

**Public Notice:**

NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036

WHEREAS, the Waller-Harris Emergency Service District #200 ("Waller-Harris ESD#200") will consider entering into a contingent fee contract with the law firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Firm") and hereby posts this notice pursuant to Sec. 2254.106 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(2) of the Government Code and shall announce the following:

A. Waller-Harris ESD#200 is pursuing a contract with the Firm for the collection of delinquent ad valorem taxes owed to Waller-Harris ESD#200 and through this contract Waller-Harris ESD#200 seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(1)(A).

B. Waller-Harris ESD#200 believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(1)(B). The Firm has collected delinquent government receivables for nearly 50 years, including the collection of delinquent ad valorem taxes. The Firm currently has 12 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including 52 attorneys. It uses a multi-office, fully integrated team approach allowing Waller-Harris ESD#200 access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need Waller-Harris ESD#200 may have. This proprietary software also automates many aspects of the collection process, such as: account/debtor research, mailings and phone calls, return mail and address updates, payment notification and processing and workflow.

C. The nature of any relationship between Waller-Harris ESD#200 and the Firm is as follows. GOVT. CODE § 2254.1036(1)(C). The Firm has represented Waller-Harris ESD#200 since 2013 in the collection of delinquent ad valorem taxes.

D. Waller-Harris ESD#200 is unable to perform collect its delinquent ad valorem taxes. GOVT. CODE § 2254.1036(1)(D). Waller-Harris ESD#200 currently does not have adequate support staff, computer software/programming, or experience to internally conduct these collection services and acquiring these will result in substantial expense to Waller-Harris ESD#200.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(1)(E). The Tax Code allows the assessment of a percentage-based fee to recover the costs of collecting delinquent ad valorem taxes. This percentage-based fee is assessed only against the debtor and not Waller-Harris ESD#200 or taxpayers of Waller-Harris ESD#200. The collection of delinquent ad valorem taxes is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed amount of delinquent ad valorem taxes due. Moreover, Waller-Harris ESD#200 will bear the cost of these hourly fees and not the debtor, because the Tax Code does not expressly authorize Waller-Harris ESD#200 to pay for collection services based on an hourly fee.

F. Waller-Harris ESD#200 believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless the number of hours the Firm spends researching, contacting and mailing

to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the debtor and not an expense to Waller-Harris ESD#200 or its taxpayers.

**Agenda Item:**

Take action to approve a contingent fee contract with Perdue Brandon Fielder Collins and Mott, LLP pursuant to Section 6.30 of the Tax Code, said contract being for the collection of delinquent government receivables owed to the Waller-Harris Emergency Service District #200 and notice of said contract is posted with the agenda in accordance with Section 2254 of the Government Code.