



# 10-19-2010 COMMISSIONERS' COURT MEETING

## Agenda Discussion Item

Discussion Item:        Installment Purchase Agreement  
Discussion Item No.:   19.A (AI-23500)

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Hidalgo County and the Hidalgo County Drainage District No. One (District) on August 25, 2009 entered into the First Amended Master Agreement for Joint Projects and Sharing of Cost for the purposes of the further design, financing and construction of additional drainage facilities to benefit both the County and District. Subsequently, the County issued Certificates of Obligation, Series 2009BC to finance the joint projects, including the acquisitions of land and purchase of equipment and machinery. Upon substantial completion of the joint projects or other mutually agreeable time the District will acquire the joint drainage projects and equipment via installment purchase agreements.

To date the County has acquired \$1.6M in machinery and equipment which the District will acquire from the County to finish out and complete the J-09 Drainage Project. The County and District adopted an Order authorizing the sale of certain personal property from the County to the District on October, 12, 2010. The Installment Agreement will outline the terms of the sale and list the machinery and equipment being purchased. The payment schedule is as follows:

Capital Cost:        \$1,622,705.92  
Rate:                3.467661%  
Term (Years):       2 Years

Payment #	Date	Payment Amount*	Principal	Interest	Remaining Amount
1	11/15/2010	860,404.00	856,241.68	4,162.32	766,464.24
2	11/15/2011	793,042.62	766,464.24	26,578.38	0.00
<b>Totals</b>		<b>1,653,446.62</b>	<b>1,622,705.92</b>	<b>30,740.70</b>	

\* Includes interest