

Agreement for Tax Collection Services

This Agreement is made between Linebarger Goggan Blair & Sampson, LLP (hereinafter referred to as the "Firm") and the County of Hidalgo (hereinafter referred to as the "Client").

Article I

Nature of Relationship

1.01 The parties hereto acknowledge that this Agreement creates an attorney-client relationship.

1.02 The Client hereby employs the Firm to provide the services hereinafter described for compensation hereinafter provided.

Article 2

Scope of Services

2.01 The Firm shall take reasonable and necessary actions to collect property taxes that are owed to the Client and that are subject to this agreement, as hereinafter provided.

2.02 The Client may from time-to-time specify in writing additional actions to be taken by the Firm in connection with the collection of taxes that are owed to the Client. Client further constitutes and appoints the Firm as Client's attorneys to sign all legal instruments, pleadings, drafts, authorizations and papers as shall be reasonably necessary to prosecute the Client's claim for taxes.

2.03 Taxes owed to the Client shall become subject to this agreement upon the following dates, whichever occurs first:

(a) On February 1 of the year in which the taxes become delinquent if a previously filed tax suit is then pending against the property subject to the tax;

(b) On the date any lawsuit is filed with respect to the recovery of the tax if the tax is delinquent and is required to be included in the suit pursuant to TEX. TAX CODE § 33.42(a);

(c) On the date of filing any application for tax warrant where recovery of the tax or estimated tax is sought and where the filing of an application for tax warrant by the Firm is at the request of Client's Tax Assessor-Collector;

(d) On the date of filing any claim in bankruptcy where recovery of the tax is sought; or

(e) In the case of tangible personal property, on the 60th day after the February 1 delinquency date; or

(f) On July 1 of the year in which the taxes become delinquent.

Article 3

Compensation

3.01 Client agrees to pay to the Firm, as compensation for the services required herein, fifteen (15%) percent of all taxes, penalty and interest subject to the terms of this Agreement as set forth in Paragraph 2.03 above, collected and paid to the collector of taxes during the term of this Agreement, as and when collected.

3.02 The Client shall pay the Firm by the twentieth day of each month, all compensation earned by the Firm for the previous month as provided in this Article 3. All compensation above provided for shall become the property of the Firm at the time payment of the taxes, penalty and interest is made to the collector.

Article 4 *Intellectual Property Rights*

4.01 The Client recognizes and acknowledges that the Firm owns all right, title and interest in certain proprietary software that the Firm may utilize in conjunction with performing the services provided in this Agreement. The Client agrees and hereby grants to the Firm the right to use and incorporate any information provided by the Client ("Client Information") to update the databases in this proprietary software, and, notwithstanding that Client Information has been or shall be used to update the databases in this proprietary software, further stipulates and agrees that the Client shall have no rights or ownership whatsoever in and to the software or the data contained therein, except that the Client shall be entitled to obtain a copy of such data that directly relates to the Client's accounts at any time.

4.02 The Firm agrees that it will not share or disclose any specific confidential Client Information with any other company, individual, organization or agency, without the prior written consent of the Client, except as may be required by law or where such information is otherwise publicly available. It is agreed that the Firm shall have the right to use Client Information for internal analysis, purposes of improving the proprietary software and database, and to generate aggregate data and statistics that may inherently contain Client Information. These aggregate statistics are owned solely by the Firm and will generally be used internally, but may be shared with the Firm's affiliates, partners or other third parties for purposes of improving the Firm's software and services.

Article 5 *Costs*

5.01 The Firm and Client recognize that publication costs for citations and notices of sale and title abstract costs will be incurred in the process of providing the litigation services contemplated in this Agreement. All such costs shall be billed to the Client, in care of the Firm, and the Firm will advance the payment of such costs on behalf of the Client. Upon recovery of such costs from the defendants or from the tax sale of defendants' property, the Firm shall be reimbursed for the advance payment. Alternatively, the Firm may arrange with the vendor or agency providing the service that actual payment of the costs of services is wholly contingent upon recovery of such costs by the Client or the Firm from the defendants or from the tax sale of defendants' property. In such contingent arrangements, the Client has no responsibility or liability for payment or advancement of any costs, other than forwarding to the vendor or service provider any cost amounts received from defendants or from the tax sale of defendants' property.

5.02 The Client acknowledges that the Firm may provide services, such as title research, with its own employees or with other entities or individuals who may be affiliated with the Firm, but the Firm agrees that any charges for such services will be reasonable and consistent with what the same services would cost if obtained from a third party. The Client agrees that upon the recovery of such costs, the Client will: (i) pay the Firm for any such costs which have been advanced by the Firm or performed by the Firm, and (ii) pay any third party agency or vendor owed for performing such services.

Article 6

Term and Termination

6.01 This Agreement shall be effective on January 1, 2019 (The "Effective Date") and shall expire on December 31, 2022 (the "Expiration Date") unless earlier terminated or extended as hereinafter provided.

The Agreement term shall be for a three (3) year term, with the County's option to renew for an additional one year (1) term for the same fees, rates, terms and conditions. Hidalgo County reserves the right to continue this Agreement for an additional ninety (90) day Grace Period at the end of the Agreement under the same rates, terms and conditions for any unforeseen delay during the procurement process. Absent notice of non-renewal, termination, or notice that the Agreement has been extended, the Agreement 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 Agreement.

6.02 The Agreement shall be automatically renewed for the additional one year term without the necessity of any further action by either party, unless 60 days prior to the Expiration Date of the initial term, the Client or the Firm notifies the other in writing that it does not wish to continue this Agreement beyond its initial term.

6.03 If at any time during the initial term of this Agreement or any extension hereof, the Client determines that the Firm's performance under this Agreement is unsatisfactory, the Client shall notify the Firm in writing of the Client's determination. The notice from the Client shall specify the particular deficiencies that the Client has observed in the Firm's performance. The Firm shall have sixty (60) days from the date of the notice to cure any such deficiencies. If at the conclusion of that sixty-day remedial period, the Client remains unsatisfied with the Firm's performance; the Client may terminate this Agreement effective upon the expiration of thirty days following the date of written notice to the Firm of such termination ("Termination Date").

6.04 Notwithstanding anything to the contrary herein, Client may terminate this Agreement without cause on thirty (30) days written notice to Firm.

6.05 Whether this Agreement expires or is terminated, the Firm shall be entitled to continue to prosecute any tax suits, applications for tax warrants or bankruptcy claims pending on the Termination Date or Expiration Date for an additional six months following termination or expiration. The Client agrees that the Firm shall be compensated as provided by Article 3 for any base tax, penalties and interest collected in the pending matters during the six-month period.

6.06 The Client agrees that the Firm shall be reimbursed for any costs advanced and shall be paid for any services performed pursuant to Article 5 when such costs are recovered by or on behalf of the Client, regardless of the date recovered. It is expressly agreed that neither the expiration nor the termination of this Agreement constitutes a waiver by the Firm of its entitlement to be reimbursed for such costs and to be paid for such services. It is further expressly agreed that the expiration of any six-month period under Section 6.04 does not constitute any such waiver by the Firm.

Article 7
Miscellaneous

7.01 *Assignment and Subcontracting.* This Agreement is not assignable, provided however, the Firm may from time-to-time obtain co-counsel or subcontract some of the services provided for herein to other law firms or entities. In such cases, the Firm will retain supervisory control and responsibility for any services provided by such co-counsel or subcontractors and shall be responsible to pay any compensation due to any such co-counsel or subcontractor.

7.02 This Agreement shall be governed by the laws of the State of Texas. **THIS AGREEMENT SHALL BE PERFORMABLE IN HIDALGO COUNTY, TEXAS.**

7.03 *Integration.* This Agreement contains the entire agreement between the parties hereto and may only be modified in a written amendment, executed by both parties.

7.04 *Representation of Other Taxing Entities.* The Client acknowledges and consents to the Firm's representation of other taxing entities, and further acknowledges that other entities may be owed taxes or have other claims which may be secured by the same property that serves the basis of taxes owed to or claims held by Client.

7.05 *Compliance with Tx. Govt. Code §2270.002.* In order to comply with Tx. Govt. Code §2270.002, the Firm hereby verifies that it does not boycott Israel and will not boycott Israel during the term of the Agreement.

7.06 *Immunities.* Nothing in this Agreement is intended to and Client does not hereby waive, release or relinquish any right to assert any of the defenses Client enjoys by virtue of the state or federal constitution, laws, rules or regulations, and any sovereign, official or qualified immunity available to Client as to any claim or action of any person, entity, or individual against Client.

7.07 *Nondiscrimination.* Firm, including subcontractors, assignees and successors in interest, ensures that no person shall on the grounds of race, religion, color, national origin, sex, age, or disability, or any other protected class under law, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination or retaliation in any federally or non-federally funded program or activity when providing any services described herein under this Agreement.

7.08 *Additional Documents.* Firm and Client covenant and agree that they will each 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.

7.09 *Appendix II to CFR 200- Contract Provisions.* Pursuant to 2 CFR 200.236, a non-federal entity's Contract must contain the applicable provisions described in appendix II to 2 CFR 200-Contract Provisions for non-Federal Entity Contracts under Federal Awards. Therefore, if applicable, the provisions of Appendix II to 2 CFR 200 are hereby incorporated by reference into this Agreement.

7.10 *Indemnification.* Firm shall indemnify and hold harmless Client, its elected officials, employees and agents from any and all claims, damages, losses, and expenses including attorney's fees for the defense of any action against Client arising out of, resulting from, or connected with the

provision of the Service by Firm under this Agreement. Said indemnity shall cover any act or failure to act by the Firm, its agents or employees.

In consideration of the terms and compensation herein stated, the Firm hereby accepts said employment and undertakes the performance of this Agreement as above written. This Agreement is executed on behalf of the Firm and of the Client by the duly authorized persons whose signatures appear below.

County of Hidalgo

**Linebarger Goggan Blair
& Sampson, LLP**

By: _____
Ramon Garcia
County Judge

By: _____
Lucy G. Canales
Capital Partner

Date: _____

Date: _____

ATTEST:

By: _____
Arturo Guajardo, Jr.
Hidalgo County Clerk

APPROVED AS TO FORM:

Hidalgo County Criminal District Attorney's Office
Ricardo Rodriguez, Jr.

By: _____
Victor M. Garza, Assistant District Attorney