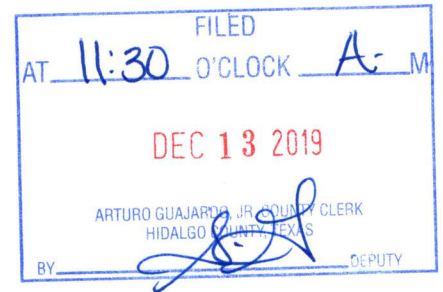


**AGREEMENT  
FOR  
FINANCIAL ADVISORY SERVICES  
By and Between**

**HIDALGO COUNTY, TEXAS  
(Hereinafter referred to as the "Issuer")**

**And**

**ESTRADA HINOJOSA & COMPANY, INC.**



It is understood that the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot be determined and that in connection with the authorization, sale, issuance and delivery of such indebtedness of the Issuer, we have been requested to submit a proposal to provide professional services to the Issuer in the capacity of Financial Advisor. We are pleased to comply with this request and submit the following proposal for consideration. This proposal, if accepted by the Issuer, shall become the agreement (the "Agreement") between the Issuer and Estrada Hinojosa & Company, Inc. effective at the date of its acceptance as provided for herein below. The terms and conditions of the County Request for Proposal (RFP/Q) (C-2019-056-12-10) are incorporated herein by reference for all purposes.

I.

This Agreement shall apply to any and all evidences of indebtedness or debt obligations as described in the RFP/Q that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective.

II.

We agree to provide our professional services and our facilities as Financial Advisor and agree to direct and coordinate all programs of financing as may be considered and authorized during the period in which this Agreement shall be effective and to assume and carry those fees and expenses set out in Appendix A, provided, however, that our obligations to incur expenses shall not include any costs incident to litigation, mandamus action, test case or other similar actions.

III.

We agree to perform the following duties normally performed by financial advisors and all other duties as, in our judgment, may be necessary or advisable:

1. We will conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power

and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration. We will also take into account future financing needs and operations as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.

2. On the basis of the information developed by the survey described above, and other information and experience available to us, we will submit to the Issuer our recommendations on the Debt Instruments under consideration including such elements as the date of issue, interest payment dates, schedule of principal maturities, portions of prior payment, security provisions, and any other additional provisions designed to make the issue attractive to investors. All recommendations will be based upon our professional judgment with the goal of designing Debt Instruments which can be sold under terms most advantageous to the Issuer and at the lowest interest cost consistent with all other considerations.

3. We will advise the Issuer of current bond market conditions, forthcoming bond issues and other general information and economic data which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a time which, in our opinion, will be favorable.

4. We understand the Issuer has retained, or will retain, firms of municipal bond attorneys (the "Bond Counsel") whose fees will be paid by the Issuer. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, we will assist in coordinating the assembly and transmittal to Bond Counsel of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices, and certificates in connection with the election.

5. We will recommend the method of sale of the Debt Instruments that, in our opinion, is in the best interest of the Issuer and will proceed, as directed by the Issuer, with one of the following methods:

a. Competitive Sale: We will advise the Issuer regarding the sale of the Debt Instrument whereby we coordinate the submission of competitive bids from prospective buyers of the Debt Instruments in accordance with established procedures.

b. Negotiated Sale: We will recommend one or more investment banking firms as managers of an underwriting syndicate for the purposes of negotiating the purchase of Debt Instruments and in no event will we participate either directly or indirectly in the underwriting of the Debt Instruments. We will collaborate with any senior managing underwriter selected and Counsel to the underwriters in the preparation of the Official Statement or Offering Memorandum. We will cooperate with the underwriters in obtaining any Blue Sky Memorandum and Legal Investment Survey, preparing the Bond Purchase Contract, Underwriters' Agreement and any other related documents. The costs thereof, including the printing of the documents, will be paid by the underwriters.

6. When appropriate, we will advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.

7. We will coordinate the preparation of the Notice of Sale and Bidding Instructions, Official Statement, Official Bid Form and such other documents as may be required. We will submit to the Issuer all

such documents for examinations, approval and certification. After such examination, approval and certification, we will provide the Issuer with a supply of all such documents sufficient to its needs and will distribute by mail sets of the same to prospective bidders and to banks, life, fire and casualty insurance companies, investment counselors and other prospective purchasers of the Debt Instruments. We also provide sufficient copies of the Official Statement to the purchaser of the debt Instruments in accordance with the Notice of Sale and Bidding Instructions. The expenses associated with printing and distribution of these documents will be paid by the Issuer.

8. We will, after consulting the Issuer, arrange for such reports and opinions of recognized independent consultants we deem necessary and required for the successful marketing of the Debt Instruments.

9. Subject to the approval of the Issuer, we will organize and make arrangements for such information meetings as, in our judgment, may be necessary.

10. We will make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments as, in our opinion, is required for submission to the appropriate company, institution or institutions. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, we will arrange for such personal presentations. The expenses associated with the preparation of information and personal presentations will be paid by the Issuer.

11. We will make recommendations to the Issuer as to the advisability of obtaining municipal bond insurance or other credit enhancement, or qualifications for same, for the Debt Instruments and, when directed by the Issuer, we will coordinate the preparation of such information as, in our opinion, is required for submission to the appropriate company, institution or institutions. In those cases where the advisability of personal presentation of information to the appropriate company, institution or institutions may be indicated, we will arrange for such personal presentations. The expenses associated with the preparation of information and personal presentations will be paid by the Issuer.

12. We will assist the staff of the Issuer at any advertised sale of Debt Instruments in coordinating the receipt, tabulation and comparison of bids and we will advise the Issuer as to the best and lowest qualifying bid. We will provide the Issuer with our recommendations as to acceptance or rejection of such bid.

13. As soon as a bid for the Debt Instruments is accepted by the Issuer, we will proceed to coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible. We will assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.

14. We will maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments. Bond Counsel will provide an unqualified legal opinion as to the legality of the issuance of the Debt Instruments at the time of delivery.

15. If requested, we will counsel with the Issuer in the selection of a Paying Agent/Registrar for the Debt Instruments, and will assist in the preparation of agreements pertinent to these services and the fees incident thereto.

16. In the event formal verification by an independent auditor or any calculations incident to the Debt Instruments is required, we will make arrangements for such services.

17. We agree to do, or cause to be done, all work pertaining to the Debt Instruments, regarding approval, as may be required, by the Attorney General, registration by the Comptroller of Public Accounts and delivery to the purchaser. The expenses associated with the printing of the Debt Instruments will be paid by the Issuer.

18. After the closing of the sale and delivery of the Debt Instruments, we will deliver to the Issuer a schedule of annual debt service requirements on the Debt Instruments. In coordination with Bond Counsel, we will assure that the Paying Agent/Registrar has been provided with a copy of the authorizing ordinance, order or resolution.

19. We will attend any and all meeting of governing body of the Issuer, its staff, representatives or committees as requested and at the Issuer's expense, at all times when we may be of assistance or service and the subject of financing is to be discussed.

20. We will advise the Issuer and its staff in writing of changes, proposed or enacted, in Federal and State laws and regulations which would affect the municipal bond market.

21. We will work with the Issuer, its staff and any consultants employed by the Issuer in developing financial feasibility studies and analyzing alternative financing plans.

#### IV.

In addition to the services set out above, we agree to provide the following services when so requested:

1. We will provide our advice as to the investment of certain funds of the Issuer. At the direction of the Issuer, we will purchase or cause to be purchased, those investments authorized and we will charge a normal and customary commission for each such transaction where appropriate.

2. We will provide our advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.

3. We will provide our advice and assistance in the development of, and financing for, any capital improvement programs of the Issuer.

4. We will provide our advice and assistance in the development of the long-range financing plan of the Issuer.

5. We will provide any other financial planning services as may be requested by the Issuer.

#### V.

The fee due Estrada Hinojosa & Company, Inc. in accordance with Appendix A attached hereto, and any other fees as may be mutually agreed and all expenses for which Estrada Hinojosa & Company, Inc. is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.

VI.

Additional Documents. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

VII.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties agree that proper venue for any suits arising from this contract will lie exclusively in Hidalgo County and State District Courts of Hidalgo County, Texas.

VIII.

Commitment of Current Revenues Only. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of County under this Contract, County may terminate this Contract upon sixty (60) days written notice to Company. County agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Contract. The parties intend this provision to be a continuing right to terminate this Contract at the expiration of each budget period of County. *Agreements for the acquisition, including lease of real or personal property under Tex. Loc. Govt. Code §271.903*: In the event that, during any term hereof, the Commissioner's Court does not appropriate sufficient funds to meet the obligations of County under this Agreement, County may terminate this Agreement upon sixty (60) days written notice to Company, County agrees, however, to use a best efforts attempt to obtain and appropriate funds for payment of the Agreement. The parties intend this provision, if applicable, to be a continuing right to terminate this Agreement at the expiration of each budget period of County in accordance with Tex. Loc. Govt. Code §271.903 (Vernon Supp. 1996).

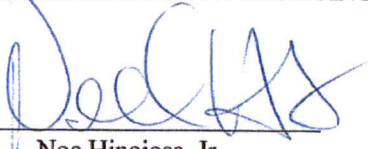
IX.

This agreement shall become effective at the date of acceptance by the Issuer set out herein and remain in effect thereafter for a period of three (3) years from the date of acceptance, with the Issuer's option to renew for two (2) additional one (1) year terms under the same rates terms and conditions. Provided, however, this Agreement may be terminated with or without cause by the Issuer or Estrada Hinojosa & Co., Inc. upon thirty (30) days' written notice. In the event of such termination, it is understood and agreed that only the amount due to Estrada Hinojosa & Company, Inc. for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. This Agreement is submitted in triplicate originals. When accepted by the Issuer, it, together with all Appendices attached hereto, will constitute the entire Agreement between the Issuer and Estrada Hinojosa & Company, Inc. for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the Issuer together with the date of acceptance on all three copies and the return of two executed copies to Estrada Hinojosa & Company, Inc.

Respectfully submitted,


Respectfully submitted,

ESTRADA HINOJOSA & COMPANY, INC.

By:   
Noe Hinojosa, Jr.  
Authorized Representative

This agreement is accepted by the Issuer this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

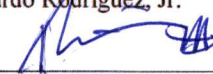
HIDALGO COUNTY, TEXAS

By:   
Richard F. Cortez, Hidalgo County  
Judge

ATTEST:  
  
Hon. Arturo Guajardo, Jr. County Clerk

APPROVED BY  
COMMISSIONERS COURT  
ON: 12/10/19 

APPROVED AS TO FORM:  
Office of the Criminal District Attorney,  
Ricardo Rodriguez, Jr.

By:   
Robert Viña, III, Assistant District Attorney

Approved by the Hidalgo County Commissioner's Court on 12/10/19

APPENDIX A

For most of our financial advisory clients who issue debt routinely, we charge a per bond fee that is contingent upon the issuance of debt. As part of this fee, it is expected that we will support the County with routine related debt modeling, debt analyses, rating support and other traditional financial advisory tasks as outlined in the Scope of Services.

Estrada Hinojosa proposes a per bond fee based on the table below:

Base-fee - Any Issue - \$4,250

Plus	\$ 10.00 per	\$1,000 up to	\$ 1,000,000	or	\$14,250 for	\$ 1,000,000 Bond Proceeds
Plus	5.00 per	\$1,000 next	1,500,000	or	21,750 for	2,500,000 Bond Proceeds
Plus	3.00 per	\$1,000 next	2,500,000	or	29,350 for	5,000,000 Bond Proceeds
Plus	2.00 per	\$1,000 next	5,000,000	or	39,350 for	10,000,000 Bond Proceeds
Plus	1.25 per	\$1,000 next	10,000,000	or	51,850 for	20,000,000 Bond Proceeds
Plus	.95 per	\$1,000 anything over	20,000,000			

Revenue Bond or Certificate of Obligation or Refunding Issues -- Fees shall be the amount shown above plus a 10% additional charge.

For any financial assistance secured from a Federal or State Agency the fee for such issue shall be 120% of the above fee schedule for debt or grants received from such agencies.

At the time that Debt Instruments are delivered, Estrada Hinojosa will bill the County for each issue of Debt Instruments an amount which will include the fee calculated on the above schedule as well as third party invoices and fixed costs and expenses allocated to a bond sale(s) on a per issue basis, where applicable, incurred on behalf of the County for the following items, if applicable:

Third-Party Invoices\*

- Bond Counsel fees and expenses
- Bond rating fees
- Paying Agent/Registrar/Trustee fees
- Other third-party invoices, if applicable
- Underwriter and Underwriter’s counsel (negotiated sales only)
- Verification Agent Fees
- Credit enhancement fees
- Attorney General fees

Fixed Fees

- Preparation of an Official Statement (POS and FOS) fixed at \$6,500 per document
- Preparation of a Notice of Sale / Uniform Bid Form fixed at \$2,500 per series
- Travel expenses fixed at \$5,000 per sale unless negotiated otherwise in which case supporting documentation (e.g., receipts, etc.) will be required.
- Miscellaneous expenses (including messenger, overnight delivery, photocopying, postage and telephone) fixed at \$2,500 per sale unless approved by the Court.

Approved by Court – Amounts for Computer Structuring to be approved by Commissioner’s Court prior to each issuance.

Our fees and expenses are contingent upon the County receiving funds and payable only to Estrada Hinojosa from proceeds delivered at closing. Expenses are borne by the Firm until the closing in accordance with the contract between the County and Estrada Hinojosa.

\* Supporting documentation (e.g., copies of checks and/or paid invoices) will be required.

We understand that the County may require considerable assistance on an ongoing basis. Estrada Hinojosa will charge an annual retainer fee of \$30,000 plus reimbursement of reasonable out-of-pocket expenses. This retainer fee covers ongoing financial advisory services provided to the Issuer as set forth in Section III of the contract, in addition to any professional fees charged in connection with the issuance of debt. In the event the work performed under Section III results in the issuance of debt, the annual retainer fee will be waived if the fee charged for the bond transaction is in excess of \$30,000 during that calendar year.

For projects where there is no expectation of a bond issuance and are outside of the Scope of Services outlined in this RFP, we will negotiate a fixed price with the County based on the proposed scope of work if it is well-known or bill on an hourly basis based on the following hourly fee schedule:

<b><i>Title</i></b>	<b><i>Hourly Rate</i></b>
Senior Vice President and Above	\$ 250.00
Vice President	175.00
Assistant Vice President	100.00
Administrative	75.00