

Agenda of Public Notice

The Board of Trustees La Villa ISD



A Public Notice of the Board of Trustees of La Villa ISD will be held May 17, 2021, beginning at 6:30 PM in the La Villa Multi-Purpose Center, 500 E. 9th Street, La Villa, TX 78562.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice..

A. Public Audience

B. Notice of Public Meeting and Notice of Proposed Legal Services Contract

**NOTICE OF A PUBLIC MEETING &
NOTICE OF PROPOSED CONTRACT FOR LEGAL
SERVICES**

Notice is hereby given that a meeting of the Board of Trustees of La Villa Independent School District will be held on May 17, 2021, for the purpose of considering and taking action on all matters on the agenda for the meeting, including approval of an agreement with the law firms of O’Hanlon, Demerath & Castillo, PC and Raizner Slania LLP as special counsel to perform all legal services necessary to recover damages, court costs, and penalties as provided in the Texas Insurance Code, the Texas Civil Practice and Remedies Code, and other Texas statutory and common law for breaches of contract, tort claims (including negligence, misrepresentations, and/or fraud), violations of the Texas Insurance Code, and common law bad faith on a contingency fee basis.

The purpose of the agreement to pursue recovery of insured but unpaid property damages and losses sustained by La Villa Independent School District as a result of the Hurricane Hanna (2020) storm event. By way of this agreement, La Villa Independent School District seeks to recover damages, court costs, penalties, and other relief under Texas statutory and common law.

O’Hanlon, Demerath & Castillo, PC, is a Texas law firm with offices in Austin, San Antonio, Pharr specializing in representing school districts in all legal aspects, including construction defects and insurance recovery, and is fully qualified to represent La Villa Independent School District in this matter. O’Hanlon, Demerath & Castillo, PC regularly represents public school districts and other governmental entities, as well as commercial and private property owners, in matters of this type. Kevin T. O’Hanlon founded O’Hanlon,

Demerath & Castillo, PC in 2000 and has practiced law for over forty-three years. As founder and partner of O'Hanlon, Demerath & Castillo, PC, Mr. O'Hanlon is Board Certified in Civil Appellate Law and in Civil Trial Law by the Texas Board of Legal Specialization. Justin B. Demerath is the managing partner of the firm's contingent fee litigation department focusing on first party insurance and other contingent fee litigation. Firm partner, Benjamin Castillo is a native of Mercedes, Texas and the current leader of the Firm's Rio Grande Valley Office. Collectively, the firm's attorneys have decades of experience handling construction and insurance matters, beginning with pre-litigation analysis and advice, insurance coverage, and continuing through mediation and litigation or arbitration, and ending with final appellate resolution as may be necessary. O'Hanlon, Demerath & Castillo, PC possesses the competence, specialized experience, technology, resources and infrastructure to represent La Villa Independent School District in this matter.

Raizner Slania LLP is a Texas based law firm specializing in representing institutional and commercial policyholders in first party insurance litigation, and is fully qualified to represent La Villa Independent School District in this matter. Raizner Slania regularly represents commercial policyholders in litigation and arbitration involving all types of real estate structures, including schools, hospitals, special event facilities, office and industrial buildings and other construction. Jeff Raizner began his career at a Texas based global law firm representing the firm's energy, infrastructure, aviation, marine and professional services policyholder clients in disputed commercial insurance claims. He founded Raizner Slania in 2015, and a predecessor firm in 2002. He currently represents policyholders in over \$750 million in insured losses, and the firm has decades of experience handling insurance recovery matters, beginning with claim damage evaluation, pre-litigation negotiations, legal analysis, discovery, motion practice, mediation, litigation, arbitration and appeals. Mr. Raizner and his partners and colleagues collectively possess decades of experience handling high value commercial insurance litigation and arbitration, and the firm possesses the competence, specialized experience and resources to represent La Villa Independent School District in this matter.

Neither O'Hanlon, Demerath & Castillo, PC nor Raizner Slania, LLP have previously represented La Villa Independent School District on a contingency fee arrangement; O'Hanlon Demerath and Castillo, PC has previously represented La Villa ISD on an hourly basis serving as General Counsel beginning in 2013. Raizner Slania has not previously represented La Villa ISD in any capacity. Both O'Hanlon, Demerath & Castillo, PC and Raizner Slania, LLP have, and continue to represent, claimants with competence and professionalism for recovery of damages provided for under Texas statutory and common law.

The specialized legal services, advancement of expenses, and compensation on a contingent fee basis required by this agreement cannot be performed by the attorneys and supporting personnel of La Villa Independent School District because the District does not currently employ attorneys who have specialized knowledge and experience regarding property insurance coverage analysis and legal remedies under Texas law on a contingent fee basis. In addition, the District does not have budgeted the financial resources necessary to compensate competent and experienced attorneys and staff regarding property insurance law

as District employees or to reasonably compensate a firm in private practice with the necessary experience under a contract providing for payment on an hourly basis without contingency.

Due to the complexity of the matter and expected difficulties in performing the legal work for this matter, the risk of no recovery, the expected expenses, including expert witness fees and other litigation costs, a reasonable hourly fee for a firm in private practice to prosecute this matter would exceed the amount for which the District would be able to adequately budget and expend financial resources. The District also does not have the financial resources required to pay the additional, significant costs of implementing appropriate infrastructure and technology necessary to fully and properly perform the needed legal services. The District also does not have the financial resources required to properly pursue its claims and causes of action, including to retain independent experts as testifying witnesses and to finance all costs of litigation through final resolution of the matter. Additionally, many law firms that handle large, complex matters strictly on an hourly basis have institutional clients, including insurance companies, large construction companies, and adjusting or third-party administrations; and it would be difficult to find a firm that does not have a conflict of interest that would hinder the firm's ability to effectively represent the District. The proposed law firms have certified that they have no such conflict of interest in representing La Villa ISD.

The legal services cannot be reasonably obtained from attorneys in private practice charging hourly fees without contingency because a contract to pay attorneys on an hourly basis without contingency would represent an additional and significant cost to La Villa Independent School District. Furthermore, the District would be responsible for payment of all costs and expenses of the litigation through appeals, including to retain independent experts as testifying witnesses and to finance all discovery expenses and other costs of litigation through final resolution of the matter. The District does not have the financial resources necessary to pay for these additional and significant expenses necessitated by the specialized insurance recovery matter.

O'Hanlon, Demerath & Castillo, PC and Raizner Slania, LLP will be compensated on a contingent fee basis. Entering into the proposed agreement is in the best interests of the residents of La Villa, Hidalgo County, Texas. The District has sustained significant damages to property fully insured with taxpayer monies and for which there exists a potential recovery from those insuring the damages. O'Hanlon, Demerath & Castillo, PC and Raizner Slania, LLP possess the specialized skills, knowledge, experience, financial, and technological resources needed to competently and fully pursue maximum potential recovery of the District's damages. Furthermore, the proposed agreement enables the District to pursue its legal remedies without diverting essential monies and resources from the ongoing needs and operations of its students, staff, and community at large. In addition, the proposed agreement shifts the financial risk and burden of litigation costs and expenses to O'Hanlon, Demerath & Castillo, PC and Raizner Slania, LLP, with the District owing no such monies to the law firms unless and until it recovers monies. Moreover, Texas statutory and common law provide for penalty damages and for recovery of court costs, and for recovery of attorneys' fees for certain of the District's claims, including for breaches of contract and

violations of the Texas Insurance Code.

Additionally, time is of the essence in the provision of these legal services. Impending legal deadlines require urgent action by counsel under this agreement.

C. Adjourn Public Hearing

Agenda Items may be considered, deliberated and/or acted upon in a different order than numbered above. The Board of Trustees of the La Villa Independent School District reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the items listed on this agenda as authorized by the Texas Open Meetings Act. No action will be taken in Executive Session.

Public Input Policy: “During the meeting, the La Villa ISD will allow for an open public forum/ comment period. This comment period shall not exceed one- half hour (1/2) hour in length and each speaker will be allowed a maximum of five (5) minutes to speak. All individuals desiring to address the La Villa ISD must sign up to do so, prior to the open comment period. The purpose of this comment period is to provide the public an opportunity to address issues or topics that are under the jurisdiction of the La Villa ISD. For issues or topics which are not otherwise part of the posted agenda for the meeting, members may direct staff to investigate the issue or topic further. No action or discussion shall be taken on the issues or topics which are not part of the posted agenda for the meeting.

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on Friday, May 14, 2021 at 12:00 p.m. on the bulletin board at the La Villa ISD Administration Building.

Robert Muñoz
Superintendent of Schools