



THE J. RAMIREZ LAW FIRM

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C-20-010-05-26

May 22, 2020

Hon. Ricardo Cortez
Hidalgo County Judge
2812 S. Bus. Highway 281
County of Hidalgo
Edinburg, Texas 7839

Re: Engagement of Bond Counsel

Honorable Judge Cortez:

We are pleased to submit to you our agreement for The J. Ramirez Law Firm to serve as Bond Counsel with respect to one or more series of obligations (including new money bonds, refunding bonds, personal property finance obligations and lease and lease purchase and installment purchase agreements) that the County of Hidalgo (the "Issuer") has issued in the past and may issue in the future, for the purposes, respectively, of construction of improvements, purchase of personal property and/or to refund or restructure its existing debt service or lease-purchase revenue bonds through a public facilities corporation (hereinafter referred to as the "Obligations"). When approved by you, this letter will become effective and will evidence an agreement between the Issuer and The J. Ramirez Law Firm, Bond Counsel. Our fees are on a contingency basis and will be billed only if the obligations are issued. Any out-of-pocket costs are reimbursable. Any additional services are billed accordingly.

Basic Services

Bond Counsel will prepare, or assist the Issuer in the preparation of, all required legal documents and proceedings and will perform all other necessary legal work in connection with the Issuer's authorization, issuance and sale of each series of the Obligations. Our services as Bond Counsel will include the following Basic Services, which we will carry out directly or in concert with officials, staff, and consultants of the Issuer:

(1) Preparation of all notices (including notices of public meetings, notices and resolutions regarding reimbursement bonds and published notices), resolutions and orders (including those governing calling bond elections), resolutions and other legal proceedings necessary to authorize issuance of each series of the Obligations, and all other instruments which comprise the transcript of legal proceedings of the Issuer pertaining to the authorization, issuance and sale of each such series;

(2) Attendance of all meetings called or arranged by or on behalf of the Issuer or Issuer personnel (or their representatives) who are responsible for the issuance, sale and delivery of the Obligations, to the extent required or requested by such persons, to discuss the legal aspects of the Obligations, including but not limited to the sizing, timing or sale of each series of the Obligations;

(3) Consultation with Issuer officials and staff and the Issuer's financial advisors and independent auditors to review information to be included in the offering documents for each series of the Obligations;

(4) Preparation and submission, as required by law, of transcripts of legal proceedings pertaining to the issuance of each series of the Obligations to the Attorney General of Texas;

(5) Supervision of the printing of each series of the Obligations and the delivery thereof to the purchasers, including, if requested, solicitation of bids from bond printers under the direction of the County staff, financial advisor or other Issuer personnel who are responsible for the issuance, sale and delivery of the Obligations, to obtain the lowest responsible printing costs for the Issuer;

(6) At the closing of each series of the Obligations, delivery of an approving opinion, based on facts and law existing as of its date, which shall be fully acceptable in the national public finance field, generally to the effect that such series has been duly issued, executed and delivered in accordance with the Constitution and laws of the State of Texas, that the Obligations of each series constitute valid and legally binding obligations of the Issuer secured by a lien on and pledge of, as appropriate, ad valorem taxes, revenues, or other available funds of the Issuer pledged to their payment in the respective Bond Order (subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws in effect from time to time relating to or affecting the enforcement of rights of creditors, and the Issuer) and (if applicable) that interest on such series of the Obligations is excludable from the gross income of the owners thereof for federal income tax purposes under then existing law; provided that after the closing we do not undertake to provide continuing advice concerning any actions necessary to assure that interest paid on the Obligations will continue to be excluded from gross income for federal income tax purposes;

(7) Review of any investment vehicle which the Issuer will use for purposes of investing bond proceeds to assure the procurement of investments conforms to Issuer policy, state law, and the IRS Code and Regulations; and

(8) Prior to and in connection with the closing of each series of the Obligations, if necessary, preparation and delivery of a Tax Exemption Certificate that will enable appropriate officials of the Issuer to comply with the arbitrage requirements of the Internal Revenue Code of 1986 as they affect the Obligations, including yield restrictions and rebate requirements.

Compensation

A base fee of \$15,000 for up to \$3,000,000 in principal amount of bonds;

\$1,000 for every \$1,000,000 from \$3,000,000 to \$20,000,000

\$750 for every \$1,000,000 from \$20,000,000 and greater

Additional Services

In addition to the foregoing Basic Services, as Bond Counsel, The J. Ramirez Law Firm is prepared to undertake the following Additional Services, as requested by the Issuer or Issuer's personnel who are responsible for the issuance, sale and delivery of the Obligations. Services rendered in connection with calling a bond election limited to preparing a bond election order, preparing an order for appointment of early voting and election personnel, preparing form notices of the election, preparing a letter request for preclearance under Section 5 of the Voting Rights Act, if applicable, and providing advisory opinions to the Issuer related to calling and publicizing the election and to the appointment of early voting and election personnel will be billed at a flat fee of \$3,000.00. In addition, the firm is available on an hourly basis to issue advisory opinions on matters involving any prior or currently outstanding series of bonds. The fee for any additional services which do not constitute direct bond issuance fees but are needed in connection with, resolving a legal issue, will be at an hourly rate of \$250.00, and \$60.00 and \$80.00 per hour for services of a legal assistants.

The compensation for bond issuance legal services stated herein will be contingent on the Issuer's sale of any bonds authorized for issuance.

Bond Counsel will be reimbursed for up to a maximum \$1,000.00 of its reasonable and actual out-of-pocket expenses, such as the cost of reproduction of documents, out-of-town travel, long distance telephone, telegraph, telex and similar expenses, deliveries, and for the actual cost of all items paid for by Bond Counsel on behalf of the Issuer, incurred in connection with the performance of all services

hereunder. All of the expenses of Bond Counsel which may exceed \$1,000.00 will be subject to prior approval of the Issuer. The Attorney General filing fees and the costs of printing the bonds will be the responsibility of Issuer.

Payment to Bond Counsel for all services shall be payable only out of the proceeds of the sale of each series of the Obligations and shall be contingent upon the sale and delivery of each series of the Obligations during the term of this agreement.

The term of this agreement shall be for one year from the date of its approval by the Issuer, but shall be automatically extended for successive one year terms unless the Issuer gives us notice of termination during the last month of any term. Additionally, the Issuer may at any time terminate this agreement by giving us 30 days written notice of termination.

No provision of this agreement shall be deemed to be an agreement or undertaking of any member of the Board of Directors or any official or employee of the Issuer, and no such member, official or employee shall be personally liable in connection herewith or be subject to any personal liability or accountability by reason of the terms hereof.

If this proposed agreement for the services of The J. Ramirez Law Firm as Bond Counsel is satisfactory, please evidence your acceptance and approval by executing two copies in the space provided below.

By action taken by the Commissioners Court on May 26, 2020 and execution of this agreement, the Commissioners Court hereby finds the J. Ramirez Law Firm has demonstrated the competence necessary to act as Bond Counsel for Hidalgo County, is qualified to provide Bond Counsel services, and pursuant to negotiations with Hidalgo County has agreed to provide said services for a fair and reasonable fee.

[SIGNATURE PAGE TO FOLLOW]

COUNTY OF HIDALGO

By: Richard F. Cortez
Richard F. Cortez, County Judge

ATTEST:

By: Arturo Guajardo Jr.
Arturo Guajardo Jr., County Clerk



APPROVED BY
COMMISSIONERS' COURT
ON: 5/26/20 *JRS*

THE J. RAMIREZ LAW FIRM

By: Jesus Ramirez
Jesus Ramirez, Attorney

Approved By Commissioners Court On: 05/26/2020

APPROVED AS TO FORM:

Office of the Criminal District Attorney

Ricardo Rodriguez, Jr.

By: Josephine Ramirez Solis
Josephine Ramirez Solis
Assistant Criminal District Attorney



**ORDER ON PROFESSIONAL LEGAL SERVICES CONTRACT
(Pursuant to Section 2254.1036 of the Government Code)**

WHEREAS, pursuant to Chapter 2254 of the Texas Government Code, the Hidalgo County Commissioners Court may enter into a contingent fee contract with a private attorney/firm for the rendition of professional legal services so long as the requirements of Chapter 2254 have been met; and

WHEREAS, the Commissioners Court of Hidalgo County has engaged the J. Ramirez Law Firm (the "Firm") for professional legal services to act as bond counsel for Hidalgo County; and

WHEREAS, the Commissioners Court desires that the Firm will perform all legal services necessary to perform said legal services as bond counsel;

NOW, THEREFORE, THE COMMISSIONERS COURT of HIDALGO COUNTY hereby finds the following:

1. The County requires legal services from bond counsel for which Firm would be retained to the extent the County may seek to issue limited tax bonds as authorized under the provisions of Section 1207.01 *et. seq.* of the Government Code and provisions of other Texas laws which authorize issuance of debt obligations by the County. In that regard, the County needs to engage the services of bond counsel who has demonstrated competence, qualifications and experience in the requested services.
2. The engagement of the Firm in a professional services contract for all necessary and related services of bond counsel, including but not limited to the issuance of debt obligation, will ensure that services are provided in the most cost effective and expeditious manner. The County will engage the Firm after determining negotiated fees are fair and reasonable. *See* GOVT. CODE § 2254.1036(1)(A). The engagement of bond counsel is reviewed on an annual basis by County and can be terminated with thirty (30) days written notice.
3. The County believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract as required by Government Code § 2254.1036(1)(B). The Firm has been serving governmental bond issuers in Texas since 1987. The Firm has acted as bond counsel for Hidalgo County for over 20 years and has the demonstrated competence and qualifications necessary to perform the services requested.

4. The nature of any relationship between the County and the Firm is as follows. *See* GOVT. CODE § 2254.1036(1)(C). The Firm and attorney, Jesus Ramirez, has served as bond counsel for the County for over 20 years, and therefore, has an established relationship.
5. The specialized legal services required cannot be performed by the attorneys and supporting personnel of the County due to the respective qualifications, cost, infrastructure and technology needed to perform these services. *See* GOVT. CODE § 2254.1036(1)(D).
6. These legal services cannot be provided for on an hourly fee basis. *See* GOVT. CODE § 2254.1036(1)(E).
7. Engagement of the Firm for the requested professional legal services is in the best interests of the County. *See* GOVT. CODE § 2254.1036(1)(F). In HB 2826, the Texas Legislature expressly recognizes that the availability of bond counsel services is particularly limited given the competences, experience and legal knowledge that are required to be had in order for bond counsel to perform its services and issue the legal opinions required upon issuance of the bonds. The areas of legal practice which bond counsel typically is required to engage in order to perform its services include: election laws, Texas constitutional, statutory and common law as it relates to elections and bond elections; the legal authority of political subdivisions to enter legally enforceable obligations; and in particular, debt obligations; federal tax law and Internal Revenue Obligations, particularly as they relate to issuance of tax-exempt debt by political subdivisions; and U.S. Securities laws and their application and exemptions for political subdivisions.
8. The engagement of bond counsel on a contingency fee basis is in the best interest of the County and of its residents for the following reasons: (1) the County has the benefit of receiving and relying on the legal advice of a qualified and experience legal counsel; (2) the County is able to rely on the legal advice of bond counsel throughout all preparatory actions relating to issuance of a bond without having to pay significant fees during the process; (3) County decisions to postpone an action, including an election and issuance or sale of

the bonds does not result in paying additional legal fees; and (4) a contingency fee allows the County to pay for and capitalize fees for the bond counsel and all related fees out a debt fund rather than from the County's Maintenance and Operations Fund.

Passed and Adopted, this _____ day of _____, 2020.

It is so ordered:

RICHARD F. CORTEZ
County Judge

DAVID L. FUENTES
County Commissioner, Pct. 1

EDUARDO "EDDIE" CANTU
County Commissioner, Pct. 2

JOE M. FLORES
County Commissioner, Pct. 3

ELLIE TORRES
County Commissioner, Pct. 4

Attest: ARTURO GUAJARDO, JR.
County Clerk

**NOTICE TO THE PUBLIC OF A MEETING OF THE
COMMISSIONERS COURT OF HIDALGO COUNTY, TEXAS
IN CONSIDERATION OF ACTION TO ENTER INTO A
PROFESSIONAL LEGAL SERVICES CONTRACT
(Pursuant to Section 2254.1036 of the Government Code)**

Notice is hereby given that the Commissioners Court of the County of Hidalgo, Texas (the "County") will be conducting a meeting on Tuesday, May 26, 2020, at 10:00 a.m. at the Hidalgo County Commissioners Courtroom located in the Hidalgo County Courthouse Annex III, 100 E. Cano, Edinburg, Texas. The purpose of the meeting is to consider and take action on all items on the posted agenda pursuant to Texas Government Code Chapter 551; this includes but is not limited to the approval of a professional legal services contract with the J. Ramirez Law Firm (the "Firm"), to perform all legal services necessary and related to acting as bond counsel for the County.

The County is considering this matter for the following reasons:

- A. The County requires legal services from bond counsel for which Firm would be retained to the extent the County may seek to issue limited tax bonds as authorized under the provisions of Section 1207.01 *et. seq.* of the Government Code and provisions of other Texas laws which authorize issuance of debt obligations by the County. In that regard, the County needs to engage the services of bond counsel who has demonstrated competence, qualifications and experience in the requested services.
- B. The engagement of the Firm in a professional services contract for all necessary and related services of bond counsel, including but not limited to the issuance of debt obligation, will ensure that services are provided in the most cost effective and expeditious manner. The County will engage the Firm after determining negotiated fees are fair and reasonable. *See* GOVT. CODE § 2254.1036(1)(A). The engagement of bond counsel is reviewed on an annual basis by County and can be terminated with thirty (30) days written notice.
- C. The County believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract as required by Government Code § 2254.1036(1)(B). The Firm has been serving governmental bond issuers in Texas since 1987. The Firm has acted as bond counsel for Hidalgo County for over 20 years and has the demonstrated competence and qualifications necessary to perform the services requested.

- D. The nature of any relationship between the County and the Firm is as follows. *See* GOVT. CODE § 2254.1036(1)(C). The Firm and attorney, Jesus Ramirez, has served as bond counsel for the County for over 20 years, and therefore, has an established relationship.
- E. The specialized legal services required cannot be performed by the attorneys and supporting personnel of the County due to the respective qualifications, cost, infrastructure and technology needed to perform these services. *See* GOVT. CODE § 2254.1036(1)(D).
- F. These legal services cannot be provided for on an hourly fee basis. *See* GOVT. CODE § 2254.1036(1)(E).
- G. Engagement of the Firm for the requested professional legal services is in the best interests of the County. *See* GOVT. CODE § 2254.1036(1)(F). In HB 2826, the Texas Legislature expressly recognizes that the availability of bond counsel services is particularly limited given the competences, experience and legal knowledge that are required to be had in order for bond counsel to perform its services and issue the legal opinions required upon issuance of the bonds. The areas of legal practice which bond counsel typically is required to engage in order to perform its services include: election laws, Texas constitutional, statutory and common law as it relates to elections and bond elections; the legal authority of political subdivisions to enter legally enforceable obligations; and in particular, debt obligations; federal tax law and Internal Revenue Obligations, particularly as they relate to issuance of tax-exempt debt by political subdivisions; and U.S. Securities laws and their application and exemptions for political subdivisions.
- H. The engagement of bond counsel on a contingency fee basis is in the best interest of the County and of its residents for the following reasons: (1) the County has the benefit of receiving and relying on the legal advice of a qualified and experience legal counsel; (2) the County is able to rely on the legal advice of bond counsel throughout all preparatory actions relating to issuance of a bond without having to pay significant fees during the process; (3) County decisions to postpone an action, including an election and issuance or sale of

the bonds does not result in paying additional legal fees; and (4) a contingency fee allows the County to pay for and capitalize fees for the bond counsel and all related fees out a debt fund rather than from the County's Maintenance and Operations Fund.