

NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036

WHEREAS, the City of Wolfe City, will consider a contingent fee contract with the law firm of Perdue Brandon Fielder Collins & Mott, LLP (“Firm”) and hereby posts this notice pursuant to Sec. 2254.1036 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(a)(2) of the Government Code and shall announce the following:

A. The City of Wolfe City is entering into a contract with the Firm for the collection of delinquent fines and fees owed to the City of Wolfe City and through this contract the City of Wolfe City seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(a)(1)(A).

B. The City of Wolfe City believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(a)(1)(B). The Firm has collected delinquent government receivables for 52 years. The Firm currently has 14 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including 60 attorneys. It uses a multi-office, fully integrated team approach allowing the City of Wolfe City 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 the City of Wolfe City may have.

C. The nature of any relationship between the City of Wolfe City and the Firm is as follows. GOVT. CODE § 2254.1036(a)(1)(C).

The Firm has represented the City of Wolfe City for the collection of delinquent ad valorem taxes since 2011.

D. The City of Wolfe City is unable to collect its delinquent fines and fees. GOVT. CODE § 2254.1036(a)(1)(D). The City of Wolfe City 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 the City of Wolfe City.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(1)(E). The Criminal Procedure/Transportation Codes allow the assessment of a percentage-based fee to recover the costs of collecting delinquent fines and fees. These percentage-based fees are assessed only against the debtor and not the City of Wolfe City or taxpayers of the City of Wolfe City. The collection of delinquent fines and fees 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 amounts of delinquent fines and fees due. Moreover, the City of Wolfe City will bear the cost of these hourly fees and not the debtor, because the Code of Criminal Procedure does not expressly authorize the City to pay for collection services based on an hourly fee.

F. The City believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(a)(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 the City of Wolfe City or taxpayers in the City of Wolfe City.