

CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES

THE STATE OF TEXAS

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COUNTY OF DENTON

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THIS CONTRACT is made and entered into by and between the **TOWN OF PONDER**, acting herein and through the Mayor of its Town Council, hereinafter called Taxing Authority, and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**, Attorneys at Law, Garland, 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 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 as set forth in Paragraph V 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 twenty (20%) percent of the amount of 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. For any previous years in which a 15% add-on compensation was assessed, Firm agrees to accept said 15%.

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.

This Contract is for a period of one (1) year and shall commence on the 1st day of January, 2026, and shall automatically renew and continue in full force and effect thereafter from year to year for additional twelve month periods 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 renewal date of this contract. The notice to terminate can be given for any reason whatsoever. 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 ____ day of _____, 2025, Denton County, Texas.

TOWN OF PONDER

By: _____
Mayor, Town Council

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

Attorneys at Law

1919 S. Shiloh Road, Suite 640, LB 40

Garland, TX 75042

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By: _____
Partner

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

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

Therefore, this Town Council hereby approves the contract by and between Town of Ponder 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 ____ day of _____, 2025.

Town Mayor