

**CONTRACT FOR THE COLLECTION OF
DELINQUENT TAXES**

THE STATE OF TEXAS

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COUNTY OF CLAY

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THIS CONTRACT is made and entered into by and between **Clay County**, acting herein and through its Commissioner's Court, hereinafter called ("Taxing Authority"), and **Perdue, Brandon, Fielder, Collins and Mott, LLP**, Attorneys at Law or their duly authorized representatives, hereinafter called the Firm.

I.

Taxing Authority agrees to retain the services and does hereby retain the services of the Firm to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest, owing to Taxing Authority which the Taxing Authority's Tax Collector refers to the Firm, provided current year taxes becoming delinquent within the period of this Contract shall become subject to its terms upon the following conditions:

A. Taxes that become delinquent during the term of this Contract that are not delinquent for any prior year become subject to the terms of this Contract on the 1st day of the month in which penalties attach to the taxes pursuant to Section 33.07, 33.08 and/or 33.11 of the Texas Property Tax Code.

B. Taxes that become delinquent during the term of this Contract on property that is delinquent for prior years shall become subject to its terms on the first day of delinquency when such property is under litigation or comes under litigation or is referred to the Firm for collection by Taxing Authority's Tax Collector.

C. Notwithstanding A or B, the Taxing Authority may turn over to the Firm to pursue remedies under Sections 33.48 or 33.21, et. Seq. of the Texas Property Tax Code at Tax Authority's discretion, and said taxes will become subject to the terms of this Contract.

D. All delinquent personal property taxes shall become subject to this Contract and are to be turned over to the Firm for collection 60 days after the delinquency date for said taxes. A 20% penalty shall be assessed to defray the

cost of collecting those taxes as provided by section 33.11, Texas Property Tax Code. All collection penalties or attorney fees collected on those taxes are the property of the Firm and shall be paid in the same manner as all other collection penalties or attorney fees under this Contract.

E. Other taxes, including current taxes, which are turned over to the Firm by Taxing Authority's Tax Collector because of the necessity of filing claims in Bankruptcy, with other Federal authorities, or for other reasons, shall become subject to the terms of this Contract at the time they are turned over to the Firm and the Firm shall be entitled to the appropriate percentage, as set forth in Paragraph V, of any amounts of delinquent taxes, penalties, and interest actually received by Taxing Authority.

F. Taxing Authority reserves the right to make the final decision as to whether or not to enforce by suit any delinquent tax account turned over to the Firm for collection.

II.

The Firm is to call to the attention of the Taxing Authority's Tax Collector or other designated officials any errors, double assessments or other discrepancies coming under its observation during the progress of the work and is to intervene on behalf of Taxing Authority in all suits for taxes hereafter filed by any taxing unit on property located within its taxing jurisdiction.

III.

The Firm agrees to make progress reports to Taxing Authority on request and to advise Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

IV.

All activities performed by the Firm in connection with this Contract are performed at no expense, fee, or cost to Taxing Authority.

V.

Taxing Authority agrees to pay to the Firm, as compensation for the services required herein, as follows:

(a) Twenty (20%) percent of the amount of all taxes, penalty and interest subject to the terms of this contract as set forth in Paragraph I above, collected and paid to Taxing Authority Tax Collector during the term of this contract, as and when collected.

VI.

Taxing Authority agrees to furnish to the Firm all data and information as to the name, and address of the taxpayer, the legal description of the property, years and amount of taxes due. Taxing Authority further agrees to update said information by furnishing a list of paid accounts and adjustments to the tax roll as necessary. Section 33.48(a) (4) of the Texas Property Tax Code provides: "In addition to other costs authorized by law, a taxing unit is entitled to recover...reasonable expenses that are incurred by the taxing unit in determining the name, identity and location of necessary parties and in procuring necessary legal descriptions of the property on which a delinquent tax is due:..." The Firm agrees to advance on behalf of Taxing Authority such costs and expenses. In consideration of the advancement of such costs and expenses by the Firm, Taxing Authority assigns its right to recover the same to the extent approved by the Court and/or customarily and usually approved by the Court. The Firm expressly waives any claim against Taxing Authority for uncollected costs or expenses.

VII.

This Contract is for an initial period beginning on the execution date in 2020. The term of this contract will be for 30 days, and after the initial 30 days, will automatically renew for 30-day periods each and every month until notice of termination is provided by Taxing Authority or Firm.

Upon termination Firm shall have an additional six (6) months to complete work on all accounts which are in suit, at the discretion of the Taxing Authority, and will be entitled to compensation on such accounts if collected.

VIII.

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a Court to be illegal, invalid, void or unenforceable, for any reason

or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the Parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

The Firm verifies that it is in compliance with and will comply with all provisions of Texas Government Code Section 2270.002 during the term of this contract. In support of this contract the Taxing Authority has also adopted written findings pursuant to Section 2254.1036 of the Government Code which are attached hereto and adopted by reference.

In consideration of the terms and compensation here stated, the Firm hereby accepts said retention of services and undertakes the performance of this Contract as above written.

WITNESS the signatures of all parties hereto in duplicate originals this the 13 day of July, 2020, Clay County, Texas.

Clay County, Texas

By: 
County Judge

PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.
Attorneys at Law
900 8th Street, Suite 1100
Wichita Falls, Texas 76301

By: 
Partner

Written Findings as to the Collections Contract with Perdue, Brandon, Fielder, Collins & Mott, LLP:

The Commissioner's Court of Clay County, in support of its decision to contract with Perdue, Brandon, Fielder, Collins & Mott, LLC and pursuant to Section 2254.1036, of the Government Code, hereby finds the following to be true:

- 1) there is a substantial need for the legal services specified in said contract;
- 2) these legal services cannot be adequately performed by the attorneys and supporting personnel of Taxing Authority; and
- 3) these legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which these services will be obtained or because the Taxing Authority does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees.

APPROVED and EXECUTED this the 13th day of July, 2020.



County Judge