

McCREARY, VESELKA, BRAGG & ALLEN, P.C.
CONTRACT FOR THE COLLECTION OF
DELINQUENT PROPERTY TAXES

STATE OF TEXAS

§

COUNTY OF DENTON

§

§

THIS CONTRACT is made and entered into by and between the **DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-H (The District)**, acting herein by and through its governing body, and **McCREARY, VESELKA, BRAGG & ALLEN, P.C. (The Firm)**, 700 Jeffrey Way, Suite 100, P.O. Box 1269, Round Rock, Texas 78680.

I.

The District agrees to employ and does hereby employ **The Firm** to enforce by suit or otherwise the collection of all delinquent property taxes, penalty and interest owing to **The District**. Current year property 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. Taxes on *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 District agrees to furnish all necessary delinquent tax information to **The Firm** on all property within the boundaries of **The District**. **The District** 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 District** 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 District** in all suits for ad valorem taxes hereafter filed by any other taxing unit on property located within its boundaries.

V.

The Firm agrees to make delinquent tax collection progress reports to **The District** on request.

VI.

The District agrees to pay **The Firm**, for services rendered, a fee of Fifteen Per Cent (15%) of all delinquent taxes, penalty and interest collected by **The District** for years covered by this contract. The penalty imposed pursuant to Sections 33.07, 33.08 and 33.11 of the Texas Property Tax Code is not subject to this contractual fee. **The District** has previously adopted and does hereby reaffirm the adoption of the additional penalty provided by Sections 33.07, 33.08 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 District**. **The District** shall pay fees due **The Firm** monthly by check.

VII.

This contract is drawn to cover a period of one (1) year beginning February 1, 2016, and ending January 31, 2017. Thereafter, this contract shall automatically renew and continue in full force and effect after the initial period from year to year for additional twelve month periods beginning on February 1st of each year on the same terms and conditions unless either party delivers written notice to the other party of its intent to terminate this contract at least sixty (60) days prior to each anniversary date of this contract. The anniversary date is February 1, 2017 and February 1st of each subsequent year. On termination of this contract, **The Firm** shall have an additional six (6) months after termination to reduce to judgment and sale all tax collection lawsuits filed and collect all bankruptcy claims filed prior to the termination date, and provided further that **The Firm** shall handle to conclusion all suits in which trial court judgments are obtained during the period of this contract and which are appealed by any party. In case of such termination, **The Firm** shall be entitled to receive and retain all compensation of fees due up to the date of said termination. 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.

VIII.

The contract is executed on behalf of **The District** by the presiding officer of its governing body who is authorized to execute this instrument by order heretofore passed and duly recorded in its minutes. This contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes.

WITNESS the signatures of all parties hereto in duplicate originals this, the 12th day of November, 2015.

DENTON COUNTY FRESH WATER SUPPLY
DISTRICT NO. 1-H

By:  _____,
President, Board of Directors

McCREARY, VESELKA, BRAGG & ALLEN, P.C.
Attorneys at Law
700 Jeffrey Way, Suite 100
Round Rock, Texas 78680
800-369-9000

By:  _____
Gilbert T. Bragg
Managing Partner
Denton Branch Office