

**CONTRACT FOR THE COLLECTION OF
DELINQUENT TAXES**

THE STATE OF TEXAS
COUNTY OF HIDALGO

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THIS CONTRACT is made and entered into by and between **HIDALGO COUNTY**, a political subdivision of the State of Texas, acting by and through its Commissioner's Court (hereinafter called "Taxing Authority"), and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P. IN ASSOCIATION WITH THE LAW OFFICES OF JOHN DAVID FRANZ** (hereinafter called the "Law Firm").

I.

Taxing Authority agrees to employ and does hereby employ the Law Firm to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest, owing to the Taxing Authority which the Taxing Authority's Tax Collector refers to the Law Firm, provided current years 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 July, of the year in which they become delinquent; and

B. Taxes that become delinquent during the term of this contract on property that is delinquent for prior years and upon which the Law Firm initiates or has initiated legal activity shall become subject to its term on the first day of delinquency.

C. 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 Law Firm for collection.

II.

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

III.

The Law Firm agrees to make quarterly status reports to the Taxing Authority and to advise the Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

IV.

Taxing Authority agrees to pay the Law Firm as compensation for services required hereunder fifteen (15%) percent of the total amount of all delinquent taxes, penalty and interest which are subject to this contract and which are actually collected and paid to the Taxing Authority's Collector of Taxes. Other taxes, including current taxes, which are turned over to the Law Firm by the Taxing Authority's Tax

Assessor-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 Law Firm and the Law Firm is entitled to fifteen (15%) of any amounts of delinquent taxes, penalties, and interest actually received by the Taxing Authority.

V.

Taxing Authority agrees to furnish to the Law 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.

VI.

This contract is drawn to cover a period beginning the 1st day of January, 2012, and ending the 31st day of December, 2014, provided that the Law Firm shall have an additional six (6) months to reduce to payment or judgment all tax litigation and bankruptcy claims filed prior to the date this agreement is terminated. At the end of the original term, the Taxing Authority shall have the option to renew for an additional one (1) year term under the same fees, terms and conditions. Absent notice of non-renewal or notice that the contract has been extended, the contract will automatically renew on a month-to-month basis absent a 30-day written notice from one party to the other of the termination of the contract.

VII.

As part of the delinquent tax collection contract, the Law Firm agrees to produce and mail, at no cost to the Taxing Authority, notices pursuant to Section 33.08 of the Texas Property Tax Code to all delinquent property owners of the Taxing Authority and all delinquent taxpayers that the Taxing Authority is designed as the collector by law, and for all entities that have an agreement with the Taxing Authority pursuant to Section 6.30(b) of the Texas Property Tax Code.

VIII.

LAW FIRM SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS TAXING AUTHORITY AND ALL ENTITIES FOR WHICH SERVICES ARE PERFORMED UNDER THIS CONTRACT (THE "INDEMNIFIED PARTIES"), THEIR ELECTED OFFICIALS, EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS, DAMAGES, LOSSES, AND REASONABLE EXPENSES INCLUDING ATTORNEY'S FEES FOR THE DEFENSE AND/OR PROVIDE A DEFENSE OF ANY ACTION AGAINST INDEMNIFIED PARTIES ARISING OUT OF, RESULTING FROM, OR CONNECTED WITH THE PERFORMANCE OF LAW FIRM'S SERVICES UNDER THIS CONTRACT. LAW FIRM RESERVES THE RIGHT TO LITIGATE AND/OR SETTLE ANY AND ALL CLAIMS ARISING OUT OF, RESULTING FROM OR CONNECTED WITH THE PERFORMANCE OF LAW FIRM SERVICES UNDER THIS CONTRACT. SAID INDEMNITY SHALL COVER ANY ACT OR FAILURE TO ACT BY THE LAW FIRM, ITS AGENTS OR EMPLOYEES.

IX.

If at any time during the initial term of this Agreement or any extension thereof, the Taxing Authority determines that the Law Firm's performance under this Agreement is unsatisfactory, the Taxing Authority shall notify the Law Firm in writing of the Client's determination. The notice from the Taxing Authority shall specify the particular deficiencies that the Client has observed in the Law Firm's performance. The Law Firm shall have sixty (60) days from the date of the notice to cure any such

deficiencies. If at the conclusion of the sixty (60) days remedial period, the Taxing Authority remains unsatisfied with the Law Firm's performance, the Taxing Authority may terminate this Agreement effective upon the expiration of thirty (30) days following the date of written notice to the Law Firm of such termination.

X.

Law Firm agrees to maintain a business office in Hidalgo County, Texas during the pendency of this contract. Law Firm further agrees to provide legal advice to the Hidalgo County Tax Office in the event legal advice is required by the Hidalgo County Tax Office. Any request for legal advice shall be made in writing to Law Firm and said request shall bear the signature of the Hidalgo County Tax Assessor-Collector.

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

This Contract is executed on behalf of the Taxing Authority by the presiding officer of the governing body who is authorized to execute this instrument by Order heretofore passed and duly recorded in its minutes.

WITNESS the signatures of all parties hereto in duplicate originals this the 26th day of October, 2011, Edinburg, Hidalgo County, Texas.

PERDUE, BRANDON, FIELDER
COLLINS & MOTT, L.L.P. IN
ASSOCIATION WITH THE LAW
OFFICES OF JOHN DAVID FRANZ

HIDALGO COUNTY

BY: Juan R. Dula
CO-MANAGING ATTORNEY

BY: Ramon Garcia
RAMON GARCIA, COUNTY JUDGE

ATTEST:
Arturo Guajardo Jr.
ARTURO GUAJARDO JR., COUNTY CLERK

APPROVED BY
COMMISSIONERS' COURT
ON: 10/18/11

AI-29147

6. D.

CC REGULAR

Meeting Date: 10/18/2011

Submitted By: Monica Badillo, EXECUTIVE
OFFICE

Department: EXECUTIVE OFFICE

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under Texas Local Government Code Section 262.024 (a) (4), a professional service in connection with the provision of services related to delinquent tax collection;
2. Approval to engage the Law Firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. in Association with the Law Offices of John David Franz for the provision of the collection of delinquent taxes for a term of four (4) years with all the terms, rates & conditions remaining the same as per current agreement with an option to renew for one (1) additional year

BACKGROUND

Attachments

BACKUP
contract

Form Review

Inbox	Reviewed By	Date
Budget & Management	Merlen P. Munoz	10/14/2011 02:43 PM
Olga Garza	Olga Garza	10/14/2011 03:56 PM
Purchasing Department	Monica Badillo	10/14/2011 05:15 PM
Form Started By: Monica Badillo		Started On: 10/14/2011 01:41 PM
	Final Approval Date: 10/14/2011	

SPECIAL MEETING – OCTOBER 18, 2011

BE IT REMEMBERED, that on this 18TH day of October A.D., 2011, there was begun and held a SPECIAL MEETING of the Honorable Commissioners' Court of Hidalgo County, Texas, wherein the following members thereof were present, to-wit:

HONORABLE RAMON GARCIA	HIDALGO COUNTY JUDGE
HONORABLE JOEL QUINTANILLA	COMMISSIONER, PRECINCT NO. 1
HONORABLE HECTOR (TITO) PALACIOS	COMMISSIONER, PRECINCT NO. 2
HONORABLE JOE M. FLORES	COMMISSIONER, PRECINCT NO. 3
HONORABLE JOSEPH PALACIOS	COMMISSIONER, PRECINCT NO. 4

and ARTURO GUAJARDO, JR., COUNTY CLERK & EX-OFFICIO CLERK OF THE COMMISSIONERS' COURT of Hidalgo County, Texas, wherein the following proceedings were had, to-wit:

C. AI-29154 Presentation on John Austin Pena Primary Care & Substance Abuse Treatment Facility Grand Opening

Presentation made.

NO ACTION taken on this item.

D. AI-29147 1. Requesting exemption from competitive bidding requirements under Texas Local Government Code Section 262.024 (a) (4), a professional service in connection with the provision of services related to delinquent tax collection;

Commissioner Hector Palacios stepped away.

On motion of Commissioner Flores, seconded by Commissioner Joseph Palacios, the Court made a UNANIMOUS vote of approval of the exemption.

Commissioner Hector Palacios joined the meeting.

2. Approval to engage the Law Firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. in Association with the Law Offices of John David Franz for the provision of the collection of delinquent taxes for a term of four (4) years with all the terms, rates & conditions remaining the same as per current agreement with an option to renew for one (1) additional year

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On motion of Commissioner Flores, seconded by Commissioner Quintanilla, the Court made a vote to approve for 3 years, with option to renew 1 additional year. Votes were as follow:

AYE: Commissioner Flores, Quintanilla and Joseph Palacios

NAY: Judge Garcia and Commissioner Hector Palacios

E. AI-29045 Health & Human Services:

Requesting authorization for employee to travel out of state to attend a grant management training on November 16th-18th in Orlando, Florida. (The training is sponsored by the University of Texas - Pan American and the Center for Hispanic Resources in Rehabilitation.)

On motion of Commissioner Joseph Palacios, seconded by Commissioner Quintanilla, the Court made a UNANIMOUS vote of approval.

F. AI-29060 Approval of 2012 Proposed Holidays

On motion of Commissioner Flores, seconded by Commissioner Quintanilla, the Court made a UNANIMOUS vote of approval.

Commissioner Flores stepped away.

G. AI-29097 Approval of rate adjustment to letter of engagement regarding legal fees with Thorton Law Firm regarding C-1491-06-E (ex. attorney fees from \$145.00 to \$190.00 per hour, etc.)

On motion of Commissioner Quintanilla, seconded by Commissioner Joseph Palacios, the Court made a UNANIMOUS vote of approval.