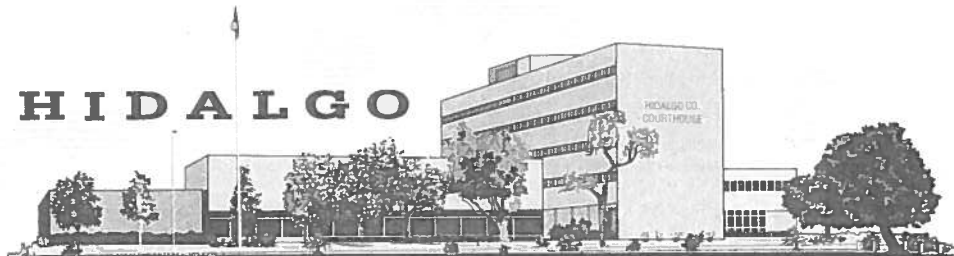


# COUNTY *of* HIDALGO



EDINBURG, TEXAS 78539

**HIDALGO COUNTY AUDITOR'S OFFICE**  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)

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January 29, 2018

Honorable Norma G. Garcia  
Hidalgo County Treasurer  
2810 South Business Highway 281  
Edinburg, Texas 78539

Subject: Investment of Contract Retainage

Dear Ms. Garcia:

On July 25, 2017, the Commissioners Court approved contract C-17-027-07-25 with NM Contracting, LLC in the amount of \$1,180,300 for construction of the Precinct No. 2 County Wide Service Shop. The contract calls for the retainage of 10% from progress payments.

Pursuant to Government Code § 2252.031 et. seq., the County is required to deposit in an interest-bearing account the retainage of a public works contract that provides for retainage of more than five percent of the periodic contract payment and pay the interest on the retainage to the prime contractor on completion of the contract. This requirement does not apply to contracts under \$400,000.

In order to comply with the requirements of the Government Code, the retainage withheld from NM Contracting, LLP for contract C-17-027-07-25 must be deposited in an interest-bearing account. Please place an item on the next Commissioners Court for approval to open a new bank account for the investment of retainage for contract C-17-027-07-25.

If you have any questions regarding this request, please contact Linda Fong, First Assistant Auditor, at (956) 318-2511 at ext. 4668, or me at ext. 4645.

Respectfully,

Maria Arcilia Duran, CPA  
Hidalgo County Auditor

cc: Mr. Alfredo Zamarripa, Chief Deputy  
Ms. Martha L. Salazar, County Purchasing Agent

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

L. KENO VASQUEZ  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

RENEE R. BETANCOURT  
JUDGE, 449<sup>TH</sup> D.C.