Case Summaries
January 9, 2026

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DECIDED CASES

4 Fams. of Hobby, LLC v. City of Houston, ___ S.W.3d ___, 2026 WL ___ (Tex. Jan. 9, 2026) (per curiam) [24-0796]

The issue in this case is whether Pappas is entitled to jurisdictional discovery in its challenge to the City of Houston's concessions contract with Areas for the Houston Hobby Airport.

Pappas previously oversaw concessions at the airport for over twenty years, pursuant to a contract with the City. The City solicited bids for a new airport concessions contract and awarded the contract to Areas. The City and Areas entered a contract making Areas the concessionaire at Hobby Airport. Pappas sued the City, seeking a declaration that the Areas contract was void because the City failed to comply with the competitive bidding procedures in Chapter 252 of the Texas Local Government Code.

The City filed a plea to the jurisdiction, arguing that the governmental immunity waiver in Chapter 252 does not apply because the contract does not require expenditures of more than $50,000 by the City. The trial court denied the City's plea. The court of appeals reversed and dismissed Pappas's Chapter 252 claim.

The Supreme Court reversed and remanded the case to the trial court for jurisdictional discovery. The Court held that Pappas is entitled to jurisdictional discovery because the contract could reasonably be read to require expenditures by the City of more than $50,000, depending on the facts. Jurisdictional discovery is therefore necessary for Pappas to have an opportunity to establish a genuine issue of material fact regarding whether the contract requires city expenditures in excess of $50,000 and thus triggers an immunity waiver under Chapter 252.

1 Coventry Court, LLC v. The Downs of Hillcrest Residential Ass'n, ___ S.W.3d ___, 2026 WL ___ (Tex. Jan. 9, 2026) (per curiam) [24-1047]

At issue in this case is whether a party waived its appellate rights by signing a settlement agreement, which the party claims is invalid.

1 Coventry Court, LLC sued The Downs of Hillcrest Residential Association over a dispute about a fence. Moments before trial, the parties executed a written document that included a provision stating that the parties would "execute a full and final settlement agreement."

After two months, the parties had not signed a final settlement agreement. The trial court entered judgment incorporating the pretrial agreement and ordered the parties to sign a final settlement agreement. Both parties proposed agreements, and each side refused to sign the other's agreement. The Association moved to hold Coventry in contempt, asserting that Coventry disobeyed the trial court's judgment by refusing to sign the Association's version of the agreement. The trial court held Coventry in contempt and ordered it to sign the Association's drafted settlement agreement. Coventry signed the agreement and appealed. The court of appeals dismissed Coventry's appeal, holding that Coventry relinquished its right to appeal by executing the final settlement agreement.

The Supreme Court reversed, holding that the court of appeals erred by accepting the settlement agreement at face value and treating its appellate waiver as conclusive. Because Coventry contested the validity of the settlement agreement that purported to waive its appellate rights, the court of appeals had an obligation to review the record to ascertain whether there was a valid waiver. The Supreme Court remanded the case to the court of appeals for further proceedings.

RECENTLY GRANTED CASES

Spectrum Gulf Coast LLC v. City of San Antonio, ___ S.W.3d ___, 2024 WL 3199166 (Tex. App.—Corpus Christi–Edinburg June 27, 2024), *pet. granted* (Dec. 19, 2025) [24-0794]

At issue is whether a contract provision requiring compliance with all laws incorporated a later enacted law prohibiting rate discrimination in certain utility-pole attachment agreements.

The City of San Antonio licensed Spectrum to use municipal utility poles to deliver telecommunications services at a per-pole rate. Unless otherwise terminated, the agreement would "continue in effect from year to year" and did so for over two decades. In a breach-of-contract suit, Spectrum alleged the City afforded preferential rates to a different telecommunications provider in violation of section 54.204 of the Texas Utilities Code. On the issue of breach, the trial court granted Spectrum's motion for partial summary judgment and denied the City's cross motion. The court of appeals reversed, holding that the rate-discrimination prohibition in section 54.204 was not incorporated into the parties' agreement under the compliance-with-laws provision because the law was enacted after the agreement's execution.

Spectrum's petition for review argues that the license agreement is an "evergreen contract" that annually incorporates newly enacted laws, including the rate-discrimination law, and because the City charged Spectrum a discriminatory

rate, it breached the agreement as a matter of law. The Supreme Court granted the petition.

Aldaco v. Wood, ___ S.W.3d ___, 2024 WL 4849743 (Tex. App.—Fort Worth 2024), *pet. granted* (Dec. 19, 2025) [24-1069]

At issue in this case is whether Aldaco's claims are barred by the two-year statute of limitations in the Texas Medical Liability Act.

Soren Aldaco is a biological female who experienced gender dysphoria as a teenager. When she was 19, Aldaco received telehealth counseling from Barbara Rose Wood for relationship issues. While counseling continued, Aldaco independently sought a double mastectomy at a clinic in Austin. The clinic required a recommendation letter from a practitioner before performing the surgery. At Aldaco's request, Wood wrote a letter for Aldaco and provided it to her in February 2021. In June 2021, Aldaco had a double mastectomy at the clinic.

Aldaco suffered complications from the surgery. In May 2023, Aldaco notified Wood that she intended to sue under the Texas Medical Liability Act. Shortly thereafter, Aldaco sued Wood for negligence and fraud. In the trial court, Wood moved for summary judgment, arguing that Aldaco's claims were outside the two-year statute of limitations because Wood wrote the letter for Aldaco more than two years prior to Aldaco's notification. The trial court agreed and granted summary judgment for Wood. The court of appeals affirmed, holding that the limitations period for Aldaco's claims ran from the date that Wood wrote the letter, not from the date that Aldaco had the surgery.

Aldaco filed a petition for review, arguing that the limitations period commenced from the date of her surgery because only then did the essential elements of her tort claims materialize. The Supreme Court granted her petition.

In re ACE Am. Ins. Co., ___ S.W.3d ___, 2025 WL 1093803 (Tex. App.—Dallas 2025), *argument granted on pet. for writ of mandamus* (Dec. 19, 2025) [25-0461]

The issue in this case is whether the trial court abused its discretion by denying a motion to compel an appraisal under an insurance policy.

A group of insurers provided commercial-property policies covering a warehouse. After the warehouse flooded, the parties disagreed about the scope and cost of the repairs, so the insurers invoked the policies' appraisal provision. When the property owners refused to participate, the insurers filed suit and moved to compel appraisal. The property owners asserted that appraisal was improper because the dispute concerned coverage issues, the insurers never took a clear position on the amount of the loss, and the insurers did not act in good faith. The trial court denied the motion, and the court of appeals denied mandamus relief.

The insurers sought mandamus relief in the Supreme Court, arguing that the trial court should have enforced the appraisal provision because the parties' dispute is over the amount of loss and that they lack an adequate appellate remedy. The Court granted argument on the petition for writ of mandamus.