

**CONTRACT FOR THE COLLECTION OF
DELINQUENT TAXES**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

THIS CONTRACT is made between the **CITY OF SHOREACRES** a political subdivision of the State of Texas, acting by and through its CITY COUNCIL, hereinafter called Taxing Authority, and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**, Attorneys at Law, Houston, Texas, or their duly authorized representatives, hereinafter called the Firm.

I.

Taxing Authority agrees to employ and does hereby employ the Firm to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest, owing to the Taxing Authority which the Taxing Authority's Tax Collector refers to the Firm, provided current years 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 July, of the year in which they become delinquent; and
- B. Taxes that become delinquent during the term of this Contract on property that is delinquent for prior years shall become subject to its term on the first day of delinquency when such property under litigation or comes under litigation or is referred to the Firm for collection by the Taxing Authority's Tax Collector.
- C. 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 collector or officials any errors, double assessments or other discrepancies coming under their observance during the progress of the work and is to intervene on behalf of the 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 the Taxing Authority on request, and the advise the Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

IV.

The Firm further incorporates its written proposal to collect delinquent taxes into this contract and agrees to perform in accordance thereto. All activities performed by the Firm in connection with this contract (i.e. title research and publication costs are at no out of pocket costs to the taxing authority).

V.

Taxing Authority agrees to pay the Firm as compensation for services required hereunder twenty (20%) percent of the total amount of all delinquent taxes, penalty and interest which are subject to this contract and which are actually collected and paid to the Taxing Authority's Collector of Taxes, when such twenty percent is recovered from the taxpayer. Other taxes, including current taxes, which are turned over to the Firm by the Taxing Authority's Tax Assessor-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 is entitled to twenty (20%) of any amounts of delinquent taxes, penalties, and interest actually received by the Taxing Authority and twenty (20%) percent of current taxes actually received by the Taxing Authority when such twenty percent is recovered from the taxpayer if collected prior to July 1st of any tax year, upon order of the Court.

VI.

Taxing Authority agrees to furnish to the Firm all data and information in its possession 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.

VII.

This Contract shall commence on **APRIL 1, 2004**, and continue in force and effect until **MARCH 31, 2007**; provided, however, that Taxing Authority shall have the right to terminate this agreement for cause by giving the Firm thirty (30) days written notice of their desire and intention to terminate this agreement; and further provided that the Firm shall have an additional six (6) months to collect or reduce to judgment all tax suits and/or claims filed prior to the date this agreement becomes terminated. On April 1, 2007 this contract, and all of its terms and conditions, shall automatically renew for an additional two (2) year term unless terminated pursuant to this provision. After the renewal of this contract, and all of its terms and conditions, it shall automatically renew and be effective on a month to month basis until terminated by the other parties hereunder.

VIII.

Every provision of this Agreement 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 Agreement, 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 employment and undertakes the performance of this Contract as above written.

This Contract is executed on behalf of the Taxing Authority 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.

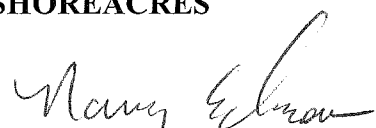
WITNESS the signatures of all parties hereto in duplicate originals this the 9 day of February, A.D., 2004, Harris County, Texas.

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

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BY: 
JASON L. BAILEY

CITY OF SHOREACRES

BY: 
NANCY EDMONSON
MAYOR

ATTEST: 
SHERI TATE
CITY SECRETARY