

Bond Case Briefs

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PUBLIC CONTRACTING - TEXAS

4 Families of Hobby, LLC v. City of Houston

Supreme Court of Texas - January 9, 2026 - S.W.3d - 2026 WL 70833

Disappointed bidder on food and beverage concessions contract for airport brought action against city alleging, inter alia, city failed to comply with Local Government Code section requiring municipalities to use specific procurement methods for contracts requiring expenditure of over \$50,000, seeking declaratory judgment that concessions contract was void, and seeking temporary and permanent injunctions suspending concessions contract.

The District Court, denied city's plea to the jurisdiction without allowing bidder jurisdictional discovery.

City appealed. The Houston Court of Appeals reversed in part and rendered judgment dismissing bidder's Local Government Code claims. Bidder filed petition for review.

The Supreme Court held that bidder was entitled to jurisdictional discovery in connection with city's plea to the jurisdiction.

Disappointed bidder on food and beverage concessions contract for airport was entitled to jurisdictional discovery in connection with city's plea to the jurisdiction, in bidder's action alleging city failed to comply with statute requiring municipalities to use specific procurement methods for contracts requiring expenditure of over \$50,000; city's plea to the jurisdiction challenged existence of jurisdictional fact, namely, whether concessions contract required expenditure of more than \$50,000, and provisions of concessions contract requiring city to provide and maintain all utilities and to maintain all public areas and facilities could reasonably be read to require such expenditures.