



Eduardo "Eddie" Cantu
County Commissioner Pct. No. 2



Joe M. Flores
County Commissioner Pct. No. 3

November 18, 2015

Mr. Sergio Cruz
Department of Budget & Management
2818 S Business Highway 281
Edinburg, TX 78539

RE: Certificate of Obligation 2015 & 2016 Issuances

Dear Mr. Cruz:

As discussed, during our recent meeting with Precinct 3 and your office on the South Detention Basin Project, Precinct 2 has agreed to assist Precinct 3 with the remaining allocation of 2015 Certificates of Obligation in the amount of \$2,214,409.14. This joint effort will meet Precinct 3's immediate need to get the South Detention Basin Project let by early 2016.

Both Precincts understand that the needs of the entire County are being addressed through this and subsequent CO issuances. In an effort to maximize the County's funding leverage and to provide the citizens of Hidalgo County the greatest return on the CO issuance, Precinct 2 is glad to join efforts with Precinct 3 to assist with the overall growth and improvement of Hidalgo County.

Given this partnership and the partnership that Precinct 2 approved early this year with Precinct 4, I would like to summarize Precinct 2's joint efforts with Precinct 3 & 4. Of the first year 2015A CO issuance in the amount of \$16M, each Precinct was scheduled to get \$4M. Of Precinct 2's \$4M for this CO issuance we assisted Precinct 4 in the amount of \$1,785,590.86 and Precinct 3 in the amount of \$2,214,409.14.

It is our understanding that next year's CO issuance will be approximately \$10.5M (\$3.5M per precinct).

Given this information, Precinct 2's allocation of next year's CO issuance will be \$7.5M to meet Precinct 2's project funding needs.

Should you have any questions or require additional information, please feel free to contact either one of us.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Eduardo Cantu'.

Eduardo "Eddie" Cantu
Hidalgo County Pct #2, Commissioner

A handwritten signature in blue ink, appearing to read 'Joe M. Flores'.

Joe M. Flores
Hidalgo County Pct #3, Commissioner