



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC Renew/Extend/Amend the Delinquent Tax Contract with the Law Firm of Alarcon & Saenz

SUBMITTED BY: Judd Gilpin, Juan R. Ramirez, Aliza Flores Oliveros **OF:** Board Members

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: _____ December 17, 2014

RECOMMENDATION:

It is recommended that the United ISD Board of Trustees approve to Renew/Extend/Amend the Delinquent Tax Contract with the Law Firm of Alarcon & Saenz.

RATIONALE:

BUDGETARY INFORMATION

BOARD POLICY REFERENCE AND COMPLIANCE

HALL, QUINTANILLA & ALARCON TAX COLLECTION, P.L.L.C.

1302 Washington St
Laredo, Texas 78040

J. Alberto Alarcon
Paul C. Saenz
Guillermo Alarcon

TELEPHONE
(956) 727-8585
TELECOPIER
(956) 727-8597

November 29, 2012

VIA FACSIMILE

UNITED Independent School District
ATTN: Mr. Roberto J. Santos
201 Lindenwood Drive
Laredo, TX 78041

Dear Sir,


The present letter is to inform you that we have effected a name change of our company to ALARCON & SAENZ, P.L.L.C. The entity remains the same with no other changes. A copy of the certificate of filing for the name change is enclosed. Our future correspondence will bear the letterhead for ALARCON & SAENZ, P.L.L.C.

Yours very truly,



Paul C. Saenz

XC: Mr. Juan Cruz, Escamilla Ponck, & Cruz, LLP
Ms. Laida Benavides, Assistant Superintendent for Business & Finance
Mrs. Norma Farabough, Tax Assessor-Collector

<p>Form 424 (Revised 05/11)</p> <p>Submit in duplicate to: Secretary of State P.O. Box 13697 Austin, TX 78711-3697 512 463-5555 FAX: 512/463-5709 Filing Fee: See instructions</p>	 <p>Certificate of Amendment</p>	<p>This space reserved for office use.</p> <p>FILED In the Office of the Secretary of State of Texas NOV 02 2012 Corporations Section</p>
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Entity Information

The name of the filing entity is:

Alarcon & Suenz Tax Collection, P.L.L.C.

State the name of the entity as currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name.

The filing entity is a: (Select the appropriate entity type below.)

- | | |
|--|--|
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Professional Corporation |
| <input type="checkbox"/> Nonprofit Corporation | <input checked="" type="checkbox"/> Professional Limited Liability Company |
| <input type="checkbox"/> Cooperative Association | <input type="checkbox"/> Professional Association |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Partnership |

The file number issued to the filing entity by the secretary of state is: 801429175

The date of formation of the entity is: 05/23/2011

Amendments

1. Amended Name

(If the purpose of the certificate of amendment is to change the name of the entity, use the following statement)

The amendment changes the certificate of formation to change the article or provision that names the filing entity. The article or provision is amended to read as follows:

The name of the filing entity is: (state the new name of the entity below)

Alarcon & Suenz, P.L.L.C.

The name of the entity must contain an organizational designation or accepted abbreviation of such term, as applicable.

2. Amended Registered Agent/Registered Office

The amendment changes the certificate of formation to change the article or provision stating the name of the registered agent and the registered office address of the filing entity. The article or provision is amended to read as follows:

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Hope Andrade
Secretary of State

Office of the Secretary of State
Packing Slip

November 6, 2012
Page 1 of 1

Law Offices of Louis P. LaVaude
1419 San Dario Avenue
Taredo, TX 78040

Batch Number: 45156713
Client ID: 53968001

Batch Date: 11-02-2012
Return Method: Mail

Document Number	Document Detail	Number / Name	Page Count	Fee
451567130002	Certificate of Amondment	Alarcon & Suenz, P.L.L.C.	0	\$150.00
			Total Fees:	\$150.00

Payment Type	Payment Status	Payment Reference	Amount	
Check	Received	1525	\$150.00	
			Total:	\$150.00

Total Amount Charged to Client Account: \$0.00
(Applies to documents or orders where Client Account is the payment method)

Note to Customers Paying by Client Account: This is not a bill. Payments to your client account should be based on the monthly statement and not this packing slip. Amounts credited to your client account may be refunded upon request. Refunds (if applicable) will be processed within 10 business days.

User ID: AHURTADO

Phone: (512) 463-5555

Come visit us on the Internet @ <http://www.nuc.state.tx.us/>
FAX: (512) 463-5709

Dial: 7-1-1 for Relay Services

United Independent School District

CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES

THIS CONTRACT is made and entered into by and between the **UNITED INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES**, on behalf of the **UNITED INDEPENDENT SCHOOL DISTRICT**, hereinafter called the District, and Hall, Quintanilla & Alarcon Tax Collection, P.L.L.C., a law firm, hereinafter called the Firm.

I.

The District agrees to employ and does hereby employ the Firm to enforce by suit or otherwise the collection of all delinquent taxes, penalty and interest, on behalf of and owing to the **UNITED INDEPENDENT SCHOOL DISTRICT** 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 or the first day of February for personal property.

II.

The Firm is to call to the attention of the collector or other officials any errors, double assessments, or other discrepancies coming under its observation during the progress of the work, and is to intervene on behalf of the District in all suits for taxes hereafter filed by any taxing unit on property located within the District's geographical limits. The Firm will meet monthly with the Tax Assessor-Collector to review pending cases and review collection efforts to ensure collections are on track to meet budget projections.

III.

The Firm shall purchase the software Ezaccess that is used by the Tax Office and provide the necessary equipment to connect to the Tax Office server. The Firm will be responsible for the following:

- (a). Update cause numbers and bankruptcy number in the Tax system;
- (b). Print out certified statements for lawsuits to be signed by the Tax Assessor-Collector;
- (c). Update "Note Screen" on Tax System with any status information on lawsuits filed;
- (d). Provide staff assistance to the tax office during peak times; and
- (e). Provide additional services that the District Tax Assessor-Collector may deem necessary to expedite and enhance the collection of delinquent taxes.

IV.

The Firm agrees to file suit on and reduce to judgment and sell any property located within the **UNITED INDEPENDENT SCHOOL DISTRICT** against which a tax lien would prevail provided the District furnishes, to the extent such information is readily available to the District, the necessary data and information as to the name, identity, and location of the necessary parties, and legal description of the property to be sold. To the extent such information is not readily available to the District, the Firm shall obtain such information at no expense to the District. The Firm agrees to sue for recovery of all court costs as provided by Texas Property Tax Code §33.48.

V.

The Firm agrees to file suit on all delinquent accounts in accordance with board policy CCG (local) , and issue and serve Tax Warrants on February 1st of each tax year. In determining whether to file suit, the term "taxpayer" shall include the aggregate of each taxpayer's accounts, so that a taxpayer who has multiple accounts will be treated as one taxpayer, with the multiple accounts added together to include one amount due.

VI.

The Firm agrees to prepare a report by April 1 of each year showing the status of each delinquent account owing more than \$1,000.00 in accordance with board policy CCG (local) and present to the Board of Trustees at a regularly scheduled meeting and attend any other meeting deemed necessary. This report shall include for each lawsuit the cause number of the lawsuit and date it was filed. It shall also provide an explanation for each account that is not under lawsuit. The status report shall be submitted to the District and to the District's auditors for review and analysis in conjunction with the District's annual audit. The Firm agrees to provide a procedures manual to the District's internal audit department within 6 months of the execution of this agreement and shall be subject to audits by the district's internal or external auditors. A copy also needs to be provided to the District's Tax Assessor-Collector.

VII.

The Firm agrees to publish, on or about November 1st of each year as specified by the District, a list of all taxpayers who owe the District \$1,000 or more in property taxes, after removing the names of taxpayers involved in bankruptcy, or taxpayers who are over 65 years old and only owe taxes on their homestead.

VIII.

The Firm agrees to provide a report to the tax collector on any District money held by them in escrow for more than thirty (30) days.

IX.

The tax assessor-collector shall be authorized to enter into installment payment contracts that are prepared by the Firm only on taxes owed on property owned by the taxpayer on his/her homestead. Such agreements shall be for no more than one year. Any installment payment contract entered into by the Firm must be approved by the District's tax assessor-collector. The Firm shall monitor that all installment payments are up to date and do not become delinquent by more than fifteen (15) calendar days. The Firm shall inform the District's tax assessor-collector of any account that becomes delinquent by more than fifteen (15) calendar days.

X.

The Firm agrees to make monthly progress reports to the District due no later than the 5th of each month and to advise the District of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes. Such reports shall include:

- (a) total year-to-date collections;
- (b) total outstanding delinquency;

- (c) collection data on accounts in bankruptcy;
- (d) total tax sales year-to-date; and
- (e) any other information requested by District.

XI.

The Firm shall be responsible for performing all of the following procedural steps during the course of foreclosing a tax lien on delinquent property or entering into contract for payment of delinquent taxes pursuant to the Texas Property Tax Code.

- (a) title research;
- (b) filing suit;
- (c) issuing citations;
- (d) issuing and publishing a citation by publication;
- (e) personal inspection of the property;
- (f) investigation as to addresses of absentee owners;
- (g) trial;
- (h) judgment;
- (i) order of sale;
- (j) notice of sale;
- (k) preparation of sheriff's deed;
- (l) preparation of redemption deed;
- (m) documenting delinquent taxpayer's ability to pay;
- (n) preparing contracts and recommending same to the tax assessor-collector;
- (o) monitoring payments received under contract and taking necessary action in the event of default;
- (p) ensuring that personal property accounts be approved by District Tax Assessor-Collector prior to filing Tax Warrants; and
- (q) will serve all tax warrants and report to District Tax Assessor-Collector results of service or if warrant was unable to be served and for what reason.

XII.

The Firm will, prior to instituting suit, mail a notice to each taxpayer in English and Spanish. These notices, will be accompanied by a statement that includes essential data such as property legal description, amount owed, tax year, property tax number, and name of owner.

XIII.

No fee will be paid on Agricultural Rollback taxes collected for prior years unless said taxes are delinquent as defined by the Texas Property Tax Code.

XIV.

All delinquent tax collection expenses will be paid or borne by the Firm, including but not limited to:

- (a) stationery;
- (b) legal blanks or forms;
- (c) related computer services;
- (d) postage and envelopes;
- (e) clerical labor;

- (f) office rent, utilities, furniture, etc.;
- (g) tax notices and reminders;
- (h) abstractor's fees;
- (i) title search;
- (j) publication costs, relating to lawsuit citations.

If abstractor or title search fees, service of process, guardian ad litem fees or other expenses are recovered from the delinquent taxpayers, the Firm shall be entitled to recoup its reasonable costs or fees for those items directly from the taxpayers as provided by law.

The Firm will incur or reimburse all costs (paper/forms, envelopes, ink toners and postage) associated with the current tax year statement, the February delinquent tax statement and the Section 33.07 notice to be mailed in May.

XV.

All payments by taxpayers whether before, during or after litigation, and whether including attorney's fees and other costs of court shall be paid to the District and shall be revenue of the District, except for abstractor or title research fees and service of process fees, attorney ad litem fees, and publications fees obtained after litigation has been instituted.

XVI.

The District agrees to pay to the Firm as compensation for the services and obligations to be provided as specified herein, fifteen percent (15%) of the amount collected of all delinquent taxes, penalties and interest of the years covered by this contract, actually collected and paid to the collector of taxes during the term of this contract, as and when collected and actually received by the District, provided that the amount of attorney's fees payable to the Firm under this contract shall not exceed the amount actually received by the District as collection costs from delinquent taxpayers pursuant to §33.07 of the Texas Property Tax Code or received by law pursuant to the institution of legal action for the collection of delinquent taxes under §33.48 of the Texas Property Tax Code.

Pursuant to §33.07 of the Texas Property Tax Code, or otherwise, it is the intent of the parties that 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 District up to and including June 30, of the same year, unless the Firm obtains its attorney's fees through the institution of legal action pursuant to §33.48 of the Texas Property Tax Code, or other action such as the issuance of tax warrants in personal property suits, and that in no event shall the Firm receive as compensation any amount for attorney's fees not paid by the taxpayer.

Provided that the Firm meets the following collection rates, the Firm would be compensated as follows, effective for the year following attainment of a specific collection rate:

Collection Rate	Compensation
Less than 65%	15%
65% or more but less than 70%	16%
70% or more but less than 80%	17%
80% or more	18%

For example, if the Firm obtains a 70% collection rate for the 2011-12 collection year, the Firm's increased compensation shall be effective on July 1, 2013.

In no event shall the Firm receive less than fifteen percent (15%) of the amount collected of delinquent taxes, as stated in the first paragraph of this section.

XVII.

At a cost not to exceed \$1,000.00 per year, the Firm agrees, upon request by the District, and at the Firm's expense, to provide employees of the District's Tax Office with one seminar per year conducted by a person certified by the Texas Department of Licensing and Regulation designed to assist the employees of the tax office in obtaining or maintaining their board certificates. Each legislative year the Firm or any agent, employee or representative will provide a legislative update review and an ethics course approved by the Texas Department of Licensing and Regulation at the firms' expense.

XVIII.

The Firm agrees, upon request by the District, to appeal to the Comptroller of Public Accounts, where appropriate, state valuations of taxable property with the District.

XIX.

The Firm agrees to provide a minimum of \$24,000 annually during the term of this contract for scholarships to District students. The Firm shall issue a check to the district for such scholarships by January 31st of each year to be deposited to the districts "Build a Foundation" scholarship fund.

XX.

Unless sooner terminated, this contract is for a term beginning on September 1, 2011 and ending August 31, 2015 with the option to renew by the Board of Trustees based on performance. The District shall have the right to sooner terminate this contract at any time upon written notice of such intention to the Firm.

Further, on termination of this contract (either by earlier termination of this contract or upon the end of the initial or extended term of this contract), the Firm shall have an additional six months after termination to reduce to judgment all suits filed prior to the end date of their contract. The Firm shall receive compensation, which said compensation includes revenue for all suits filed prior to the termination of this contract (either by earlier termination of this contract or upon the end of the initial or extended term of this contract) up to six (6) months after the end date of the Firm's contract 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.

XXI.

This contract is for professional legal services of the Firm, and the Firm is engaged under the will and direction of the District's governing body. This contract cannot be assigned in any manner. The Firm shall not subcontract any segment of the work contemplated hereunder to any corporation, professional group or individual except such work as does not involve professional judgment or require legal training. 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.

XXII.

The Firm represents to the District 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 it shall take all necessary action, including but not limited to, divestiture 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 District. **THE FIRM AGREES TO INDEMNIFY THE DISTRICT, WHEN AFTER REASONABLE EFFORTS TAKEN BY THE FIRM TO PROTECT THE DISTRICT, THERE IS ANY LOSS OF DISTRICT'S TAX REVENUE ATTRIBUTABLE TO OR ARISING FROM THE FIRM'S FAILURE TO COMPLY WITH THE FORGOING REPRESENTATIONS WITHIN SIXTY (60) DAYS OF A FINAL DETERMINATION OF ANY LOSS OF DISTRICT TAX REVENUE.**

XXIII.

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.

XXIV.

Any notices which are required hereunder, or which either the District 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: The Law Office of Hall, Quintanilla & Alarcon Tax Collection, P.L.L.C.
 Attn: Alberto Alarcon
 1302 Washington St.
 Laredo, Texas 78040

If to the District: Mr. Roberto J. Santos.
 Superintendent of Schools
 United I.S.D.
 201 Lindenwood Road
 Laredo, Texas 78041

cc: Mr. Juan J. Cruz
Escamilla, Poneck & Cruz, L.L.P
216 W. Village Blvd., Suite 202
Laredo, Texas 78041


cc: Ms. Norma Farabough, RTA, CSTA, CTA
United I.S.D. Tax Assessor-Collector
3501 E. Saunders Avenue
Laredo, Texas 78041

XXV.

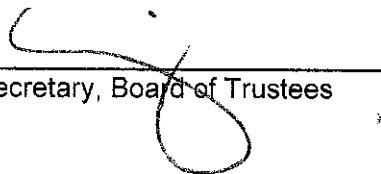
This contract is executed on behalf of the District by the presiding officer of its governing body who is authorized to execute this instrument, and the Firm's authorized representative.

WITNESS the signatures of all parties hereto in duplicate originals this, the 22nd day of June, 2011, Webb County, Texas.

**UNITED INDEPENDENT
SCHOOL DISTRICT**

By: 

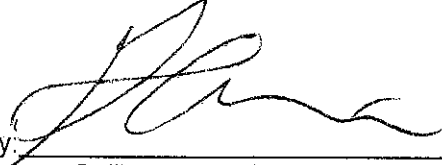
President, Board of Trustees

Attest: 

Secretary, Board of Trustees

Date: 6-22-11

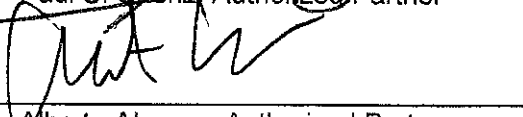
**The Law Office of Hall Quintanilla &
Alarcon Tax Collection, P.L.L.C.**

By: 

Guillermo G. Alarcon, Authorized Partner

By: 

Paul C. Saenz, Authorized Partner

By: 

Alberto Alarcon, Authorized Partner

Date: 6-24-2011

**ADDENDUM TO CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES
BETWEEN UNITED INDEPENDENT SCHOOL DISTRICT
AND ALARCON & SAENZ, P.L.L.C.**

The Board of Trustees (the "Board") of United Independent School District ("UISD") and ALARCON & SAENZ, P.L.L.C. (the "Firm") agree to amend the Contract for the Collection of Delinquent Taxes.

UISD and the Firm entered into an Agreement between UISD and the Firm dated effective June 22, 2011, (the "Agreement") with an initial term of September 1, 2011 through August 31, 2015;

UISD and the Firm now desire to amend the terms of the Agreement as set forth below:

1. Paragraph XX of the Contract is hereby amended by deleting "August 31, 2015" and inserting the following in lieu thereof: "**August 31, 20__.**" Paragraph XX of the Contract shall read as follows:

Unless sooner terminated, this contract is for a term beginning on September 1, 2015 and shall expire on **August 31, 20__** (the "Expiration Date"). Upon expiration of the term of the contract, the same shall be automatically extended for one (1) year terms, unless at least sixty (60) days before the Expiration Date of the contract or any of the successive one year terms, the District notifies the Firm in writing not to continue the Firm's employment beyond the expiration of the then ongoing term. The District shall have the right to sooner terminate the contract at any time upon written notice of such intention to the Firm."

2. Except as provided in this Amendment, all terms used in this Agreement that are not otherwise defined shall have the respective meanings ascribed to such terms in the Agreement.
3. This Amendment embodies the entire agreement between UISD and the Firm with respect to the amendment of the Agreement. In the event of any conflict or inconsistency between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall control and govern.
4. Except as specifically modified and amended herein, all of the terms, provisions, requirements and specifications contained in the Agreement remain in full force and effect. Except as otherwise expressly provided herein, the parties do not intend to, and the execution of this Amendment shall not, in any manner impair the Agreement, the purpose of this Amendment being simply to amend and ratify the Agreement, as hereby amended and ratified, and to confirm any carry forward the Agreement, as hereby amended, in full force and effect.

5. THIS AMENDMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS.

IN WITNESS WHEREOF, UISD and the Firm have executed and delivered this Amendment effective of the Effective Date.

United ISD

By: _____
Name: Javier Montemayor
Title: UISD Board President

ALARCON & SAENZ, P.L.L.C.

By: _____
Name: Guillermo G. Alarcon
Title: Partner

ALARCON & SAENZ, P.L.L.C.

By: _____
Name: Paul C. Saenz
Title: Partner
Date: _____

ALARCON & SAENZ, P.L.L.C.

By: _____
Name: Alberto Alarcon
Title: Partner
Date: _____