

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
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November 13, 2018

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

Subject: Investment of Contract Retainage Morganti

Dear Ms. Garcia:

On November 5, 2018, the Commissioners Court approved contract no. C-17-292A-03-27 Amendment No.2 with Morganti Texas, Inc in the amount of \$127,902,516.00 for construction of the court house. 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.

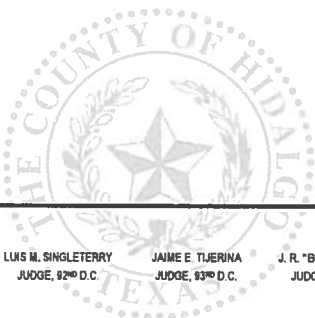
In order to comply with the requirements of the Government Code, the retainage withheld from Morganti Texas, Inc for contract no. C-17-292A-03-27 must be deposited in an interest-bearing account. Please place an item on the next Commissioners Court for approval to open a new bank account for the investment of retainage for Morganti Texas, Inc for contract no. C-17-292A-03-27.

If you have any questions regarding this request, please contact Letty Chavez, Director of Audit, at (956) 318-2511 at ext. 4651, Linda Fong, First Assistant Auditor, 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, 92ND D.C.

JAIME E. TIJERINA
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.