



City of Hutto

Special Meeting Agenda

Cottonwood Development Corporation

Wednesday, January 22, 2025 at 5:30 PM

Executive Conference Room – 500 W. Live Oak Street

1. CALL SESSION TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

Please fill out required registration form before meeting. Public comment is limited to 3 minutes. Board can not talk about any items not on the agenda per state law. Written comments for this meeting may also be sent to comments@huttotx.gov PRIOR to 4:00 PM on January 22, 2025. The email must include name, address, phone # and email to be recognized properly. Written comments will be provided to the Board.

4. OTHER BUSINESS

4.1 Consideration and possible action on approving the following meeting minutes:

- a. June 11, 2020 Cottonwood Development Corporation
- b. December 9, 2021 Joint Cottonwood & River Creek Development Corporations
- c. November 14, 2022 Joint Cottonwood & River Creek Development Corporations
- d. June 15, 2023 Cottonwood Development Corporation
- e. June 20, 2024 Cottonwood Development Corporation
- f. December 19, 2024 Cottonwood Development Corporation

5. ADJOURNMENT

6. CERTIFICATION

I certify that this notice was posted in accordance with the Texas Open Meetings Act on the City of Hutto website (huttotx.gov) and the City Hall bulletin board (500 W. Live Oak Street) on January 17, 2025 before 5:30 P.M.




Laura Hallmark

The City of Hutto is committed to complying with the Americans with Disabilities 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 CitySecretary@huttotx.gov or call (512) 759-4839 for assistance.



City of Hutto

Minutes

Cottonwood Development Corporation Meeting Thursday, June 11, 2020 at 7:00 PM City Council Chambers

1. CALL SESSION TO ORDER: Meeting called to order at 7:00 P.M.
2. ROLL CALL: Members of the Board present were Chairman Doug Gaul, Board member Patti Martinez, and Vice Chair Dan Thornton.
3. PUBLIC COMMENT: None
4. AGENDA ITEMS:
 - 4.1. Consideration and possible action regarding minutes from the January 27, 2020 Cottonwood Development Corporation Board of Directors meeting.
MOTION: Board member Martinez made the motion to accept item 4.1 as presented. Vice Chair Thornton seconded the motion.
The motion passed 3-0.
 - 4.2. Consideration and possible action regarding minutes from the June 3, 2020 Cottonwood Development Corporation Board of Directors meeting.
MOTION: Vice Chair Thornton made the motion to accept item 4.2 as presented. Board member Martinez seconded the motion.
The motion passed 3-0.
 - 4.3. Consideration and possible action regarding Resolution No. 2020-034 Approving an Interlocal Agreement between the City of Hutto and Cottonwood Development Corporation.
MOTION: Board member Martinez made the motion to accept item 4.3 as presented. Vice Chair Thornton seconded the motion.
The motion passed 3-0.
5. EXECUTIVE SESSION Executive session began 7:05 P.M.
The Board of Directors for the City of Hutto Cottonwood Development Corporation reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by the Texas Government Code Sections 551.071 [Litigation/Consultation with Attorney], 551.072 [Deliberations regarding real property], 551.073 [Deliberations regarding gifts and donations], 551.074 [Deliberations regarding personnel matters] or 551.076 [Deliberations regarding deployment/implementation of security personnel or devices] and 551.087 [Deliberations regarding Economic Development negotiations].
 - 5.1. Receive legal advice concerning the Hutto Sports, Health and Entertainment

District in accordance with Tex. Govt. Code § 551.071; deliberations regarding Economic Development pursuant to Tex. Govt. Code § 551.087; and deliberate the purchase or sale of real property within the Hutto Sports, Health and Entertainment District.

6. RECONVENE TO OPEN SESSION at 7:43 P.M.
7. ADJOURNMENT at 7:45 P.M.

Randal Clark, Secretary

Dan Thornton, Chair



City of Hutto

Minutes

Joint River Creek & Cottonwood Creek Meeting

Thursday, December 9, 2021 at 12:00 PM
City Council Chambers

1. **CALL SESSION TO ORDER** Meeting called to order at 12:00 P.M.
2. **ROLL CALL** All members present for both corporations.
3. **PUBLIC COMMENT** None
4. **CONSENT AGENDA**
 - 4.1. Consideration and possible action on approving the September 28, 2021, Joint River Creek & Cottonwood Development Corporation meeting minutes.
MOTION: Vice Chairman Thornton made the motion to accept item 4.1 as presented. Board member Arismendez seconded the motion.
The motion passed 3-0.
 - 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.
MOTION: Vice Chairman Thornton made the motion to accept item 4.2 as presented. Board member Arismendez seconded the motion.
The motion passed 3-0.
5. **ADJOURNMENT** at 12:05 P.M.

Peter Gordon, Chair
River Creek Development Corporation

Dan Thornton, Chair
Cottonwood Development Corporation

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 and Cottonwood Development Corporation Meeting Monday, November 14, 2022, at 5:30 PM City Council Chambers

1. **CALL SESSION TO ORDER** at 5:30 P.M.

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 Community Development Corporation on agenda issues and on non-agenda issues (i.e., Corporation 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. (Note: The Texas Open Meetings Act, Texas Government Code, Chapter 551, prohibits governing bodies from fully discussion, debating, or considering subjects for which public notice has not been given on the agenda. Issues that cannot be referred to the Corporation Staff for action may be placed on the agenda of a future meeting.)

4. **EXECUTIVE SESSION**

The Board will now recess the open session meeting and reconvene in executive session pursuant to: Texas Government Code Section 551.071 (Legal Consultation) for the Cottonwood Board to deliberate and seek the advice of its attorneys regarding Longhorn Title Company, Interpleader v. Preston Hollow Capital, LLC., et al., pending in the 368th Judicial District, Williamson County, Texas; and for the River Creek Board to deliberate and seek the advice of its attorneys regarding River Creek Development Corporation, et al v. Paxton, et al, filed in the 425th Judicial District, Williamson County, Texas. **Board approved resolution after executive session, attached.**

5. **CONSENT AGENDA**

5.1 Approval of July 15, 2022 Meeting Minutes **Approved**

6. **ADJOURNMENT** at 5:45 P.M.

FOR RIVER CREEK DEVELOPMENT CORPORATION:

Randal Clark, Secretary

Peter Gordon, Chair

FOR COTTONWOOD DEVELOPMENT CORPORATION:

Randal Clark, Secretary

Dan Thornton, Chair



City of Hutto

Minutes

Cottonwood Development Corporation Meeting

Thursday, June 15, 2023 at 5:00 PM

City Council Chambers

Hutto City Hall

500 W. Live Oak Street

1. CALL SESSION TO ORDER

Meeting was called to order at 5:00 pm by Chairman Thornton.

2. ROLL CALL

Chairman Dan Thornton, Vice Chairman Peter Gordon, Board Member Randal Clark

3. PUBLIC COMMENT

None

4. ACTION ITEMS

- 4.1. Discussion and possible action approving minutes of December 23, 2022 and March 2, 2023 (Angela Lewis)

Motion by Board Member Gordon to approve the minutes, second by Board Member Clark. Motion passed 3-0.

- 4.3. Discuss and possible action appointing a Secretary/Treasurer for the Cottonwood Development Corporation (Chair Dan Thornton)

Motion by Board Member Clark to nominate himself as Secretary/Treasurer, second by Board Member Gordon. Motion passed 3-0.

- 4.4. Discuss and possible action appointing a Vice Chairman for the Cottonwood Development Corporation (Chair Dan Thornton)

Motion by Board Member Clark to nominate Board Member Gordon as Vice Chairman, second by Chairman Thornton. Motion passed 3-0.

- 4.2. Discussion and possible action relating to the Cottonwood Development Corporation FY23 Financial Report and proposed budget for FY 23/24 (Anne LaMere)

Motion by Board Member Gordon to set the budget at \$500,000 to cover any anticipated legal fees, second by Board Member Clark. Motion passed 3-0.

5. EXECUTIVE SESSION

- 5.1. Receive legal advice pursuant to Texas Government Code Section 551.071, (Consultation with Attorney), related to the Butler Loan Agreement with Cottonwood Development Corporation

No action was taken in Executive Session.

6. ACTION RELATIVE TO EXECUTIVE SESSION

- 6.1. Consideration and possible action on Executive Session Agenda Items

Motion by Board Member to approve, second by Board Member

Passed 3-0

7. ADJOURNMENT

Dan Thornton, Chairman

Angela Lewis, City Secretary



City of Hutto

Minutes

Cottonwood Development Corporation Meeting

Thursday, June 20, 2024 at 5:00

PM City Council Chambers

Hutto City Hall

500 W. Live Oak Street

1. **CALL SESSION TO ORDER** Meeting called to order at 5:01 P.M.
2. **ROLL CALL** Members of the Board present were Chairman Dan Thornton, Vice Chairman Peter Gordon and Board member Randal Clark.
3. **PUBLIC COMMENT** None
4. **ACTION ITEMS**
 - 4.1. Discussion and possible action relating to the Cottonwood Development Corporation FY24 Financial Report and proposed budget for FY 24/25. (Alberta Barrett)
MOTION: Board Member Clark made the motion to accept item 4.1 as presented. Chairman Thornton seconded the motion. The motion passed 3-0.
 - 4.2. Consideration and possible action on approving the June 15, 2023 Cottonwood Development Corporation Minutes (Amanda Taylor)
MOTION: Board Member Clark made the motion to accept item 4.2 as presented. Chairman Thornton seconded the motion. The motion passed 3-0
5. **ADJOURNMENT** Meeting adjourned at 5:04 P.M.

Randal Clark, Secretary

Dan Thornton, Chair

Cottonwood Development Corporation

FY 2025 Proposed Budget

	FY 2023 <u>Actual</u>	FY 2024 <u>Budgeted</u>	FY 2024 <u>Projected</u>	FY 2025 <u>Proposed</u>
<u>Revenues</u>				
Gain on Settlement of Debt	760,397	-	-	-
Total Revenues	760,397	-	-	-
<u>Expenses</u>				
Attorney Services	1,503,755	500,000	64,165	65,000
Interest Payments	1,532,289	-	-	-
Total Expenditures	3,036,044	500,000	64,165	65,000
<u>Transfers In</u>	8,326,764	-	65,540	65,000
Net Change in Fund Balance	6,051,117	(500,000)	1,375	-
Beginning Fund Balance	(6,052,492)	(1,375)	(1,375)	-
Ending Fund Balance	(1,375)	(501,375)	-	-



City of Hutto

Minutes

**Cottonwood Development Corporation Thursday,
December 19, 2024 at 5:30 PM
Council Chambers, City Hall - 500 W. Live Oak Street**

- 1. CALL SESSION TO ORDER – 5:33 PM**
- 2. ROLL CALL**

*Present: Dan Thornton, Peter Gordon
Absent: Randal Clark*

- 3. PUBLIC COMMENT**

There were no comments.

- 4. EXECUTIVE SESSION**

- 4.1. Pursuant to Texas Government Code section 551.071 (attorney consultation) to deliberate and seek legal advice regarding the following legal matter:
Cottonwood Development Corporation v Preston Hollow Capital, LLC, et. al, N). 03-22- 0735-CV, pending in the Texas Court of Appeals, Third District.

In Executive Session at 5:34 PM. Out at 5:57 PM.

- 5. ACTION RELATIVE TO EXECUTIVE SESSION**

- 5.1. Consideration and possible action related to Executive Session agenda items, listed above.

Motion by Peter Gordon, second by Dan Thornton, to approve the resolution as discussed in Executive Session to authorize our legal counsel Hyde Kelley LLP to continue to pursue relief the Corporation is entitled to, until obtaining a final judgment in the matter of Cottonwood Development Corporation vs Preston Hollow LLP. Motion passed 2:0.

- 6. ADJOURNMENT – 5:58 PM**

Randal Clark, Secretary

Dan Thornton, Chair