

**CONTRACT FOR COLLECTION  
OF  
DELINQUENT MUNICIPAL COURT FINES AND FEES  
AND  
DELINQUENT ACCOUNTS RECEIVABLE**

**STATE OF TEXAS**

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**COUNTY OF WILLIAMSON**

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THIS CONTRACT is made and entered into by and between the **CITY OF TAYLOR, TEXAS**, acting herein by and through its governing body, hereinafter styled, "**City**", and **McCREARY, VESELKA, BRAGG AND ALLEN, P.C.**, hereinafter styled "**MVBA**".

**I.**

The City agrees to retain and does hereby retain MVBA to provide legal services related to the enforcement of the collection of delinquent municipal court fines, fees, court costs, restitution, debts and accounts receivable and other amounts in accordance with Article 103.0031, Texas Code of Criminal Procedure (hereinafter referred to in the agreement as "Fines and Fees") and other delinquent accounts receivable, including but not limited to delinquent utility bills, assessments for the mowing of vacant lots, demolition of substandard structures and abatement of other nuisances by the City ("Delinquent Accounts Receivable").

**II.**

For purposes of this contract all Fines and Fees shall be referred to MVBA when determined to be delinquent as provided for in Article 103.0031, Code of Criminal Procedure. Delinquent Accounts Receivable shall be considered delinquent and referred to MVBA when not timely paid in accordance with any applicable contract, ordinance or statute providing for the payment of the underlying debt.

At least once each month on a date or dates agreed upon by the parties, the City will provide MVBA with copies of, or access to, the information and documentation necessary to collect the Fines and Fees and Delinquent Accounts Receivable that are subject to this contract. The City shall furnish the information to MVBA by electronic transmission or magnetic medium. The City shall be responsible for the receipt of the payment of all fines and fees and accounts receivable pursuant to this contract.

**III.**

MVBA shall forward to the City copies of any correspondence regarding a disputed debt received from a debtor and a request for verification of the debt. The City will provide to MVBA within ten (10) days of the receipt for the request for verification of the debt, copies of all records which will verify the debt which in turn will be forwarded to the debtor by MVBA. All collection activity will be suspended on any disputed debt until the appropriate verification of the debt is delivered to the debtor.

#### IV.

Upon request of the City, MVBA shall institute civil proceedings, including seeking writs of execution to collect Fines and Fees, and filing collection lawsuits to collect Delinquent Accounts Receivable, if the amount due to the City is at least two thousand five hundred dollars (\$2,500.00) on any said account. The City shall pay in advance of the initiation of any writ of execution or collection lawsuit any filing fees charged by the Court in which the writ of execution is to be issued or the collection lawsuit is to be filed including the costs for service of citation. MVBA shall file proofs of claims in the United States Bankruptcy Court on behalf of the City if the amount due the City on any account is at least five hundred dollars (\$500.00).

#### V.

MVBA shall forward all cashier checks or money order payments made payable to the City and any correspondence from defendants directly to the City. Cashier checks or money order payments made payable to MVBA will be deposited daily into the MVBA Trust Account. MVBA may also collect the amount due from the defendant by credit card or electronic check which is deposited directly into the MVBA Trust Account. MVBA shall remit to the City all payments received into the MVBA Trust Account, bi-monthly, along with appropriate documentation to facilitate processing of the payments by the courts. MVBA will invoice monthly for paid cases and will include a statement of the fees due the Firm.

#### VI.

MVBA shall indemnify and hold the City harmless from and against all liabilities, losses and/or costs arising from claims for damages, or suits for losses or damages, including reasonable costs and attorney's fees, which may arise as a result of MVBA's performance of the services described in this contract. The indemnity provision of this contract shall have no application to any claim or demand which results from the sole negligence or fault of the City, its officers, agents, employees or contractors. And furthermore, in the event of joint and/or shared negligence or fault of the City and MVBA, responsibility and indemnity, if any, shall be apportioned in accordance with Texas law and without waiving any defenses of either party. The provisions of this paragraph are intended for the sole benefit of the parties hereto and are not intended to create or grant any right, contractual or otherwise, to any other persons or entities.

#### VII.

##### **Fines and Fees**

For the collection of Fines and Fees, the City agrees to pay to MVBA, as compensation for the legal services rendered the following fees:

1. For those Fines and Fees imposed against Unadjudicated Offenses that occurred before June 18, 2003, a fee of twenty percent (20%) of the amount collected by the Court on those cases in which the data files are transmitted to MVBA by electronic media; or, a fee of thirty percent (30%) of the amounts collected by the Court in which the case files are not transmitted by electronic media. However, in no event shall MVBA be compensated for the collection of a delinquent Fine and Fee which exceeds the amount realized by the City from the collection of the delinquent Fine and Fee after deducting the amount due the State of Texas.

2. For those Fines and Fees imposed against Unadjudicated offenses that occurred on or after June 18, 2003, and for adjudicated offenses regardless of the date of occurrence, a fee of thirty percent (30%) of the amount of the Fines and Fees collected by the City, excluding the thirty percent (30%) collection fee provided by Article 103.0031 of the Code of Criminal Procedure.

### **Delinquent Accounts Receivable**

For the collection of Delinquent Accounts Receivable, the City agrees to pay to MVBA as compensation for services provided pursuant to this contract, a fee of twenty percent (20%) of the amount of the Delinquent Accounts Receivable collected on those accounts in which the data files are transmitted to MVBA by electronic media; or, a fee of thirty percent (30%) of the amounts collected by the Court in which the case files are not transmitted by electronic media.

All compensation shall become the property of MVBA at the time of payment. The City shall pay to MVBA said compensation on a monthly basis by check.

### **VIII.**

MVBA reserves the right to return to the City all accounts not collected within one (1) year of referral by the City, or identified as being in bankruptcy. Upon return of these accounts, neither party will have any obligation to the other party to this contract.

### **IX.**

The initial term of this contract is two years, beginning on the date that this contract is executed by the parties hereto and shall thereafter continue on a month-to-month basis. Either party may, without cause, terminate this contract at the end of the initial contract term or thereafter by giving the other party written "Notice of Termination of Contract" at least thirty (30) days prior to the intended termination date.

In the event that the City terminates this contract, MVBA shall be entitled to continue its collection activity on all accounts previously referred to MVBA for six (6) months from the date of receipt of the "Notice of Termination of Contract" and to payment of its fee, pursuant to Paragraph VII of this contract for all amounts collected on accounts referred to MVBA. The City may, at its discretion, refer additional accounts to MVBA after notice of termination has been received by MVBA. At the end of the six (6) month period, all accounts shall be returned to the City by MVBA.

### **X.**

For purposes of sending notice under the terms of this contract, all notices from the City shall be sent to MVBA by certified United States mail, McCreary, Veselka, Bragg & Allen, P.C., Attention: Harvey M. Allen, P. O. Box 26990, Austin, Texas 78755-0990, or delivered by hand or by courier, and addressed as follows: 5929 Balcones Drive, Suite 200, Austin, Texas 78731, and all notices to the City shall be sent by certified United States mail or delivered by hand or courier to the City of Taylor, Attention: Frank Salvato, City Manager, 400 Porter Street, Taylor, Texas 76574 .

**XI.**

This contract is made and is to be interpreted under the laws of the State of Texas.

In the event that any provision(s) of this contract shall for any reason be held invalid or unenforceable, the invalidity or unenforceability of that provision(s) shall not affect any other provision(s) of this contract, and it shall further be construed as if the invalid or unenforceable provision(s) had never been a part of this contract.

**XII.**

In consideration of the terms and compensation herein stated, MVBA hereby agrees to undertake performance of said contract as set forth above.

The City has authorized by order heretofore passed and duly recorded in its minutes the chief executive officer to execute this contract.

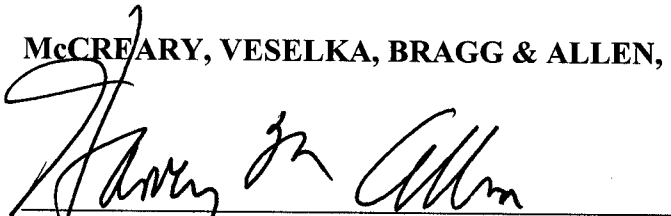
This contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes. Signed facsimiles shall be binding and enforceable.

WITNESS the signatures of all parties hereto this, the \_\_\_\_ day of \_\_\_\_\_, A.D. 2004.

**CITY OF TAYLOR, TEXAS**

\_\_\_\_\_  
Mayor

**McCREARY, VESELKA, BRAGG & ALLEN, P.C.**

  
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Harvey M. Allen  
Attorney at Law