

Briefing Memorandum

To: Board of Managers

From: Jonny F. Hipp, Administrator

Date: October 27, 2026

Re: Consider legislative services contracts with Patricia A. Shipton and Joel J. Romo for the 90th Texas Legislative Session (January 1 – June 30, 2027)

Purpose

This is to request consideration of personal services contracts with Patricia A. Shipton and Joel J. Romo for legislative services during the 90th Texas Legislative Session. Each contract would run January 1, 2027, through June 30, 2027. Both contractors represented the Hospital District during the 89th Session under similar contracts.

Background

For the 89th Session, the District held identical personal services contracts with Ms. Shipton and Mr. Romo, both effective August 1, 2024. The key terms were:

Term	Patricia A. Shipton	Joel J. Romo
Contract period	Aug 1, 2024 – Jun 30, 2025	Aug 1, 2024 – Jun 30, 2025
Monthly payment	\$5,000	\$5,000
Maximum amount payable	\$55,000	\$55,000
Expenses reimbursed	None	None
Reports to	Administrator	Administrator

Under those contracts, each contractor monitored legislation and budget developments affecting the District and other urban hospital districts. Their work covered indigent care, intergovernmental transfers, Medicaid supplemental payment programs, property taxes, and District finances. They also drafted and analyzed legislation, met with legislators and agency officials, and attended hearings on the District's behalf.

Proposed Contracts

The proposed contracts would use the 89th Session form, updated for the 90th Session, with a shorter six-month term. The 90th Legislature convenes January 12, 2027, and its 140-day

regular session ends May 31, 2027. A June 30 end date also covers the Governor's 20-day veto period, which closes June 20, 2027.

The main changes from the prior contracts are:

- **Term.** January 1 – June 30, 2027 (six months), down from eleven months. The contracts would not cover the interim period before the session begins.
- **Compensation.** At the prior \$5,000 monthly rate, six months would total \$30,000 per contractor.
- **Session references.** References to the 89th Session in the recitals and Attachments A and B would change to the 90th Session.

All other terms would carry forward. These include the scope of services in Attachment B, monthly invoicing and progress reports to the Administrator, no reimbursement of expenses, and termination by the District on 30 days' written notice. Contractors may not subcontract any of the work and are barred from giving gifts to Board members or District staff.

Authority and Compliance

The Board may approve these contracts without competitive bidding under the personal services provision of Local Government Code §262.024. The Board's authority to manage and control the District comes from Health and Safety Code §§281.047 and 281.048.

Before any payment, each contractor must submit a Form W-9 and a Texas Ethics Commission Form 1295. Each contractor must also warrant current lobbyist registration under Government Code Chapter 305 and disclose any clients with interests in District legislation. To avoid Open Meetings Act issues, contractors who email one Board member must copy all other members and the Administrator.

Fiscal Impact

At the prior \$5,000 monthly rate, the total would be \$60,000, or \$30,000 per contractor. The District would not reimburse travel or other expenses. Funding is available in the Fiscal Year 2027 budget.

Recommendation

Recommend that the Board consider personal services contracts with Patricia A. Shipton and Joel J. Romo for legislative services during the 90th Texas Legislative Session, for January 1 through June 30, 2027.