

# **TAX COLLECTION SERVICES AGREEMENT**

THIS AGREEMENT is made and entered into this 1<sup>st</sup> day of August, 2020 by and between County of Collin (hereinafter called "County"), a political subdivision of the State of Texas, and the Assessment Entity for The Columns Public Improvement District; (here-after called "Assessment Entity"), a duly organized and existing PID, under the laws of the State of Texas, each acting herein by and through its duly authorized officials.

## **RECITALS**

1. The parties to this Agreement wish to consolidate the collection of the PID assessment into one agency, the Collin County Tax Assessor Collector.
2. The parties enter in this Agreement in order to eliminate the duplication of the system for collection of the PID assessment and to promote efficiency.
3. Therefore, under the authority of sections 6.23 and 6.24, Texas Property Tax Code and the Interlocal Cooperation Act, Texas Government Code Chapter 791 the parties agree as follows:

## **SECTION 1 DEFINITIONS**

- 1.01 *Tax Collection Services.* The term "Tax Collection Services" shall include preparation and mailing of the PID Assessments, assessed by the Assessment Entity, correction of found clerical errors in assessments, collection of assessment liabilities, maintenance of a list of delinquent assessments, and issuance of refunds. Assessment Collection Services do not include appraisal of property.
- 1.02 *Current Assessments.* The term "Current Assessments" shall mean those assessments legally due and payable to the Assessment Entity without penalty and interest.
- 1.03 *Delinquent Assessments.* The term "Delinquent Assessments" shall mean the property assessments that have not been paid to the Assessment Entity on or before January 31<sup>st</sup> of any given year and on which penalty and interest are now due.

## **SECTION 2 TERM**

- 2.01 *Term.* The term of this Agreement shall commence on August 01, 2020 and shall continue in full force and effect until September 30, 2021. Thereafter, this Agreement shall automatically renew annually for an additional one (1)

year term without the necessity of any action by the parties.

- 2.02 *Termination.* Either party may terminate this Agreement by giving ninety (90) Days written notice to the other party.

### **SECTION 3 SERVICES**

- 3.01 *Services to be Performed.* The County agrees to provide assessment collection services to the Assessment Entity. The Assessment Entity agrees that all collections, assessments, penalties, interest, and attorney fees are to be in accordance with the Texas State Property Tax Code, as amended. The county's delinquent tax attorney will represent the interests of the Assessment Entity.

- 3.02 *Tax Bills.* By August 31<sup>st</sup> of each year the Assessment Entity shall provide the County with the Assessment Roll and a copy of the Resolution/Ordinance adopting the annual fixed rate assessment for that year. Failure to supply the Assessment Roll for any given year by said date, will result in a late processing fee of Five Thousand Dollars (\$5,000.00) plus an additional per statement fee, equal to the costs of printing and mailing all statements. The County agrees to prepare consolidated tax and assessment bills for each taxpayer. The tax bill shall include taxes and assessments owed to all taxing units to which the taxpayer owes taxes and assessments, except those units which have not been contracted with the County for tax collection services. The County will mail such tax and assessment bills to the property located within the Assessment Entity by October 1st of each year, or as soon thereafter as practicable.

The Assessment Roll should be in the format as required by the Tax Assessor Collector. It shall be delivered to the Tax Assessor Collector and the Property Tax Collection Supervisor via e-mail. The annual Assessment Roll is to be accompanied by the Governing Body's Resolution/Ordinance for the assessment.

### **SECTION 4 PAYMENTS**

- 4.01 *Rate of Payment.* The Assessment Entity shall pay the County for Tax Collection Services at a rate of Five Hundred Dollars (\$500.00) per year, and Three Dollars (\$3.00) per non-exempt

parcel per year for parcels on the Assessment Entity's tax roll during the term of this Agreement plus any late processing fees and other required services, as indicated in Section 3.02 and section 7, If there is a fee from the property tax software provider for setting up the entity and loading the file in the first year of the contract, the fee would be paid by the Assessment Entity.

4.02 *Method of Payment.* The County shall withhold from the assessment collected under this Agreement the amount of money necessary to pay for assessment collection services at the rate indicated in Section 4.01 from the December collections. The Assessment Entity shall not be entitled to receive any assessments collected for a tax year until the County has withheld the total amount of compensation under Section 4.01 for that year.

4.03 *Proration of Payment.* If this Agreement is terminated during the original term or any annual term prior to the time that the County has withheld sufficient funds pursuant to Section 4.02 to aggregate the amount of payment set forth in Section 4.01, the County's compensation for tax collection services for the original term or a renewed term shall equal the amount set forth in Section 4.01, if the tax statement, including the assessment for the year, has been printed.

## **SECTION 5 REMITTANCE OF COLLECTION**

The assessment collected by the County for the Assessment Entity shall be remitted to the Assessment Entity after the proper amount of payment, as set out in Section 4, and any taxpayer refunds have been withheld. Assessments collected shall be remitted to the Assessment Entity within seven (7) days from the date they are received by the County Tax Office.

## **SECTION 6 ADMINISTRATIVE PROVISIONS**

6.01 *Records.* The Assessment Entity, or its representatives designated in writing, upon reasonable notice is authorized to examine the records to be kept by the County in the performance of this Agreement at mutually convenient times and intervals. Such books and records will be kept in the offices of the Collin County Tax Assessor Collector.

- 6.02 *Assessment Entity Records.* The Assessment Entity agrees to transfer to the possession and control of the County, without charge, copies of all records necessary for the performance of the duties and responsibilities of the County pursuant to this Agreement. These records shall include all assessment records, including assessment rolls or records available to the Assessment Entity, as required by the County Tax Assessor Collector.
- 6.03 *Surety Bond.* If the Assessment Entity requires the County to obtain a surety bond for the Tax Assessor Collector, the Assessment Entity agrees to pay the premium for such bond.
- 6.04 *Audits.* The County, upon reasonable notice, agrees to allow an audit of the assessment records at a mutually convenient time. A copy of the audit results shall be furnished to the County. The Assessment Entity will pay the cost of the audit.
- 6.05 *Deposits of Taxes.* The County agrees to deposit assessments collected under this Agreement into such depository as is designated by the Assessment Entity in writing.
- 6.06 *Assessment Entity Contacts:* The name, phone number, and e-mail address of a person who can answer taxpayer's questions about the Assessing Entity and assessments will be provided to the Collin County Tax Assessor-Collector within ten (10) business days from the execution of this Agreement. The name, phone number and e-mail address of a person who can answer the Tax Assessor Collector, or their staff, questions relating to the fund transfers, and other operational topics will be provided to the Collin County Tax Assessor-Collector within ten (10) business days from the execution of this Agreement.

## **SECTION 7 CORRECTED BILLING SERVICES**

In the event that the Assessment Entity's fixed rate assessment changes after the County begins collections for the Assessment Entity in any given year, the County will continue to act for the Assessment Entity in providing refunds to taxpayers or sending corrected billings. A change in the Assessment Entity's fixed rate assessment will result in



a late processing fee, that may be in addition to any applicable late processing fee pursuant to Section 3.02, of Five Thousand Dollars (\$5,000.00), plus an additional per statement fee, equal to the costs of printing and mailing all statements. The Assessment Entity will provide to the County, a corrected Ordinance approving any changes to the fixed rate assessment or assessment roll.

## **SECTION 8 REFUNDS**

Refunds to property owners authorized by the Assessment Entity will be made on the same check for all taxing units contracting for tax and assessment collection services. Circumstances on which refunds may be based include, but are not limited to; clerical errors, and overpayments. The amounts refunded by the County for the Assessment Entity shall be paid by the County from assessment collections on hand for the Assessment Entity after the County's compensation is withheld pursuant to Section 4 of this Agreement. If assessment collections for the Assessment Entity in the County's possession are insufficient to pay for a refund, the County shall notify the Assessment Entity of the deficiency, and the deficiency amount shall be paid by the Assessment Entity to the County within fourteen (14) days of notification of the amount due. The County shall not be obligated to pay a refund unless it has sufficient Assessment Entity assessment collections in its possession to pay the refund or the Assessment Entity has paid to the County sufficient funds to cover the deficiency. The Assessment Entity agrees that any payment(s) that it is required to make under this section shall be made out of the Assessment Entity's current revenues.

## **SECTION 9 MISCELLANEOUS PROVISIONS**

- 9.01 *Liability.* To the extent allowed by law, any civil liability relating to the furnishing of services under this Agreement shall be the responsibility of the Assessment Entity. The parties agree that the County shall be acting only as the agent for the Assessment Entity in performing the services contemplated by this Agreement.

THE ASSESSMENT ENTITY SHALL HOLD THE COUNTY FREE AND HARMLESS FROM ANY OBLIGATION, COSTS, CLAIMS, JUDGMENTS, ATTORNEYS' FEES, AND

OTHER SUCH LIABILITIES ARISING FROM OR GROWING OUT OF THE SERVICES RENDERED TO THE ASSESSMENT ENTITY PURSUANT TO THE TERMS OF THIS AGREEMENT OR IN ANY WAY CONNECTED WITH THE RENDERING OF SAID SERVICES, EXCEPT WHEN THE SAME SHALL ARISE BECAUSE OF THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF THE COUNTY.

- 9.02 *Controlling Law.* This Agreement shall be deemed to be made under, governed by, and construed in accordance with, the laws of the State of Texas. Exclusive venue for any action taken relative to this Agreement shall be in Collin County.
- 9.03 *Sovereign Immunity.* It is expressly understood and agreed that, in the execution of this Agreement, neither the County nor Assessment Entity waives or shall be deemed hereby to waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.
- 9.04 *Amendments.* This Agreement shall not be amended or modified other than in a written Agreement signed by the parties.
- 9.05 *Notices.*
- (a) Except as otherwise provided in this Agreement all notices required or permitted herein shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, with proper postage prepaid or when delivered in person.
  - (b) All communications provided for in this Agreement shall be addressed as follows:
    - (ii) *if to the County, to:*  
County Administrator  
Bill Bilyeu  
Collin County  
2300 Bloomdale Road, Suite 4192  
McKinney, Texas 75071

With a correspondence copy to the Tax Assessor Collector, 2300 Bloomdale Road, Suite, 2366, P.O. Box 8006, McKinney, Texas 75070-8006.

(ii) *if to the Assessment Entity, to:*

Director of Finance  
Robin Bromiley  
City of Celina  
142 N. Ohio Street  
Celina, Texas, 75009

or to such person at such other address as may from time to time be specified in a notice given as provided in this Section 9.05.

9.06 *Parties Bound.* This Agreement may not be assigned and shall be binding upon the parties, their heirs, executors, legal representatives, and successors.

9.07 *Copies.* This Agreement is executed in multiple copies, any one of which, or a true copy thereof, shall have the same evidentiary value.

9.08 *Integration.* It is understood and agreed that the entire Agreement of the parties is contained herein and that this Agreement supersedes all oral Agreements and negotiations between the parties relating to the subject matter hereof as well as any previous Agreements presently in effect between the parties relating to the subject matter hereof.

9.09 *Severability.* The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause or phrase of the Agreement is for any reason held to be contrary to law or contrary to any rule or regulation having the force and effect of law, such decision shall not affect the remaining portions of the Agreement. However, upon the occurrence of such event, either party may terminate this Agreement forthwith, upon the delivery of written notice of termination to the other party.

- 9.10 *Captions.* The headings to the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit or expand the express provision of this Agreement.
- 9.11 *Obligations of Condition.* All obligations of each party under this Agreement are conditions to further performance of the other party's continued performance of its obligation under the Agreement.
- 9.12 *Exclusive Right to Enforce This Agreement.* The County and the Assessment Entity have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

***[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY – SIGNATURES ON FOLLOWING PAGE]***



**EXECUTED** at McKinney, Texas on the day and year first written above.

**COLLIN COUNTY, TEXAS**

Judge Chris Hill

By:   
Title: County Judge of Collin County

Date: \_\_\_\_\_

**The Columns Public Improvement District**

Robin Bromiley

By:   
Title: Director of Finance, City of Celina

Date: 11/24/2020

**COLLIN COUNTY, TEXAS**

Kenneth L. Maun, Tax Assessor Collector

By: \_\_\_\_\_  
Title: Tax Assessor Collector of Collin County

Date: \_\_\_\_\_