

**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 **Joshua Independent School District (“Joshua I.S.D.”)** will be held on **April 26, 2024** for the purpose of considering and taking action on all matters on the agenda for the meeting, including approval of a contingent fee contract for legal services with the law firm of Pearson Legal, P.C. 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 breach of contract, violations of the Texas Insurance Code, and common law bad faith.

The agreement to be considered is necessary for recovering the unpaid **loss damages** (“damages”) sustained by **Joshua I.S.D.** during **a hail/wind event on or around June 12, 2023**. By way of this agreement, **Joshua I.S.D.** seeks to recover damages, court costs, penalties, and other monetary relief provided in Texas statutory and common law.

Pearson Legal, P.C., a San Antonio law firm specializing in insurance recovery and construction defects is fully qualified to represent **Joshua I.S.D.** in this matter. Pearson Legal, P.C. regularly represents public school districts in matters of this type as well as other public and private entities, both commercial and residential. Matthew R. Pearson founded Pearson Legal, P.C. in 2019 and practiced law with other firms and partnerships for over twenty-five years. Having represented policyholders of all types, Pearson Legal, P.C. possesses the competence, specialized experience, technology, and infrastructure to represent **Joshua I.S.D.** in this matter.

Pearson Legal, P.C., was recommended by Leasor Crass, P.C., to **Joshua I.S.D.** for the recovery of **damages**. Leasor Crass, P.C. is a Texas law firm specializing in general school law and regularly represents public school districts and other governmental entities regarding general school law matters, such as employment, student matters, election issues, transactional matters, and governance issues including open meetings and public information. Leasor Crass, P.C. **has** previously represented **Joshua I.S.D.** in such school law matters for approximately twenty (20) years.

Pearson Legal, P.C. regularly represents public school districts and municipalities in matters of this type on a contingent fee contract but **has not** previously represented **Joshua I.S.D.** on a contingent fee contract for legal services. Pearson Legal P.C. has and continues to represent Texas public school districts with competence and professionalism for recovery of damages provided for under Texas statutory and common law.

The specialized legal services required by this agreement cannot adequately be performed by the attorneys and supporting personnel of **Joshua I.S.D.** due to the high cost of implementing the appropriate infrastructure and technology and employing sufficient attorneys and staff at the standard industry rates with the level of experience and competence necessary to perform these services and the anticipated amount of time and expense to reach a final resolution. The District also does not have the financial resources required to properly pursue its claims and causes of actions, including to retain independent experts as testifying witnesses and to finance all costs of litigation through final resolution of the matter.

The legal services cannot be reasonably obtained from attorneys charging hourly fees, including by the attorneys of Leasor Crass, P.C. or Pearson Legal, P.C., through final resolution of the matter because

a contract to pay attorneys on an hourly basis would represent an additional and significant cost to **Joshua I.S.D.** for which the District does not have financial resources available and necessary to pay the substantial estimated total amount of hourly legal fees. Furthermore, the District would be responsible for payment of all costs and expenses of the litigation through appeals, including to retain independent, specialized experts as testifying witnesses and to finance all discovery expenses and other costs of litigation through final resolution of the matter (collectively referred to as the “Insurance Litigation Expenses”). The District does not have the financial resources necessary to pay for these additional and significant Insurance Litigation Expenses necessitated by this specialized insurance recovery matter. Furthermore, the District was unable to locate any attorneys charging hourly fees, including the attorneys of Leasor Crass, P.C. or Pearson Legal, P.C., who were willing to assume financial responsibility for all of the Insurance Litigation Expenses during the course of litigation based on an hourly fee rate. This is because the law firm’s need to advance and finance the Insurance Litigation Expenses results in significant lost value of the law firm’s overall resources, given the significant risk of no recovery or reduced recovery of Insurance Litigation Expenses to be incurred to fully and adequately represent the District in the insurance litigation matter. In addition, the law firm would be unable to accept certain other work due to their personnel and financial resources being significantly committed to **Joshua I.S.D.**’s insurance litigation matter.

Pearson Legal, P.C. will be compensated on a contingent fee basis after review and approval by the Office of the Attorney General. Entering into the proposed agreement is in the best interest of the residents of **Joshua I.S.D.** The District has sustained significant storm damage to property paid for with taxpayer monies. The storm damage to the District’s facilities are covered damages under an insurance policy or contract, and there exists a potential recovery from those who are contractually obligated to pay for such covered damages. Pearson Legal, P.C. possesses the specialized skills, knowledge, experience, financial, and technological resources needed to competently and fully pursue maximum potential monetary 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 Pearson Legal, P.C., with the District owing no such monies to Pearson Legal, P.C., unless and until it recovers monies. Texas statutory and common law provide for penalty damages and attorney’s fees damages for certain claims, including certain claims asserted pursuant to the Texas Insurance Code and the Texas Civil Practices and Remedies Code. A contract to pay inside or outside attorneys on an hourly basis to a final resolution would represent an additional cost to **Joshua I.S.D.**

Entering into the proposed agreement is in the best interests of **Joshua I.S.D.** because recovery of **damages** will be competently and professionally pursued without additional costs to **Joshua I.S.D.** of implementing the appropriate infrastructure and technology and employing sufficient attorneys and staff with the level of experience and competence necessary to perform these services.