



City of Hutto

Agenda

Joint River Creek & Cottonwood Creek Meeting

Thursday, December 9, 2021 at 12:00 PM

City Council Chambers

In accordance with the Texas Open Meetings Act this meeting agenda is posted for public information, continuously, for at least 72 hours prior to the scheduled time of the meeting on the bulletin board located on the exterior wall of the City Hall building at 500 West Live Oak, Hutto, Texas. This meeting agenda is also accessible via the Internet at huttotx.gov

1. CALL SESSION TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

Any citizen wishing to speak during public comment may do so after completing the required registration form. The purpose of this item is to allow the residents of Hutto and other interested persons an opportunity to address the Board of Directors on agenda issues and on non-agenda issues that are a matter of the jurisdiction of the Board of Directors (i.e., City policy or legislative issues). Non-agenda issues regarding daily operational or administrative matters should be first dealt with at the administrative level by calling City Hall at (512) 759-4839 during business hours. Each person providing public comment will be limited to 3 minutes. Any citizen wishing to speak during public comment may do so after completing the required registration form. Written comments for this meeting may also be sent to comments@huttotx.gov PRIOR to 10:00 am on December 9, 2021. The email must include name, address, phone # and email to be recognized properly. Written comments will be provided to Board of Directors.

4. CONSENT AGENDA

- 4.1. Consideration and possible action on approving the September 28, 2021, Joint River Creek & Cottonwood Development Corporation meeting minutes.
- 4.2. Discuss and consider a joint resolution of the Cottonwood Development Corporation and the River Creek Development Corporation, both located in Hutto, Texas, authorizing the Kassab Law Firm to take all appropriate legal action to assert claims against McGinnis Lochridge, Partner Michael A. Shaunessy, Partner Bill Bingham, and others as necessary to recover damages resulting from their wrongdoing in the course of providing the local government corporations of Hutto, Texas with legal services; authorizing the Chair of each corporation to enter into and execute the joint contingent fee engagement agreement; making required findings; and providing an effective date.

5. ADJOURNMENT

6. CERTIFICATION

I certify that this notice of the Joint River Creek & Cottonwood Dev. Corp meeting was posted on the City of Hutto website and the City Hall bulletin board of the City of Hutto on December 6, 2021 at 10:30 A.M.



Holly Nagy

The City of Hutto is committed to comply with the Americans Disability Act. The Hutto City Council Chamber is wheelchair accessible. Request for reasonable special accommodations must be made 48 hours prior to the meeting. Please email the City Secretary's office at Gracie.Perez@huttotx.gov or call (512) 759-4033 for assistance.

Sec. 2254.1036. POLITICAL SUBDIVISION: CONTRACT NOTICE; APPROVAL BY GOVERNING BODY.

This notice is being given before or at the time of giving the written notice required by Section 551.041 for meetings of the City Council, and a Joint meeting of the Cottonwood Development Corporation and the River Creek Development Corporation (the three governmental bodies listed will be referred to jointly as "Parties")

The Parties are pursuing legal malpractice claims against its former attorneys and law firm seeking monetary damages for their failure to properly render legal services to the Parties. The Parties want to recover all monetary damages they are entitled, including monies spend in subsequent lawsuits which were a consequence of the legal malpractice suffered.

The Kassab Law Firm is a full-service boutique law firm staffed with legal malpractice lawyers concentrating solely on plaintiffs' legal malpractice law. The firm is located in Houston, Texas but represents both corporate entities and individuals in legal malpractice cases nationwide. Lance Christopher Kassab is Board Certified Diplomate of the American Board of Professional Liability Attorneys in Legal Professional Liability. Lance the founder of the firm, has over 23 years of experience handling and trying legal malpractice claims and has successfully handled well over two thousand (2,000) legal malpractice claims, many involving multi-million-dollar damages. The Kassab Law Firm is a family-run business as Lance is joined by his nephew David Eric Kassab, who together have represented hundreds of victims of legal malpractice for nearly a decade.

The attorneys and law firm selection have had no prior relationship with the City of Hutto or the LGC's and was recommended after the Chief Litigation Attorney for all the entities, conducted an evaluation of available services and selected the firm and attorneys based on demonstrated competence and qualifications to perform the services. The Chief Litigation Attorney also had no prior relationship with the attorneys or the firm before this instance. This method was government bodies was to have a trusted and experienced attorney to evaluate and make recommendations for City Council and Board approval and was intended to expedite selection. And, all three bodies desired to use the same firm as the claims overlap.

The political subdivision is serviced by contract attorneys, does not have full-time in-house legal support and the current contract attorneys do not have the requisite experience to pursue the claims involved.

Due to the nature of the claims, it is in the best interest of the government entities to pursue the claims on contingent fee basis rather than pay by the hour. In doing so, the city's claims can be pursued without a financial obligation on the members of the public no matter the outcome.

The Parties at this meeting will consider action to approve the contract in an open meeting called for the purpose of considering these matters

If approved the Parties will approve the contingent fee contract by resolution finding (1) there is a substantial need for the legal services; (2) the legal services cannot be adequately performed by the attorneys and supporting personnel of the political subdivision; and (3) the legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the services will be obtained or because the political subdivision does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees.

City of Hutto

MINUTES

Joint

River Creek Development Corporation

&

Cottonwood Development Corporation meeting

Tuesday, September 28, 2021 at 12:00

PM

City Council Chambers



In accordance with the Texas Open Meetings Act this meeting agenda is posted for public information, continuously, for at least 72 hours prior to the scheduled time of the meeting on the bulletin board located on the exterior wall of the City Hall building at 500 West Live Oak, Hutto, Texas. This meeting agenda is also accessible via the Internet at huttotx.gov

1. CALL SESSION TO ORDER- 12:01 PM

2. ROLL CALL

Chairman Tanner Rose, Vice Chairman Dan Thornton

Absent –Board member Mike Arismendez

3. PUBLIC COMMENT - None.

4. CONSENT AGENDA ITEMS

- 4.1. Consideration and possible action on approving the September 17, 2021, joint River Creek & Cottonwood Development Corporation meeting minutes.

Chairman Rose made a motion to approve item 4.1 as presented. Vice Chairman Thornton seconded the motion. The motion passed unanimously. (2:0)

5. OTHER BUSINESS

- 5.1. Reconsideration of River Creek Development Board action directing the suspension of PID payments pursuant to the Co-Op, Mustang Creek, and Cross Creek PIDs.

Vice Chairman Thornton made a motion to ratify Chair's direction to pay PID payments due September 2021 and rescind action to suspend PID payments for the Coop, Mustang Creek and Cross Creek PIDs. Chairman Rose seconded the motion. The motion passed unanimously. (2:0)

6. EXECUTIVE SESSION Entered: 12:04 PM

- 6.1. Deliberate and seek the advice of legal counsel regarding the pursuit of claims arising out of the delivery of legal services rendered to the city, from 2017 to 2019, pursuant to Section 551.071 of the Texas Government Code.
- 6.2. Deliberate and seek the advice of legal counsel pursuant to Section 551.071 of the Texas Government Code regarding litigation between River Creek Development Corporation and City of Hutto, Texas, Plaintiffs v. Kenneth Paxton Jr., Attorney General of Texas, Preston Hollow Capital, LLC, 79 HCD Development, LLC, Public Finance

Authority and U.S. National Bank Association, Defendants, in the District Court of Williamson County Texas, 425th Judicial District, Cause No. 21-0759-C425.

- 6.3. Deliberate and seek the advice of legal counsel pursuant to Sec. 551.071 of the Texas Government Code related to pending litigation, to wit: Preston Hollow Capital, LLC v. Cottonwood Development Corporation, et al; Case number 21-50389, filed in the U.S. Fifth Circuit Court of Appeals and Longhorn Title Company v. Preston Hollow Capital, LLC, et. al; pending in the District Court of Williamson County, Texas.

7. ACTION RELATIVE TO EXECUTIVE SESSION – Reconvened at 12:24PM

- 7.1. Consideration and possible action on legal advice received pursuant to Section 551.071 of the Texas Government Code regarding the pursuit of claims arising out of the delivery of legal services rendered to the city, from 2017 to 2019.

Chairman Rose made a motion to authorize the Chair to execute an engagement agreement with The Kassab Law firm to pursue claims arising out of the delivery of legal services rendered to the Corporations from 2017 through March 2020 subject to the agreement being approved by legal counsel representing the board and the Texas Attorney General's Office. Vice Chairman Thornton seconded the motion. Special Counsel George Hyde added that the motion applies to both corporations. The motion passed unanimously. (2:0)

- 7.2. Consideration and possible action on legal advice received pursuant to Section 551.071 of the Texas Government Code regarding litigation between River Creek Development Corporation and City of Hutto, Texas, Plaintiffs v. Kenneth Paxton Jr., Attorney General of Texas, Preston Hollow Capital, LLC, 79 HCD Development, LLC, Public Finance Authority and U.S. National Bank Association, Defendants, in the District Court of Williamson County Texas, 425th Judicial District, Cause No. 21-0759-C425. **No action taken.**

- 7.3. Consideration and possible action related to legal advice received pursuant to Texas Government Code Sec. 551.071 related to pending litigation, to wit: Preston Hollow Capital, LLC v. Cottonwood Development Corporation, et al; Case number 21-50389, filed in the U.S. Fifth Circuit Court of Appeals and Longhorn Title Company v. Preston Hollow Capital, LLC, et. al; pending in the District Court of Williamson County, Texas. **No action taken.**

8. ADJOURNMENT – 12:28PM

Passed and approved this 9th day of December, 2021.

Tanner Rose, Chair

Mike Arismendez, Secretary