

MCCREARY, VESELKA, BRAGG & ALLEN, P.C.
AMENDED CONTRACT FOR THE COLLECTION OF
DELINQUENT PROPERTY TAXES AND ASSESSMENTS

STATE OF TEXAS

§

COUNTY OF DENTON

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THIS CONTRACT is made and entered into by and between the **CITY OF SANGER, TEXAS (The City)**, 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 City 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 City**. 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 City further agrees to employ and does hereby employ **The Firm** to enforce by suit or otherwise the collection of all delinquent **Assessments**, penalty, and interest owed to **The City** on property located within any **Public Improvement District (PID)** created by **The City** pursuant to Chapter 372, Texas Local Government Code, as amended (or any successor statute) at the same time and in the same manner as the collection of delinquent property taxes, penalty, and interest as authorized by this contract, provided that any Service and Assessment Plan for any **PID** imposes collection deadlines, penalties, interest, and attorney's fees consistent with the Texas Property Tax Code.

The City shall do likewise for any other special **District** or **Zone**, created by **The City** pursuant to Texas law, including, but not limited to, any **Tax Increment Reinvestment Zone (TIRZ)**, **Transportation Reinvestment Zone (TRZ)**, or any other assessment that is collected at the same time and in the same manner as delinquent property taxes, penalties, interest, and attorney's fees consistent with the Texas Property Tax Code.

III.

The City agrees to furnish all necessary delinquent tax and **PID** or other assessment information to **The Firm** on all property within the boundaries of **The City** and any **PID, District** or **Zone** created by **The City**. **The City** 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.

IV.

The Firm is to advise **The City** of errors, double assessments or other discrepancies coming under observation during the progress of the work.

V.

The Firm is to intervene on behalf of **The City** in all suits for ad valorem taxes hereafter filed by any other taxing unit on property located within its boundaries.

VI.

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

VII.

The City agrees to pay **The Firm**, for services rendered, a fee of Twenty Per Cent (20%) of all delinquent taxes, penalty and interest collected by **The City** 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 City** 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 City**. **The City** or its designated tax collector shall pay fees due **The Firm** monthly.

VIII.

This contract is drawn to cover a period of one (1) year beginning July 1, 2024 and ending June 30, 2024. 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 July 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 July 1, 2025, and July 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.

IX.

The Firm acknowledges that the Texas Government Code requires certain written verifications from a company entering into a contract with a Texas governmental entity. Accordingly, **The Firm** verifies that:

- A. **The Firm** does not boycott Israel and will not boycott Israel during the term of this contract;
- B. **The Firm** does not boycott energy companies and will not boycott energy companies during the term of this contract;
- C. **The Firm** does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or a firearm trade association and will not discriminate against a firearm entity or firearm trade association during this contract;
- D. **The Firm** does not engage in business with Iran, Sudan, or any foreign terrorist organization designated as such by the United States Secretary of State and will not engage in business with any such entity, Iran, or Sudan during the term of this contract, and furthermore;
- E. **The Firm** is not listed by the Texas Comptroller as a company known to have contracts with or provide services to a foreign terrorist organization.

X.

The contract is executed on behalf of **The City** 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.

WITNESS the signatures of all parties hereto in duplicate originals this, the ____ day of _____, 2024.

CITY OF SANGER, TEXAS

By: _____,
John Noblitt
City Manager

Approved as to Form

By: _____
Hugh Coleman

City Attorney

MCCREARY, VESELKA, BRAGG & ALLEN, P.C.
Attorneys at Law
700 Jeffrey Way, Suite 100
Round Rock, Texas 78665

By: _____
Craig Morgan
Managing Attorney, Denton Branch Office