

**CONTRACT FOR THE COLLECTION OF
DELINQUENT PROPERTY TAXES**

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

THIS CONTRACT is made and entered into by and between the **THE COUNTY OF WILLIAMSON, TEXAS (The County)**, acting herein by and through the Commissioners' Court, and **MCCREARY, VESELKA, BRAGG & ALLEN, P.C. (The Firm)**, 700 Jeffrey Way, Suite 100, P.O. Box 1269, Round Rock, Texas 78680.

I.

The County agrees to employ and does hereby employ **The Firm** to enforce by litigation or otherwise the collection of all delinquent property taxes, penalty and interest owing to **The County** and all the other taxing units for which **The County** Tax Office collects property taxes. **The Firm** agrees to perform those same delinquent tax collection services. Current year taxes which become delinquent within the period of this Contract shall become subject to the terms of the Contract upon the following conditions:

A. Taxes on *real property* that become delinquent during the term of this contract that are not delinquent for any prior years become subject to the terms of this contract on July 1st of the year in which the taxes become delinquent.

B. Taxes on *tangible personal property* that become delinquent during the term of this contract become subject to the terms of this contract if not paid within sixty days of the date on which the taxes become delinquent.

C. Notwithstanding A and B above, taxes on *real property* and *tangible personal property* that become delinquent during the term of this contract that are delinquent for prior years and are the subject of a suit to collect the prior years' delinquent taxes become subject to the terms of this contract on the first day of delinquency as defined by the Texas Property Tax Code.

II.

The County agrees to furnish all necessary delinquent tax information to **The Firm** on all property within the boundaries of **The County** and all the other taxing units for which **The County** Tax Office collects property taxes. **The County** hereby authorizes **The Firm** to determine the name, identity and location of necessary parties and to procure necessary legal descriptions of property and hereby assigns to **The Firm** the right to recover the costs of obtaining such information.

III.

The Firm is to advise **The County** and **The County** Tax Assessor-Collector of errors, double assessments or other discrepancies coming under observation during the progress of the work.

IV.

The Firm is to intervene on behalf of **The County** and all other taxing units for which **The County** Tax Office collects property taxes in all suits for ad valorem taxes hereafter filed by any other taxing unit on property located within its boundaries.

V.

The Firm shall make written delinquent tax collection progress reports to **The County** and/or **The County** Tax Assessor-Collector on request.

VI.

In order to provide effective customer service to the taxpayers of **The County**, promote operational efficiencies, and enhance communications between **The Firm** and **The County** Tax Assessor-Collector and the staff of **The County** Tax Office, **The Firm** agrees to employ at least three full-time persons who shall implement the delinquent tax collection program of **The Firm** for **The County**, and who shall office in the County Tax Office in Georgetown. **The County** Tax Assessor-Collector and **The County** shall provide **The Firm** office space, local telephone and internet access, and use of the fax machine and copier for the employees of **The Firm** who office in the County Tax Office in Georgetown.

The Firm shall pay to **The County** Tax Assessor-Collector the amount of \$39,000 for each twelve-month period from July 1st to June 30th that this Contract is in effect. The \$39,000 annual payment shall be paid by **The Firm** in twelve equal monthly installments which **The County** Tax Assessor-Collector shall withhold in the amount of \$3,250 per month from the fees due to **The Firm** under Paragraph VIII of this Contract.

The County Tax Assessor-Collector and **The County** shall utilize the annual payment from **The Firm** to defray the following costs:

- (1) office space for **The Firm** in **The County** Tax Office in Georgetown;
- (2) internet access;
- (3) the Tax Office copier;
- (4) telephones and related equipment;
- (5) local telephone access;
- (6) the fax machine in the Tax Office;
- (7) computer hardware and software used in the collection of taxes and associated maintenance fees;
- (8) Part-time tax collection staff;
- (9) training for the tax collection staff; and
- (10) the purchase of office furniture and equipment used by the tax collection staff of **The County** Tax Office.

The Firm shall furnish the computer hardware, office furniture, office equipment, and office supplies used by the employees of **The Firm** in **The County** Tax Office in Georgetown. The cost of long distance telephone service used by the employees of **The Firm** located in **The County** Tax Office in Georgetown shall be the responsibility of **The Firm**.

VII.

The Firm will process and mail at its expense notices of delinquency which include all current year delinquent taxes in either February or March and in May of each year. Prior to May 5th of each year, **The County** shall furnish to **The Firm** on electronic media all data necessary to process and mail the notices of delinquency required by Section 33.07 of the Texas Property Tax Code.

The Firm will process and mail at its expense notices of delinquency for current year delinquent personal property taxes in April of each year. Prior to April 5th of each year, **The County** shall furnish to **The Firm** on electronic media all data necessary to process and mail the notices of delinquency required by Section 33.11 of the Texas Property Tax Code.

VIII.

The County agrees to pay **The Firm**, for services rendered, subject to the provisions of paragraph VI of this Contract, Fifteen Percent (15%) of all delinquent taxes, penalty and interest collected by The Williamson County Tax Office for **The County** and all the other taxing units for which **The County** Tax Office collects during the term of this Contract. The penalty imposed pursuant to Sections 33.07 and 33.11 of the Texas Property Tax Code is not subject to this contractual fee. **The County** does hereby adopt the additional penalty provided by Sections 33.07 and 33.11 of the Texas Property Tax Code. All fees provided for in this Contract shall become the property of **The Firm** at the time payment of taxes, penalty and interest is made to **The County**. **The County** shall pay fees due **The Firm** monthly by check or electronic funds transfer.

IX.

This Contract is effective for an initial period beginning July 1, 2008, and ending June 30, 2012. After the initial period, this Contract shall automatically renew and continue in full force and effect on the same terms and conditions from year to year for additional twelve month periods beginning July 1st and ending June 30th until this Contract is terminated by either **The Firm** or **The County** delivering written notice of termination to the other party at least thirty (30) days prior to renewal date of this contract. The first renewal date of this contract is July 1, 2012 and each July 1st thereafter. Upon termination of this Contract, **The Firm** shall have an additional six (6) months to reduce to judgment and sale all tax collection lawsuits filed, and collect all bankruptcy claims filed prior to the termination date and shall have the exclusive right to compensation of fees earned due to these suits during this six (6) month period.

X.

In the event that the aggregate annual tax levies for the school districts for which **The County** Tax Office collects property taxes decrease by Ten Percent (10%) or more from the aggregate tax levies of the same school districts for the tax year 2008, effective on the first day of the next July of the year following the year in which the decrease in the school district tax levies occurs, Paragraph VIII of this Contract is hereby amended as follows:

Paragraph VIII. **The County** agrees to pay fees to **The Firm** for services rendered pursuant to this Contract, Twenty Percent (20%) of all delinquent taxes, penalty and interest collected by The Williamson County Tax Office for **The County** and all the other taxing units, including, if applicable, The State of Texas, for which **The County** collects property taxes. The penalty imposed pursuant to Sections 33.07 and 33.11, Texas Property Tax Code is not subject to the contractual fee due **The Firm**. **The County** does hereby adopt a Twenty Percent (20%) additional penalty as provided for by Sections 33.07 and 33.11, Texas Property Tax Code, **The County** shall pay the fees due to **The Firm** at least once each month by check or electronic funds transfer.


XI.

This Contract is executed on behalf of **The County** by the County Judge who is authorized to execute this Contract by resolution heretofore passed by the Commissioners' Court and duly recorded in its minutes, and joined herein pro forma by the County Tax Assessor-Collector. In consideration of the terms and compensation herein stated, **The Firm** hereby accepts said employment and undertakes the performance of this Contract as above written.

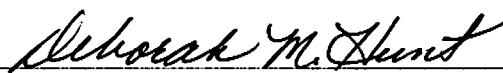
WITNESS the signatures of all parties hereto in duplicate originals this the _____ day of 11-25, 2008, Williamson County, Texas, to be effective as of July 1, 2008.

THE COUNTY OF WILLIAMSON, TEXAS

BY


Dan A. Gattis
County Judge

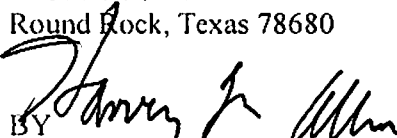
BY


Deborah Hunt
Williamson County Tax Assessor-Collector

McCREARY, VESELKA, BRAGG AND ALLEN, P.C.

Attorneys at Law
700 Jeffrey Way, Suite 100
P. O. Box 1269
Round Rock, Texas 78680

BY


Harvey M. Allen
President