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**DELINQUENT TAX COLLECTION CONTRACT BY AND BETWEEN
WEBB COUNTY TEXAS AND
THE LAW OFFICES OF JAVIER MONTEMAYOR JR TAX COLLECTIONS, P.C.**

THIS CONTRACT is made and entered into on the 1st day of November 2014 by and between Webb County, a political subdivision of the State of Texas on behalf of Webb County hereinafter called "County" and The Law Offices of Javier Montemayor Tax Collections, P.C. hereinafter called "Firm"

**I.
SCOPE OF SERVICES**

The County agrees to employ and does hereby employ Firm to perform the following professional services.

1. **Firm** shall enforce by suit or otherwise the collection of all delinquent taxes, penalty and interest, including but not limited to ad valorem taxes, personal property taxes, on behalf of and owing to the County and reduce to judgment and sale any property located within the County against which a tax lien would prevail, provided current year taxes falling delinquent within the period of this contract shall become subject to its terms on the first day of July of the year in which the same shall become delinquent.
2. **Firm** agrees to and shall collect the hotel-motel taxes due and owing to the County at no expense to the County.
3. **Firm** shall collect all delinquent taxes due on or before January 1, 1993 whether said taxes penalties and interest carry an additional fee for attorney's fees. Subject to the compensation provisions of Paragraph VI of this contract. **Firm** shall institute original suits and/or intervene where appropriate and pray for Firm fees on accounts for those years where the County did not impose a collection fee as authorized by Texas Code Section 33.07 and 33.08 of the Texas Tax Code (the "Pre-93" tax years).
4. **Firm** shall represent **County** in the Bankruptcy Court in any case now or hereinafter pending before the Bankruptcy Court and shall collect within the bankruptcy case delinquent taxes, interest and penalties. **Firm** shall be compensated the actual attorney's fees paid by the Bankruptcy Court instead of the 15% of taxes, penalties and interest.

**II.
FIRM'S PROFESSIONAL AND ADMINISTRATIVE STAFF**

Firm shall provide all professional and administrative staff equipment management and supervision reasonably necessary or appropriate in connection with all of the legal and collection services enumerated in Section I and III or described or referred to in this Contract and maintain on duty, at all offices where the Firm shall manage and administer tax collection services for Webb County and during all normal business hours, a trained staff, including bilingual personnel (fluent in English and Spanish).

III. DUTIES AND RESPONSIBILITIES OF FIRM

Firm shall act in accordance with, and otherwise adhere to, generally accepted standards applicable to delinquent ad valorem tax collection and comply with all applicable state, federal, and local laws, ordinances, rules and regulations relating to the services and other obligations to be performed hereunder,

A. Legal Duties And Responsibilities

During the term of this Contract, including extensions, if any, thereof, Firm shall provide tax collection and enforcement services, at sole cost to **Firm**, including, without limitation:

- a) **Firm** shall assume all pending delinquent ad valorem tax litigation in progress at the time this contract takes effect.
- b) **Firm** shall file original suit and reduce to judgment on all delinquent accounts which owe \$1,000.00 or more. Firm shall pray for firm fees on accounts for those years where the County did not impose a collection fee as authorized by Texas Code Section 33.07 and 33.08 of the Texas Tax Code (the "Pre-93" tax years).
- c) In determining whether to file suit, the term "taxpayer" shall include the aggregate of each taxpayers account, so that a taxpayer who has multiple accounts will be rated as one taxpayer, with the multiple accounts added together to include one amount due.
- d) **Firm** shall intervene and reduce to judgment on behalf of Webb County in all delinquent tax suits filed by any other taxing unit on property located within Webb County. **Firm** shall pray for attorney's fees on accounts for those years where the County did not impose a collection fee as authorized by Texas Code Section 33.07 and 33.08 of the Texas Tax Code (the "Pre-93" tax years). **Firm** shall intervene on behalf of Webb County within two (2) weeks from the date any other taxing entity files suit and will notify the Webb County Tax Assessor-Collector of such intervention.
- e) **Firm** shall diligently pursue the collection of all judgments obtained in the name of Webb County by the **Firm** including the posting of Sheriffs Sales all properties which have a judgment in the amount of at least \$1,000.00. During the cause of foreclosing a tax lien on delinquent property, the firm shall be responsible for performing all legally required procedural steps as outlined in the Texas Tax Code. **Firm** shall file Tax warrants on all personal property accounts which become more than one (1) year(s) delinquent, as of July 1st of every tax year. In determining whether to file a tax warrant,, the term "taxpayer" shall include the aggregate of each taxpayers account, so that a taxpayer who has multiple accounts will be rated as one taxpayer, with the multiple accounts added together to include one amount due.
- f) **Firm** shall advise and represent the County on legal issues that arise in the process of delinquent tax collection, including but not limited to Appeals of Tax Judgments,

Bills of Review; Lawsuits or Motions to Set Aside Tax Sales; preparation of Release of Tax Liens; Writs of Possession; and Motions to Vacate Judgments.

- g) **Firm** shall represent Webb County, Texas in any United States Bankruptcy Court when necessary, in cases in which a taxpayer has filed a petition for bankruptcy and in which Webb County is a creditor for delinquent taxes. Firm shall file all necessary Claims, Motions for Lift from Stay and any other pertinent pleadings and motions pursuant to the United States Bankruptcy Code,
- h) **Firm** shall perfect, prosecute and/or respond to appeals from appealable orders, judgments and decisions entered in bankruptcy cases and ancillary proceedings to the extent that delinquent ad valorem tax claims are owed, or claimed to be owed, to Webb County may be affected. In cases where no proof of claim has been timely filed by any previous delinquent tax collection Firm for Webb County, **Firm** is authorized to negotiate a settlement agreement with assistance of the Webb County Tax Assessor- Collector, which will become final only after approval by the Commissioners Court. **Firm** shall promptly notify the Webb County Tax Assessor-Collector of any taxpayer's filing of bankruptcy proceedings. The **Firm** shall likewise notify Webb County Tax Assessor-Collector of any taxpayer's dismissal, discharge or release from bankruptcy.
- i) **Firm** shall also intervene on behalf of Webb County in cases and proceedings involving seizures and/or forfeitures with any federal or state law enforcement agency. **Firm** shall promptly notify the Webb County tax Assessor-Collector of interventions in any such proceedings.
- j) **Firm** shall collect amounts due Webb County on delinquent hotel- motel occupancy tax accounts provided that Webb County provide the **Firm** all statements, evidence of tax due and documents necessary to proceed with tax collection. **Firm** shall file suit and reduce to judgment on all hotel-motel tax delinquent accounts which owe Webb County. In determining whether to file suit the term "taxpayer" shall include the aggregate of each taxpayers account, so that a taxpayer who has multiple accounts will be rated as one taxpayer, with the multiple accounts added together to include one amount due.
- k) **Firm** shall file suit on all manufactured home accounts that are delinquent for more than two (2) years,

B. Administrative Duties And Responsibilities

The **Firm** shall also be responsible for providing the following services:

- a) **Firm** shall attend Commissioners Court Meetings as necessary or as requested by the Commissioners Court or Administration.
- b) **Firm** shall prepare and deliver to Webb County Commissioners Court and Administration monthly delinquent tax reports to inform the status of **Firm's** collection

efforts according to County Policy. "Administration" refers, collectively to the Tax Assessor-Collector, County Firm and County Auditor. Such reports shall include:

- 1) total year-to-date collections on a monthly basis;
 - 2) collection data on accounts in bankruptcy;
 - 3) list of properties sold at tax sales or private sales, year-to-date on monthly basis, and whether by original suit, intervention or otherwise
 - 4) original lawsuits and interventions filed by the **Firm**, including year-to-date list, and date of suit or intervention;
 - 5) tax warrants issued and collection results of warrants; installment payments/contracts made and status of each.
 - 6) notices given to the Tax Assessor-Collector and/or the Webb County Appraisal District, of any errors, double assessment or other discrepancies coming under observation during the progress of work.
 - 7) total year-to-date list and description of properties acquired as Trustee on a monthly basis, including location and value;
 - 8) Any other information requested by County.
 - 9) Any other information requested by County.
- c) Prepare and submit to Webb County Commissioners Court and Administration by April 1st of each year a report showing the status of each delinquent account owing more than \$500.00 or involving three years or more of delinquent property taxes.
- d) Advise and give written notice to the Tax Assessor Collector, Webb County Commissioners Court and Administration of any legislative updates or changes in property tax law. Provide annual accredited training to the Webb County Tax Assessor-Collector's Office Firm to pay up to and not more than \$2,000.00 for this service.
- e) **Firm** shall give written notice, to the Webb County Tax Assessor-Collector and/or the Webb County Appraisal District, of any errors, double assessment or other discrepancies coming under observation during the progress of work. **Firm** further shall give written notice to the Tax Assessor-Collector of errors in tax-related information maintained or provided by Webb County to the **Firm** pursuant to any provision of this Contract or otherwise pertaining to ad valorem property taxes owed to Webb County, including without limitation, multiple assessments on the same property, incorrect

ownership records, incomplete property descriptions, change, of addressees, death of taxpayers, etc.

- f) **Firm** shall promptly notify the Webb County Tax Assessor-Collector of any taxpayer's filing of bankruptcy proceedings. The **Firm** will likewise notify Webb County Tax Assessor-Collector of any taxpayer's dismissal, discharge or release from bankruptcy.
- g) **Firm** shall notify Tax Assessor-Collector of all taxpayers (by name, address and account number) who are obligated for the payment of any Texas Property Tax Code § 33.48 Attorney's fees so that the Tax Assessor-Collector's office can require payment of the correct amount in connection with the payment of such accounts.

C. Other Duties And Responsibilities

- a) **Firm** shall mail a notice to each taxpayer before filing an original suit. These notices will be accompanied by a statement that includes essential and legally required data such as property legal description, amount owed, tax year, property tax numbers, and name of owner.
- b) **Firm** shall undertake reasonable, non-judicial collection efforts made through written demands for payment, documentation of the delinquent taxpayer's ability to pay delinquent ad valorem taxes, execution of installment payment agreements with taxpayers only on taxes owed on property owned by the taxpayer on his/her homestead, with such agreements being for no more than one year (under circumstances and on the terms and conditions permitted by the Texas Tax Code *and* approved by the County Tax Assessor-Collector and/or the- Commissioners Court of Webb County), monitor payments made under any installment agreements and take necessary action in the event of default, and to answer questions by, and to provide delinquent tax information to taxpayers during normal business hours. As to delinquent tax suits filed by **Firm**, a personal inspection of the property, investigation as to the address of absentee owners, filing and prosecuting to judgment suits to enforce payment of delinquent ad valorem taxes and to enforce the foreclosure of the liens on properties encumbered by unpaid delinquent taxes, penalty and interest that are described in Section 1 and are owed, or claimed to be owed, to Webb County, reduce to judgment and sale any property with an ad valorem tax lien, issue citations, issue and publish citation by publication, prepare and finalizing Order of Sale, prepare the Notice of Sale, prepare the sheriffs deed, prepare any redemption deed.
- c) Adhere to **Exhibit #1** for handling the tax accounts of persons who are 65 years of age or older.
- d) Follow the special procedures set forth in **Exhibit # 2** , to accommodate taxpayers who are delinquent in the payment of ad valorem property taxes on their residential homesteads and who can demonstrate (i) that their delinquencies are the result of short-

term and unavoidable hardships and (ii) that some reasonable forbearance by Webb County may result in the collection of all delinquent taxes that are, or during any period of deferred period of collection will become, due and owing to Webb County.

- e) **Firm** will notify the Tax Assessor-Collector's office of the names and account numbers of any taxpayers from whom Texas Property Code § 33.48 attorney's fees or Texas Property Tax Code §33.07 penalties were erroneously or wrongfully collected, within 30 days after the **Firm** or Webb County determines that same to be due to the taxpayer, which determination shall not be unduly delayed.
- f) **Firm** shall adhere to the procedures set forth in **Exhibit # 3** to inform taxpayers seeking refunds of the proper procedures for obtaining refunds that may be due with respect to property taxed by Webb County, and the **Firm** shall promptly notify the Tax Assessor-Collector of the names of any person to whom refund is owed, the amount thereof and the related tax account numbers. **Firm shall** provide all necessary information to the Tax Assessor-Collector for the determination of any refunds authorized by the Section 31.11 of the Tax Code, when timely requested by a taxpayer. Any fee paid to the **Firm** with respect to a tax liability which is later refunded by the Tax Assessor-Collector shall be refunded by the **Firm** to the Tax Assessor-Collector, and the Tax Assessor-Collector is hereby authorized to set off the amount of such obligations against any liability that Webb County may owe to the **Firm** with respect to fees for services or otherwise.
- g) **Firm** shall obtain in all delinquent tax suits filed by the **Firm** seeking the foreclosure of liens on real property a diligent examination of record title to the property (the "Examination") that shall identify, by name and address and as otherwise herein provided, all persons claiming an interest in the real estate that is the subject matter of each tax suit filed by the **Firm**. **Firm** shall reserve the right to hire independent title examiner or Title Company to perform this duty.
- h) **Firm** shall assign qualified personnel to perform the services required by this Contract. **Firm** assumes full responsibility for its personnel, including, without limitation, the responsibility for making all payroll deductions required of employers, by state, federal and local laws. The **Firm** shall also make contributions required for unemployment compensation, worker's compensation for each of them.
- i) **Firm** shall deliver to the County Tax Assessor-Collector, within five (5) County working days of receipt, all checks and other instruments received by the **Firm** in payment of amounts which may be owed to Webb County, including all taxes, penalties, interest, and court costs.
- j) **Firm** shall provide a report to the County Tax Assessor-Collector regarding any County money held by **Firm** in trust for more than thirty (30) days.

**IV.
DUTIES AND RESPONSIBILITIES OF THE COUNTY**

A. Administrative Duties And Responsibilities

Webb County shall furnish delinquent tax statements and information to the **Firm** on all property within the taxing jurisdiction to be used by the **Firm** in connection with its collection and enforcement duties under this contract in the following manner.

- a) **County** shall provide, to the extent requested and available, on compact disk (CD) or some equivalent format, a listing of all delinquent taxes and in machine-readable form so as to allow the **Firm** to update its delinquent tax records and bankruptcy records. **County shall not charge Firm** the cost for providing said information.
- b) **County**, shall provide, to the extent requested and available, such other data and information that is necessary to effect the purposes of **this** Contract, as the **Firm** may reasonably request from time to time including the names, addresses, account numbers, identities, homestead designations, tax and foreclosure deferral and abatement assignments with taxpayers who are over 65 years of age, the location and identity of necessary parties, and legal descriptions for properties upon which delinquent taxes are owed, all on compact disk (CD) or its equivalent (whenever reasonably possible) and in machine-readable form. **County shall not charge Firm** the cost for providing said information.
- c) **County** shall provide access to the County's delinquent tax system records, on at least three on-line terminals at the **Firm's** office FOR INQUIRY PURPOSES ONLY, with the **Firm** to pay for the actual costs of access and all equipment and installation required for said terminals.
- d) Provide certified tax statements at no cost to Firm and as requested by the **Firm**.
- e) County, by and through its Tax Assessor-Collector, shall provide Firm and Commissioner's Court the following three monthly reports of delinquent taxes collected.
 1. Monthly Report One shall account by individual tax years the total amount of delinquent taxes, penalties and interest collected that month and collected year to date.
 2. Monthly Report Two shall account only the "**collectable**" delinquent taxes collected for tax years 2014, 2015 and 2016. Monthly Report Two **shall not include** delinquent taxes, penalties and interest actually collected on the following types of accounts for tax years 2014, 2015 and 2016: **disabled veteran; disabled homestead; over 65 homestead; deferred; AG roll back; entities exempt property; low income housing; omitted; unclaimed; and unknown.**

3. Monthly Report Three shall account only the "collectable" delinquent taxes collected for tax years 2012 – 2013. Monthly Report Three **shall not include** delinquent taxes, penalties and interest actually collected on the following types of accounts for tax years 2012 – 2013 its previous year: **disabled veteran; disabled homestead; over 65 homestead; deferred; AG roll back; entities exempt property; low income housing; omitted; unclaimed; and unknown.**

f) **County**, by and through its Tax Assessor-Collector, shall adjust the interest rates charged on delinquent tax accounts pursuant to Bankruptcy Court Orders. **Firm** shall provide County's Tax Assessor- Collector said Orders.

g) **County**, by and through its Tax Assessor-Collector, shall input attorney's fees on all accounts obligated for the payment of any Texas Property Tax Code § 33.48 attorney's fees [lawsuits] to enable the Tax Assessor-Collector's office and **Firm** to require and collect payment of the correct amounts due in connection with the payment of such accounts.

h) **County**, by and through its Tax Assessor-Collector, shall timely file according to law all required manufactured homes property tax liens with the Texas Department of Housing and Community Affairs.

V.

FIRM'S OFFICE LOCATION, HOURS AND STAFF

Office location and Contact numbers:

The Firm shall provide delinquent tax collections from the office located at:

Law Offices of Javier Montemayor Jr., Tax Collections P.C.
7718 McPherson Rd Ste F-105
Laredo, 78045

Firm shall give County Thirty (30) days' notice of any change of office location.

Professional and Administrative Staff

The Firm shall provide all professional and administrative staff, equipment, management and supervision reasonably necessary or appropriate in connection with all of the legal and collection services enumerated in this Section A or described or referred to in this Contract and maintain on duty, at all offices where the Firm shall manage and administer tax collection services for Webb County and during all normal business hours, a trained staff, including bilingual personnel (fluent in English and Spanish).

VI. COMPENSATION

A. Tax Code Section 6.30 Compensation.

The County agrees to pay as compensation to the **Firm** FIFTEEN PERCENT (15%) OF ALL DELINQUENT TAX, PENALTY AND INTEREST COLLECTED BY COUNTY, on all delinquent tax years, irrespective of the amount actually received by the County as collection costs from delinquent taxpayers pursuant to Texas Tax Code Section 33.07 and/or 33.08, or received by law pursuant to the institution of legal action for the collection of delinquent taxes under Texas Tax Code Section 33.48, except for those taxes specifically identified in Sections C, E and F below.

B. Tax Code Section 33.48 Compensation.

Fees will not be due for payments for taxes becoming delinquent on February 1 of any given year during the term of this contract and received by the County up to and including June 30 of the same year ("current delinquent taxes"), unless the **Firm** obtains its firm's fees through the institution of legal action pursuant to §33.48 of the Texas Property Tax Code, or other action such as issuance of tax warrants in personal property suits. Pursuant to this paragraph the **Firm** shall receive as compensation only those amounts for firm's fees paid by the taxpayer. No firm's fee will be paid on Agricultural Rollback collected on prior years unless said taxes are delinquent as defined by the Texas Property Tax Code.

C. **Firm shall** be compensated 15% of taxes, penalties, and interest paid by taxpayer on accounts owing delinquent taxes for years prior to January 1, 1993, whether paid with or without litigation.

D. **Firm** agrees and therefore shall be compensated the actual firm's fees paid by the Bankruptcy Court instead of the 15% of taxes, penalties and interest.

E. **Firm** shall not to be compensated for the Hotel/ Motel Delinquent Taxes collected.

VII. PERFORMANCE AND EVALUATION

Webb County Commissioner's Court shall perform an annual collection performance evaluation of the **Firm's** delinquent tax collection results. Webb County Commissioner's Court shall perform the first performance evaluation on or after October 31, 2015, regarding **Firm's** collection results from November 1, 2014 through October 31, 2015. The Benchmarks for the **Firm's** collection performance shall be an eighty percent (80%) collection rate of the **total collectable Webb County Road and Bridge Combined Tax Levy** and a forty-eight percent (48%) collection rate of the collectable base tax levy on **October 1, 2014 for tax year 2010 and all prior tax years.**

2012-2013 80% of Total Webb & Road & Bridge Base Combined

2013-2014 80% of Total Webb & Road & Bridge Base Combined

1. Definition of collectable delinquent base tax and penalty and interest on collectable delinquent base tax levy shall mean delinquent base tax levy and penalty and interest on delinquent base tax levy minus disabled veteran; disabled homestead; over 65 homestead; deferred; AG roll back; entities exempt property low income housing; omitted; unclaimed; and unknown.

VIII. TERMS OF CONTRACT

A. Contract Term

This contract is for a three (3) year term beginning November 1, 2014 and Ending October 31, 2017. Upon satisfactory evaluation, the contract shall automatically renew for an additional two year term unless terminated sooner.

IX. TERMINATION

A. Termination

This contract may be terminated for cause after first providing written notice to **Firm** of any breach or cause, and permitting the **Firm** 60 days to cure. The notice shall specifically state the facts that constitute the underlying cause or breach. No termination shall occur, if **Firm** corrects the cause or breach. Webb County shall have no right to dictate the interworking or the operations of the **Firm**.

Upon termination of this contract the Firm will have an additional six months after termination to reduce to judgment and collection on all suits/ interventions filed prior to the termination date. Compensation shall be paid to the Firm on all suits, interventions and delinquent taxes collected during the aforementioned six months period.

B. Effect of Termination

If the Contract is terminated before October 30, 2017, the Firm shall remain obligated to Webb County and Webb County shall remain obligated to **Firm** under all provisions of this contract which expressly, or by their nature, extend beyond, or are intended to survive, the termination of the Firm as the collection agent and firm for Webb County. Without limitation, the provisions to this Contract that extend beyond or are intended to survive, termination of the Contract includes all indemnity provisions.

C. Transition After Termination for Cause or Otherwise

If the Firm is notified that this Contract will be terminated; the Firm shall use best efforts and due diligence to make an orderly transition of all services provided by the Firm to the firm designated by Webb County. All case files, correspondence, legal and title documents, title information, and other records, and data of any kind which relate to the collection of delinquent or other taxes, or the Firm's performance, under this contract will be turned over to the Tax Assessor-Collector and to the other firms designated by Webb County, in an orderly and timely manner with appropriate motions signed by the **Firm** asking the court or master in each case to substitute another firm or firms designated by Webb County, as counsel of record for Webb County. After receipt of notice of termination and until the date of termination designation in such notice, the **Firm** will continue with all of its tax collection efforts in good faith and as herein provided and with a full staff, keeping Webb County fully informed of its activities, but the **Firm** shall not file additional delinquent tax collection suits after receipt of such notice without the approval of Webb County.

In this regard, the **Firm** must give Webb County prompt and adequate notice of any cases for which the statute of limitations will run within 30 days and of other cases which must be filed to prevent imminent loss to Webb County. Unless otherwise directed by the County in writing, the "Firm" shall continue with all of its professional and Contract responsibilities in connection with existing cases and shall enter appearances in and retain professional and Contract responsibilities in connection with existing cases and shall enter appearances in and retain professional and Contract responsibilities for all bankruptcy cases; and cases involving one or both Federal Insurance Agencies, and state and federal forfeiture suits until the effective date of termination.

X. FILES, RECORDS, DATA CONTROL

A. Files And Records.

All files and records created in the course of the representation are the physical property of Webb County, but any forms, motions, briefs, or other professional product of an original nature created by the **Firm** shall belong to the **Firm**, which shall have the rights of exclusive use in all other matter under both Federal and State law, Webb County shall be entitled to return the original papers upon conclusion of the matter or termination matters or termination of this Agreement, when all outstanding fees and expenses are paid.

Webb County shall be entitled to copies or access to the files at any time upon reasonable notice.

The files created, once no longer needed for active use in the matter, will be archived by the **Firm** for the time period covered by this contract, unless other arrangements are made by Webb County.

Any request made pursuant to the Texas Public Information Act, for information, public statements, or record of Webb County made by members of the public or the media shall be referred to the Firm. Webb County will handle and absorb all expenses of responding to such requests or legal proceedings related thereto.

B. Information/Data Control.

Webb County owns and shall retain control over all of its tax collection records including all information collected and supplied by the **Firm** in the process of keeping the tax collection records up to date. The **Firm** will protect all records and information owned by the Webb County against unlawful exposure to third parties throughout the term of this Contract and thereafter for so long as such information remains confidential.

All files related to tax collection suits, whether maintained by Webb County or maintained in the offices of the Firm are the property of Webb County. The **Firm** must provide access to these files to Webb County.

**XI.
ASSIGNMENT OF CONTRACT**

This contract is for professional legal services of the **Firm**, and the **Firm** is engaged under the will and direction of the County's governing body. This contract shall not be assigned in any manner.

The **Firm** is authorized, within his discretion, to retain the services of an independent lawyer, from time to time, for the purposes of making court appearances on behalf of **Firm**, in the event that **Firm** is unable to appear in court because of illness or scheduling conflicts. Prior to retaining an independent lawyer as described herein, **Firm** shall obtain the approval of and insurance coverage the retained lawyer, from **Firm's** professional liability (errors and omissions) insurance carrier and deliver to **County** written proof of said professional liability (errors and omissions) coverage.

The **Firm** shall have the right to subcontract the non-legal work hereunder to any corporation, professional group or individual i.e. title searches, process service, inspection visits. It is the intent of this contract that the **Firm** carries out the terms of this contract with personnel in the employ of the **Firm**.

XII.

QUALIFICATIONS OF FIRM

The **Firm** represents to the County that it possesses the qualifications and resources to undertake the work contemplated hereunder, and agrees to maintain such qualifications and Resources during the term of this contract. The **Firm** further represents that she shall take all necessary action, including but not limited to, divesture of interests and termination of retainments, to ensure: (1) adherence with applicable ethical and

professional standards of conduct, (2) - avoidance of conflicts of interest, and (3) the work contemplated hereunder is undertaken in an enforceable and appropriate manner and serves the sole interests of the County. The rights set forth in this Agreement are subject to the professional responsibility requirements that regulate Firm.

THE FIRM AGREES TO INDEMNIFY THE COUNTY, WHEN AFTER REASONABLE EFFORTS TAKEN BY THE FIRM TO PROTECT THE COUNTY, THERE IS ANY LOSS OF COUNTY'S TAX REVENUE ATTRIBUTABLE TO OR ARISING FROM THE FIRMS FAILURE TO COMPLY WITH THE FOREGOING REPRESENTATIONS WITHIN SIXTY (60) DAYS OF A FINAL DETERMINATION OF ANY LOSS OF COUNTY TAX REVENUE.

XIII. INDEPENDENT CONTRACTOR

Nothing herein shall be construed to create an employer-employee relationship between **COUNTY** and **FIRM**. **FIRM** are independent contractors and not an employee of the **COUNTY**. The consideration set forth herein shall be the sole consideration due **FIRM** for the services rendered hereunder. It is understood that **COUNTY** will not withhold any amounts for payment of **FIRM'S** income taxes or FICA from the compensation of **FIRM** hereunder. **FIRM** shall not represent themselves to be or hold themselves out as an employee of the **COUNTY**. **FIRM** shall not represent themselves to be or hold themselves out as the elected **WEBB COUNTY FIRM**.

XIV. INSURANCE COVERAGE REQUIRED

The Firm agrees to maintain during the term of this contract the following insurance policies:

- a. Employee Dishonesty insurance covering all employees in an amount of not less than \$250,000.00. Attached hereto as Exhibit # 4
- b. Professional liability (errors and omissions) policy of not less than \$250,000.00. Attached hereto as Exhibit # 5
- c. Vehicle liability insurance of not less than \$50,000.00 see Exhibit # 6
- d. Commercial General Liability insurance of not less than \$250,000.00 see Exhibit #7
- e. Worker's compensation insurance of not less than \$250,000 see Exhibit # 8

The **Firm** agrees to and will provide a copy of the required policies within thirty (30) days from the execution of this agreement and annually to County on the anniversary dates of this agreement or extension thereof. The **Firm** will notify the County of any changes or modifications to the form, substance or provider terms, or conditions of said policies, and provide a copy of the policy or correspondence indicating such changes or modifications.

**XV.
RIGHT OF INSPECTION**

The **Firm** shall permit the Tax Assessor-Collector, the County Auditor, their designee, and other officials, employees, agents or representatives authorized by the County, to visit and to inspect the premises of which the Firm's duties under this Contract are performed and thereon to examine the books and records of the Firm which pertain to the duties and obligations of the Firm provided in or arising under this Contract, and during the course of such visits and inspections, to make copies and take extracts from said books and records of Webb County's expenses and to discuss the performance of the Firm's duties with the officers, accountants, firm's, agents, and auditors of the Firm that are responsible therefore, always at reasonable times but as often as County may desire.

**XVI.
AUDITS**

Firm shall provide a final copy of the firm's financial procedure handbook/ manual for its handling of Webb County tax monies to the County Auditor and shall be subject to audits of the firm's collection and disbursements of tax monies by the Webb County Auditor's Office.

Firm shall provide a final copy of the firm's financial procedure handbook/ manual for its handling of Webb County tax monies to the County Auditor and shall be subject to audits of the firm's collection and disbursements of tax monies by the Webb County Auditor's Office.

**XVII.
INVALIDITY OR ILLEGALITY**

A determination on the invalidity or illegality of any provision herein shall not affect the validity of the remaining provisions of this contract, and the remaining contract terms shall continue in effect as if the invalid or illegal provision were not included herein.

Webb County does and shall not waive or relinquish any immunity or defense on behalf of itself, its commissioners, offices, employees and agents as a result of the execution of this Agreement and performance of the functions and obligations described herein

**XVIII.
MISCELLANEOUS**

Firm shall provide criminal background checks on all employees that will be working in any capacity whatsoever on the tax contract and forward to the County prior to award of the contract. Attached hereto as **Exhibit # 9** is a copy of the employees' criminal background. Provision of criminal background checks to the County for all employees hereinafter hired by **Firm** during the term of this Contract is a continuing obligation of Firm.

Firm shall provide a signed form felony and/ or crime of moral turpitude involving theft, dishonesty, fraud, deceit, or misrepresentation, conviction notification. See attachment "A"

Firm shall provide a signed form W-9 Request for taxpayer's identification number and certification. See attachment "B"

Firm has no authority and shall not at any time reduce any fines, penalties, or fee amounts in any of the collection cases. Firm must obtain authority by vote of the Webb County Commissioners Court at an open meeting in order to reduce any fines, penalties, or fee amounts.

**XIX.
NOTICES**

Any notices which are required hereunder, or which either the County or the firm may desire to serve upon the other, shall be in writing and shall be deemed served on the date when personally delivered or the postmarked date if deposited in the United States mail as certified mail, postage prepaid, return-receipt requested, to the person(s) and addresses below.

If to the Firm: Javier Montemayor Jr.
7718 McPherson Rd Ste F-105
Laredo, Texas 78045

If to the County: The Honorable Danny Valdez
Webb County Judge
1000 Houston St, 3rd Floor
Laredo, Texas 78040

cc: Honorable Margie Ramirez Ibarra
Webb County Clerk
1110 Washington St., Ste. 201
Laredo, Texas 78040

cc: Honorable Marco Montemayor
Webb County Attorney
1110 Washington St., Ste. 301
Laredo, Texas 78040

cc: Honorable Patricia Barrera
Webb County Tax Assessor-Collector
1110 Victoria St., Ste. 101
Laredo, Texas 78040

XX.

This Contract is executed on behalf of the **County** by the presiding officer of its governing body who is authorized to execute this instrument and the **Firm**.

Signed and approved hereto in duplicate originals on this the _____ day of October, 2014

By: *Danny Valdez*
Hon. Danny Valdez
Webb County Texas

Javier Montemayor Jr.
Javier Montemayor Jr.
The Law Offices of Javier Montemayor Jr., P.C.

Patricia G. Barrera
Patricia Barrera
Webb County-Tax Assessor-Collector

Attested:

Margie Ramirez
Witness



Approved as to Form:

James P. Allison
James P. Allison
Attorney for Webb County

*By Law, the County Attorney's office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney.

EXHIBIT #1

Over 65 Procedures

Policy Statement: It is the policy of the Firm and Webb County to (i) assure that any over-65 taxpayer is aware of the special rights such taxpayers have under the Tax Code and (ii) assist any over-65 in taking the necessary actions to make such elections if they decide to do so

Specific Procedures: The following procedures shall be implemented and maintained by the Firm to accomplish the foregoing policy.

1. Over 65 Exemption

The Firm shall make available, as provided by the Webb County Appraisal District, information which advises the taxpayer that if he/she is over 65, they may qualify for an exemption. This information shall be available in the Firm' offices at all times and is enclosed with the Firm' first delinquent mailing in July. The Firm shall direct the taxpayer to contact the Appraisal District for more information and the necessary forms to apply for the exemption.

2. Litigation

The Firm does not file suits on accounts in which the taxpayer is over-65 with an eligible exemption without prior clearance from the Tax Assessor-Collector. If it becomes apparent to the Firm handling the case that the taxpayer is over-65, that the property is homestead and the taxpayer is not represented by counsel, the Firm is to advise the taxpayer that he/she has certain rights relating to his age and that h obtaining counsel and, if the e/she should consult counsel. The Firm will agree to a continuance for the purpose of the taxpayer taxpayer indicates an inability to pay for counsel, refer the taxpayer to a legal services agency.

EXHIBIT #2

Homestead Procedures

Policy Statement: It is the policy of the Firm and Webb County to enforce the collection of taxes on homestead but to do so in a manner that gives the taxpayer ample opportunity to pay without resorting to a foreclosure of the property.

Specific Procedures: **The following** procedures shall be implemented and maintained by the Firm to accomplish the foregoing policy.

1. Taxpayer Information

The Firm shall make available information, as may be provided by the Webb County Appraisal District, which advises the taxpayer on homesteads, including information regarding hardship situations. This information shall be available at the Firm' offices at all times and is enclosed with the Firm' first delinquent mailing in July.

2. Account Status 1 Collection Activity

The Firm conducts its regular collection routines regardless of a homestead exemption code. The Firm, however, shall readily resort to payment arrangements on homestead and ensure that the taxpayer has more liberal terms available on homestead accounts, if applicable.

3. Litigation

The Firm prosecutes its regular litigation routine regardless of a homestead exemption code. If it becomes apparent to the firm handling the case that the property is the taxpayer's homestead but no exemption has been filed and the taxpayer is not represented by counsel, the firm is to advise the taxpayer that he has certain rights relating to claiming a homestead exemption and that he should consult counsel. If the taxpayer indicates an inability to pay for counsel, refer the taxpayer to a legal services agency. The Firm staff is also trained in the special policies with regard to payment arrangements and to attempt to reach payment agreements with taxpayers.

4. Tax Sales

As to properties posted for sale by Firm, prior to pasting the Firm makes a physical inspection of the properties to determine if there is a possibility that it is a homestead, but no exemption has been claimed, If it appears to be occupied, the Firm attempts to contact the person(s) living on the property and determine the status.

EXHIBIT #3

Refund Procedures

Policy Statement: It is the policy of the Firm and Webb County to provide procedures for refunds that are readily usable by the taxpayer.

Specific Procedures: The following procedures shall be implemented and maintained by the Firm to accomplish the foregoing policy.

1. Applications for Refund

The Firm will maintain an application for refund at its offices for taxpayers in a form approved by Webb County.

2. Taxpayer Assistance

When any taxpayer indicates that they believe they are entitled to a refund, the Firm will provide the taxpayer a copy of the refund application and assist the taxpayer in completing the form and direct them to the Tax-Assessor Collectors Office.

3. Credit Balance Meeting

Periodically the Firm and Webb County, through the County Tax Assessor Collector, will meet and review 'credit balance' reports to determine if there are systematic anomalies creating excessive overpayments. The Firm and Webb County will then adopt a work plan to address any such anomalies.