

# **Exhibit B**

## **Precinct 2**

**MEMORANDUM OF UNDERSTANDING**  
**REGARDING INTER-AGENCY AGREEMENT FOR**  
**THE OBLIGATION OF SLFRF FUNDS**

This MEMORANDUM OF UNDERSTANDING REGARDING OBLIGATION OF SLFRF FUNDS (“MOU”) is entered into as of the 10<sup>th</sup> day of December, 2024 by and between the **COUNTY OF HIDALGO TEXAS, COMMISSIONERS COURT** (“Local Government” ) and the Hidalgo County **COMMISSIONERS PRECINCT # 2** (“Agency”) as follows:

WHEREAS, The Local Government is the recipient of State and Local Fiscal Recovery Funds (SLFRF) pursuant to the terms and conditions of the agreement entered into by the Department of the Treasury (“Treasury”) and the Local Government, which incorporates the provisions of the 2022 final rule, the 2023 interim final rule, and the guidance that implements the SLFRF program; and

WHEREAS, The Local Government is authorized to provide funds to units of local government and others, and/or each Agency, selected to undertake and carry out projects under the SLFRF program in compliance with all applicable local, state, and federal laws, regulations and policies; and

WHEREAS, the Local Government seeks to allocate ARPA funding to the Agency in order to mitigate the fiscal impacts of the COVID pandemic and to serve the needs of the local community,(the “Project(s)”); and

WHEREAS, Local Government and Agency desire to enter into this MOU as an interagency agreement setting forth their respective responsibilities under the Project(s) for the benefit of the local community; and

WHEREAS, recipients may obligate funds pursuant to an interagency agreement, including an agreement in the form of an MOU, if the agreement satisfies certain conditions identified in the Department of Treasury’s published guidance, Section 17 SLFRF FAQ 17.6; and

WHEREAS, through this MOU entered into pursuant to the Obligation IFR, the Local Government desires to and hereby formally and legally obligates the funds.

Now therefore in consideration of the recitals and agreements contained herein, and funding allocated in an amount not to exceed **Six Million, Five Hundred Ninety-Two Thousand, Nine Hundred Forty-Five Dollars and Fourteen Cents (\$6,592,945.14)** as herein below set forth, the Parties agree as follows: Local Government and Agency agree as follows:

1. Purpose:

The SLFRF funds are available to fight the pandemic and support families and businesses struggling with its public health and economic impacts; maintain vital public services, even among declines in revenue; and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity, including emergency relief from natural disasters, building critical transportation infrastructure, and supporting community development.

2. Terms of the Agreement:

A. Local Government Responsibilities

The Local Government is responsible for administration of the SLFRF funds received, and ensuring SLFRF funds are used in accordance with all program requirements and its SLFRF agreement with Treasury referenced above. The Local Government will provide such assistance and guidance to the Agency as may be required to accomplish the objectives and conditions set forth in this MOU.

B. Agency Responsibilities

- i. The Agency will complete in a satisfactory and proper manner as determined by the Local Government the following tasks to accomplish the objectives of principally benefiting the local community by carrying out an eligible use of SLFRF funds (the “Project(s)”).
- ii. The Agency shall comply with all federal, state, local, and ARPA/SLRF procurement policies, as applicable, including but not limited to: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; The Federal Register; The U.S. Department of the Treasury ARPA publications and other guidance.
- iii. The Agency will periodically meet with the Local Government to review the status of these tasks and to demonstrate compliance with SLFRF requirements.

The Agency shall reclassify obligated funds that are not expended on an original principle task to another principle task or Local Government Project(s) that is eligible under the SLFRF program rules and was obligated by December 31, 2024, to expend funds on said activity.

- iv. The Agency shall see that all reporting and recordkeeping requirements and Project(s) compliance with SLFRF program requirements are met.
- v. The Agency agrees to provide supporting documentation and corresponding records as requested by the U.S. Department of the Treasury and Local Government’s Office to meet any reporting deadlines. The Agency shall adhere to the instructions and format, including specific forms required by the Local Government and the U.S. Department of Treasury for the ARPA funding.

Project(s) Tasks/Scope of Work:

1. Community development and neighborhood revitalization activities for disproportionately impacted communities to address health inequities, create more sustainable communities and promote improved health outcomes;

a. ARPA-21-122-040 Hidalgo County Precinct 2 Recreational Trail  
Connectivity and Development Project

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Any and all necessary steps to design, clear, construct, and surface a walking path, including but not limited to initial site assessment, vegetation removal, grading the terrain, installing drainage systems, laying the trail surface material, adding signage and markers, and performing necessary erosion control measure to complete the project all while adhering to safety standards and environmental considerations. (See Project Description)

2. Stormwater Infrastructure Management to protect the environment and maintain water quality;

a. ARPA-22-122-109 Hidalgo County Precinct 2 Las Milpas Rd. Stormwater  
Management Project

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Encompasses any and all design, installation, maintenance and monitoring of systems to manage rainwater runoff and ensuring compliance with stormwater regulations to complete the project. (See Project Description)

3. Capital investments in public facilities to meet pandemic operational needs.

a. ARPA-24-115-373 Hidalgo County El Milagro Clinic II

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Encompasses any and all necessary inspections of the foundation, site preparation, excavation, and repair methods to complete the project. (See Project Description)

3. Conditions for Receipt of Funds: Allocated SLFRF funds will be obligated by the Agency upon execution of this Agreement to perform the Project(s) Tasks/Scope of Work and Deliverables.
4. Time of Performance: The effective date of this MOU will be the date the parties sign and complete execution of this MOU (“Effective Date”) and will be in effect for the time period during which the Local Government remains in control of SLFRF funds and the Agency completes the Project(s) Tasks, provided however, all SLFRF funds must be obligated no later than December 31, 2024 and the Project(s) Tasks must be completed no later than December 31, 2026.
5. Audits: The Agency shall comply with all applicable provisions of the federal Uniform Guidance (2 CFR 200), including the Cost Principles and Single Audit Act requirements. At any time during business hours and as often as the Local Government, State, or Federal agencies may deem necessary, there shall be made available to the government agency for examination, the Agency’s records with respect to matters covered by this Agreement. The Agency shall permit the Local Government, State, or Federal agencies to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment and other data relating to matters covered by this Agreement.
6. Compliance with Laws: The parties shall comply with all federal, state, and local laws, ordinances, rules, regulations, interim expenditure and annual report requirements, and applicable codes of ethics, pertaining to or regulating the services to be performed pursuant to this Agreement, including those now in effect and hereafter adopted. Any violation of such laws, ordinances, rules,

regulations, or applicable codes of ethics by the Department shall constitute a material breach of this Agreement and shall entitle Local Government to terminate this Agreement immediately upon delivery of written notice of termination to the Agency.

7. Incorporation: As applicable, any recitals and/or exhibits attached hereto are hereby incorporated as part of this Agreement, and Project(s) Scope of Work and Deliverables.
8. Amendment: The parties may amend this agreement, if necessary, to meet additional Treasury requirements or clarify any matter that prevents this Agreement from being treated as an obligation of funds, provided that such amendment(s) make specific reference to this MOU and are executed in writing. Amendment(s) shall not invalidate this MOU, nor relieve or release either Party from its obligations under this MOU. Amendment(s) must comply with guidance published in Treasury's Interim Final Rule or FAQ 17.6, and any additional further guidance from Treasury. Each party to this agreement shall have a representative.
9. Additional Documents: The parties hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this MOU.
10. MOU Representatives: Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

A. Local Government:

Name of Representative: Richard F. Cortez  
Title: Hidalgo County Judge  
Mailing Address: 100 E. Cano, Second Floor  
City, State and Zip Code: Edinburg, TX, 78539  
Telephone Number: (956) 318-2600  
Fax Number: (956) 318-2699  
E-mail Address: [richard.cortez@co.hidalgo.tx.us](mailto:richard.cortez@co.hidalgo.tx.us)

B. Agency:

Name of Representative: Eduardo "Eddie" Cantú  
Title: Commissioner Precinct 2  
Mailing Address: 300 West Hall Acres, Ste. G  
City, State and Zip Code: Pharr, TX, 78577  
Telephone Number: (956) 787-1891  
Fax Number: (956) 787-4683  
E-mail Address: [eduardo.cantu@co.hidalgo.tx.us](mailto:eduardo.cantu@co.hidalgo.tx.us)

11. Budget :

The Local Government will pass through to the Agency no more than **\$6,592,945.14** in SLFRF funds for obligated incurred costs and expenses for Project Completions.

**Budgeted Amount**

ARPA-21-122-040 - \$5,817,246.31  
ARPA-22-122-109 - \$700,000.00  
ARPA-24-115-373 - \$75,698.83

IN WITNESS WHEREOF, the Local Government and the Agency have executed this MOU as of the date written above.

Local Government: **County of Hidalgo, Texas**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: **Hidalgo County Precinct 2**

By: \_\_\_\_\_

Title: \_\_\_\_\_



## **Project Description**

**Project Name:**

Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project

**Project Number:**

ARPA-21-122-040

**Program Name:**

Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project will be part of the Hidalgo County American Rescue Plan Act Recreational Development Program.

**Department Name:**

Hidalgo County Precinct 2

**ARPA Expenditure Category:**

2: Negative Economic Impacts

**ARPA Eligibility Category:**

2.22: Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^

**Project Description:**

The Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project will extend the existing Hidalgo County Precinct 2 Regional Hike and Bike Trail, which currently provides connections to the City of McAllen, City of Pharr, and the City of San Juan. This project will expand these existing trails and connect them to the cities of McAllen, Hidalgo, and Mission. The Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project will service a larger portion of the Hidalgo County community and provide safe recreational spaces for constituents living in, near and around Qualified Census Tract (QCT) locations, and support people's physical, social, emotional, and mental health.

Parks, hike & bike trails, and other recreational spaces, such as the existing Hidalgo County Precinct 2 Regional Hike and Bike Trail, have served a critical function in the mental health of individuals, addressing social determinants of health and confronting public health disparities, particularly for low-income communities. Additionally, the Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project will be expansive, allowing for safe enjoyment while maintaining social distance with the mission to build stronger neighborhoods and communities and address health disparities and the social determinants of health that the ongoing COVID-19 public health emergency has exacerbated.

**Need Assessment:**

The purpose of the Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project is congruent with the overall objective of the Hidalgo County American Rescue Plan Act



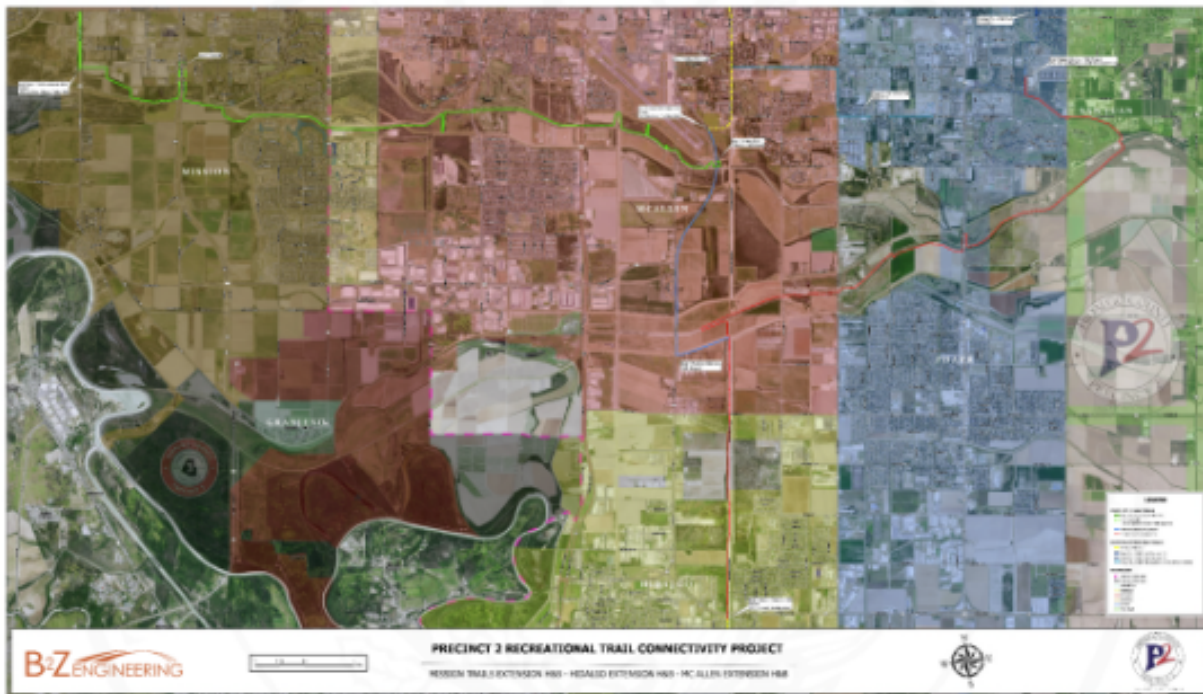
Recreational Development Program, which is to improve the accessibility and function of parks and hike and bike trail to constituents living in, near and around Qualified Census Tract areas. Additionally, to be responsive and committed to providing essential outdoor spaces with the purpose of making our community a more desirable place to live, work, and play.

The extension of the Hidalgo County Precinct 2 Regional Hike and Bike Trail aims to promote wellness among residents living in, near, and around QCT locations by providing more recreational space for exercising and socializing. As a direct outcome, the Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project will improve the overall quality of life of the Hidalgo County residents.

**Fiscal Impact:** \$8,942,392.57

**QCT Analysis:**

- Hidalgo County Precinct 2 Recreational Trail Connectivity and Development Project - Project Layout

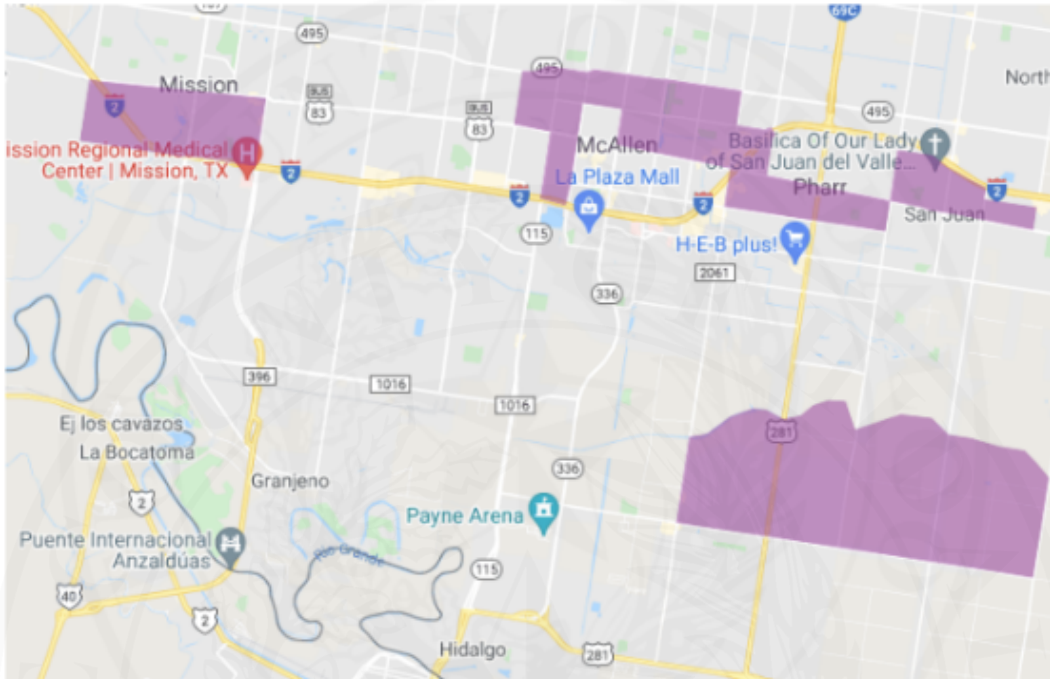


To visualize the map at larger scale please click on the link below:

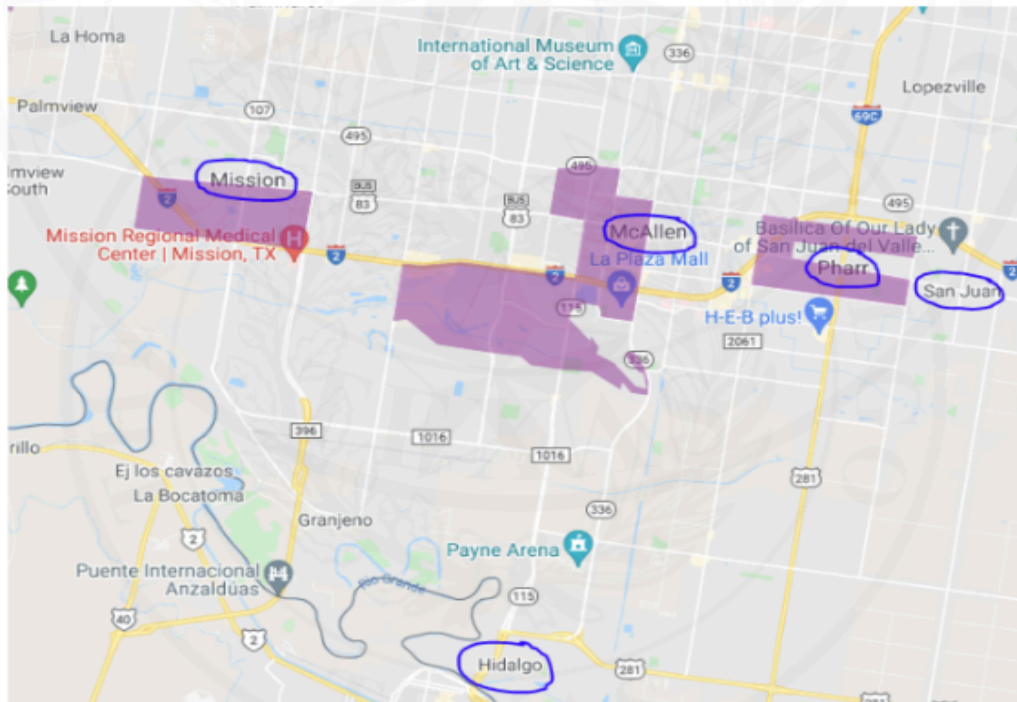
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- Precinct 2 Recreational Trail Connectivity and Development Project QCT Analysis 2021



- Precinct 2 Recreational Trail Connectivity and Development Project QCT Analysis 2022





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American Rescue Plan Act 2021

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## **Project Description**

**Project Name:**

Hidalgo County Precinct 2 Las Milpas Rd. Stormwater Management Project

**Project Number:**

ARPA-22-122-109

**Program Name:**

The Hidalgo County Precinct 2 Las Milpas Rd. Stormwater Management Project will be part of the Hidalgo County American Rescue Plan Act Stormwater System Improvement Program.

**Department Name:**

Hidalgo County Precinct 2

**ARPA Expenditure Category:**

5: Infrastructure

**ARPA Eligibility Category:**

5.6: Clean Water: Stormwater

**Project Description:**

The Hidalgo County Precinct 2 Las Milpas Rd. Stormwater Project Management Project will enhance stormwater infrastructure to address any health disparities that may have been exacerbated by the COVID-19 public health emergency. This project will take place on Las Milpas Rd. between 10th St and McColl Rd. to manage, reduce, and recapture rural stormwater. The expanding infrastructure to equip systems to effectively prevent flooding in areas with low foundation levels. This project will control nonpoint sources of pollution and prove the resilience of infrastructure to severe weather events and protect water bodies from pollution.

As per the Coronavirus State and Local Fiscal Recovery Funds FAQ document, in question 6.15, recipients are able to use ARPA funds for road repairs and upgrades directly related to an eligible stormwater project. Efficient stormwater services directly translate into a healthier community by providing clean water and avoiding potential environmental disasters. These basic needs are critical to the health and ability to work and learn of the residents of the County of Hidalgo, particularly for the disadvantaged and low-income minorities.

**Fiscal Impact:** \$ 3,299,166.50



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American Rescue Plan Act 2021

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## **Project Description**

**Project Name:**

Hidalgo County El Milagro Clinic II

**Project Number:**

ARPA-24-115-373

**Department:**

Budget and Management

**ARPA Expenditure Category:**

6: Revenue Replacement

**ARPA Eligibility Category:**

6.1: Provision of Government Services

**Project Description:**

The Hidalgo County El Milagro Clinic II project consists of modifications and improvements to be in compliance with the health guidelines throughout the COVID-19 public health emergency for this county owned building. This includes but is not limited to foundation repairs and other necessary expenses to address foundation leveling and prevent further structural issues and insure employee, public, and resident health and safety in the facilities. Amid COVID-19, these provisions will provide a safe and sustainable building for continuity of primary care services to Hidalgo County residents. El Milagro Clinic is located at 901 Vermont Ave E, McAllen, TX, 78503.

To comply with the COVID-19 health and safety guidelines, this Hidalgo County building requires additional renovations to be in compliance with health and safety guidelines outlined by the CDC and ARPA requirements to mitigate COVID-19.

...the interim final rule provided an extensive list of enumerated eligible uses to prevent and mitigate COVID-19 and made clear that the public health response to the virus is expected to continue to evolve over time, necessitating different uses of funds. Enumerated eligible uses of funds in this category included:<sup>1</sup> ...capital investments in public facilities to meet pandemic operational needs, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics.<sup>2</sup> Treasury continues to believe that the lists of activities that either are or are not providing government services are

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<sup>1</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4352

<sup>2</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4353

accurate but is clarifying here that, generally speaking, services provided by the recipient governments are “government services” under the interim final rule and final rule, unless Treasury has stated otherwise. Government services include, but are not limited to, maintenance or pay-go funded building of infrastructure...<sup>3</sup>

**Fiscal Impact:** \$75,698.83



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<sup>3</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4408

## **Precinct 3**

**MEMORANDUM OF UNDERSTANDING**  
**REGARDING INTER-AGENCY AGREEMENT FOR**  
**THE OBLIGATION OF SLFRF FUNDS**

This MEMORANDUM OF UNDERSTANDING REGARDING OBLIGATION OF SLFRF FUNDS (“MOU”) is entered into as of the 10<sup>th</sup> day of December, 2024 by and between the **COUNTY OF HIDALGO TEXAS, COMMISSIONERS COURT** (“Local Government” ) and the Hidalgo County **COMMISSIONERS PRECINCT # 3** (“Agency”) as follows:

WHEREAS, The Local Government is the recipient of State and Local Fiscal Recovery Funds (SLFRF) pursuant to the terms and conditions of the agreement entered into by the Department of the Treasury (“Treasury”) and the Local Government, which incorporates the provisions of the 2022 final rule, the 2023 interim final rule, and the guidance that implements the SLFRF program; and

WHEREAS, The Local Government is authorized to provide funds to units of local government and others, and/or each Agency, selected to undertake and carry out projects under the SLFRF program in compliance with all applicable local, state, and federal laws, regulations and policies; and

WHEREAS, the Local Government seeks to allocate ARPA funding to the Agency in order to mitigate the fiscal impacts of the COVID pandemic and to serve the needs of the local community,(the “Project(s)”); and

WHEREAS, Local Government and Agency desire to enter into this MOU as an interagency agreement setting forth their respective responsibilities under the Project(s) for the benefit of the local community; and

WHEREAS, recipients may obligate funds pursuant to an interagency agreement, including an agreement in the form of an MOU, if the agreement satisfies certain conditions identified in the Department of Treasury’s published guidance, Section 17 SLFRF FAQ 17.6; and

WHEREAS, through this MOU entered into pursuant to the Obligation IFR, the Local Government desires to and hereby formally and legally obligates the funds.

Now therefore in consideration of the recitals and agreements contained herein, and funding allocated in an amount not to exceed **Two Million, Four Hundred Sixty-Eight Thousand, Eighty-Nine Dollars and Sixty-Eight Cents (\$2,468,089.68)** as herein below set forth, the Parties agree as follows: Local Government and Agency agree as follows:

1. Purpose:

The SLFRF funds are available to fight the pandemic and support families and businesses struggling with its public health and economic impacts; maintain vital public services, even among declines in revenue; and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity, including emergency relief from natural disasters, building critical transportation infrastructure, and supporting community development.

2. Terms of the Agreement:

A. Local Government Responsibilities

The Local Government is responsible for administration of the SLFRF funds received, and ensuring SLFRF funds are used in accordance with all program requirements and its SLFRF agreement with Treasury referenced above. The Local Government will provide such assistance and guidance to the Agency as may be required to accomplish the objectives and conditions set forth in this MOU.

B. Agency Responsibilities

- i. The Agency will complete in a satisfactory and proper manner as determined by the Local Government the following tasks to accomplish the objectives of principally benefiting the local community by carrying out an eligible use of SLFRF funds (the "Project(s)").
- ii. The Agency shall comply with all federal, state, local, and ARPA/SLRF procurement policies, as applicable, including but not limited to: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; The Federal Register; The U.S. Department of the Treasury ARPA publications and other guidance.
- iii. The Agency will periodically meet with the Local Government to review the status of these tasks and to demonstrate compliance with SLFRF requirements.

The Agency shall reclassify obligated funds that are not expended on an original principle task to another principle task or Local Government Project(s) that is eligible under the SLFRF program rules and was obligated by December 31, 2024, to expend funds on said activity.

- iv. The Agency shall see that all reporting and recordkeeping requirements and Project(s) compliance with SLFRF program requirements are met.
- v. The Agency agrees to provide supporting documentation and corresponding records as requested by the U.S. Department of the Treasury and Local Government's Office to meet any reporting deadlines. The Agency shall adhere to the instructions and format, including specific forms required by the Local Government and the U.S. Department of Treasury for the ARPA funding.

Project(s) Tasks/Scope of Work:

1. Community development and neighborhood revitalization activities for disproportionately impacted communities to address health inequities, create more sustainable communities and promote improved health outcomes;

a. ARPA-21-123-023 Hidalgo County Precinct 3 Park Improvements

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Encompasses any and all necessary steps including but not limited to design development, land clearing, grading, installation of pathways, landscaping, playground equipment/amenities and installation to complete the project. (See Project Description)

2. Stormwater Infrastructure Management to protect the environment and maintain water quality;

a. ARPA-21-123-028 Precinct 3 Farm to Market Rd. 2221 Stormwater Improvements

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Encompasses any and all design, installation, maintenance and monitoring of systems to manage rainwater runoff and ensuring compliance with stormwater regulations to complete the project. (See Project Description)

3. Capital investment in a job and workforce training center to support economic response.

a. ARPA-22-123-075 El Paraiso Community Resource Center

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Encompasses any and all necessary aspects of building design and construction, including but not limited to site preparation, building structure, interior finishes, specialized training spaces, administrative areas, technology integration, accessibility features and necessary utilities while ensuring compliance with building codes to complete the project. (See Project Description)

3. Conditions for Receipt of Funds: Allocated SLFRF funds will be obligated by the Agency upon execution of this Agreement to perform the Project(s) Tasks/Scope of Work and Deliverables.
4. Time of Performance: The effective date of this MOU will be the date the parties sign and complete execution of this MOU (“Effective Date”) and will be in effect for the time period during which the Local Government remains in control of SLFRF funds and the Agency completes the Project(s) Tasks, provided however, all SLFRF funds must be obligated no later than December 31, 2024 and the Project(s) Tasks must be completed no later than December 31, 2026.
5. Audits: The Agency shall comply with all applicable provisions of the federal Uniform Guidance (2 CFR 200), including the Cost Principles and Single Audit Act requirements. At any time during business hours and as often as the Local Government, State, or Federal agencies may deem necessary, there shall be made available to the government agency for examination, the Agency’s records with respect to matters covered by this Agreement. The Agency shall permit the Local Government, State, or Federal agencies to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment and other data relating to matters covered by this Agreement.
6. Compliance with Laws: The parties shall comply with all federal, state, and local laws, ordinances, rules, regulations, interim expenditure and annual report requirements, and applicable codes of ethics, pertaining to or regulating the services to be performed pursuant to this Agreement, including those now in effect and hereafter adopted. Any violation of such laws, ordinances, rules,

regulations, or applicable codes of ethics by the Department shall constitute a material breach of this Agreement and shall entitle Local Government to terminate this Agreement immediately upon delivery of written notice of termination to the Agency.

7. Incorporation: As applicable, any recitals and/or exhibits attached hereto are hereby incorporated as part of this Agreement, and Project(s) Scope of Work and Deliverables.
8. Amendment: The parties may amend this agreement, if necessary, to meet additional Treasury requirements or clarify any matter that prevents this Agreement from being treated as an obligation of funds, provided that such amendment(s) make specific reference to this MOU and are executed in writing. Amendment(s) shall not invalidate this MOU, nor relieve or release either Party from its obligations under this MOU. Amendment(s) must comply with guidance published in Treasury's Interim Final Rule or FAQ 17.6, and any additional further guidance from Treasury. Each party to this agreement shall have a representative.
9. Additional Documents: The parties hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this MOU.
10. MOU Representatives: Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

A. Local Government:

Name of Representative: Richard F. Cortez  
Title: Hidalgo County Judge  
Mailing Address: 100 E. Cano, Second Floor  
City, State and Zip Code: Edinburg, TX, 78539  
Telephone Number: (956) 318-2600  
Fax Number: (956) 318-2699  
E-mail Address: [richard.cortez@co.hidalgo.tx.us](mailto:richard.cortez@co.hidalgo.tx.us)

B. Agency:

Name of Representative: Everardo "Ever" Villarreal  
Title: Commissioner Precinct 3  
Mailing Address: 724 Breyfogle / P.O. Box 607  
City, State and Zip Code: Mission, TX, 78574  
Telephone Number: (956) 585-4509  
Fax Number: (956) 205-7009  
E-mail Address: [ever.villarreal@co.hidalgo.tx.us](mailto:ever.villarreal@co.hidalgo.tx.us)

11. Budget :

The Local Government will pass through to the Agency no more than **\$2,468,089.68** in SLFRF funds for obligated incurred costs and expenses for Project Completions.

**Budgeted Amount**

ARPA-21-123-023 - \$1,473,604.51  
ARPA-21-123-028 - \$876,646.84  
ARPA-22-123-075 - \$117,838.33

IN WITNESS WHEREOF, the Local Government and the Agency have executed this MOU as of the date written above.

Local Government: **County of Hidalgo, Texas**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: **Hidalgo County Precinct 3**

By: \_\_\_\_\_

Title: \_\_\_\_\_



## **Project Description**

**Project Name:**

Hidalgo County Precinct 3 Park Improvements

**Project Number:**

ARPA-21-123-023

**Program:**

The Hidalgo County Precinct 3 will be part of the Hidalgo County American Rescue Plan Act Recreational Development Program.

**Department Name:**

Hidalgo County Precinct 1

**ARPA Expenditure Category:**

2: Negative Economic Impacts

**ARPA Eligibility Category:**

2.22: Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^

**Project Description:**

The COVID-19 pandemic has made it clear that parks are crucial to a community's quality of life. People turned to parks for fresh air, exercise and solace from pandemic-related stressors. The Hidalgo County Precinct 3 Park Improvements Project will include the following parks: Katarina North Park, Katarina South Park, Abram Park, Los Ebanos Park, Los Ebanos Pavilion, and Veterans Memorial Pavilion. This project will improve the accessibility and function of Precinct 3 parks to constituents living in and around Qualified Census Tracts (QCTs) and Low to Moderate Income Areas (LMI), as they will be designed to benefit the health and well-being of residents and promote improved health outcomes. This project aims to create safe spaces that will promote health and safety outcomes for its residents by providing healthy play, wellness, and recreation areas to help mitigate the ongoing effects of COVID-19. The project includes but is not limited to professional services, park equipment, amenities, safety features, supplies, materials, and other necessary provisions.

Treasury recognizes the connection between neighborhood built environment and physical health outcomes as discussed in the research and analysis provided by commenters, including risk factors that may have contributed to disproportionate COVID-19 health impacts in low-income communities. The final rule includes enumerated eligible uses in disproportionately impacted communities for developing neighborhood features that promote improved health and safety outcomes, such as parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, projects that increase access to healthy foods, streetlights,



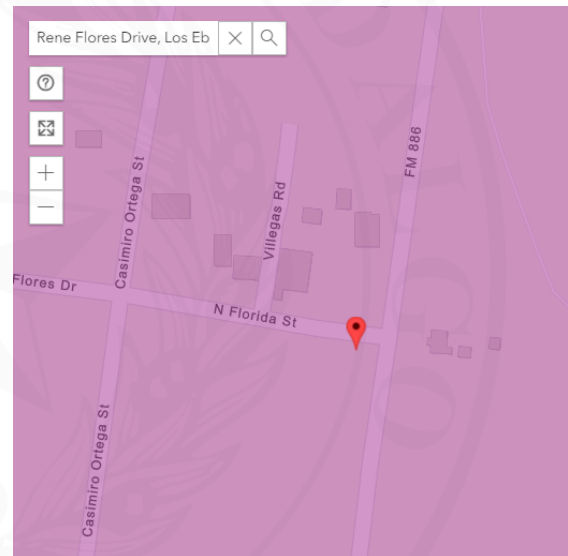
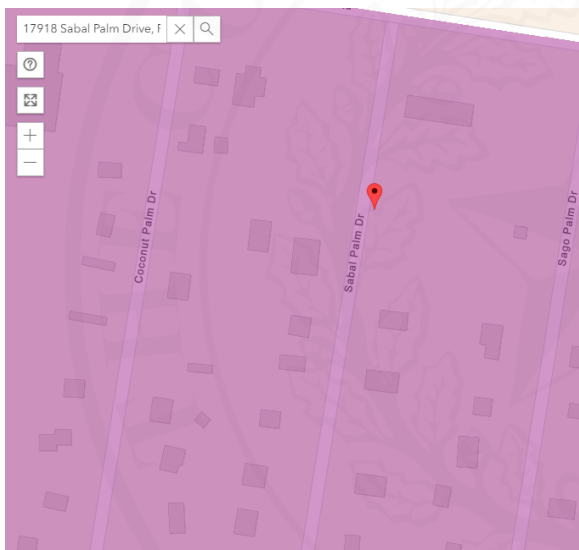
## Hidalgo County • Department of Budget & Management American Rescue Plan Act

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neighborhood cleanup, and other projects to revitalize public spaces.<sup>1</sup> In the final rule, to further decrease administrative burden and enhance recipient flexibility, Treasury is allowing recipients to also presume that low-income households were disproportionately impacted. Treasury anticipates that adding low-income households as a presumed eligible population will maintain targeting of funds to populations and communities most likely to have experienced severe pandemic impacts, while providing a more flexible approach for recipients.<sup>2</sup>

**Fiscal Impact:** \$2,925,000.00

^Below is the 2024 Qualified Census Tract Analysis for the following: Katarina Park South - 17918 Sabal Palm Drive, Peñitas, TX 78576, Los Ebanos Park - Rene Flores Ave, Los Ebanos, TX 78565 and Veterans Memorial Park Pavilion - S Inspiration Rd, Mission, TX 78572



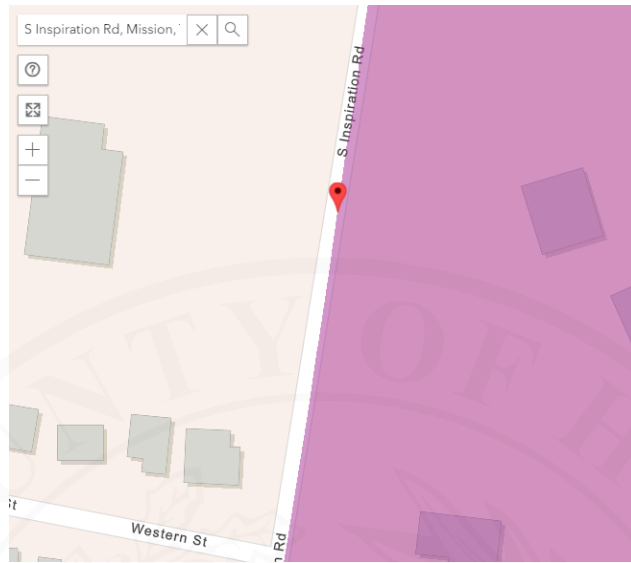
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<sup>1</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4373

<sup>2</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4441



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Source: Office of Policy Development and Research 2023 and 2024 Small Difficult Development Areas (DDAs) and Qualified Census Tracts (QCTs):

[https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)

^Below is the 2024 Low to Moderate Income Area Analysis for the following:  
 Katarina Park North - 18118 Queen Palm Drive, Peñitas, TX 78576, Los Ebanos Pavilion - 225 6th St, Los Ebanos, TX 78565 and Abram Park - Domingo Trevino Drive, Mission, TX 78572

**LMISD by County Subdivision: Sullivan City CCD**

|            |                   |
|------------|-------------------|
| State      | 48                |
| County     | 215               |
| CoSub      | 93785             |
| Name       | Sullivan City CCD |
| STUSAB     | TX                |
| LOW        | 15,195.00         |
| LOWMOD     | 21,835.00         |
| LMMI       | 27,585.00         |
| LOWMODUNIV | 33,965.00         |
| LOWMOD_PCT | 64.29             |
| UCLOWMOD   |                   |
| UCLOWMOD_P |                   |

**LMISD by Place: Los Ebanos CDP**

|            |                          |
|------------|--------------------------|
| GEOID      | 4844104                  |
| NAME       | Los Ebanos CDP           |
| PLACE_TYPE | Census-designated Places |
| STATE      | 48                       |
| STUSAB     | TX                       |
| LOW        | 135.00                   |
| LOWMOD     | 195.00                   |
| LMMI       | 195.00                   |
| LOWMODUNIV | 195.00                   |
| LOWMOD_PCT | 100.00                   |
| UCLOWMOD   |                          |
| UCLOWMOD_P | 0.00                     |



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### LMISD by Place: Abram CDP

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|            |                          |
|------------|--------------------------|
| GEOID      | 4801060                  |
| NAME       | Abram CDP                |
| PLACE_TYPE | Census-designated Places |
| STATE      | 48                       |
| STUSAB     | TX                       |
| LOW        | 955.00                   |
| LOWMOD     | 1,315.00                 |
| LMMI       | 1,615.00                 |
| LOWMODUNIV | 1,910.00                 |
| LOWMOD_PCT | 68.85                    |
| UCLOWMOD   |                          |
| UCLOWMOD_P | 0.00                     |

Source: HUD Exchange Low and Moderate Income Survey Data (LMISD) Map Application  
(<https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f88b501b7e7f326bedd>)



## Project Description

**Project Name:**

Hidalgo County Precinct 3 Farm to Market Rd. 2221 (FM2221) Stormwater Project

**Project Number:**

ARPA-21-123-028

**Program:**

The Hidalgo County Precinct 3 FM2221 Stormwater Project will be part of the Hidalgo County American Rescue Plan Act Stormwater System Improvement Program.

**Precinct/Department Name:**

Hidalgo County Precinct 3

**ARPA Expenditure Category:**

5. Infrastructure

**ARPA Eligibility Category:**

5.6 Clean Water Stormwater

**Project Description:**

The Hidalgo County Precinct 3 FM2221 Stormwater Project, located between Jara Chinas Road and El Pinto Road, is in need of sewer repair and subsurface drainage water due to damages caused by inclement weather. The FM2221 Stormwater project will prevent the road from flooding and ensure that access to connected roads is safe. In this way, residents are able to transit to receive access to essential services, including access to health care services.

The Interim Final Rule aligns types of eligible projects that are supported by Clean Water State Revolving Fund, in which stormwater projects can be an assistance to any public, private, or nonprofit entity for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water. Efficient sewage services directly translate into a healthier community by providing clean water and avoiding potential environmental disasters. These basic needs are critical to the health and ability to work and learn of the residents of the County of Hidalgo, particularly for the disadvantaged and low-income minorities.

**Fiscal Impact:** 1,805,293.23

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## **Project Description**

**Project Name:**

Hidalgo County Precinct 3 El Paraiso Community Resource Center

**Project Number:**

ARPA-22-123-075

**Precinct/Department Name:**

Hidalgo County Precinct 3

**ARPA Expenditure Category:**

2: Negative Economic Impacts

**ARPA Eligibility Category:**

2.10: Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)\*^

**Project Description:**

The Hidalgo County Precinct 3 El Paraiso Community Resource Center (CRC) intends to utilize ARPA Relief funds to construct a community resource center located in a Qualified Census Tract (QCT) area. The CRC's objective is to respond to the negative effects that the pandemic has exacerbated in terms of unemployed and underemployed community members. The Community Resource Center would provide learning opportunities, training and other related services (special lectures, guest speakers, career fairs, counseling, etc.) to all community members within the vicinity of the center. The programs are intended to improve the opportunities of the disadvantaged and most vulnerable Hidalgo County Community members during and after the COVID-19 public health emergency through assistance to unemployed workers including job training, rehiring efforts, and childcare assistance to assist in the reduction of the unemployment rate within the community.

In addition to programs and services, the final rule clarifies that recipients may use funds for capital expenditures that support an eligible COVID-19 public health or economic response.<sup>1</sup> In the Final Rule, Commenters also requested use of funds for capital expenditures that support community needs apart from health care, such as new construction or improvements to schools, affordable housing (beyond presumed disproportionately impacted communities), childcare facilities, and community centers.<sup>2</sup> The Treasury is also enumerating that job and workforce

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<sup>1</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4339

<sup>2</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4389

training centers are eligible capital expenditures...<sup>3</sup>

**Fiscal Impact:** \$5,578,106.17

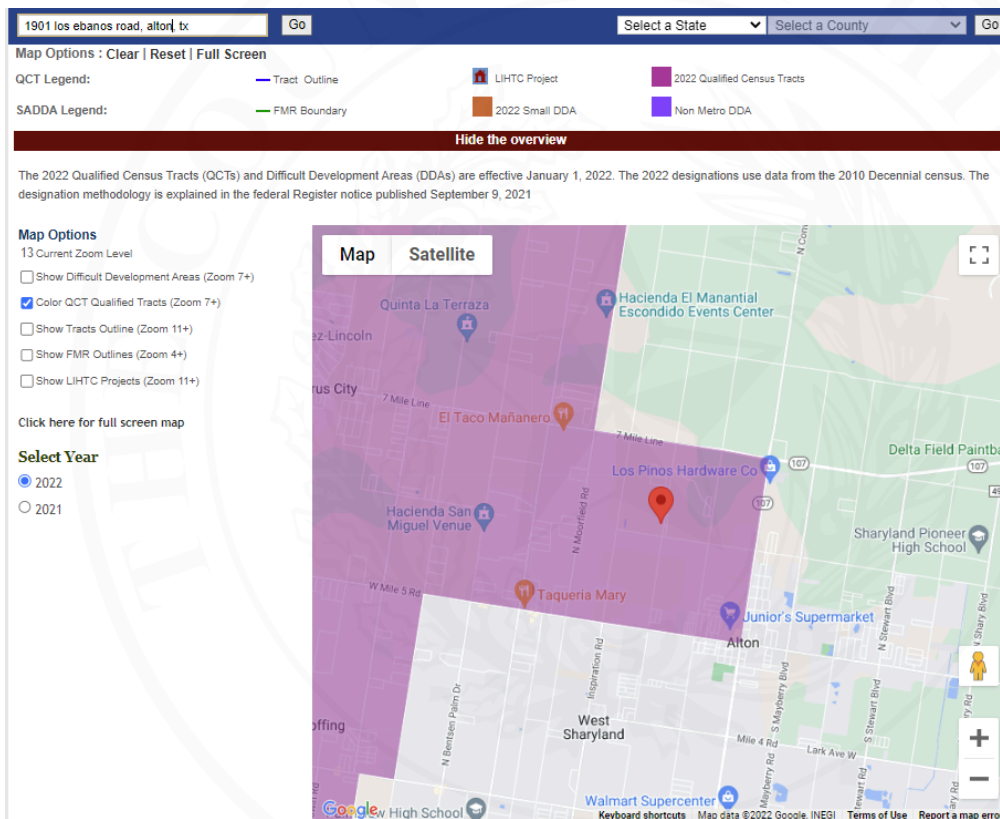
Site: \$5,000,000.00

Personnel: \$578,106.17

\*Evidence-Based:

<https://www.countyhealthrankings.org/take-action-to-improve-health/what-works-for-health/strategies/adult-vocational-training>

^Below is the 2022 Qualified Census Tract Analysis for El Paraiso Community Resource Center which is located at 1901 N. Los Ebanos Rd. Alton, Texas, 78573, within a QCT area.



Source: Office of Policy Development and Research 2021 and 2022 Small Difficult Development Areas (DDAs) and Qualified Census Tracts (QCTs)

<sup>3</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4369

# **Office of Emergency Management**

**MEMORANDUM OF UNDERSTANDING**  
**REGARDING INTER-AGENCY AGREEMENT FOR**  
**THE OBLIGATION OF SLFRF FUNDS**

This MEMORANDUM OF UNDERSTANDING REGARDING OBLIGATION OF SLFRF FUNDS (“MOU”) is entered into as of the 10<sup>th</sup> day of December, 2024 by and between the **COUNTY OF HIDALGO TEXAS, COMMISSIONERS COURT** (“Local Government”) and the Hidalgo County **OFFICE OF EMERGENCY MANAGEMENT** (“Agency”) as follows:

WHEREAS, The Local Government is the recipient of State and Local Fiscal Recovery Funds (SLFRF) pursuant to the terms and conditions of the agreement entered into by the Department of the Treasury (“Treasury”) and the Local Government, which incorporates the provisions of the 2022 final rule, the 2023 interim final rule, and the guidance that implements the SLFRF program; and

WHEREAS, The Local Government is authorized to provide funds to units of local government and others, and/or each Agency, selected to undertake and carry out projects under the SLFRF program in compliance with all applicable local, state, and federal laws, regulations and policies; and

WHEREAS, the Local Government seeks to allocate ARPA funding to the Agency in order to mitigate the fiscal impacts of the COVID pandemic and to serve the needs of the local community,(the “Project(s)”); and

WHEREAS, Local Government and Agency desire to enter into this MOU as an interagency agreement setting forth their respective responsibilities under the Project(s) for the benefit of the local community; and

WHEREAS, recipients may obligate funds pursuant to an interagency agreement, including an agreement in the form of an MOU, if the agreement satisfies certain conditions identified in the Department of Treasury’s published guidance, Section 17 SLFRF FAQ 17.6; and

WHEREAS, through this MOU entered into pursuant to the Obligation IFR, the Local Government desires to and hereby formally and legally obligates the funds.

Now therefore in consideration of the recitals and agreements contained herein, and funding allocated in an amount not to exceed **Nine Million, Eight Hundred Seventy-Two Thousand, Nine Hundred Seventy-Four Dollars and Fifty-Nine Cents (\$9,872,974.59)** as herein below set forth, the Parties agree as follows: Local Government and Agency agree as follows:

1. Purpose:

The SLFRF funds are available to fight the pandemic and support families and businesses struggling with its public health and economic impacts; maintain vital public services, even among declines in revenue; and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity, including emergency relief from natural disasters, building critical transportation infrastructure, and supporting community development.

2. Terms of the Agreement:

A. Local Government Responsibilities

The Local Government is responsible for administration of the SLFRF funds received, and ensuring SLFRF funds are used in accordance with all program requirements and its SLFRF agreement with Treasury referenced above. The Local Government will provide such assistance and guidance to the Agency as may be required to accomplish the objectives and conditions set forth in this MOU.

B. Agency Responsibilities

- i. The Agency will complete in a satisfactory and proper manner as determined by the Local Government the following tasks to accomplish the objectives of principally benefiting the local community by carrying out an eligible use of SLFRF funds (the “Project(s)”).
- ii. The Agency shall comply with all federal, state, local, and ARPA/SLRF procurement policies, as applicable, including but not limited to: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; The Federal Register; The U.S. Department of the Treasury ARPA publications and other guidance.
- iii. The Agency will periodically meet with the Local Government to review the status of these tasks and to demonstrate compliance with SLFRF requirements.

The Agency shall reclassify obligated funds that are not expended on an original principle task to another principle task or Local Government Project(s) that is eligible under the SLFRF program rules and was obligated by December 31, 2024, to expend funds on said activity.

- iv. The Agency shall see that all reporting and recordkeeping requirements and Project(s) compliance with SLFRF program requirements are met.
- v. The Agency agrees to provide supporting documentation and corresponding records as requested by the U.S. Department of the Treasury and Local Government’s Office to meet any reporting deadlines. The Agency shall adhere to the instructions and format, including specific forms required by the Local Government and the U.S. Department of Treasury for the ARPA funding.

Project(s) Tasks/Scope of Work:

1. Capital investment in the construction of emergency operations centers

a. ARPA-22-110-078 Emergency Management Facility

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Any and all necessary steps to design and build a dedicated facility with necessary infrastructure, technology systems, and adaptable spaces to effectively manage and coordinate response operations during emergencies of varying scales, including but not limited to site preparation, building construction, electrical and HVAC, communication and management networks, and other provisions all while adhering to safety standards and compliance standards. (See Project Description)

b. ARPA-24-115-356 Hidalgo County Remote Operations Centers

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Any and all necessary steps to design and build a dedicated facility with necessary infrastructure, technology systems, and adaptable spaces to effectively manage and coordinate response operations during emergencies of varying scales, including but not limited to site preparation, building construction, electrical and HVAC, communication and management networks, and other provisions all while adhering to safety standards and compliance standards. (See Project Description)

3. Conditions for Receipt of Funds: Allocated SLFRF funds will be obligated by the Agency upon execution of this Agreement to perform the Project(s) Tasks/Scope of Work and Deliverables.
4. Time of Performance: The effective date of this MOU will be the date the parties sign and complete execution of this MOU (“Effective Date”) and will be in effect for the time period during which the Local Government remains in control of SLFRF funds and the Agency completes the Project(s) Tasks, provided however, all SLFRF funds must be obligated no later than December 31, 2024 and the Project(s) Tasks must be completed no later than December 31, 2026.
5. Audits: The Agency shall comply with all applicable provisions of the federal Uniform Guidance (2 CFR 200), including the Cost Principles and Single Audit Act requirements. At any time during business hours and as often as the Local Government, State, or Federal agencies may deem necessary, there shall be made available to the government agency for examination, the Agency’s records with respect to matters covered by this Agreement. The Agency shall permit the Local Government, State, or Federal agencies to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment and other data relating to matters covered by this Agreement.
6. Compliance with Laws: The parties shall comply with all federal, state, and local laws, ordinances, rules, regulations, interim expenditure and annual report requirements, and applicable codes of ethics, pertaining to or regulating the services to be performed pursuant to this Agreement, including those now in effect and hereafter adopted. Any violation of such laws, ordinances, rules, regulations, or applicable codes of ethics by the Department shall constitute a material breach of this Agreement and shall entitle Local Government to terminate this Agreement immediately upon delivery of written notice of termination to the Agency.
7. Incorporation: As applicable, any recitals and/or exhibits attached hereto are hereby incorporated as part of this Agreement, and Project(s) Scope of Work and Deliverables.

8. Amendment: The parties may amend this agreement, if necessary, to meet additional Treasury requirements or clarify any matter that prevents this Agreement from being treated as an obligation of funds, provided that such amendment(s) make specific reference to this MOU and are executed in writing. Amendment(s) shall not invalidate this MOU, nor relieve or release either Party from its obligations under this MOU. Amendment(s) must comply with guidance published in Treasury's Interim Final Rule or FAQ 17.6, and any additional further guidance from Treasury. Each party to this agreement shall have a representative.
9. Additional Documents: The parties hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this MOU.
10. MOU Representatives: Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

A. Local Government:

Name of Representative: Richard F. Cortez  
 Title: Hidalgo County Judge  
 Mailing Address: 100 E. Cano, Second Floor  
 City, State and Zip Code: Edinburg, TX, 78539  
 Telephone Number: (956) 318-2600  
 Fax Number: (956) 318-2699  
 E-mail Address: [richard.cortez@co.hidalgo.tx.us](mailto:richard.cortez@co.hidalgo.tx.us)

B. Agency:

Name of Representative: Ricardo Saldaña  
 Title: Emergency Management Coordinator  
 Mailing Address: 123 W. Mahl  
 City, State and Zip Code: Edinburg, TX, 78539  
 Telephone Number: (956) 318-2615  
 Fax Number: (956) 289-7889  
 E-mail Address: [ricardo.saldana@co.hidalgo.tx.us](mailto:ricardo.saldana@co.hidalgo.tx.us)

11. Budget :

|  |   |
|--|---|
| <p>The Local Government will pass through to the Agency no more than <b>\$9,872,974.59</b> in SLFRF funds for obligated incurred costs and expenses for Project Completions.</p> | <p><b>Budgeted Amount</b><br/>         ARPA-22-110-078 - \$6,406,478.00<br/>         ARPA-24-115-356 - \$3,466,496.59</p> |
|--|---|

IN WITNESS WHEREOF, the Local Government and the Agency have executed this MOU as of the date written above.

Local Government: **County of Hidalgo, Texas**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: **Hidalgo County Office of Emergency Management**

By: \_\_\_\_\_

Title: \_\_\_\_\_



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## **Project Description**

**Project Name:**

Emergency Management Facility

**Project Number:**

ARPA-22-110-078

**Department Name:**

County Judge's Office

**ARPA Expenditure Category Group:**

1: Public Health

**ARPA Expenditure Category:**

1.14: Other Public Health Services<sup>^</sup>

**Project Description:**

In the last two years, COVID-19 has greatly impacted the nation and, in particular, regions of low socioeconomic status. Currently, 26.9% of Hidalgo County's population lives below the poverty line, and the pandemic's impact on the county's public health is evident.<sup>1</sup> The rise in COVID-19 cases has increased COVID-19 related emergency response services. An Emergency Management Facility will provide crucial benefits to underserved populations in Hidalgo County. Furthermore, this facility will provide a centralized location to manage ongoing emergency operations and will bring together experts to coordinate emergency operations, including, but not limited to, resources, information, crisis, and emergency risk communication to strengthen the county's ability to detect and effectively respond to the ongoing and future public health emergencies.

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Final Rule allows for the construction or improvements to public facilities that respond directly to COVID-19 under the expenditure category 1.7, *Public Health: Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency*<sup>2</sup>. Based on the Final Rule, construction and improvements to an Emergency Management Facility and Emergency Operations Center are eligible expenditures when the project is related and reasonably proportional to the public health impact of the pandemic.<sup>3</sup> Therefore, the Coronavirus SLFRF Final Rule allows for the construction of facilities to respond to the ongoing public health emergency and any future public health emergencies more effectively.

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<sup>1</sup> Malini DeSilva, Association of the COVID-19 Pandemic with Routine Childhood Vaccination Rates and Proportion Up to Date with Vaccination across 8 US Health Systems in the Vaccine Safety Datalink. Retrieved November 18, 2021.

<sup>2</sup> Department of the treasury rin 1505-AC77] action summary ... (n.d.). Retrieved March 22, 2022, from <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf> (pg 60)

<sup>3</sup> Department of the treasury rin 1505-AC77] action summary ... (n.d.). Retrieved March 22, 2022, from <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf> (pg 192)



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**Fiscal Impact:** \$6,700,000.00



## **Project Description**

**Project Name:**

Emergency Remote Operations Centers

**Project Number:**

ARPA-24-115-356

**Department Name:**

County Judge's Office

**ARPA Expenditure Category:**

1: Public Health

**ARPA Eligibility Category:**

1.14: Other Public Health Services^

**Project Description:**

The US Government Accountability Office (GAO) found that rural communities may have characteristics that can make recovering from a disaster difficult as they do not have the capacity and resources to support recovery activities.<sup>1</sup> It is important to remember that some communities have experienced substantial and pervasive historical inequities, which can pose challenges. For our most vulnerable populations to receive immediate and direct support, Hidalgo County Office of Emergency Management (OEM) is in need of two emergency remote operations facilities in Eastern and Western Hidalgo County to mitigate the challenges of COVID-19 and its negative economic impacts, specifically in these rural and unincorporated areas in the community within Precincts 1 and 3. The development of two new locations, especially for those who are unable to travel, would ease the burden of access for emergency services so that individuals and families are able to access direct services closer to home and when they need them to speed up economic and social recovery and allow the community to resume normalcy. The location in Western Hidalgo County, 8066 N Los Ebanos Rd, Alton, TX, 78573, is in a qualified census tract area (QCT), and the Eastern Hidalgo County location, 708 East Edinburg Ave., Elsa, TX, 78543, is situated in a low to moderate area. These facilities will permit staff to remain in a safe environment during an emergency response and recovery and ensure the continuity of operations and government in major disasters or emergencies by protecting the health and resilience of families and communities in these marginalized areas in response to the negative effects of COVID-19. Personnel costs will also be included to ensure center development, implementation and operation.

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1

<https://www.gao.gov/products/gao-24-106755#:~:text=The%20Disaster%20Assistance%20for%20Rural.sseeking%20disaster%20assistance%20from%20SBA.>



## Hidalgo County • Department of Budget & Management

### American Rescue Plan Act

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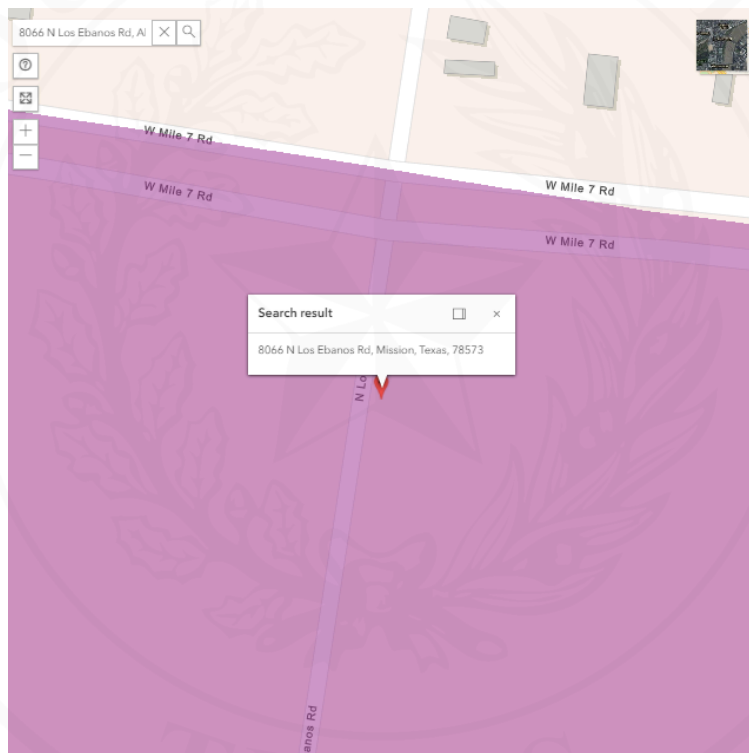
For clarity, Treasury has addressed the eligibility standard for capital expenditures, or investments in property, facilities, or equipment. Treasury has enumerated the improvements to or construction of emergency operations centers and acquisition of emergency response equipment (e.g., emergency response radio systems).<sup>2</sup>

**Fiscal Impact:** \$4,494,174.69

Site: \$3,593,934.69

Personnel: \$900,240.00

^Below is the Qualified Census Tract for 8066 N Los Ebanos Rd, Alton, TX, 78573



Source: Office of Policy Development and Research (PD&R): [2023 and 2024 Small Difficult Development Areas \(DDAs\) and Qualified Census Tracts \(QCTs\)](#)

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<sup>2</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4354



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^Below is the Low-to-Moderate Income Area Information for 708 East Edinburg Ave., Elsa, TX, 78543

### LMISD by Place: Elsa city

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|            |                        |
|------------|------------------------|
| GEOID      | 4824036                |
| NAME       | Elsa city              |
| PLACE_TYPE | Incorporated City/Town |
| STATE      | 48                     |
| STUSAB     | TX                     |
| LOW        | 3,385.00               |
| LOWMOD     | 4,660.00               |
| LMMI       | 5,495.00               |
| LOWMODUNIV | 6,445.00               |
| LOWMOD_PCT | 72.30                  |
| UCLOWMOD   |                        |
| UCLOWMOD_P | 0.00                   |

# **Information Technology Department**

**MEMORANDUM OF UNDERSTANDING**  
**REGARDING INTER-AGENCY AGREEMENT FOR**  
**THE OBLIGATION OF SLFRF FUNDS**

This MEMORANDUM OF UNDERSTANDING REGARDING OBLIGATION OF SLFRF FUNDS (“MOU”) is entered into as of the 10<sup>th</sup> day of December, 2024 by and between the **COUNTY OF HIDALGO TEXAS, COMMISSIONERS COURT** (“Local Government”) and the Hidalgo County **INFORMATION TECHNOLOGY DEPARTMENT** (“Agency”) as follows:

WHEREAS, The Local Government is the recipient of State and Local Fiscal Recovery Funds (SLFRF) pursuant to the terms and conditions of the agreement entered into by the Department of the Treasury (“Treasury”) and the Local Government, which incorporates the provisions of the 2022 final rule, the 2023 interim final rule, and the guidance that implements the SLFRF program; and

WHEREAS, The Local Government is authorized to provide funds to units of local government and others, and/or each Agency, selected to undertake and carry out projects under the SLFRF program in compliance with all applicable local, state, and federal laws, regulations and policies; and

WHEREAS, the Local Government seeks to allocate ARPA funding to the Agency in order to mitigate the fiscal impacts of the COVID pandemic and to serve the needs of the local community,(the “Project(s)”); and

WHEREAS, Local Government and Agency desire to enter into this MOU as an interagency agreement setting forth their respective responsibilities under the Project(s) for the benefit of the local community; and

WHEREAS, recipients may obligate funds pursuant to an interagency agreement, including an agreement in the form of an MOU, if the agreement satisfies certain conditions identified in the Department of Treasury’s published guidance, Section 17 SLFRF FAQ 17.6; and

WHEREAS, through this MOU entered into pursuant to the Obligation IFR, the Local Government desires to and hereby formally and legally obligates the funds.

Now therefore in consideration of the recitals and agreements contained herein, and funding allocated in an amount not to exceed **Five Hundred Seventy-Eight Thousand, Eight Hundred Ninety-Three Dollars and Seventy-Five Cents (\$578,893.75)** as herein below set forth, the Parties agree as follows: Local Government and Agency agree as follows:

1. Purpose:

The SLFRF funds are available to fight the pandemic and support families and businesses struggling with its public health and economic impacts; maintain vital public services, even among declines in revenue; and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity, including emergency relief from natural disasters, building critical transportation infrastructure, and supporting community development.

2. Terms of the Agreement:

A. Local Government Responsibilities

The Local Government is responsible for administration of the SLFRF funds received, and ensuring SLFRF funds are used in accordance with all program requirements and its SLFRF agreement with Treasury referenced above. The Local Government will provide such assistance and guidance to the Agency as may be required to accomplish the objectives and conditions set forth in this MOU.

B. Agency Responsibilities

- i. The Agency will complete in a satisfactory and proper manner as determined by the Local Government the following tasks to accomplish the objectives of principally benefiting the local community by carrying out an eligible use of SLFRF funds (the "Project(s)").
- ii. The Agency shall comply with all federal, state, local, and ARPA/SLRF procurement policies, as applicable, including but not limited to: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; The Federal Register; The U.S. Department of the Treasury ARPA publications and other guidance.
- iii. The Agency will periodically meet with the Local Government to review the status of these tasks and to demonstrate compliance with SLFRF requirements.

The Agency shall reclassify obligated funds that are not expended on an original principle task to another principle task or Local Government Project(s) that is eligible under the SLFRF program rules and was obligated by December 31, 2024, to expend funds on said activity.

- iv. The Agency shall see that all reporting and recordkeeping requirements and Project(s) compliance with SLFRF program requirements are met.
- v. The Agency agrees to provide supporting documentation and corresponding records as requested by the U.S. Department of the Treasury and Local Government's Office to meet any reporting deadlines. The Agency shall adhere to the instructions and format, including specific forms required by the Local Government and the U.S. Department of Treasury for the ARPA funding.

Project(s) Tasks/Scope of Work:

1. Technology Infrastructure resources for government operations.

a. ARPA-22-200-124 Hidalgo County Tyler NewWorld Project

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Any and all necessary software components to continue government operations. (See Project Description)

3. Conditions for Receipt of Funds: Allocated SLFRF funds will be obligated by the Agency upon execution of this Agreement to perform the Project(s) Tasks/Scope of Work and Deliverables.
4. Time of Performance: The effective date of this MOU will be the date the parties sign and complete execution of this MOU (“Effective Date”) and will be in effect for the time period during which the Local Government remains in control of SLFRF funds and the Agency completes the Project(s) Tasks, provided however, all SLFRF funds must be obligated no later than December 31, 2024 and the Project(s) Tasks must be completed no later than December 31, 2026.
5. Audits: The Agency shall comply with all applicable provisions of the federal Uniform Guidance (2 CFR 200), including the Cost Principles and Single Audit Act requirements. At any time during business hours and as often as the Local Government, State, or Federal agencies may deem necessary, there shall be made available to the government agency for examination, the Agency’s records with respect to matters covered by this Agreement. The Agency shall permit the Local Government, State, or Federal agencies to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment and other data relating to matters covered by this Agreement.
6. Compliance with Laws: The parties shall comply with all federal, state, and local laws, ordinances, rules, regulations, interim expenditure and annual report requirements, and applicable codes of ethics, pertaining to or regulating the services to be performed pursuant to this Agreement, including those now in effect and hereafter adopted. Any violation of such laws, ordinances, rules, regulations, or applicable codes of ethics by the Department shall constitute a material breach of this Agreement and shall entitle Local Government to terminate this Agreement immediately upon delivery of written notice of termination to the Agency.
7. Incorporation: As applicable, any recitals and/or exhibits attached hereto are hereby incorporated as part of this Agreement, and Project(s) Scope of Work and Deliverables.
8. Amendment: The parties may amend this agreement, if necessary, to meet additional Treasury requirements or clarify any matter that prevents this Agreement from being treated as an obligation of funds, provided that such amendment(s) make specific reference to this MOU and are executed in writing. Amendment(s) shall not invalidate this MOU, nor relieve or release either Party from its obligations under this MOU. Amendment(s) must comply with guidance published in Treasury’s Interim Final Rule or FAQ 17.6, and any additional further guidance from Treasury. Each party to this agreement shall have a representative.
9. Additional Documents: The parties hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this MOU.

10. MOU Representatives: Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

A. Local Government:

Name of Representative: Richard F. Cortez  
Title: Hidalgo County Judge  
Mailing Address: 100 E. Cano, Second Floor  
City, State and Zip Code: Edinburg, TX, 78539  
Telephone Number: (956) 318-2600  
Fax Number: (956) 318-2699  
E-mail Address: [richard.cortez@co.hidalgo.tx.us](mailto:richard.cortez@co.hidalgo.tx.us)

B. Agency:

Name of Representative: Daniel Salinas  
Title: Information Technology Director  
Mailing Address: 100 E. Cano, Fourth Floor  
City, State and Zip Code: Edinburg, TX, 78539  
Telephone Number: (956) 292-7010  
Fax Number: (956) 318-2152  
E-mail Address: [daniel.salinas@co.hidalgo.tx.us](mailto:daniel.salinas@co.hidalgo.tx.us)

11. Budget :

|  |  |
|--|--|
| The Local Government will pass through to the Agency no more than \$578,893.75 in SLFRF funds for obligated incurred costs and expenses for Project Completions. | <b>Budgeted Amount</b><br>ARPA-22-200-124 - \$578,893.75 |
|--|--|

IN WITNESS WHEREOF, the Local Government and the Agency have executed this MOU as of the date written above.

Local Government: **County of Hidalgo, Texas**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Agency: **Hidalgo County Information Technology Department**

By: \_\_\_\_\_

Title: \_\_\_\_\_



## Project Description

**Project Name:**

Hidalgo County Tyler New World Project

**Project Number:**

ARPA-22-200-124

**Department Name:**

Hidalgo County Sheriff's Office / Information Technology

**ARPA Expenditure Category:**

3: Public Health-Negative Economic Impact: Public Sector Capacity

**ARPA Eligibility Category:**

3.5: Public Sector Capacity: Administrative Needs

**Project Description:**

To increase response times and procedural efficiencies in our corrections and court systems during the ongoing public health emergency, Hidalgo County will acquire Tyler New World software. This project includes the installation of Tyler New World software on all computers for use by the Sheriff's Office. The software will be implemented within 12 to 18 months and hosted by Tyler Technologies. The CAD/RMS client software will need to be installed and configured on all connected computers including data conversion from the old system to the new environment. The Tyler software will directly integrate with the current court system as well as other law enforcement entities if needed. The Tyler New World software will increase integration with the court and RMS software platforms allowing for more streamlined data processing.

Treasury has clarified that recipients may use SLFRF funds to address data, evidence and program administration needs of recipients. This includes technology infrastructure resources to improve access to and the user experience of governmental information technology systems, including hardware and software to improve public delivery of government programs or services.<sup>1</sup> SLFRF funding may be used for administrative needs caused or exacerbated by the pandemic, including technology infrastructure to adapt government operations to the pandemic (e.g., video conferencing software, improvement to case management systems or data sharing resources) reduce government backlogs, or meet increased maintenance needs.<sup>2</sup>

**Fiscal Impact:** \$3,902,015.75

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<sup>1</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4388

<sup>2</sup> Department of the Treasury. (2022). Coronavirus State and Local Fiscal Recovery Funds. *Federal Register*, 87(18), p. 4389