

**CONTRACT FOR THE COLLECTION OF DELINQUENT UTILITY ACCOUNTS**

**THE STATE OF TEXAS** §  
**COUNTY OF BRAZORIA** §

THIS CONTRACT is made and entered into by and between the **CITY OF ANGLETON**, Texas, acting by and through its governing body, (hereinafter the “Client”), and **PERDUE BRANDON FIELDER COLLINS & MOTT, L.L.P.**, (hereinafter the “Firm”). The terms and conditions of the contract are as follows:

**I. NATURE OF SERVICES**

Client agrees to employ the Firm to collect utility accounts that are at least 60 days past due, as determined by the Client, including, but not limited to, amounts due for utilities provided, services rendered, late fees, disconnect and reconnect fees, and all applicable statutory interest, attorney fees and court costs for the utility accounts that Client turns over to the Firm (“Delinquent Utility Accounts”).

- A. Interest Accrual - Absent an express agreement to the contrary, the Firm will not accrue interest on Client’s Delinquent Utility Accounts.
- B. Litigation - The Firm will not file suit, accept any compromise settlement, or incur any litigation expenses chargeable to Client without Client’s approval. By agreeing to the filing of a lawsuit, Client understands that it must reimburse Law Firm for all costs and fees chargeable as court costs (e.g., filing fees, citation issuance, process service fees, etc.).
- C. Account Information - Client agrees to submit for collection only Delinquent Utility Accounts that are validly due and owing by the utility customer or guarantor. Client will provide Firm with all information and documentation necessary for the collection of all submitted Delinquent Utility Accounts. Client will provide accurate information on each Delinquent Utility Account and will promptly report any payments it receives or adjustments it makes on Delinquent Utility Accounts turned

over to the Firm. Client and Firm shall work together to expeditiously respond to any debtor correspondence regarding a disputed debt and requests for verification of debt received by the Firm. Client agrees to provide the Firm with all copies of records necessary to verify a debt within 10 days of the Firm's request.

The Client shall refer all Delinquent Utility Accounts by electronic medium, or in any other way that is most favorable to the Client.

D. Return of Accounts – The Client and Firm agree that the Firm has no obligation to perform collection services for Delinquent Utility Accounts that are determined by the Firm to be time-barred from collections by an applicable statute of limitation or other similar limitation. Following the return of such accounts from the Firm to Client, the Firm shall have no further obligations on these accounts.

E. Receipt of Payments - Client gives the Firm exclusive authority to collect amounts due on Delinquent Utility Accounts turned over to the Firm. It is understood and agreed that the Firm will instruct debtors to make all payments payable to Client, and the Firm will forward the payment to Client. In the event the Firm is identified as the payee, the Firm will endorse the payment over to Client.

F. Credit Reporting - Client understands and agrees that the Firm will not report information on Client's Delinquent Utility Accounts to credit reporting agencies. If it is desired, the Client shall, in its sole discretion, report Delinquent Utility Accounts information to any such agency.

G. Reporting - Upon request, the Firm will provide reports to the Client setting forth the status of Delinquent Utility Accounts turned over to the Firm by Client.

## **II. Compensation**

As compensation for services required hereunder, the Firm shall receive a twenty percent (20%) collection fee of the total amount on the Delinquent Utility Accounts turned over to the Firm. It is expressly understood that the Firm is not entitled to receive payment on any delinquent utility account subsequently paid but that was not turned over to the Firm. The twenty percent (20%) collection fee shall

be added to the total amount owed on a Delinquent Utility Account turned over to the Firm, pursuant to Section 552.001(b) of the Texas Local Government Code.

The Firm will submit billing invoices to the Client monthly and Client agrees to remit payment to the Firm within thirty (30) days of receipt of said invoice.

### **III. COMMENCEMENT AND TERMINATION OF CONTRACT**

This Contract shall commence on January 24, 2023 and continue in force and effect until January 23, 2026 (hereinafter referred to as the “Term”), at which time the parties may mutually agree to renew this Contract for two additional one-year terms and thereafter the Contract shall continue on a month-to-month basis until terminated by written notice. The parties may agree before the end of the Term to extend this Contract. This Contract amends, supersedes, and replaces all prior oral and written agreements between the parties and can only be amended if done so in writing and signed by all parties.

During the term of this Contract, either party may cancel and terminate this Contract for cause by giving the Firm written notice of the specific cause for termination and providing sixty (60) days for cure. If the Firm does not cure, then the Client shall provide the Firm written notice of termination.

After this Contract expires at the end of its Term or is otherwise terminated, the Firm shall have an additional six months to complete work on all delinquent accounts referred prior to the notice of termination and will be entitled to compensation on such accounts if collected. During such six-month period, the Firm will be entitled to compensation in accordance with this Contract.

### **IV. NOTICES**

For purposes of sending notice under the terms of this Contract, all notices from the City shall be sent to Perdue Brandon by certified United States mail, or delivered by hand or courier, and addressed as follows:

Perdue, Brandon, Fielder, Collins & Mott, LLP  
Attn: Michael J. Darlow  
1235 North Loop West, Suite 600  
Houston, Texas 77008

All notices from the Firm shall be sent to the Client by certified United States mail, or delivered by hand or courier, and addressed as follows:

City of Angleton  
Attn: Chris Whittaker  
City Hall  
121 South Velasco  
Angleton, Texas 77515  
Telephone: 979-848-5600

## **V. ACCEPTANCE OF EMPLOYMENT**

In consideration of the terms and compensation herein stated, the Firm hereby accepts said employment and undertakes performance of said Contract as set forth herein.

This Contract constitutes the entire agreement and understanding between the Firm and Client. All modifications to this contract must be made in writing and signed by both parties. Furthermore, this Contract cannot be transferred or assigned by either party without the consent of both parties.

This Contract is executed on behalf of the Client by the presiding officer of its governing body who is authorized to execute this instrument by action of its governing body that was duly passed and recorded in its minutes.

## **VI. SEVERABILITY**

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a court of competent jurisdiction 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. Any 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.

## **VII. VENUE AND CONTROLLING LAW**

This Contract is made and is to be interpreted under the laws of the State of Texas. Venue for any disputes involving this Contract shall be in the appropriate courts in Brazoria County, Texas.

### **VIII. INDEMNIFICATION AND RELEASE**

It is further agreed that the Firm (separately and collectively the “Indemnitee”) shall indemnify, hold harmless, and defend the City, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs, and attorney’s fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the Firm under this contract. Such indemnity shall apply, to the extent permitted by law, regardless of whether the claims, losses, damages, causes of action, suits or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Firm, or any third party.

The Firm assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the firm’s work to be performed hereunder.

This release shall apply, to the extent permitted by law, regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Firm, or any third party.

### **IX. COMPLIANCE PROVISIONS**

Pursuant to Chapters 2252, 2271, and 2274 of the Texas Government Code, the Firm verifies that it does not and will not for the term of this contract boycott Israel or energy companies; that it does not have a policy which discriminates against a firearm entity or firearm trade association nor will it create

such a policy for the term of this contract; and that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization.

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.

WITNESS the signatures of all parties hereto this the \_\_\_\_ day of \_\_\_\_\_, 2023.

**CITY OF ANGLETON**

By: \_\_\_\_\_  
JASON PEREZ, MAYOR

**PERDUE, BRANDON, FIELDER, COLLINS & MOTT,  
L.L.P.**

By: \_\_\_\_\_  
MICHAEL J. DARLOW, PARTNER

**Attachment A: Written Findings**

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

In an open meeting, the City of Angleton Council 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 City Council, 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 the City of Angleton; 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 City of Angleton does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees.

Therefore, the City of Angleton hereby approves the formation of the contract by and between the City of Angleton and Perdue Brandon Fielder Collins & Mott, LLP, for professional legal services regarding the collection of delinquent utility accounts, as described in the contract, with services to be paid in accordance with Section 552.001(b) of the Local Government Code.

APPROVED and EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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CITY OF ANGLETON