

NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036

WHEREAS, Titus County ("County"), will consider entering into a contingent fee contract with the law firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Firm") and hereby posts this notice pursuant to Sec. 2254.1036 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(a)(2) of the Government Code and shall announce the following:

A. The County pursuing a contract with the Firm for the collection of delinquent ad valorem taxes owed to the County and through this contract the County seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(a)(1)(A).

B. The County believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(a)(1)(B). The Firm has collected delinquent government receivables for 54 years, including the collection of delinquent ad valorem taxes. The Firm currently has 16 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including over 60 attorneys. It uses a multi-office, fully integrated team approach allowing the County access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need the County may have. This proprietary software also automates many aspects of the collection process, such as: account/debtor research, mailings and phone calls, return mail and address updates, payment notification and processing and workflow.

C. The nature of any relationship between the County and the Firm is as follows. GOVT. CODE § 2254.1036(a)(1)(C).


The Firm has no current relationships with Titus County.

D. The County is unable to collect its delinquent ad valorem taxes. GOVT. CODE § 2254.1036(a)(1)(D). The County currently does not have adequate support staff, computer software/programming, or experience to internally conduct these collection services and acquiring these will result in substantial expense to the County.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(a)(1)(E). The Tax Code allows the assessment of a percentage-based fee to recover the costs of collecting delinquent ad valorem taxes. This percentage-based fee is assessed only against the debtor and not the County or taxpayers of the County. The collection of delinquent ad valorem taxes is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed amount of delinquent ad valorem taxes due. Moreover, the County will bear the cost of these hourly fees and not the debtor, because the Tax Code does not expressly authorize the County to pay for collection services based on an hourly fee.

F. The County believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(a)(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless the number of hours the Firm spends researching, contacting and mailing to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the debtor and not an expense to the County or taxpayers in the County.



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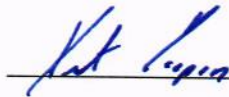
Written Findings as to the Collections Contract with Perdue Brandon Fielder
Collins & Mott, LLP

In an open meeting, the Commissioners Court of Titus County considered all matters listed in Section 2254.1036(a)(1) of the Government Code, as they relate to a contingent fee contract with Perdue Brandon Fielder Collins and Mott, LLP.

The Board of Trustees, pursuant to Section 2254.1036(b) 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 Titus County; 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 Titus County does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees.

Therefore, this Board of Trustees hereby approves the contract by and between Titus County and Perdue Brandon Fielder Collins & Mott, LLP, for professional legal services regarding the collection of delinquent ad valorem taxes with services to be paid in accordance with Section 6.30 of the Texas Property Tax Code.

APPROVED and EXECUTED this the 9 day of Sept, 2024.



On Behalf of the Commissioners Court for
Titus County, Texas



CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES

THE STATE OF TEXAS

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COUNTY OF TITUS

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THIS CONTRACT is made and entered into by and between **TITUS COUNTY, TEXAS**, whose principal address is 100 West First Street, Mt. Pleasant, Texas 75455, acting herein and through its Commissioners Court, hereinafter called Taxing Authority, and **PERDUE BRANDON FIELDER COLLINS & MOTT, LLP**, Attorneys at Law, Tyler, Texas, 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

Contract for Collection of Delinquent Ad Valorem Taxes

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 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) fifteen (15%) percent of the amount of all 2004 and prior year 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;
- (b) twenty (20%) percent of the amount of all 2005 through 2023 year 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; and
- (c) fifteen (15%) percent of the amount of all 2024 and subsequent year 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.

Upon approval hereof by the Commissioners Court, this contract will be for an initial three (4) year term, from January 1, 2025, through December 31, 2028. After the initial term, this contract shall renew for successive one-year terms on July 1 unless either party delivers written notice to the other party of its intent to terminate this contract at least thirty (30) days prior to each renewal date of this contract. Notwithstanding the foregoing, Taxing Authority has the right to terminate this contract at any time, for any reason or no reason, with a minimum of thirty (30) days' prior written notice to the Firm. Upon termination, the 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 Contract becomes terminated or expires. Taxing Authority agrees to compensate the Firm for any such accounts collected during the six (6) month period in accordance with the terms of section V above.

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.

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.

IX.

Notice to Clients

The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. If you have a complaint against or dispute with this firm involving professional misconduct, the State Bar's Office of Chief Disciplinary Counsel will provide you with information about how to file a complaint. Please call 1-800-932-1900 for more information.

The Firm hereby represents and warrants that at the time of this Contract neither the Firm, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Firm: (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Section 2252.153 of the Texas Government Code. The term "foreign terrorist organization" has the meaning assigned to such term pursuant to Section 2252.151 of the Texas Government Code.

By signing and entering into the Contract, the Firm verifies, pursuant to Chapter 2271 and Chapter 2274 (as added by Senate Bill 13, 87th Legislature Regular Session) of the Government Code, it does not boycott Israel or boycott energy companies and will not boycott Israel or boycott energy companies during the term of this Contract. "Boycott Israel" has the meaning assigned by Section 808.001, Government Code. "Boycott energy company" has the meaning assigned by Section 809.001, Government Code.

By signing and entering into the Contract, the Firm verifies, pursuant to Chapter 2274 (as added by Senate Bill 19, 87th Legislature Regular Session) of the Government Code, that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Contract against a firearm entity or firearm trade association. "Discriminate against a firearm entity or firearm trade association" has the meaning assigned by Section 2274.001(3), Government Code.

WITNESS the signatures of all parties hereto in duplicate originals this the 9 day of Sept, 2024, Titus County, Texas.

**ON BEHALF OF TITUS COUNTY
COMMISSIONERS COURT**

By: [Signature]
Name: Honorable Kent Cooper
Title: Titus County Judge

ATTEST:

By: [Signature]
Name: Leslie Brosnan
Title: Titus County Clerk



**PERDUE BRANDON FIELDER COLLINS &
MOTT, LLP**

By: [Signature]
Name: Patrick K. Woods
Title: Partner

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