



Monica Salinas <monica.salinas@co.hidalgo.tx.us>

FW: Republic Services Bond Financing - Hidalgo County

Lee McCormick <lmccormick@cdafinance.com>

Mon, Feb 10, 2020 at 3:26 PM

To: "monica.salinas@co.hidalgo.tx.us" <monica.salinas@co.hidalgo.tx.us>

Cc: "richard.cortez@co.hidalgo.tx.us" <richard.cortez@co.hidalgo.tx.us>, "valde.guerra@co.hidalgo.tx.us" <valde.guerra@co.hidalgo.tx.us>

Hello Monica,

Thank you for taking time today to discuss the Mission Economic Development Corporation – Republic Services agenda item request. I am forwarding the information sent to Judge Cortez late Friday for your consideration. As mentioned in the attached Bond Counsel letter, this approval is simply to comply with Chapter 501 of the Local Government Code and Section 147(f) of the Internal Revenue Code. There is no risk or liability to the County with regards to approval of the Order. This agenda item is similar to approvals given by Hidalgo County in 2001, 2008 and 2012 for Republic Services (Formerly Allied Waste).

I truly appreciate all of your assistance. Please let me know if we are confirmed for the February 25th agenda date so I can plan on attending along with a representative from Republic Services.

Thank You,

Lee



Community Development Associates

Lee A. McCormick - President

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From: Lee McCormick <lmccormick@cdafinance.com>

Sent: Friday, February 7, 2020 6:56 PM

To: richard.cortez@co.hidalgo.tx.us

Subject: Republic Services Bond Financing - Hidalgo County

Hello Judge Cortez,

Our municipal advisory firm is working with the Mission Economic Development Corporation (“MEDC”) and Republic Services on an \$86,000,000 (the “New Money Bonds”) multi-county tax-exempt financing for twenty-nine (29) of their Texas facilities, including their facilities in Hidalgo County. This is part of a three year plan of finance to upgrade their facilities with up to \$480,900,000 of capital improvements statewide. Republic Services has already received bond allocation from the Texas Bond Review Board for the \$86,000,000 financing in 2020.

In addition, Republic Services is seeking to refinance its MEDC Solid Waste Disposal Revenue Bonds Series 2008A in the amount of \$49,400,000 (the “Refunding Bonds”). The Series 2008A bonds were used to finance certain infrastructure and capital improvements to solid waste collection and disposal operations of twenty-six (26) facilities, including Republic Services’ facilities in Hidalgo County.

As you know, in order to permit Republic Services to use proceeds of tax-exempt Bonds for the solid waste disposal facility located in your County, approval of the Hidalgo County Commissioners Court is required under Texas law pursuant to the Development Corporation Act, Local Government Code, Chapter 501, as amended, and approval of either the Commissioners Court or the County Judge is required under federal tax law pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. The approval of the County is not to be construed as a representation or warranty or other undertaking of any kind by the County with respect to the Bonds or the solid waste disposal facilities, and the County will not be obligated to pay the Bonds or otherwise incur any liability in respect thereof. Rather, the approval is to be granted solely for purposes of complying with Texas law and federal tax law and there is no risk or liability to the County with regards to approval of the Order. This is similar to the Orders approved by the County for Republic Services (Formerly Allied Waste) in 2007, 2008 and 2012.

We would greatly appreciate having the attached Order considered at the February 18th Commissioner’s Court meeting if possible. I have attached the following documents for review by your and the county attorney and would be happy schedule a call with Bond Counsel, Bracewell, to discuss in more detail.

Documents Attached

1. Order
2. Bond Counsel Letter
3. Draft Staff Report

Please let me know if you have any questions after reviewing. Any assistance you can give is greatly appreciated.

Thank You,

Lee



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3 attachments



DM-#6115943-v2-Certificate_and_Order_-_Hidalgo_County_(NM_and_Ref)_(Republic_2020).DOCX
29K



Hidalgo County - Bond Counsel Letter.pdf
132K



Hidalgo County - Staff Report (Republic Waste).docx
24K