type	Description	Amount
05/29/2020	<u>2419</u>	Check Reversal	THE SLIDING DOOR COMPANY Reversal	7,890.21
06/03/2020	<u>DFT0001437</u>	Bank Draft	PATHFINDER PUBLIC AFFAIRS	-10,000.00
06/12/2020	<u>BNK DFT 061220</u>	Bank Draft	FUND 41- TO REC WIRE TXFRS	-275,000.00
06/16/2020	<u>CHK 2423</u>	Miscellaneous	FUND 41- CHECK CORRECTION	-1,626.44
06/16/2020	<u>CHK 2423</u>	Miscellaneous	FUND 41- CHECK CORRECTION	1,626.44
06/30/2020	<u>DFT0001436</u>	Bank Draft	CITY OF PHARR	-72,751.75
06/30/2020	<u>DFT0001438</u>	Bank Draft	BRACEWELL LLP ATTORNEYS AT LAW	-680.00
06/30/2020	<u>DFT0001439</u>	Bank Draft	CITY OF PHARR	-205.00
06/30/2020	<u>DFT0001440</u>	Bank Draft	CITY OF PHARR	-350.50
06/30/2020	<u>DFT0001441</u>	Bank Draft	CITY OF PHARR	-4,480.00
06/30/2020	<u>DFT0001442</u>	Bank Draft	CITY OF PHARR	-7,008.35
06/30/2020	<u>DFT0001443</u>	Bank Draft	CITY OF PHARR	-255.00
06/30/2020	<u>DFT0001444</u>	Bank Draft	CITY OF PHARR	-199.99
06/30/2020	<u>DFT0001445</u>	Bank Draft	PENA DESIGNS	-200.00
06/30/2020	<u>DFT0001446</u>	Bank Draft	PLAINS CAPITAL-CREDIT CARD SERVICES	-1,375.54
06/30/2020	<u>DFT0001447</u>	Bank Draft	SAN MIGUEL LAWN CARE SERVICES	-465.00
06/30/2020	<u>MISC 063020</u>	Miscellaneous	FUND 41- WILMINGTON TRUST	293,440.92
			Total Cleared Other (17)	-71,640.00

Outstanding Checks

Item Date	Reference	Item Type	Description	Amount
05/28/2020	<u>2415</u>	Check	DAHILL	-683.21
05/29/2020	<u>2421</u>	Check	THE SLIDING DOOR COMPANY	-4,750.00
06/25/2020	<u>2424</u>	Check	A BETTER WATER SOLUTION	-52.00
06/25/2020	<u>2425</u>	Check	A FAST DELIVERY	-117.00
06/25/2020	<u>2426</u>	Check	COPYZONE	-398.72
06/25/2020	<u>2429</u>	Check	OFFICE DEPOT	-1,034.24
06/25/2020	<u>2430</u>	Check	XEROX CORPORATION	-194.05
			Total Outstanding Checks (7)	-7,229.22



Pharr, TX

Bank Statement Register

Transaction Summary

Transaction Type	Count	Outstanding	Cleared	Total
Bank Draft	13	0.00	-372,971.13	-372,971.13
Check	21	-7,229.22	-21,128.99	-28,358.21
Deposit	4	0.00	101,169.00	101,169.00
Check Reversal	1	0.00	7,890.21	7,890.21
Miscellaneous	3	0.00	293,440.92	293,440.92
		-7,229.22	8,400.01	1,170.79



Pharr, TX

Bank Statement Register

POOL INVESTMENTS

Period 6/1/2020 - 6/30/2020

07/14/2020

Bank Statement

Beginning Balance	1,693,795.71
Plus Debits	275,957.90
Less Credits	0.00
Adjustments	0.00
Ending Balance	1,969,753.61

General Ledger

Account Balance	1,969,753.61
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	1,969,753.61

Statement Ending Balance	1,969,753.61
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 Deposits

Item Date	Reference	Item Type	Description	Amount
06/12/2020	<u>DEP_061220</u>	Deposit	FUND 41- TO REC WIRE TXFRS	275,000.00
			Total Cleared Deposits (1)	275,000.00

Cleared Other

Item Date	Reference	Item Type	Description	Amount
06/30/2020	<u>INT_063020</u>	Interest	FUND 41- LOGIC	957.90
			Total Cleared Other (1)	957.90



Pharr, TX

Balance Sheet
Account Summary
As Of 06/30/2020

Account	Name	Balance
Fund: 42 - HCRMA-DEBT SERVICE		
Assets		
<u>42-1-4105-000</u>	WILMINGTON-DEBT SERVICE	975,392.67
<u>42-1-4105-001</u>	DEBT SVC - JR LIEN	5,527,473.91
	Total Assets:	<u>6,502,866.58</u>
Liability		
	Total Liability:	0.00
Equity		
<u>42-3-4400-000</u>	FUND BALANCE	4,508,767.72
	Total Beginning Equity:	<u>4,508,767.72</u>
Total Revenue		3,128,729.07
Total Expense		1,134,630.21
Revenues Over/Under Expenses		<u>1,994,098.86</u>
	Total Equity and Current Surplus (Deficit):	6,502,866.58
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>6,502,866.58</u>



Pharr, TX

Budget Report
Account Summary
For Fiscal: 2020 Period Ending: 06/30/2020

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Fund: 42 - HCRMA-DEBT SERVICE							
Revenue							
42-4-1506-000	INTEREST INCOME	0.00	0.00	16.15	2,559.98	2,559.98	0.00 %
42-4-1506-001	INTEREST INCOME-JR LIEN	0.00	0.00	2,842.54	33,431.81	33,431.81	0.00 %
42-4-1999-000	TRANSFERS IN-FROM GENERAL FU	0.00	0.00	331,109.38	3,092,737.28	3,092,737.28	0.00 %
	Revenue Total:	0.00	0.00	333,968.07	3,128,729.07	3,128,729.07	0.00 %
Expense							
42-52900-4703-001	INTEREST EXPENSE-VRF 13 BOND	0.00	0.00	1,132,630.21	1,132,630.21	-1,132,630.21	0.00 %
42-52900-4727-000	FEES	0.00	0.00	0.00	2,000.00	-2,000.00	0.00 %
	Expense Total:	0.00	0.00	1,132,630.21	1,134,630.21	-1,134,630.21	0.00 %
Fund: 42 - HCRMA-DEBT SERVICE Surplus (Deficit):							
	Report Surplus (Deficit):	0.00	0.00	-798,662.14	1,994,098.86	1,994,098.86	0.00 %



Pharr, TX

Bank Statement Register

WILMINGTON-DEBT SERVICE

Period 6/1/2020 - 6/30/2020

01/14/2020

Bank Statement

Beginning Balance	2,003,423.39
Plus Debits	1,690,281.78
Less Credits	2,718,312.50
Adjustments	0.00
Ending Balance	975,392.67

General Ledger

Account Balance	975,392.67
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	975,392.67

Statement Ending Balance	975,392.67
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 Other

Item Date	Reference	Item Type	Description	Amount
06/30/2020	<u>MISC 063020</u>	Miscellaneous	FUND 42- WILMINGTON TRUST	331,125.53
06/30/2020	<u>MISC 063020</u>	Miscellaneous	FUND 42- WILMINGTON TRUST	1,359,156.25
06/30/2020	<u>MISC 063020</u>	Miscellaneous	FUND 42- WILMINGTON TRUST	-1,359,156.25
06/30/2020	<u>MISC 063020</u>	Miscellaneous	FUND 42- WILMINGTON TRUST	-1,359,156.25
			Total Cleared Other (4)	-1,028,030.72



Pharr, TX

Bank Statement Register

DEBT SVC - JR LIEN

Period 6/1/2020 - 6/30/2020

07/14/2020

Bank Statement

Beginning Balance	5,524,631.37
Plus Debits	2,842.54
Less Credits	0.00
Adjustments	0.00
Ending Balance	5,527,473.91

General Ledger

Account Balance	5,527,473.91
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	5,527,473.91

Statement Ending Balance	5,527,473.91
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
06/30/2020	<u>INT 063020</u>	Interest	FUND 42- LOGIC INTEREST	2,842.54
			Total Cleared Other (1)	2,842.54



Pharr, TX

Balance Sheet
Account Summary
As Of 06/30/2020

Account	Name	Balance
Fund: 45 - HCRMA - CAP.PROJECTS FUND		
Assets		
<u>45-1-1102-000</u>	Pool Investment	103,540.16
	Total Assets:	103,540.16
		<u>103,540.16</u>
Liability		
<u>45-2-1212-000</u>	Accounts Payable	22,037.68
	Total Liability:	22,037.68
		<u>22,037.68</u>
Equity		
<u>45-3-1400-000</u>	Fund Balance	-90,940.34
	Total Beginning Equity:	-90,940.34
Total Revenue		394,164.47
Total Expense		221,721.65
Revenues Over/Under Expenses		<u>172,442.82</u>
	Total Equity and Current Surplus (Deficit):	81,502.48
		<u>81,502.48</u>
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>103,540.16</u>



Pharr, TX

Budget Report
Account Summary
For Fiscal: 2020 Period Ending: 06/30/2020

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Fund: 45 - HCRMA - CAP.PROJECTS FUND							
Revenue							
45-4-1506-000	Interest Revenue	0.00	0.00	0.48	164.47	164.47	0.00 %
45-4-1999-000	TRANSFER IN - GENERAL FUND	0.00	0.00	55,000.00	394,000.00	394,000.00	0.00 %
	Revenue Total:	0.00	0.00	55,000.48	394,164.47	394,164.47	0.00 %
Expense							
45-52900-8810-003	365 RIGHT OF WAY	0.00	0.00	22,662.68	134,945.25	-134,945.25	0.00 %
45-52900-8820-000	IBTC - Environmental	0.00	0.00	27,011.83	72,680.40	-72,680.40	0.00 %
45-52900-8820-003	IBTC - ROW	0.00	0.00	795.00	2,886.00	-2,886.00	0.00 %
45-52900-8841-000	LEGAL FEES	0.00	0.00	1,840.00	11,210.00	-11,210.00	0.00 %
	Expense Total:	0.00	0.00	52,309.51	221,721.65	-221,721.65	0.00 %
Fund: 45 - HCRMA - CAP.PROJECTS FUND Surplus (Deficit):							
	Report Surplus (Deficit):	0.00	0.00	2,690.97	172,442.82	172,442.82	0.00 %



Pharr, TX

Bank Statement Register

Pool Investment

Period 6/1/2020 - 6/30/2020

④ 7/14/2020

Bank Statement

Beginning Balance	78,811.51
Plus Debits	55,000.48
Less Credits	30,271.83
Adjustments	0.00
Ending Balance	103,540.16

General Ledger

Account Balance	103,540.16
Less Outstanding Debits	0.00
Plus Outstanding Credits	0.00
Adjustments	0.00
Adjusted Account Balance	103,540.16

Statement Ending Balance	103,540.16
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 Other

Item Date	Reference	Item Type	Description	Amount
06/30/2020	DFT0001451	Bank Draft	BRACEWELL LLP ATTORNEYS AT LAW	-1,520.00
06/30/2020	DFT0001452	Bank Draft	BRACEWELL LLP ATTORNEYS AT LAW	-320.00
06/30/2020	DFT0001453	Bank Draft	BLANTON & ASSOCIATES, INC.	-1,755.19
06/30/2020	DFT0001454	Bank Draft	BLANTON & ASSOCIATES, INC.	-246.00
06/30/2020	DFT0001458	Bank Draft	BLANTON & ASSOCIATES, INC.	-13,184.82
06/30/2020	DFT0001459	Bank Draft	BLANTON & ASSOCIATES, INC.	-11,825.82
06/30/2020	DFT0001460	Bank Draft	SAN MIGUEL LAWN CARE SERVICES	-795.00
06/30/2020	DFT0001461	Bank Draft	SAN MIGUEL LAWN CARE SERVICES	-625.00
06/30/2020	MISC 063020	Miscellaneous	FUND 45- WILMINGTON TRUST	55,000.48
Total Cleared Other (9)				24,728.65

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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>07/15/2020</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>07/28/2020</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: APPROVAL OF QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING JUNE 30, 2020.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and approval of the quarterly investment reports for the period ending June 30, 2020.
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 June 30, 2020 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
Ricardo Perez, Secretary/Treasurer
Alonzo Cantu, Director
Paul S. Moxley, Director
Francisco "Frank" Pardo, Director
Ezequiel Reyna, Jr., Director

July 6, 2020

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 June 30, 2020/Statement of Compliance

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

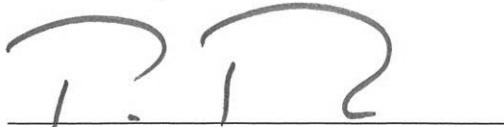
This quarter total investment disbursements totaled \$1,460,588 issued for: interest on debt service--\$1,359,156 and project activities--\$101,432. Local contributions were received in the amount of \$55,000 and internal transfers-in amounted to \$1,568,328. Total combined interest earned was \$15,481.

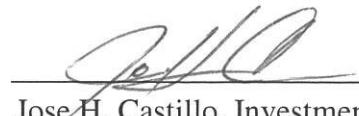
The PFIA also requires that the report contain a Statement of Compliance, signed by the Investment Officers, as presented below:

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
SUMMARY
QUARTERLY INVESTMENT REPORT
Quarter Ending June 30, 2020

	Local Govt.			
	Investment	Govt.		
	<u>Pool</u>	<u>Securities</u>		<u>Total</u>
COST				
Beginning Balance	\$ 7,007,427	\$ 1,390,512	\$	8,397,939
Additions:				
Transfers-in	475,000	1,093,328		1,568,328
Investment earnings	14,800	681		15,481
Contributions		55,000		55,000
Deductions:				
Transfers-out	-	-		-
Disbursements	-	(1,460,588)		(1,460,588)
Ending Balance	<u>\$ 7,497,227</u>	<u>\$ 1,078,933</u>	<u>\$</u>	<u>8,576,160</u>
MARKET VALUE				
Beginning Balance	<u>\$ 6,978,987</u>	<u>\$ 360,893</u>	<u>\$</u>	<u>7,339,880</u>
Ending Balance	<u>\$ 7,501,479</u>	<u>\$ 1,078,933</u>	<u>\$</u>	<u>8,580,412</u>
Weighted Average Maturity- Logic/Gov. Sec	51	30		
Logic/gov sec. Weighted Average Yield	0.83%	0.01%		

Hidalgo County Regional Mobility Authority
HOLDINGS BY INVESTMENTS
QUARTERLY INVESTMENT REPORT
Quarter Ending June 30, 2020

<u>Type of Security/Fund</u>	<u>Yield</u>	<u>Beginning Cost</u>	<u>Interest</u>	<u>Contributions/Transfers</u>	<u>Disbursements</u>	<u>Ending Cost</u>	<u>Market Value</u>
Local Govt Investment Pool:							
Debt Service Jr. Lien: 7731494002		\$ 5,516,038	\$ 11,436	\$ -	\$ -	\$ 5,527,474	\$ 5,530,608
Logic-Contingency: 2731494001		1,491,390	3,364	475,000	-	1,969,754	1,970,871
Total Local Govt Investment Pool	0.83%	\$ 7,007,428	\$ 14,800	\$ 475,000	\$ -	\$ 7,497,228	\$ 7,501,479
Government Securities							
(Federated Govt Obligations):							
Disbursement Account: 106912-006		49,928	44	155,000	(101,432)	103,540	103,540
Debt Service Fund: 106912-001		1,340,584	637	993,328	(1,359,156)	975,393	975,393
Total Government Securities	0.88%	\$ 1,390,512	\$ 681	\$ 1,148,328	\$ (1,460,588)	\$ 1,078,933	\$ 1,078,933
Combined Totals		\$ 8,397,940	\$ 15,481	\$ 1,623,328	\$ (1,460,588)	\$ 8,576,161	\$ 8,580,412

Hidalgo County Regional Mobility Authority
Wilmington Trust Investments Detail Activity
Quarter Ending June 30, 2020

Debt Service Account #106912-001						
	Income					Ending
Debt Svc	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
April	1,340,583.89	593.41	-	331,109.38	-	1,672,286.68
May	1,672,286.68	27.33	-	331,109.38	-	2,003,423.39
June	2,003,423.39	16.15	-	331,109.38	(1,359,156.25)	975,392.67
		636.89	-	993,328.14	(1,359,156.25)	

Debt Service Account-Logic # 7731494002						
	Income					Ending
Debt Svc-SIB	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
April	5,516,037.56	4,788.35	-	-	-	5,520,825.91
May	5,520,825.91	3,805.46	-	-	-	5,524,631.37
June	5,524,631.37	2,842.54	-	-	-	5,527,473.91
		11,436.35	-	-	-	

Disb. Account #106912-006						
	Income					Ending
Disbursement	Opening balance:	Interest	Contributions	Transfers	Disb.	Balance
April	49,927.80	42.84	-	-	(29,197.56)	20,773.08
May	20,773.08	0.87	-	100,000.00	(41,962.44)	78,811.51
June	78,811.51	0.48	55,000.00	-	(30,271.83)	103,540.16
		44.19	55,000.00	100,000.00	(101,431.83)	



MONTHLY
NEWSLETTER
JUNE 2020



PERFORMANCE

As of June 30, 2020

Current Invested Balance	\$8,844,621,700.82
Weighted Average Maturity (1)	43 Days
Weighted Average Maturity(2)	84 Days
Net Asset Value	1.000567
Total Number of Participants	618
Management Fee on Invested Balance	0.0975%*
Interest Distributed	\$5,116,026.91
Management Fee Collected	\$689,016.02
% of Portfolio Invested Beyond 1 Year	0.00%
Standard & Poor's Current Rating	AAAm

June Averages

Average Invested Balance	\$8,612,592,456.54
Average Monthly Yield, on a simple basis	0.6260%
Average Weighted Maturity (1)*	51 Days
Average Weighted Life (2)*	87 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.

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

NEW PARTICIPANTS

We would like to welcome the following entity who joined the LOGIC program in June:

* City of Lavon

ECONOMIC COMMENTARY

Market review

The first half of 2020 certainly defied expectations. Markets had just begun to improve at the end of the first quarter, after the outbreak of COVID-19, subsequent government mandated lockdowns and travel restrictions brought the economy to a halt. As the US Government and the Federal Reserve (Fed) intervened forcefully and quickly with aid packages and monetary policy of unprecedented size and scope, the growth of coronavirus cases began to slow. Markets reacted quickly in the second quarter as investors began to price in a recovery for an economy that had previously been on solid footing before the pandemic began. By June 30th, the S&P 500 was up 20.5% for the quarter, interest rates were at or near their all-time lows and credit spreads had recovered substantially all of their spread widening. Thanks in part to the government stimulus programs, economic activity revived more quickly and energetically than market participants had anticipated. Impressive jobs and consumption data pointed to significant pent up demand and a strong initial rebound from the dramatic collapse in economic activity.

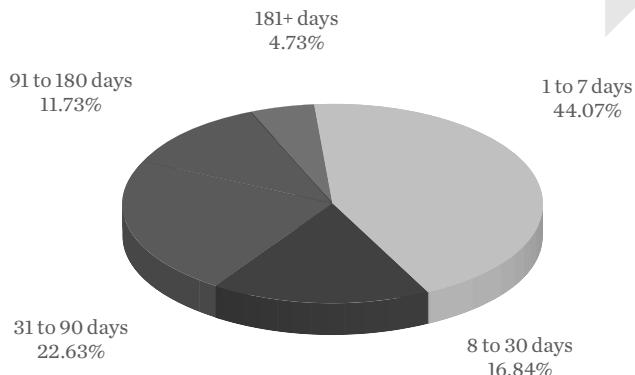
The recovery likely began in May, with real consumer spending increasing a record 8.1% and consumer confidence, as measured by the Conference Board consumer confidence index, climbing to 98.1 in June from 85.9 in May. This strength was echoed in the June employment report, which revealed that the economy added 4.8 million jobs, 1.8 million more than expected. The unemployment rate declined to 11.1% from May's 13.3%. That being said, the level of employment remains almost 15 million below where it was in February, but the speed of the improvement was impressive.

During this period, short term markets recovered substantially. Libor rates materially declined as risk aversion cooled and money flowed back into prime money market funds. 3-month Libor ended the second quarter at a yield of 0.30%, well off its peak of 1.45% at the end of March and down 4 basis points (bps) from the end of May. Meanwhile net U.S. Treasury bill issuance increased given the enormous aid package provided by the U.S. Government. The U.S. 3-month Treasury bill yield rose 5 bps during the quarter to end at 0.14%, while the 12-month Treasury bill yield ended down 1 bp at 0.15%.

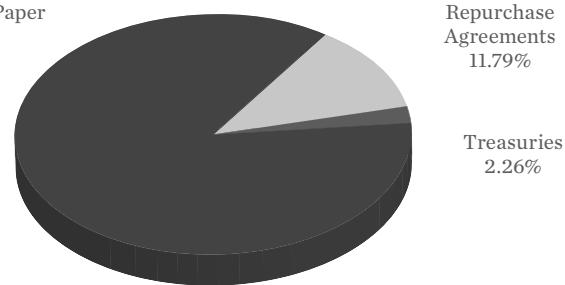
(continued page 4)

INFORMATION AT A GLANCE

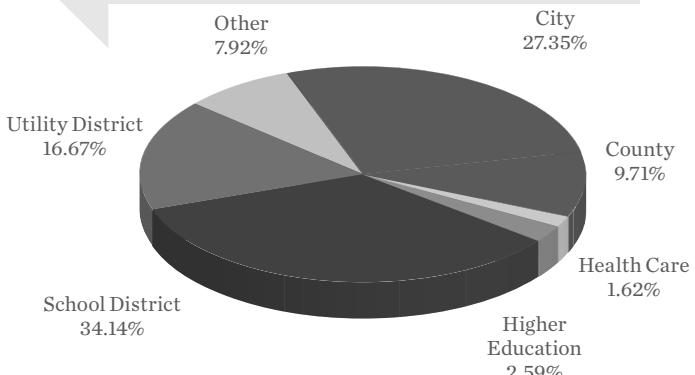
PORTFOLIO BY TYPE OF INVESTMENT AS OF JUNE 30, 2020



Commercial Paper
85.95%



PORTFOLIO BY MATURITY AS OF JUNE 30, 2020



DISTRIBUTION OF PARTICIPANTS BY TYPE AS OF JUNE 30, 2020

HISTORICAL PROGRAM INFORMATION

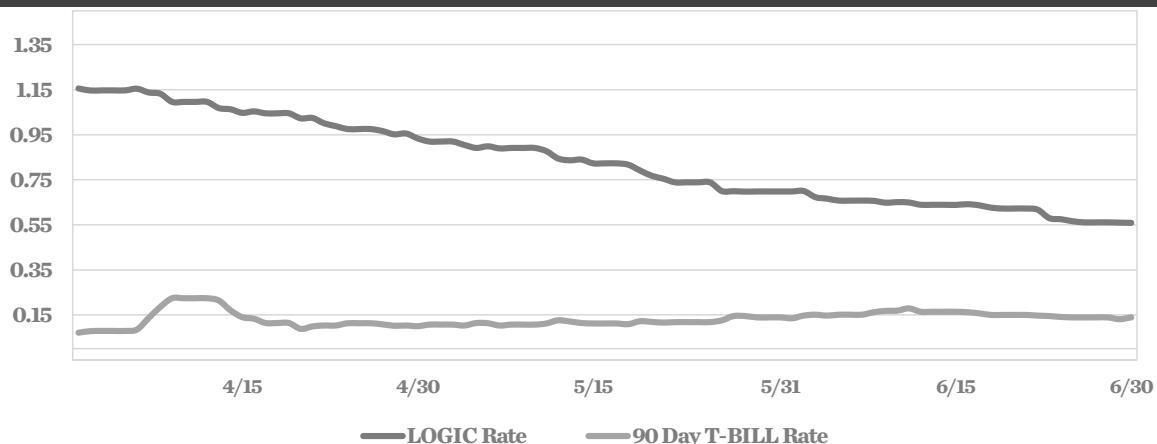
MONTH	AVERAGE RATE	BOOK VALUE	MARKET VALUE	NET ASSET VALUE	WAM (1)*	WAM (2)*	NUMBER OF PARTICIPANTS
Jun 20	0.6260%	\$8,844,621,700.82	\$8,849,637,611.25	1.000567	51	87	618
May 20	0.8116%	8,461,579,899.29	8,467,956,866.78	1.000753	54	85	617
Apr 20	1.0562%	7,819,410,022.25	7,824,353,033.69	1.000632	48	87	617
Mar 20	1.4261%	7,798,393,939.30	7,791,813,338.38	0.999156	35	85	614
Feb 20	1.7619%	8,313,346,145.46	8,315,578,458.07	1.000241	34	87	614
Jan 20	1.7978%	8,259,121,730.04	8,261,042,825.36	1.000174	40	85	613
Dec 19	1.8173%	7,423,771,572.94	7,424,486,642.57	1.000066	43	85	612
Nov 19	1.8429%	6,521,613,270.01	6,522,465,385.69	1.000101	45	87	610
Oct 19	2.0578%	6,313,681,339.23	6,315,173,844.90	1.000236	50	87	608
Sep 19	2.2461%	6,158,077,296.95	6,158,278,453.62	1.000032	49	82	606
Aug 19	2.3324%	6,063,554,824.77	6,064,483,834.72	1.000077	48	81	605
Jul 19	2.4550%	6,480,646,170.16	6,482,033,784.16	1.000214	50	81	603

PORTFOLIO ASSET SUMMARY AS OF JUNE 30, 2020

	BOOK VALUE	MARKET VALUE
Uninvested Balance	\$ 251.80	\$ 251.80
Accrual of Interest Income	3,662,240.67	3,662,240.67
Interest and Management Fees Payable	(5,188,166.21)	(5,188,166.21)
Payable for Investment Purchased	0.00	0.00
Repurchase Agreement	1,043,249,999.90	1,043,249,999.90
Commercial Paper	7,602,957,874.66	7,607,959,785.09
Government Securities	199,939,500.00	199,953,500.00
TOTAL	\$ 8,844,621,700.82	\$ 8,849,637,611.25

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 JUNE 2020

DATE	MNY MKT FUND EQUIV. [SEC Std.]	DAILY ALLOCATION FACTOR	INVESTED BALANCE	MARKET VALUE PER SHARE	WAM DAYS (1)*	WAL DAYS (2)*
6/1/2020	0.6981%	0.000019127	\$8,483,136,345.11	1.000752	57	89
6/2/2020	0.7001%	0.000019182	\$8,484,389,369.56	1.000755	58	90
6/3/2020	0.6728%	0.000018433	\$8,490,842,874.87	1.000746	57	89
6/4/2020	0.6662%	0.000018253	\$8,482,424,097.76	1.000746	57	88
6/5/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/6/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/7/2020	0.6575%	0.000018015	\$8,508,501,894.98	1.000714	55	86
6/8/2020	0.6564%	0.000017983	\$8,510,921,805.21	1.000716	54	87
6/9/2020	0.6482%	0.000017760	\$8,503,643,289.56	1.000711	54	87
6/10/2020	0.6507%	0.000017827	\$8,508,564,741.74	1.000713	54	89
6/11/2020	0.6492%	0.000017786	\$8,525,899,897.60	1.000704	53	89
6/12/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/13/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/14/2020	0.6390%	0.000017507	\$8,558,996,620.86	1.000674	51	86
6/15/2020	0.6384%	0.000017491	\$8,535,185,556.23	1.000677	51	88
6/16/2020	0.6416%	0.000017578	\$8,570,750,195.48	1.000665	52	88
6/17/2020	0.6367%	0.000017443	\$8,562,438,596.05	1.000652	51	88
6/18/2020	0.6264%	0.000017161	\$8,557,084,431.06	1.000646	52	89
6/19/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/20/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/21/2020	0.6223%	0.000017049	\$8,591,052,878.38	1.000608	49	86
6/22/2020	0.6174%	0.000016915	\$8,580,596,409.03	1.000609	50	89
6/23/2020	0.5796%	0.000015880	\$8,735,852,026.07	1.000619	47	84
6/24/2020	0.5749%	0.000015750	\$8,757,588,679.46	1.000613	47	89
6/25/2020	0.5658%	0.000015502	\$8,879,639,691.20	1.000596	46	87
6/26/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/27/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/28/2020	0.5609%	0.000015367	\$8,843,693,119.99	1.000568	44	85
6/29/2020	0.5597%	0.000015334	\$8,857,460,446.64	1.000571	43	84
6/30/2020	0.5586%	0.000015305	\$8,844,621,700.82	1.000567	43	84
Average	0.6260%	0.000017151	\$8,612,592,456.54		51	87



(continued from page 1)

Outlook

With the Fed moving quickly and decisively, and the U.S. Government providing significant aid and support to businesses and consumers, what followed was a commitment of fiscal support at a speed and scale never before seen in peacetime, matched by an extension of Fed intervention in asset markets unimaginable just a few weeks earlier. We estimate that \$17.1 trillion in global policy response has been committed (not yet all spent): \$6.2 trillion in quantitative ease, \$3.5 trillion in direct fiscal stimulus (grants) and \$7.4 trillion in indirect fiscal stimulus (loans). Impressively, these policy responses were created and deployed in a matter of weeks, whereas the entirety of the global financial crisis policy response took years to deploy and was about one-third the size. Nonetheless, we could not bring ourselves to believe in a V-shaped recovery. While annualizing quarterly GDP might look V-shaped, we believe GDP should be viewed relative to its long-term potential. We estimate it could take as long as 10 years in the U.S. to again reach this potential.

A tremendous amount of damage has been done. Many parts of the economy will need to rethink their business models, including anything that involves large gatherings of people. Sporting events will proceed without fans, businesses will return to offices with only a fraction of their staffs and the knock-on effect on businesses that are reliant on a full reopening will be severe. We expect a persistent social distancing drag, and considerable scarring, from the sudden stop in activity. The road to recovery will be long and challenging. Inflation will remain low, and unemployment will be unacceptably high. Certainly, the future of fiscal stimulus will be important in determining the recovery's path. We are concerned about approaching fiscal cliffs in the U.S. as support packages lapse. We are eyeing whether a new round of layoffs could ensue if business owners need to resize their workforces for diminished consumer activity. An escalation of US-China tensions could also weigh on the recovery. And reinfection rates are starting to rise while a vaccine and/or treatment is still a ways away.

We believe we are seeing the deepest and shortest recession that anyone has experienced. Real GDP likely contracted at a 30% annualized rate in 2Q, and we are projecting a 20% pace of rebound in 3Q. But the latest public health developments with infection rates spiking again in many states may add some downside risk to this outlook as there could be a pullback in economic activity. Fed Chairman Jerome Powell stressed to Congress Tuesday that getting the coronavirus under control was vital as the U.S. economy rebound. This is no time for policymakers to rest on their laurels. They must agree to the next round of fiscal support, and the Fed needs to be committed to maintaining enormous levels of accommodation. There are encouraging signs as Congress looks to another CARES package... while the Fed points to years of ultra-low rates and large-scale asset purchases.

This information is an excerpt from an economic report dated June 2020 provided to LOGIC by JP Morgan Asset Management, Inc., the investment manager of the LOGIC pool.

LOGIC BOARD MEMBERS

Philip G. Roberson	Arlington ISD	Governing Board President
Sandra Newby	Tarrant Regional Water District	Governing Board Vice President
Greg Jordan	City of Grapevine	Governing Board Secretary
Erik Felthous	North Texas Municipal Water Dist	Governing Board Treasurer
Eric Cannon	City of Allen/Qualified Non-Part.	Advisory Board

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 1201 Elm Street, Suite 3500, Dallas, Texas 75270, (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.



Item 2E

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>2E</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>07/15/20</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>07/28/20</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: RESOLUTION 2020-19 – AUTHORIZING IVONNE RODRIGUEZ AS A SIGNATORY FOR THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY CREDIT CARD ISSUED BY PLAINSCAPITAL BANK AND A MONTHLY CREDIT LIMIT OF \$5,000.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and approval of Resolution 2020-19 – Authorizing Ivonne Rodriguez for a credit card with a limit of \$5,000.
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 2020-19 – Authorizing Ivonne Rodriguez as a signatory for the Hidalgo County Regional Mobility Authority credit card issued by PlainsCapital bank and a monthly credit limit of \$5,000, 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 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. 2020-19

AUTHORIZING IVONNE RODRIGUEZ AS A SIGNATORY FOR THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY CREDIT CARD ISSUED BY PLAINSCAPITAL BANK AND A MONTHLY CREDIT LIMIT OF \$5,000

THIS RESOLUTION is adopted this 28th day of July, 2020 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 Authority has established certain bank accounts with PlainsCapital; and

WHEREAS, it has become necessary to add an authorized signatory for the credit card issued to the Hidalgo County Regional Mobility Authority by PlainsCapital Bank;

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

1. The Board of Directors authorizes the addition of Ivonne Rodriguez, Administrative Assistant, as a signatory on the credit card issued by PlainsCapital Bank.
2. The Board of Directors authorizes a monthly credit limit of \$5,000 for the credit card issued to Ivonne Rodriguez.
3. The Board of Director authorizes Pilar Rodriguez, Executive Director, to increase the monthly credit limit to a maximum of \$7,500, if necessary.

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 28th day of July, 2020, at which meeting a quorum was present.

S. David Deanda, Jr., Chairman

Attest:

Ricardo Perez, Secretary/Treasurer

Item 5A

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

AGENDA RECOMMENDATION FORM

BOARD OF DIRECTORS	<u>X</u>	AGENDA ITEM	<u>5A</u>
PLANNING COMMITTEE	<u> </u>	DATE SUBMITTED	<u>07/15/20</u>
FINANCE COMMITTEE	<u> </u>	MEETING DATE	<u>07/28/20</u>
TECHNICAL COMMITTEE	<u> </u>		

1. Agenda Item: RESOLUTION 2020-12 – APPROVAL OF ONE-YEAR EXTENSION TO THE PROFESSIONAL SERVICE AGREEMENT WITH HILLTOP SECURITIES (FIRST SOUTHWEST) TO PROVIDE FINANCIAL ADVISORY SERVICES TO THE HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY.
2. Nature of Request: (Brief Overview) Attachments: X Yes No
Consideration and approval of one year extension to the Financial Advisory Services Agreement with Hilltop Securities Inc., (First Southwest).
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 2020-12 – Approval of one year extension to the Professional Service Agreement with Hilltop Securities, Inc. (First Southwest) to provide financial advisory services to the Hidalgo County Regional Mobility Authority, 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 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 Jr., Chairman

From: Pilar Rodriguez, PE, Executive Director

Date: May 18, 2020

Re: **Resolution 2020-12 Approval of One Year Extension to the Professional Service Agreement with Hilltop Securities, Inc. (First Southwest) to provide Financial Advisory Services to the HCRMA**

Background

On May 14, 2009, the HCRMA Board of Directors approved a Financial Service Agreement with First Southwest Company for a period of three (3) years. Section III of the Agreement contains provisions that allow for one (1) year extensions to the agreement with First Southwest.

On July 18, 2012, August 21, 2013, May 21, 2014, June 23, 2015, May 24, 2016, May 23, 2017, May 22, 2018, and April 23, 2019; the Board of Directors approved a one-year extension to the agreement with Hill top Securities (formerly First Southwest Company).

Goal

The Agreement with Hilltop Securities, Inc. (First Southwest), is to advise the Authority regarding financial issues affecting the Authority and its operations, including the issuance and sale of debt obligation that may be authorized by the Authority from time to time.

The terms of the Agreement remain the same and no changes are proposed at this time.

Options

The extension may be disapproved or authorized on a month-to-month basis to allow staff to solicit a Request for Proposals for Financial Advisory Services.

Recommendation

Based on review by this Office, Approval of Resolution 2020-12 – Approval of one (1) year extension to the Professional Service Agreement with Hilltop Securities, Inc. (First Southwest) to provide Financial Advisory Services to the HCRMA is recommended.

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

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

BOARD RESOLUTION No. 2020 – 12

APPROVAL OF ONE YEAR EXTENSION TO THE PROFESSIONAL
SERVICE AGREEMENT WITH HILLTOP SECURITIES, INC. (FIRST
SOUTHWEST) TO PROVIDE FINANCIAL ADVISORY SERVICES TO THE
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

THIS RESOLUTION is adopted this 23rd day of June 2020, 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”); and

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

WHEREAS, on May 14, 2009 the Authority entered into a Financial Advisory Services Agreement with First Southwest Company to advise the Authority regarding financial issues affecting the Authority and its operations and regarding the issuance and sale of all evidence of indebtedness or debt obligation that may be authorized and issued or otherwise created or assumed by the Authority from time to time during the period the Agreement is in effect; and

WHEREAS, the agreement was entered into for an initial three year period with provisions to exercise one year extensions after the three year period; and

WHEREAS, on July 18, 2012, the Authority extended the Financial Advisory Service Agreement with First Southwest Company for one year; and

WHEREAS, on August 21, 2013, the Authority extended the Financial Advisory Service Agreement with First Southwest Company for one year; and

WHEREAS, on May 21, 2014, the Authority extended the Financial Advisory Service Agreement with First Southwest Company for one year; and

WHEREAS, on June 23, 2015, the Authority extended the Financial Advisory Service Agreement with First Southwest Company for one year; and

WHEREAS, on May 24, 2016, the Authority extended the Financial Advisory Service Agreement with Hill top Securities (formerly First Southwest Company) for one year; and

WHEREAS, on May 23, 2017, the Authority extended the Financial Advisory Service Agreement with Hilltop Securities for one year; and

WHEREAS, on May 22, 2018, the Authority extended the Financial Advisory Service Agreement with Hilltop Securities for one year;

WHEREAS, on April 23, 2019, the Authority extended the Financial Advisory Service Agreement with Hilltop Securities for one year;

WHEREAS, the Board has determined it is necessary to exercise a one-year extension to the Financial Advisory Service Agreement with Hilltop Securities (First Southwest);

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 a one (1) year extension to the Financial Advisory Services Agreement with Hilltop Securities (First Southwest) hereto attached as Exhibit A.
- Section 3. The Board authorizes the Executive Director to execute the one (1) year extension to the Professional Service Agreement with Hilltop Securities (First Southwest) to provide Financial Advisory Services to the Hidalgo County Regional Mobility Authority, as approved.

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 23rd day of June, 2020, at which meeting a quorum was present.

S. David Deanda Jr., Chairman

Ricardo Perez, Secretary/Treasurer

EXHIBIT A
ONE (1) YEAR EXTENSION TO FINANCIAL ADVISORY SERVICE AGREEMENT
WITH
HILLTOP SECURITIES, INC. (FIRST SOUTHWEST)
DATED
June 23, 2020

EXHIBIT B
FINANCIAL ADVISORY SERVICE AGREEMENT WITH
FIRST SOUTHWEST COMPANY
DATED
MAY 14, 2009

ONE YEAR EXTENSION TO FINANCIAL ADVISORY SERVICE AGREEMENT
BETWEEN HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY AND
HILLTOP SECURITIES, INC. (FORMERLY FIRST SOUTHWEST)

DATED MAY 14, 2009

INTIAL AGREEMENT PERIOD FOR THREE YEARS

ADDITIONAL ONE-YEAR TERMS

1ST EXTENSION DATED JULY 18, 2012

2ND EXTENSION DATED MAY 14, 2013

3RD EXTENSION DATED MAY 21, 2014

4TH EXTENSION DATED JUNE 23, 2015

5TH EXTENSION DATED MAY 24, 2016

6TH EXTENSION DATED MAY 23, 2017

7TH EXTENSION DATED MAY 22, 2018

8th EXTENSION DATED MAY 23, 2019

ONE YEAR EXTENSION EFFECTIVE JUNE 23, 2020

HILLTOP SECURITIES, INC.

**HIDALGO COUNTY REGIONAL
MOBILITY AUTHORITY**

By: _____

Hill A. Feinberg, Chairman & CEO

By: _____

Pilar Rodriguez, Executive Director

By: _____

Richard M. Ramirez, Managing Director

Date: _____

Date: _____

FINANCIAL ADVISORY SERVICES AGREEMENT

This Financial Advisory Services Agreement (the “Agreement”) is made and entered into by and between Hidalgo County Regional Mobility Authority (“HCRMA”) and First Southwest Company effective as of the date executed by the HCRMA as set forth on the signature page hereof. First Southwest Company shall serve as Financial Advisor (hereafter, the “Financial Advisor”).

WITNESSETH:

WHEREAS, the HCRMA will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, HCRMA desires to retain an independent financial advisor; and

WHEREAS, the HCRMA desires to obtain the professional services of the Financial Advisor to advise the HCRMA regarding financial issues affecting the HCRMA and its operations and regarding the issuance and sale of all evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the HCRMA (hereinafter referred to collectively as the “Debt Instruments”) from time to time during the period in which this Agreement shall be effective; and

WHEREAS, the HCRMA solicited proposals from firms interested in providing financial advisory services and Financial Advisor was among the respondents; and

WHEREAS, based on the representations and experience reflected in the response to the request for qualifications submitted by Financial Advisor, the HCRMA selected Financial Advisor as the best qualified firm to provide it with financial advisory services; and

WHEREAS, the Financial Advisor is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by HCRMA during the period in which this Agreement shall be effective.

NOW, THEREFORE, the HCRMA and the Financial Advisor, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I

DESCRIPTION OF SERVICES

Upon the request of an authorized representative of the HCRMA, the Financial Advisor agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the HCRMA agrees to pay to the Financial Advisor the compensation as provided in Section V hereof.

A. Financial Planning. At the direction of HCRMA, the Financial Advisor shall:

1. Survey and Analysis. Conduct a survey of the financial resources of the HCRMA to determine the extent of its capacity to authorize, issue and service any Debt Instruments contemplated. This survey will include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power (if applicable) and present and future taxing requirements of the HCRMA and the counties which formed the HCRMA. In the event revenues of existing or projected facilities operated by the HCRMA are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed toll rate or other user fee increases and additional revenues, as reasonably projected by consulting engineers employed by the HCRMA, resulting from improvements to be financed by the Debt Instruments under consideration.
2. Future Financings. Consider and analyze future financing needs as projected by the HCRMA's staff and consulting engineers or other experts, if any, engaged by the HCRMA.
3. Recommendations for Debt Instruments. On the basis of the information developed by the survey described above, the Financial Advisor's experience, and other information available, submit to the HCRMA recommendations regarding the Debt Instruments under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while

achieving the objectives of the HCRMA. All recommendations will be consistent with the goal of designing the Debt Instruments to be sold on terms which are advantageous to the HCRMA, including the lowest interest cost consistent with all other considerations.

4. Market Information. Advise HCRMA of current bond market conditions, other related forthcoming bond issues, and general information, with economic data, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a favorable time.
5. Elections. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, the Financial Advisor will assist in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to a firm of public finance attorneys ("Bond Counsel") retained by the HCRMA.

B. Debt Management and Financial Implementation. At the direction of HCRMA, the Financial Advisor shall:

1. Method of Sale. Evaluate the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make recommendations as to an appropriate method of sale, and:
 - a. If the Debt Instruments are to be sold by an advertised competitive sale, the Financial Advisor will:
 - (1) Supervise the sale of Debt Instruments;
 - (2) Assist the staff of the HCRMA in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and
 - (3) Advise the HCRMA regarding the best bid and provide advice regarding acceptance or rejection of the bids.

- b. If the Debt Instruments are to be sold by negotiated sale, the Financial Advisor will:
 - (1) Recommend for HCRMA's consideration one or more investment banking firms as managers of an underwriting syndicate for the purpose of negotiating the purchase of the Debt Instruments.
 - (2) Cooperate with and assist any selected managing underwriter and their counsel in connection with their efforts to prepare any Official Statement or Offering Memorandum. The Financial Advisor will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriter's agreement, and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the HCRMA's agreement with the underwriters, but shall not be or become an obligation of the Financial Advisor, except to the extent specifically provided otherwise in this Agreement or assumed in writing by the Financial Advisor.
 - (3) Assist the staff of the HCRMA in the safekeeping of any good faith checks, to the extent there are any such, and provide a cost comparison, for both expenses and interest which are suggested by the underwriters, to the then current market.
 - (4) Advise the HCRMA as to the fairness of the price offered by the underwriters.
- 2. Offering Documents. Coordinate the preparation of the notice of sale and bidding instructions, official statement, official bid form and such other documents as may be required and submit all such documents to the HCRMA for examination, approval and certification. After such examination, approval and certification, the Financial Advisor shall provide the HCRMA with a supply of all such documents sufficient to its needs and distribute by mail or, where appropriate, by electronic delivery, sets of the same to prospective purchasers of the Debt Instruments. Also, the Financial Advisor shall provide copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.
- 3. Credit Ratings. Make recommendations to the HCRMA as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the HCRMA,

coordinate the preparation of such information as may be appropriate for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, the Financial Advisor will arrange for such personal presentations, utilizing such composition of representatives from the HCRMA as may be finally approved or directed by the HCRMA.

4. Trustee, Paying Agent, Registrar. Upon request, counsel with the HCRMA in the selection of a Trustee and/or Paying Agent/Registrar for the Debt Instruments, and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.
5. Financial Publications. When appropriate, advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.
6. Consultants. After consulting with and receiving directions from the HCRMA, arrange for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Debt Instruments.
7. Auditors. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required and upon receipt of authorization from the HCRMA, make arrangements for such services.
8. HCRMA Meetings. When requested attend meetings of the HCRMA board of directors, its committees, staff meetings, and other meetings pertaining to the business of the authority.
9. Printing. To the extent authorized by the HCRMA, coordinate all work incident to printing of the offering documents and the Debt Instruments.
10. Bond Counsel. Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instrument provided that the Financial Advisor shall not authorize or direct Bond Counsel to undertake any work without approval of the HCRMA.
11. Changes in Laws. Provide to the HCRMA copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the

municipal bond market of which the Financial Advisor becomes aware in the ordinary course of its business, it being understood that the Financial Advisor does not and may not act as an attorney for, or provide legal advice or services to, the HCRMA.

12. Delivery of Debt Instruments. As soon as a bid or purchase agreement for the Debt Instruments is accepted by the HCRMA, coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible and assist the HCRMA in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.
13. Debt Service Schedule; Authorizing Resolution. After the closing of the sale and delivery of the Debt Instruments, deliver to the HCRMA a schedule of annual debt service requirements for the Debt Instruments and, in coordination with Bond Counsel, assure that the paying agent/registrar and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.
14. Investment of Funds. From time to time, as an incident to the other services provided hereunder as financial advisor, the Financial Advisor may purchase such investments as may be directed and authorized by HCRMA to be purchased, it being understood that the Financial Advisor will be compensated in the normal and customary manner for each such transaction. In any instance wherein the Financial Advisor may become entitled to receive fees or other compensation in any form from a third party with respect to these investment activities on behalf of HCRMA, we will disclose to HCRMA the nature and, to the extent such is known, the amount of any such compensation so that HCRMA may consider the information in making its investment decision. It is understood and agreed that the Financial Advisor is a duly licensed broker/dealer and is affiliated with First Southwest Asset Management, Inc. ("FSAMI"), a duly registered investment/advisor. HCRMA may, from time to time, utilize the broker/dealer services of the Financial Advisor and/or the investment advisory services of FSAMI with respect to matters which do not involve or affect the financial advisory services referenced in this Agreement. The terms and conditions of the engagement of the Financial Advisor and/or FSAMI to provide such services shall be determined by mutual agreement at the time such services are requested.

SECTION II

OTHER AVAILABLE SERVICES

In addition to the services set forth and described in Section I herein above, the Financial Advisor agrees to make available to HCRMA the following services, when so requested by the HCRMA and subject to the agreement by HCRMA and the Financial Advisor regarding the compensation, if any, to be paid for such services, it being understood and agreed that the services set forth in this Section II shall require further agreement as to the compensation to be received by the Financial Advisor for such services:

1. Exercising Calls and Refunding. Provide advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.
2. Capital Improvement Programs. Provide advice and assistance in the development of any capital improvements programs of the HCRMA.
3. Long-Range Planning. Provide advice and assistance in the development of other long-range financing plans of the HCRMA.
4. Post-Sale Services. Subsequent to the sale and delivery of Debt Instruments, review the transaction and transaction documentation with legal counsel for the HCRMA, Bond Counsel, auditors and other experts and consultants retained by the HCRMA and assist in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters.

SECTION III

TERM OF AGREEMENT

This Agreement shall become effective as of the date executed by the HCRMA as set forth on the signature page hereof and, unless terminated by either party pursuant to Section IV of this Agreement, shall remain in effect thereafter for a period of three (3) years from such date. The Parties may elect to renew this Agreement for additional one year terms.

SECTION IV

TERMINATION

This Agreement may be terminated with or without cause by the HCRMA or the Financial Advisor upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due the Financial Advisor for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION V

COMPENSATION AND EXPENSE REIMBURSEMENT

The fees due to the Financial Advisor for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt Instruments during the term of this Agreement shall be calculated in accordance with the schedule set forth on Appendix A attached hereto. Unless specifically provided otherwise on Appendix A or in a separate written agreement between HCRMA and the Financial Advisor, such fees, together with any other fees as may have been mutually agreed upon and all expenses for which the Financial Advisor is entitled to reimbursement, shall become due and payable concurrently with and contingent to the receipt of consideration for the Debt Instruments from the purchaser.

Payments due to the Financial Advisor shall be made to:

First Southwest Company
300 West 6th Street, Suite 1940
Austin, Texas 78701

Such fees in Appendix A are for customary services provided in processing or preparing transactions for market issuance and related customary services. HCRMA may request Financial Advisor to provide analysis or advice which would require significant time commitment on the part of Financial Advisor prior to a debt issuance or request work to be done outside of the scope contemplated herein. In such case, HCRMA and Financial Advisor shall negotiate a reasonable fee to be paid monthly to Financial Advisor.

SECTION VI

COVENANTS OF THE PARTIES

1. Covenants of HCRMA.

- a. Upon reasonable request from Financial Advisor, HCRMA will provide or cause to be provided to Financial Advisor information relating to the HCRMA relating to matters necessary for Financial Advisor to perform its duties hereunder. HCRMA acknowledges that Financial Advisor shall be entitled to reasonably rely upon the accuracy of such information provided by or on behalf of the HCRMA.
- b. HCRMA shall indemnify and hold harmless Financial Advisor, its directors, officers, agents and/or employees from and against any and all liability and costs (including reasonable attorney's fees) incurred in connection with any claims or demands for damages of any nature whatsoever, arising from Financial Advisor's provision of services to HCRMA under this Agreement; provided, however, that HCRMA need not indemnify or hold harmless Financial Advisor, its directors, officers, agents and/or employees from actual damages directly resulting from the gross negligence or willful misconduct of Financial Advisor, its directors, officers, agents and/or employee.

2. Covenants of Financial Advisor.

- a. Financial Advisor will not submit a bid, either independently or as a member of a syndicate, for any issues of Debt Instruments sold by HCRMA at a negotiated sale, competitive sale, or any other type of sale during the term of this Agreement.
- b. All information provided to Financial Advisor by the HCRMA shall be used and disseminated only for the purpose of providing the professional services described herein. Financial Advisor shall not disseminate or disclose any information that the HCRMA has identified as confidential or proprietary.
- c. Financial Advisor shall conduct its business and affairs in compliance with all laws, regulations and orders applicable to Financial Advisor (including, without limitation, those related to securities laws). In performing the services described under this Agreement, Financial Advisor acknowledges that it holds a position of trust and confidence with the HCRMA; that the HCRMA will be relying on the expertise of Financial Advisor; and that Financial Advisor shall perform all of its obligations in accordance with the highest professional standards and in furtherance of the HCRMA's

best interests. Financial Advisor shall use its best efforts so as not to permit any conflict of interest to occur with respect to its performance under this Agreement and its obligations under any other agreement or to any other party.

- d. Upon request by the HCRMA, Financial Advisor will furnish a copy of any report that may adversely impact the ability of Financial Advisor to perform its duties pursuant to this Agreement (including, without limitation, reports on Forms 8-K, 10-Q and 10-K), proxy statement, or other filing made by Financial Advisor with the Securities and Exchange Commission, any states' securities agency, or any national stock exchange or quotation system.

SECTION VII MISCELLANEOUS

1. **Limitations on Liability.** HCRMA hereby acknowledges and agrees that in any event regardless of the cause of action, except for damages directly resulting from Financial Advisor's negligence, Financial Advisor's total liability and obligations (including loss and expenses) for providing services to HCRMA shall not exceed the gross amount of the fees received by Financial Advisor pursuant to this Agreement. The limitations on liability set forth in this Agreement are fundamental elements of the bargain between HCRMA and Financial Advisor, and the pricing for the services set forth on Appendix A reflect such limitations.
2. **Choice of Law.** This Agreement shall be construed and given effect in accordance with the laws of the State of Texas and the venue for any proceeding shall be the County of Hidalgo.
3. **Binding Effect; Assignment.** This Agreement shall be binding upon and inure to the benefit of the HCRMA and the Financial Advisor, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.
4. **Notices.** Any notices provided under this Agreement must be sent to:

Financial Advisor:

First Southwest Company

4. Notices. Any notices provided under this Agreement must be sent to:

Financial Advisor:

First Southwest Company
300 West 6th Street, Suite 1940
Austin, TX 78701
Attn: Richard M. Ramirez

HCRMA:

Dennis Burleson, Chairman
Hidalgo County Regional Mobility Authority
510 S. Pleasantview Drive
Weslaco, TX 78596

With a copy to:

Tuggey Rosenthal Pauerstein Sandoloski Agather LLP
755 E. Mulberry, Ste. 200
San Antonio, TX 78212
Attention: Blakely Fernandez

5. Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

FIRST SOUTHWEST COMPANY

By: Hill A. Feinberg
Hill A. Feinberg, Chairman and
Chief Executive Officer

By: Richard M. Ramirez
Richard M. Ramirez
Senior Vice President

Date: 5/14/09

HIDALGO COUNTY REGIONAL MOBILITY
AUTHORITY

By: Dennis Burleson
Dennis Burleson
Chairman

Date: 5-14-09

APPENDIX A

The Transaction Fees applicable to separate series of debt issues due the Financial Advisor for issuance of all Debt Instruments will not exceed those contained in the fee schedule as listed below.

First \$5.00 per \$1,000 up to	\$5,000,000 or a total of \$25,000	for \$5,000,000 Debt Instruments
Plus \$4.00 per \$1,000 next	\$15,000,000 or a total of \$85,000	for \$20,000,000 Debt Instruments
Plus \$3.00 per \$1,000 next	\$20,000,000 or a total of \$145,000	for \$40,000,000 Debt Instruments
Plus \$2.00 per \$1,000 next	\$10,000,000 or a total of \$165,000	for \$50,000,000 Debt Instruments
Plus \$1.00 per \$1,000 next	\$25,000,000 or a total of \$190,000	for \$75,000,000 Debt Instruments
Plus \$0.75 per \$1,000 over	\$75,000,000 Debt Instruments	

The charges for ancillary services, including computer structuring and official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specific direction of the HCRMA.

The payment of Transaction Fees for financial advisory services described in Section I of the foregoing Agreement shall be contingent upon the delivery of Debt Instruments and shall be due at the time that Debt Instruments are delivered. The payment of charges for services described in Section II of the foregoing Agreement shall be due and payable in accordance with the mutual agreement therefore between the Financial Advisor and HCRMA, which agreement must be entered into prior to the rendition of services for which payment is requested.

The HCRMA shall be responsible for the following expenses, if and when applicable, whether they are charged to the HCRMA directly as expenses or charged to the HCRMA by the Financial Advisor as reimbursable expenses:

Bond counsel
Bond printing
Bond ratings
Credit enhancement
CPA fees for refunding
Official statement printing
Paying agent/registrar/trustee
Travel expenses for authorized travel
Underwriter and underwriter's counsel

The payment of reimbursable expenses that the Financial Advisor has assumed on behalf of the HCRMA shall NOT be contingent upon the delivery of Debt Instruments and shall be due at the time that services are rendered and payable upon receipt of an invoice therefore submitted by the Financial Advisor.