

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Tax Department

AGENDA DATE: September 24, 2013

CONTACT PERSON NAME AND PHONE NUMBER: David Childs, Ph.D.; Tax Assessor Collector, 541-4598

DISTRICT(S) AFFECTED: All

SUBJECT:

That the Mayor be authorized to sign a contract by and between the City of El Paso, and the Paseo Del Este Municipal Utility District No. 9 to join various other entities for whom the City acts as property tax assessor/collector.

BACKGROUND / DISCUSSION:

The City of El Paso collects property taxes for 35 taxing jurisdictions. This agreement would add another jurisdiction to the consolidated tax collections program administered by the City of El Paso.

PRIOR COUNCIL ACTION:

Approval by City Council in Fiscal Year 1983/1984.

City Council approved Interlocal Agreements with each of the current 35 participating entities.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign a contract by and between the City of El Paso and the Paseo del Este Municipal Utility District No.9 to join various other entities for whom the City acts as property tax assessor/collector.

APPROVED this _____ day of _____, 2013.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Sol M. Cortez
Assistant City Attorney

APPROVED AS TO CONTENT:

Dr. David Childs
City Tax Assessor Collector

THE STATE OF TEXAS }
 }
COUNTY OF EL PASO }

C O N T R A C T

This Contract made by and between the CITY OF EL PASO, TEXAS, hereinafter referred to as "City," COUNTY OF EL PASO; EL PASO INDEPENDENT SCHOOL DISTRICT; YSLETA INDEPENDENT SCHOOL DISTRICT; EL PASO COMMUNITY COLLEGE; EL PASO COUNTY HOSPITAL DISTRICT; TOWN OF SOCORRO; SOCORRO INDEPENDENT SCHOOL DISTRICT; CLINT INDEPENDENT SCHOOL DISTRICT; FABENS INDEPENDENT SCHOOL DISTRICT; TOWN OF CLINT; HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT; EL PASO COUNTY WATER AUTHORITY; EL PASO COUNTY EMERGENCY SERVICES DISTRICT NO. 1; ANTHONY INDEPENDENT SCHOOL DISTRICT; TOWN OF ANTHONY; CANUTILLO INDEPENDENT SCHOOL DISTRICT; SAN ELIZARIO INDEPENDENT SCHOOL DISTRICT; TORNILLO INDEPENDENT SCHOOL DISTRICT; HACIENDA DEL NORTE WATER DISTRICT; LOWER VALLEY WATER DISTRICT AUTHORITY; EMERGENCY SERVICES DISTRICT NO. 2; EL PASO COUNTY TORNILLO WATER IMPROVEMENT DISTRICT; TOWN OF HORIZON; DOWNTOWN MANAGEMENT DISTRICT; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 10; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 3; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 11; VILLAGE OF VINTON; EL PASO COUNTY EL PASO WATER CONTROL & IMPROVEMENT (FABENS) DISTRICT #4; EL PASO COUNTY MUNICIPAL UTILITY DISTRICT No. 2; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 2; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 5; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 6; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 7; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 8 and PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 9 or some of them and others who may join, hereinafter referred to "Entity," or collectively as "Entities."

WHEREAS the Legislature of the State of Texas has enacted certain legislation empowering political subdivisions of the state to enter into contracts for the consolidated effort of assessing and collecting property taxes; and

WHEREAS such consolidated effort in the assessment and collection of taxes is beneficial to both the City and the Entities, as well as to the general public;

WITNESSETH:

NOW, THEREFORE, it is mutually agreed as follows:

1) SCOPE OF SERVICES. The parties agree that the City will, pursuant to the Property Tax Code, act as Assessor Collector for each Entity and determine the total appraised value, total assessed value and taxable value of the property taxable by the Entity, except that the County Tax Assessor Collector will continue to perform the assessing functions for the County. The parties further agree that the City will collect all taxes for the Entities on all properties within their boundaries. It is agreed that the City Tax Assessor Collector has authority to make refunds for the Entities as appropriate under Section 31.11 and Section 42.43 of the Property Tax Code provided that all refunds in excess of \$500 must have the approval of City Council and that each Entity will be notified of any refund for the Entity.

2) SERVICE COSTS. For the services set forth above, the El Paso Community College, El Paso Water Authority and El Paso County Rural Fire Prevention District agree to pay two percent of all taxes collected. All other Entities agree to pay to the City the actual costs incurred by the City in collection of the Entities' taxes and that the actual costs will vary from year to year depending upon the level of Entity participation in the consolidated effort. As of the effective date of this contract, the actual costs are reflected upon the proposed consolidated tax budget recommended for approval by the Tax Advisory Committee on June 5, 1986, which is

attached and marked Attachment "A." On or before April 20 of 1987 and each year thereafter during which this contract continues, the City will present to each participating Entity a range of costs of collection for the coming year and a preliminary estimate of costs of service based upon anticipated participation.

The parties agree that the consolidated effort is to their mutual benefit and to the benefit of their respective taxpayers, and also agree that the schedule of payments set forth above provides for reasonable and adequate consideration for services performed under this Contract. The parties further recognize that the County Tax Assessor Collector has certain constitutional duties and functions which cannot be abrogated by Contract to the City. In return for performing those necessary functions, the City agrees during the County's participation in the consolidated tax effort to reimburse to the County on a monthly basis, within 15 days after being invoiced by the County, the indirect costs and personnel costs incurred by the County Tax Assessor Collector in performance of those constitutional duties and functions. Such costs shall be determined in accordance with Attachment "A" attached hereto and incorporated herein for all purposes.

The City's costs covered by the payments set forth above shall include, but shall not be limited to, such costs as salaries, normal travel expenditures for tax purposes, education, license or other fees required by the State of Texas, appropriate supplies and other items necessary for the appropriate and efficient performance of the City's duties herein.

In addition to payments set forth above, each Entity expressly agrees:

- (a) To pay the cost of reprocessing and mailing tax notices if the Entity incurs a rollback or other modification of its tax rate; and
- (b) To pay such actual costs as may be incurred by City in preparation and mailing of separate tax statements if City shall determine that such separate tax statements are

necessary because Entity has failed to adopt its tax rate by October 15 of the tax year in question and thereby caused an unreasonable delay in the preparation of consolidated tax statements; and

- (c) That City shall retain any and all revenues received for the preparation and issuance of tax certificates.

The Entities agree to pay their respective shares of the service costs on a monthly basis, within 15 days of receipt of invoice from the City. Such invoices shall not exceed the costs established above.

3) ADVISORY COMMITTEE. An advisory committee of non-elected officials formed by contract dated August 28, 1984 as amended shall continue during the term of this contract to review all costs and make recommendations for an annual budget; monitor the general performance of the tax collection procedures; and recommend policies and procedures for improvement in the collection process.

The committee now composed of seven (7) members, one appointed by the Mayor of the City, one appointed by the County Judge, one appointed by City Council, one appointed by County Commissioners Court, one appointed by the El Paso Independent School District, one appointed by Ysleta Independent School District, and one appointed jointly by the other Entities which are a party to this agreement shall be increased to include one additional appointment by the other Entities. In addition, the City Tax Collector and the County Tax Assessor Collector shall serve as ex-officio members of this committee without power to vote and shall not be counted for purposes of determining a quorum. The members shall serve for one year terms, and may be reappointed. The advisory committee shall elect its chairperson, shall meet regularly, and shall submit reports and recommendations to the City and the Entities. This committee shall be advisory only, and nothing

herein shall be construed to result in delegation of any decision making authority to the committee by any of the parties. In the event any Entity specifically referenced in this paragraph shall decline to join or shall terminate while the consolidated effort continues, its appointment shall lapse. In the event an Entity not specifically referenced in this paragraph shall decline to join or terminate while the consolidated effort continues, any appointment by such Entity shall resign and a successor shall be appointed by the remaining Entities not specifically referenced in this paragraph.

4) REPORTS. The City shall provide to the Entities computer reports as provided in Attachment "B."

5) TAX NOTICES AND STATEMENTS. Tax notices and statements will be mailed, in a form complying with requirements of the laws of the State of Texas, on all property counts of the Entities by the City in an accurate and timely manner, and no later than October 15 of each year, as provided by law. Each Entity shall submit its tax rate to the City no later than September 15 of each year, provided the City or County has officially calculated the Entity's effective tax rate at least 15 days prior to that date. The City shall calculate the effective tax rate for Ysleta Independent School District, El Paso Independent School District and San Elizario Independent School District. The effective tax rate for the Entities shall be calculated by the County Tax Assessor Collector during participation by the County, and all other times by the City. If an Entity's tax rate has not been set by the Entity by-October 1, the Entity shall advise the City whether the mailing of statements or notices shall be delayed. If there is a delay in the mailing of the statements or notices occasioned by the conduct of any Entity, the Entity shall pay the actual cost incurred resulting from the delay, including the cost, if any, of mailing separate statements. Any delay desired by the City in mailing its own property account notices shall not be cause to delay the requirement for mailing the Entities' notices by October 15 without written permission from the Entity. Any delay in the

time schedule set forth above occasioned by the Central Appraisal District shall extend each respective date by an equivalent length of time.

6) METHOD OF COLLECTION. The procedures the City shall use for the collection of taxes will be the most efficient system available to handle direct mail of payments and office payments at the City tax office. The procedures will be submitted to the advisory committee for review and recommendations. During participation by the County such procedures shall include a provision for acceptance of payments at the County tax office and substations, but no partial payments shall be accepted at those offices. The City will not reimburse the County for personnel or other costs incurred by the County in accepting such payments. Further, regardless of where payments are received, no Tax Certificates shall be issued, except by the City tax office.

7) DISTRIBUTION OF FUNDS. Funds will be accounted for and distributed weekly to the Entities, except during the peak period of December 15 thru January 31, during which time funds collected will be distributed no less than Monday, Wednesday and Friday of each week. The Entities will be responsible for making special arrangements whenever their normal working hours would not allow such a schedule. The funds to be accounted for will be designated as funds out of the current year of collection or for delinquent collection.

8) COLLECTION OF DELINQUENT TAXES. The City shall collect delinquent taxes for the Entities and agrees to collect all penalties, interest, and attorney's fees authorized under Texas law and all interest, penalties, and fees collected shall be forwarded to the Entities on a timely basis by electronic means or otherwise. The procedure for the collection of delinquent taxes shall be reviewed by the advisory committee. The City reserves the right to contract, as provided under Section 6.30 of the Texas Property Tax Code with an attorney to collect taxes for any Entity having complied with Section 33.07 of the Property Tax Code.

9) INDEMNITY. The Entities agree, to the extent allowed by law, to indemnify and hold harmless the City for any and all claims, liabilities, and expenses incurred as a result on any Entity's breach or nonperformance of this contract and its obligations or for the negligence of any officer, agent or employee of any Entity. The City agrees, to the extent allowed by law, to indemnify or hold harmless the Entities for any and all claims, liabilities, and expenses incurred as a result of City's breach or nonperformance of this contract and its obligations or for the negligence of any officer, agent, or employee of the City. In the event any such liability occurs, all parties agree to comply with Constitutional and Statutory requirements for the satisfaction of debts.

10) EFFECTIVE DATE. The parties agree that the authorized signature before July 31, 1986 of any Entity named above and any other Entity who may join by counterpart creates a binding offer of such Entity to participate in this consolidated tax effort and the commitment of each Entity one to the other is consideration for the promise to participate of each Entity that joins before July 31, 1986. The contract will become effective as to all signatories at such time as it is signed by the City.

11) RENEWAL AND TERMINATION. This contract shall be in effect until August 31, 1987 and shall be automatically renewed thereafter on a year to year basis and remain in effect until terminated by mutual consent of the parties or by effective written notice of any party. Notice of termination by any Entity received by the City on or before May 10 shall constitute effective notice of termination as to such Entity only, as of the following August 31. Notice of termination by the City received by one or more Entities before May 31 shall constitute effective notice as to such Entity or Entities only as of the following August 31. The parties agree to cooperate in the process of providing or allowing access to all necessary records, data, or other information necessary for the Entities to continue the collection of taxes in another manner. The Entities shall

reimburse the City for any additional costs incurred by the City in providing them with this information.

12) AMENDMENT TO CONTRACT. City and Paseo del Este Municipal Utility District No.9 agree that upon final approval of the Amended and Restated Contract for Consolidated Tax Collection ("Amended Contract"), attached hereto as Attachment "D", the terms of this Contract shall expire and the terms of the Amended Contract shall become effective as between the City and Paseo del Este Municipal Utility District No.9 without the need for any further action by the governing bodies of the two entities. The City shall give Paseo del Este Municipal Utility District No.9 notice of the effective date of the Amended Contract.

13) NOTICE. Notice to parties under this contract shall be sent by certified mail, return receipt requested, to those persons identified in Attachment "C" attached hereto and incorporated herein for all purposes and to such persons as may be identified for purposes of notice by Entities which have joined in the agreement by counterpart and may not be represented in Attachment "C."

14) SEVERABILITY. If any part of this agreement is held to be illegal, such part shall be deemed severable and the remaining parts shall nevertheless be binding.

15) ENTIRE AGREEMENT. This agreement constitutes the entire agreement between the parties and any prior understandings, written or oral agreements between them are merged into this agreement.

16) INSPECTION OF RECORDS. The City shall supply to all Entities a copy of the independent annual audit of the City Tax Collector. The fiscal records of the City made and kept pursuant to this agreement are available for inspection by the Entities at times mutually convenient to the City and an Entity. Any cost of such inspection shall be borne by the Entity.

17) EXECUTION. This agreement may, be executed jointly or in counterpart and the authorized signature upon a counterpart of any Entity whether or not named above creates the same binding commitment between the parties as if the Entity had jointly executed this document if the counterpart is duly executed by the City.

[Signature Page to follow]

WITNESS our hands this _____ day of _____, 2013.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Sol M. Cortez
Assistant City Attorney

APPROVED AS TO CONTENT:

Dr. David Childs.
City Tax Assessor Collector

ATTEST:

PASEO DEL ESTE MUNICIPAL
UTILITY DISTRICT NO. 9

By: _____

By: _____
Manuel A. Quinones
President of the Board of Directors

WITNESS our hands this _____ day of _____, 2013.

CITY OF EL PASO

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Sol M. Cortez
Assistant City Attorney

APPROVED AS TO CONTENT:

Dr. David Childs.
City Tax Assessor Collector

ATTEST:

By: _____

PASEO DEL ESTE MUNICIPAL
UTILITY DISTRICT NO. 9

By: _____

~~Manuel A. Gutierrez~~
VICE President of the Board of Directors

Yvette LASCHENIN

CITY CLERK DEPT.
2013 SEP 19 AM 7:18

ATTACHMENT A

ATTACHMENT B

THE FOLLOWING REPORTS WILL BE AVAILABLE ON A DAILY BASIS:

1. **DISTRIBUTION REPORTS:**

Based on each taxing entity's pro-rata share of the taxes due, a distribution of the entity's taxes collected will be produced. A detailed listing of each payment and descriptive information about the parcel and the taxes paid can also be generated upon request.

THE FOLLOWING REPORTS WILL BE AVAILABLE ON A MONTHLY BASIS:

1. **ACCOUNTS RECEIVABLE SUMMARY REPORT:** The A/R Summary Report summarizes all of the tax collection activity for a particular period.
2. **AUDITOR'S TRANSACTION SUMMARY:** The Auditor's Transaction Summary lists the types of transactions processed in the tax collection system with the total number of transactions and total amount of money for each taxing entity.
3. **LEVY CHANGES REPORT:** All transactions listed in the tax collection system that cause an increase or decrease in the amount of the original levy are detailed in this report.
4. **DAILY DEPOSIT RECAP REPORT:** This report covers batches which have distribution dates within a selected period.
5. **TOTALS BY TAX YEAR BY ENTITY REPORT:** This report prints a summary of balance of accounts by year as of the date the report is run.
6. **LEGAL TRANSACTIONS BY ENTITY:** This report provides information on how much is owed to individual entities and the amounts owed on accounts with legal codes.

THE FOLLOWING REPORTS ARE OPTIONAL AND AVAILABLE UPON REQUEST:

1. **ACCOUNTS RECEIVABLE REGISTER:** The Accounts Receivable Register lists all accounts in the tax collection system. This report is generated on a quarterly basis.

ATTACHMENT B

Page 2

REPORTS AVAILABLE UPON REQUEST (Continued):

2. **TAX ROLL:** A tax roll which lists the property for each taxing entity including calculations of taxes calculated and exemptions are deducted to determine the taxes due will be made available to each taxing entity.

A taxing entity summary showing assessment data, tax date and exemption data can be generated upon request.

3. **DELINQUENT TAX ROLL:** The Delinquent Tax Roll lists all accounts that have become delinquent.
4. **LEGAL EXCEPTION REPORT:** If an account has a repayment agreement for delinquent monies, it is subject to review on a periodic basis. This report lists any account that does not show the appropriate payment has been made as per the agreement.

ATTACHMENT C TAXING ENTITY OFFICIALS

Joyce Wilson
City Manager
City of El Paso
2 Civic Center Plaza
El Paso, Texas 79999
(915) 541-4844

Veronica Escobar
County Judge
County of El Paso
500 E. Overland
El Paso, Texas 79999
(915) 546-2047

Dr. Richard Rhodes
President
El Paso Community College
P.O. Box 20500
El Paso, Texas 79998
(915) 775-6044

Lorenzo Garcia
Superintendent
El Paso Independent School District
P.O. Box 20100
El Paso, Texas 79998-0100
(915) 779-3781

Ken Osmond
President
El Paso County Water Authority
1539 Pawling
El Paso, Texas 79927
(915) 852-3917

Ron Haugen
Superintendent
Anthony Independent School District
P.O. Drawer B
Anthony, Texas 88021
886-6500, ext. 6501

Mario Aguirre
President
Fabens Water District #4
P.O. Box 3880
Fabens, Texas 79838-3880
764-2212

Robert Ostrenga
President
Emergency Services District #2
P.O. Box 744
Clint, Texas 79849
851-3138

Dr. Xavier de la Torre
Superintendent
Socorro Independent School District
P.O. Box 27400
El Paso, Texas 79926
937-0013

Poncho Garcia
Superintendent
Fabens Independent School District
P.O. Box 697
Fabens, Texas 79838
764-2025

Allen Keys
Fire Chief
**El Paso County Emergency Services
District #1**
14151 Nunda Ave.
El Paso, Texas 79927
(915) 852-3204

Frank Wood
President
Hacienda Del Norte Water District
13931 Sagebrush RR3
El Paso, Texas 79936
(915) 592-5888

Maria Diaz
Administrator of the Day
R.E. Thomason General Hospital
4815 Alameda
El Paso, Texas 79905
(915) 521-775
(915) 544-1200

Dr. Mike Quatrini
Superintendent
San Elizario Independent School District
P.O. Box 920
San Elizario, Texas 79848
(915) 872-3939

Dale Reinhart
Mayor
Town of Clint
P.O. Box 350
Clint, Texas 79836
(915) 851-3146

Dr. Michael Zolkoski
Superintendent
Ysleta Independent School District
9600 Sims Dr.
El Paso, Texas 79925-7295
(915) 434-0035

Luis Ortega
President
Paseo del Este MUD No. 10
c/o Ty Embry
816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 630-5158

Michael Breitingner
Director
El Paso Downtown Management District
P.O. Box 140
El Paso, TX 79980
533-2656

Dr. Edward Gabaldon
Superintendent
Clint Independent School District
14521 Horizon Blvd.
El Paso, Texas 79928
926-4001
926-4000

Walter Miller
Mayor
City of Horizon
14999 Darrington Rd.
El Paso, Texas 79927
(915) 852-1046

Dr. Damon Murphy
Superintendent
Canutillo Independent School District
P.O. Box 100
Canutillo, Texas 79835
(915) 877-3726

Franciela Vega
General Manager
**El Paso County Tornillo Water
Improvement District**
District P.O. Box 136
Tornillo, Texas 79853
(915) 764-2966

Art Franco
Mayor
Town of Anthony
P.O. Box 1269
Anthony, Texas 88021
(915) 886-3944

Mayor
Town of Socorro
124 S. Horizon Blvd.
Socorro, Texas 79927
(915) 858-2915

Lorenzo Barrios
President
Homestead Municipal Utility District
3668 Desert Meadows Dr.
El Paso, Texas 79938
(915) 857-1051

Madeleine Praino
Mayor
Village of Vinton
436 East Vinton Road
Vinton, Texas 79821

Doug Borrett, President
Paseo del Este Municipal Utility District #5
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Tom Hansen, President
Paseo del Este Municipal Utility District #7
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Manuel A. Quinones

Paul Vranish
Superintendent
Tornillo Independent School District
P.O. Box 170
Tornillo, Texas 79853
(915) 764-2820

Mario Aguilar,
General Manager
**El Paso County Lower Valley Water
District Authority**
10005 Alameda, Ste P
El Paso, Texas 79927
(915) 791-4480

Peter Sellers
President
**Paseo del Este MUD No. 11 (formerly El
Paseo County Municipal Utility District #2)**
C/o Ty Embry
816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 322-5800

Doug Borrett, President
Paseo del Este Municipal Utility District #2
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Lorraine Huit, President
Paseo del Este Municipal Utility District #6
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Manuel A. Quinones
Paseo del Este Municipal Utility District #8
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Paseo del Este Municipal Utility District #9

c/o Freeman & Corbett

8500 Bluffstone Cove, Suite B-104

Austin, TX 78759

(512) 451-6689

ATTACHMENT D
AMENDED AND RESTATED CONTRACT INTERLOCAL TAX COLLECTION

THE STATE OF TEXAS	}	<p style="text-align: center;">AMENDED AND RESTATED C O N T R A C T FOR CONSOLIDATED TAX COLLECTION</p>
	}	
COUNTY OF EL PASO	}	

This Amended and Restated Contract for Consolidated Tax Collection ("Amended and Restated Contract") made by and between the CITY OF EL PASO, TEXAS, hereinafter referred to as "City," and COUNTY OF EL PASO: EL PASO INDEPENDENT SCHOOL DISTRICT; YSLETA INDEPENDENT SCHOOL DISTRICT; EL PASO COMMUNITY COLLEGE; EL PASO COUNTY HOSPITAL DISTRICT; CITY OF SOCORRO; SOCORRO INDEPENDENT SCHOOL DISTRICT; CLINT INDEPENDENT SCHOOL DISTRICT; FABENS INDEPENDENT SCHOOL DISTRICT; TOWN OF CLINT; HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT; ; EL PASO COUNTY EMERGENCY SERVICES DISTRICT NO. 1; ANTHONY INDEPENDENT SCHOOL DISTRICT; TOWN OF ANTHONY; CANUTILLO INDEPENDENT SCHOOL DISTRICT; SAN ELIZARIO INDEPENDENT SCHOOL DISTRICT; TORNILLO INDEPENDENT SCHOOL DISTRICT; HACIENDA DEL NORTE WATER DISTRICT; LOWER VALLEY WATER DISTRICT ; EL PASO COUNTY EMERGENCY SERVICES DISTRICT NO. 2; EL PASO COUNTY TORNILLO WATER IMPROVEMENT DISTRICT; CITY OF HORIZON; EL PASO DOWNTOWN MANAGEMENT DISTRICT; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 10; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 1; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 3; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 11; VILLAGE OF VINTON; EL PASO COUNTY WATER CONTROL & IMPROVEMENT (FABENS) DISTRICT #4; ; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 2; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 5; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 6; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 7; PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 8; and PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT NO. 9 or some of them and others who may join, hereinafter referred to "Entity," or collectively as "Entities".

WHEREAS, the Legislature of the State of Texas has enacted certain legislation empowering political subdivisions of the state to enter into contracts for the consolidated effort of assessing and collecting property taxes; and

WHEREAS, such consolidated effort in the assessment and collection of taxes is beneficial to both the City and the Entities, as well as to the general public; and

WHEREAS, the City and the Entities have entered into a contract for the City's collection of property taxes on behalf of each Entity ("Prior Contract") prior to the date of this Amended and Restated Contract; and

WHEREAS, the City and Entities desire to amend the Prior Contract to amend certain terms and conditions of such consolidated tax collection.

WITNESSETH:

NOW, THEREFORE, it is mutually agreed as follows:

1) SCOPE OF SERVICES. The parties agree that the City will, pursuant to the Property Tax Code, act as Assessor Collector for each Entity and determine the total assessed value and taxable value of the property taxable by the Entity, except that the County Tax Assessor Collector will continue to perform the assessing functions for the County. The parties further agree that the City will collect all taxes for the Entities on all properties within their boundaries. It is agreed that the City Tax Assessor Collector has authority to make refunds for the Entities as appropriate under Section 31.11 and Section 42.43 of the Texas Property Tax Code provided that all refunds in excess of \$2,500 must have the approval of City Council and that each Entity will be notified of any refund for the Entity.

2) SERVICE COSTS. For the services set forth above, participating entities agree that they will pay to the City a Cost-Per- Parcel share of the City Tax Office's budget that is dedicated to

provide property tax collection services to the participating Entities. The City Tax Office budget will be determined and approved by the governing body of the City of El Paso. The Cost- Per- Parcel of each Entity will be calculated annually by dividing the City Tax Office budget for property tax collections by the total number of property tax accounts of the participating Entities as determined by the El Paso Central Appraisal District. Each participating Entity will be responsible for paying each year the Cost-Per-Parcel multiplied by the total number of parcels of that participating Entity.

On or before April 20 of each year during which this Amended and Restated Contract is effective, the City will submit to each participating Entity a preliminary estimate of the Costs-Per- Parcel for the services for the following budget year. The parties agree that the consolidated effort is to their mutual benefit and to the benefit of their respective taxpayers, and also agree that the calculation of payments set forth above provides for reasonable and adequate consideration for services performed under this Amended and Restated Contract. The parties further recognize that the County Tax Assessor Collector has certain constitutional duties and functions which cannot be abrogated by contract to the City. In return for performing those necessary functions, the City agrees during the County's participation in the consolidated tax effort to reimburse to the County on a monthly basis, within 30 days after being invoiced by the County, the indirect costs and personnel costs incurred by the County Tax Assessor Collector in performance of those constitutional duties and functions. The City's costs covered by the payments set forth above shall include, but shall not be limited to, such costs as salaries, normal travel expenditures for tax purposes, education, licenses or other fees required by the State of Texas, appropriate supplies and other items necessary for the appropriate and efficient performance of the City's duties herein.

In addition to payments set forth above, each Entity expressly agrees:

- (a) To pay the cost of reprocessing and mailing tax notices if the Entity incurs a rollback or other modification of its tax rate; and
- (b) To pay such actual costs as may be incurred by City in preparation and mailing of separate tax statements if City shall determine that such separate tax statements are necessary because Entity has failed to adopt its tax rate by October 15 of the tax year in question and thereby caused an unreasonable delay in the preparation of consolidated tax statements; and
- (c) That City shall retain any and all revenues received for the preparation and issuance of tax certificates.

The Entities, (except the County), agree to pay their respective Cost-Per-Parcel on an annual basis, within 30 days of receipt of invoice from the City. The County agrees to pay its respective share of the service costs on a monthly basis, within 30 days of receipt of invoice from the City. Such invoices shall not exceed the costs established in this Section 2.

3) ADVISORY COMMITTEE. An Advisory Committee ("Committee") of non-elected officials formed by contract dated August 28, 1984 as amended shall continue to review all costs and make recommendations for an annual budget and monitor the general performance of the tax collection process. An annual notice of the meeting of the Committee shall be sent by the City to all participating Entities by February 1 of each year.

The Committee is to be composed of eight (8) members: one (1) member appointed by the Mayor of the City, one (1) member appointed by the County Judge, one (1) member appointed by City Council, one (1) member appointed by County Commissioners Court, one (1) member

appointed by the El Paso Independent School District, one (1) member appointed by Ysleta Independent School District, and two (2) members appointed jointly by the other Entities which are a party to this agreement. In addition, the City Tax Collector and the County Tax Assessor Collector shall serve as ex-officio members of this Committee without power to vote and shall not be counted for purposes of determining a quorum. The members shall serve four-year staggered terms, and may be reappointed. The representatives of Ysleta ISD, El Paso ISD, the County Judge and the Mayor shall serve on one staggered four-year cycle and the other representatives shall serve on the alternate cycle. The Committee shall elect its chairperson, meet regularly, and submit reports and recommendations to the City and the Entities. This Committee shall be advisory only, and nothing herein shall be construed to result in delegation of any decision making authority to the Committee by any of the parties. In the event any Entity specifically referenced in this paragraph shall decline to join or shall terminate while the consolidated effort continues, its appointment shall lapse. In the event an Entity not specifically referenced in this paragraph shall decline to join or terminate while the consolidated effort continues, any appointment by such Entity shall resign and a successor shall be appointed by the remaining Entities not specifically referenced in this paragraph.

4) REPORTS. The City shall provide to the Entities computer reports as provided in Attachment "A."

5) TAX NOTICES AND STATEMENTS. Tax notices and statements will be mailed in a form complying with requirements of the laws of the State of Texas, on all property accounts of the Entities by the City in an accurate and timely manner, and no later than October 15 of each year, as provided by law. Each Entity shall submit its tax rate to the City no later than September 15 of each year; provided that if required by law, the City or County has officially calculated the Entity's effective tax rate at least 15 days prior to that date (Independent School Districts will calculate their

own effective tax rates as required by law). If an Entity's tax rate has not been set by the Entity by-October 1, the Entity shall advise the City whether the mailing of statements or notices shall be delayed. If there is a delay in the mailing of the statements or notices occasioned by the conduct of any Entity, the Entity shall pay the actual cost incurred resulting from the delay, including the cost, if any, of mailing separate statements. Any delay desired by the City in mailing its own property account notices shall not be cause to delay the requirement for mailing the Entities' notices by October 15 without written permission from the Entity. Any delay in the time schedule set forth above occasioned by the Central Appraisal District shall extend each respective date by an equivalent length of time.

6) METHOD OF COLLECTION. To the extent financially feasible the City shall use the most advanced and efficient methods available for the collection of taxes during the term of this contract. The procedures will be submitted to the Committee for review and recommendations. During participation by the County such procedures shall include a provision for acceptance of payments at the County Tax office and substations. Any documented shortages and/or overages in such payments to the County Tax Office will be audited and made whole by the County Tax Offices, with the approval of the City Tax Office and the City Internal Auditor. The City will not reimburse the County for personnel or other costs incurred by the County in accepting such payments. Further, regardless of where payments are received, no Tax Certificates shall be issued, except by the City Tax Office.

7) DISTRIBUTION OF FUNDS. Funds will be accounted for and distributed weekly to the Entities, except during the peak period of December 15 thru January 31, during which time funds collected will be distributed no less than Monday, Wednesday and Friday of each week. The Entities will be responsible for making special arrangements whenever their normal working hours

would not allow such a schedule. The funds to be accounted for will be designated as funds out of the current year of collection or for delinquent collection.

8) COLLECTION OF DELINQUENT TAXES. The City shall collect delinquent taxes for the Entities and agrees to collect all penalties, interest, and attorney's fees authorized under Texas law and all interest, penalties, and fees collected shall be forwarded to the Entities on a timely basis by electronic means or otherwise. The procedure for the collection of delinquent taxes shall be reviewed by the Committee. The City reserves the right to contract, as provided under Section 6.30 of the Texas Property Tax Code, with an attorney to collect taxes for any Entity having complied with Section 33.07 of the Texas Property Tax Code.

9) INDEMNITY. The Entities agree, to the extent allowed by law, to indemnify and hold harmless the City for any and all claims, liabilities, and expenses incurred as a result on any Entity's breach or nonperformance of this contract and its obligations or for the negligence of any officer, agent or employee of any Entity. The City agrees, to the extent allowed by law, to indemnify or hold harmless the Entities for any and all claims, liabilities, and expenses incurred as a result of City's breach or nonperformance of this contract and its obligations or for the negligence of any officer, agent, or employee of the City. In the event any such liability occurs, all parties agree to comply with Constitutional and Statutory requirements for the satisfaction of debts.

10) EFFECTIVE DATE. The parties agree that the commitment of each Entity one to the other is consideration for the promise to participate of each Entity to amend the 1986 contract as set forth in this Amended and Restated Agreement. The terms of the Amended and Restated Contract will become effective as to all signatories at such time as it is signed by the City following the execution of the Entities (the "Restated Effective Date").

11) RENEWAL AND TERMINATION. This contract shall be in effect for one year following the Restated Effective Date until August 31 of the first following calendar year, and shall be automatically renewed thereafter on a year to year basis and remain in effect until terminated by mutual consent of the parties or by effective written notice of any party. Notice of termination by any Entity received by the City on or before May 10 shall constitute effective notice of termination as to such Entity only, as of the following August 31. Notice of termination by the City received by one or more Entities before May 31 shall constitute effective notice as to such Entity or Entities only as of the following August 31. The parties agree to cooperate in the process of providing or allowing access to all necessary records, data, or other information necessary for the Entities to continue the collection of taxes in another manner. The Entities shall reimburse the City for any additional costs incurred by the City in providing them with this information.

12) NOTICE. Notice to parties under this contract shall be sent by certified mail, return receipt requested, to those persons identified in Attachment "B" attached hereto and incorporated herein for all purposes and to such persons as may be identified for purposes of notice by Entities which have joined in the agreement by counterpart and may not be represented in Attachment "B."

13) SEVERABILITY. If any part of this agreement is held to be illegal, such part shall be deemed severable and the remaining parts shall nevertheless be binding.

14) ENTIRE AGREEMENT. This agreement constitutes the entire agreement between the parties and any prior understandings, written or oral agreements between them are merged into this agreement.

15) INSPECTION OF RECORDS. The City shall supply to all Entities a copy of the independent annual audit of the City Tax Collector. The fiscal records of the City made and kept

pursuant to this agreement are available for inspection by the Entities at times mutually convenient to the City and an Entity. Any cost of such inspection shall be borne by the Entity.

16) EXECUTION. This agreement may be executed jointly or in counterpart and the authorized signature upon a counterpart of any Entity whether or not named above creates the same binding commitment between the parties as if the Entity had jointly executed this document if the counterpart is duly executed by the City.

/Signature Page to follow/

WITNESS our hands this _____ day of _____, 2013.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Sol M. Cortez
Assistant City Attorney

APPROVED AS TO CONTENT:

David Childs
City Tax Assessor Collector

ATTEST:

PASEO DEL ESTE MUNICIPAL
UTILITY DISTRICT NO. 9

By: _____

By: _____
Manuel A. Quinones
President of the Board of Directors

WITNESS our hands this _____ day of _____, 2013.

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Sol M. Cortez
Assistant City Attorney

David Childs
City Tax Assessor Collector

ATTEST:

ENTITY:

Paseo del Este mcd 9

By: _____

By: _____

[Signature]
Presiding Officer

ATTACHMENT A

THE FOLLOWING REPORTS WILL BE AVAILABLE ON A DAILY BASIS:

1. **DISTRIBUTION REPORTS:**

Based on each taxing entity's pro-rata share of the taxes due, a distribution of the entity's taxes collected will be produced. A detailed listing of each payment and descriptive information about the parcel and the taxes paid can also be generated upon request.

THE FOLLOWING REPORTS WILL BE AVAILABLE ON A MONTHLY BASIS:

1. **ACCOUNTS RECEIVABLE SUMMARY REPORT:** The A/R Summary Report summarizes all of the tax collection activity for a particular period.
2. **AUDITOR'S TRANSACTION SUMMARY:** The Auditor's Transaction Summary lists the types of transactions processed in the tax collection system with the total number of transactions and total amount of money for each taxing entity.
3. **LEVY CHANGES REPORT:** All transactions listed in the tax collection system that cause an increase or decrease in the amount of the original levy are detailed in this report.
4. **DAILY DEPOSIT RECAP REPORT:** This report covers batches which have distribution dates within a selected period.
5. **TOTALS BY TAX YEAR BY ENTITY REPORT:** This report prints a summary of balance of accounts by year as of the date the report is run.
6. **LEGAL TRANSACTIONS BY ENTITY:** This report provides information on how much is owed to individual entities and the amounts owed on accounts with legal codes.

THE FOLLOWING REPORTS ARE OPTIONAL AND AVAILABLE UPON REQUEST:

1. **ACCOUNTS RECEIVABLE REGISTER:** The Accounts Receivable Register lists all accounts in the tax collection system. This report is generated on a quarterly basis.

ATTACHMENT A

Page 2

REPORTS AVAILABLE UPON REQUEST (Continued):

2. TAX ROLL: A tax roll which lists the property for each taxing entity including calculations of taxes calculated and exemptions are deducted to determine the taxes due will be made available to each taxing entity.

A taxing entity summary showing assessment data, tax date and exemption data can be generated upon request.

3. DELINQUENT TAX ROLL: The Delinquent Tax Roll lists all accounts that have become delinquent.
4. LEGAL EXCEPTION REPORT: If an account has a repayment agreement for delinquent monies, it is subject to review on a periodic basis. This report lists any account that does not show the appropriate payment has been made as per the agreement.

ATTACHMENT B
TAXING ENTITY OFFICIALS

Joyce Wilson
City Manager
City of El Paso
P.O. Box 1890
El Paso, Texas 79950-1890
(915) 541-4844

Veronica Escobar
County Judge
County of El Paso
500 E. Overland
El Paso, Texas 79999
(915) 546-2047

Dr. William Serrata
President
El Paso Community College
P.O. Box 20500
El Paso, Texas 79998
(915) 775-6044

Vernon L. Butler
Interim Superintendent
El Paso Independent School District
P.O. Box 20100
El Paso, Texas 79998-0100
(915) 779-3781

Benny Davis
President
Horizon Regional Municipal Utility District
1539 Pawling
El Paso, Texas 79927
(915) 852-3917

Ron Haugen
Superintendent
Anthony Independent School District
P.O. Drawer B
Anthony, Texas 78021
886-6500, ext. 6501

Mario Aguirre
President
El Paso Water Control & Improvement District #4 (Fabens)
P.O. Box 3880
Fabens, Texas 79838-3880
764-2212

Bill Adler
President
El Paso County Emergency Services District #2
P.O. Box 744
Clint, Texas 79849
851-3138

Dr. Jose Espinoza
Superintendent
Socorro Independent School District
P.O. Box 27400
El Paso, Texas 79926
937-0013

Poncho Garcia
Superintendent
Fabens Independent School District
P.O. Box 697
Fabens, Texas 79838
764-2025

Marvin McLellan
President
El Paso County Emergency Services District #1
14151 Nunda Ave.
El Paso, Texas 79927
(915) 852-3204

Frank Wood
President
Hacienda Del Norte Water District
13931 Sagebrush RR3
El Paso, Texas 79936
(915) 592-5888

Tracy Yellen
Board Chair
El Paso County Hospital District
University Medical Center of El Paso
fka R.E. Thomason General Hospital
4815 Alameda
El Paso, Texas 79905
(915) 544-1200

Sylvia Hopp
Superintendent
San Elizario Independent School District
P.O. Box 920
San Elizario, Texas 79848
(915) 872-3939

Dale Reinhart
Mayor
Town of Clint
P.O. Box 350
Clint, Texas 79836
(915) 851-3146

Dr. Michael Zolkoski
Superintendent
Ysleta Independent School District
9600 Sims Dr.
El Paso, Texas 79925-7295
(915) 434-0035

Luis Ortega
President
Paseo del Este MUD No. 10
c/o Ty Embry
816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 630-5158

Bob Ayoub
President
El Paso Downtown Management District
201 E. Main St., Suite 107
El Paso, Texas 79901
(915) 400-2294

Dr. Edward Gabaldon
Superintendent
Clint Independent School District
14521 Horizon Blvd.
El Paso, Texas 79928
(915) 926-4001
(915) 926-4000

Walter Miller
Mayor
City of Horizon
14999 Darrington Rd.
El Paso, Texas 79927
(915) 852-1046

Annette Brigham
Interim Superintendent
Canutillo Independent School District
P.O. Box 100
Canutillo, Texas 79835
(915) 877-3726

Jose Luis Soria
President
El Paso County Tornillo Water Improvement District
P.O. Box 136
Tornillo, Texas 79853
(915) 764-2966

Art Franco
Mayor
Town of Anthony
P.O. Box 1269
Anthony, Texas 88021
(915) 886-3944

Jesus Ruiz
Mayor
Town of Socorro
124 S. Horizon Blvd.
Socorro, Texas 79927
(915) 858-2915

Madeleine Praino
Mayor
Village of Vinton
436 East Vinton Road
Vinton, Texas 79821

Mike McLean
President
Paseo del Este Municipal Utility District #5
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759
(512) 451-6689

Margaret Ruybe
Interim Superintendent
Tornillo Independent School District
P.O. Box 170
Tornillo, Texas 79853
(915) 764-2820

Rosalinda Vijil
President
Lower Valley Water District
10005 Alameda, Suite P
El Paso, Texas 79927
(915) 791-4480

Peter Sellers
President
Paseo del Este MUD No. 11 (formerly El Paso County Municipal Utility District #2)
c/o Ty Embry
816 Congress Avenue, Suite 1900
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(512) 322-5800

Doug Borrett
President
Paseo del Este Municipal Utility District #2
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8500 Bluffstone Cove, Suite B-104
Austin, Texas 78759
(512) 451-6689

Lorraine Huit, President
Paseo del Este Municipal Utility District #6
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Austin, TX 78759
(512) 451-6689

Tom Hansen, President
Paseo del Este Municipal Utility District #7
c/o Freeman & Corbett
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759

Manuel A. Quinones
President
Paseo del Este Municipal Utility District #8
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(512) 451-6689

Ken Weaver
President
Paseo del Este Municipal Utility District #3
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Austin, Texas 78759
(512) 451-6689

Jack Holford

President

Paseo del Este Municipal Utility District #1

c/o Freeman & Corbett

8500 Bluffstone Cove, Suite B-104

Austin, Texas 78759

(512) 451-6689

Manuel A. Quinones

President

Paseo del Este Municipal Utility District #9

c/o Freeman & Corbett

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Austin, Texas 78759

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