



Agenda of Regular Meeting

The Board of Trustees McAllen Independent School District

A Regular Meeting of the Board of Trustees of the McAllen Independent School District will be held Tuesday, February 25, 2025, beginning at 5:30 PM Dr. Ricardo Chapa Board Room/Administration Building of the McAllen Independent School District, 2000 North 23rd Street, McAllen, TX 78501.

Items listed on this agenda may be taken in an order other than as shown on this agenda. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

At this meeting there may be discussion and action by the Board on the item(s) and subject(s) listed as follows:

1. **CALL MEETING TO ORDER**
2. **MOMENT OF SILENCE**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT(S)**
5. **SUPERINTENDENT'S REPORT(S)**
Presenter: Dr. René Gutiérrez, Superintendent
 - A) H-E-B honors two Teachers in State Awards
 - B) Local TV Station Presents Golden Apple award to Teacher
6. **NOTICE OF PUBLIC MEETING** and Notice of Proposed Contract for **4**
Legal Services under Texas Government Code § 2254.1036
Item Submitted: Johnathan Ball, Staff Attorney
Presenter: Dr. René Gutiérrez, Superintendent
7. **PROCLAMATION(S)**
 - A) Discussion and Possible Action to Adopt the Proclamation Regarding National **8**
Cerebral Palsy Awareness (March 2025) Item Submitted: Dr. Rosalba De Hoyos,
Associate Superintendent for Instructional Services
Presenter: Dr. René Gutiérrez, Superintendent
8. **CONSENT AGENDA ITEMS**
 - A) Discussion and Possible Action on Memorandum of Agreement No. **10**
2025-060 Care System with South Texas Health System Clinics

Item Submitted: Dr. Rosalba De Hoyos, Associate Superintendent for Instructional Services and Jeanette Nino, Associate Superintendent for Instructional Leadership

Presenter: Dr. René Gutiérrez, Superintendent

- B) Discussion and Possible Action on Request for Proposal No. 2025-1020 Fine Arts Equipment, Supplies, & Other Related Products and Services (Round 2 & 3) 18

Item Submitted: Dr. Albert Canales, Chief Human Resources Officer

Presenter: Dr. René Gutiérrez, Superintendent

9. INSTRUCTIONAL SERVICES/ INSTRUCTIONAL LEADERSHIP, HUMAN RESOURCES, BUSINESS AND OPERATIONS, AND BOARD OF TRUSTEES ITEMS

- A) **Instructional Services/ Instructional Leadership Item(s)** (Dr. Rosalba De Hoyos and/or Jeanette Nino)

1. Discussion and Possible Action on the 2025 Summer School Programs 20

Item Submitted: Dr. Rosalba De Hoyos, Associate Superintendent for Instructional Services

Presenter: Dr. René Gutiérrez, Superintendent

- B) **Human Resources Item(s)** (Dr. Albert Canales)

1. Report Regarding the McAllen Education Foundation 30

Item Submitted: Dr. Albert Canales, Chief Human Resources Officer

Presenter: Dr. René Gutiérrez, Superintendent

- C) **Business and Operations Item(s)** (Lorena Garcia)

- D) **Board of Trustees Item(s)**

1. Approval of Board of Education Meeting Minutes 32

- a) Regular Board Meeting February 11, 2025

10. RECESS TO CLOSED SESSION: Board of Trustees may go into Closed Session pursuant to Section(s) 551.071, 551.072, 551.074, 551.076, and 551.089 Texas Government Code, to discuss the following:

- A) Human Resources Recommendation(s) for School Year 2024-2025
B) Discussion of Human Resources Employee Resignation(s) and Retirees for School Year 2024-2025
C) Discussion of Participation in Multi-District Litigation involving Youth Social Media usage and related Litigation and entering into a Contingency fee Contract with O'Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC to represent the District (Texas Government Code §551.071)
D) Discussion Regarding School Safety and Security
E) Pending and/or Potential Litigation
F) Possible Real Estate Acquisition

11. RECONVENE IN OPEN SESSION

12. ACTION ON ITEM(S) IN CLOSED SESSION

- A) Discussion and Possible Action of Human Resources Recommendation(s) for School Year 2024-2025 33
Item Submitted: Dr. Albert Canales, Chief Human Resources Officer
Presenter: Dr. René Gutiérrez, Superintendent
- B) Discussion of Human Resources Employee Resignation(s) and Retirees for School Year 2024-2025 35
Item Submitted: Dr. Albert Canales, Chief Human Resources Officer
Presenter: Dr. René Gutiérrez, Superintendent
- C) Discussion and Possible Action of Consideration and Adoption of Resolution Approving Contingent Fee Legal Services Contract, including Findings Needed for Submission of Contingent Fee Legal Services Agreement and Request for Expedited Review by the Texas Attorney General 37
Item Submitted: Johnathan Ball, Staff Attorney
- D) Discussion and Possible Action of Consideration and Adoption of Contingent Fee Legal Services Agreement with O’Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC 40
Item Submitted: Johnathan Ball, Staff Attorney
- E) Discussion Regarding School Safety and Security
- F) Pending and/or Potential Litigation
- G) Possible Real Estate Acquisition
- 13. SCHEDULED MEETINGS**
- A) Special Board Meeting (Student Recognitions) February 27, 2025 5:30 PM Auditorium/McAllen High School
- B) Board Workshop (Budget Workshop #2) March 4, 2025 5:30 PM Dr. Chapa Board Room/Administration Building
- C) Regular Board Meeting March 11, 2025 5:30 PM Dr. Ricardo Chapa Board Room/Administration Building
- D) Special Board Meeting (Student Recognitions) March 27, 2025 5:30 PM Auditorium/McAllen High School

14. ADJOURNMENT

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

Pursuant to Texas Government Code 551.127, a member or employee of a governmental body is authorized to participate remotely in a meeting of the governmental body through a videoconference call, as long as a quorum of the governmental body is physically present at the location of the Board Meeting. Any video conference conducted pursuant to this section will comply with the technical requirements of this section.

Pursuant to Texas Government Code 551.129, the Board of Trustees may use a telephone conference call, video conference call, or communications over the internet to conduct a public consultation with its attorney in an open meeting of the governmental body, or, a private consultation with its attorney in closed meeting of the governmental body.

**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 McAllen Independent School District be held on February 25, 2025 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 Eiland & Bonnin, PC as special counsel to perform all legal services necessary to recover damages sustained by the District related to youth social media usage and any other action that may be necessary to pursue the best interests of the District in related litigation on a contingent fee basis.

The purpose of the agreement is to pursue any and all available causes of action in Multi District Litigation 3047 or JCCP 5255 seeking to recover damages due to youth social media usage and addiction sustained by McAllen Independent School District. By way of this agreement, McAllen Independent School District seeks to recover damages, court costs, penalties, and other relief under applicable law.

O'Hanlon, Demerath & Castillo, PC regularly serves school districts across the state of Texas in a general counsel capacity and maintains a principal office in Austin, Texas and also offices in Pharr, San Antonio and Fort Worth. The firm has litigated statewide high profile public education related cases such as the No Pass No Play, the A-F litigation and multiple Edgewood decisions related to the school finance system. After serving as General Counsel for the Texas Education Agency and litigating various high-profile issues for the public education system for the Attorney General of Texas, Kevin O'Hanlon founded the firm in 1992 to serve the needs of Public Entity clients. Justin Demerath operates a contingent fee litigation practice within the firm that regularly represents public entities on a contingent fee basis, often in the scope of property insurance disputes. Additionally, his practice has recovered millions of dollars in recovery in high-profile multi-district litigations, including Syngenta GMO Corn, General Motors ignition switch recall, Trans-vaginal mesh, and NFL concussion litigation, as well as serving in leadership of cases that garnered national attention like the Sutherland Springs Mass Shooting. O'Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel for the past year. O'Hanlon, Demerath & Castillo discussed the social media litigation with the District in the Autumn of 2024. O'Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District to consider the social media litigation.

Eiland & Bonnin, PC engages in complex contingent fee litigation which has required the investment of hundreds of thousands to millions of dollars of litigation expenses. Lawyers in the firm have served in past MDL leadership committees. The firm has worked in many high-profile litigations like the MGM Grand Las Vegas Mass Shooting, Syngenta GMO Corn, and BP Texas City Refinery Explosion. After 20 years of service as a member of the Texas House of Representatives for Districts 23 & 24, Craig Eiland has a unique understanding of what elected officials and public entities are confronted with when navigating complex litigation. Mr. Eiland regularly advises multiple Texas school districts in litigation. O'Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel for the past year. The inception of the relationship between Eiland & Bonnin

and the District began when O'Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District in the Autumn of 2024 to consider the social media litigation.

O'Hanlon, Demerath and Castillo, PC has served McAllen ISD in the role of General Counsel over the past year and as Special Counsel going back to 2004. O'Hanlon, Demerath and Castillo, PC has not previously represented McAllen ISD on a contingency fee arrangement. Eiland & Bonnin has not previously represented McAllen ISD on a contingency fee arrangement. Eiland and Bonnin, PC has not previously represented McAllen ISD in any capacity. O'Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC have, and continue to represent, claimants with competence and professionalism.

The specialized legal services, advancement of significant expenses, and compensation on a contingent fee basis required by this agreement cannot be performed by the attorneys and supporting personnel of McAllen ISD because the District does not currently employ attorneys who have specialized knowledge and experience regarding Multi-District Litigation and analysis and legal remedies under both Texas and federal law on a contingent fee basis. In addition, the District has not budgeted the financial resources necessary to advance the significant litigation expenses required by this type of litigation nor to compensate competent and experienced attorneys and staff regarding Multi-District Litigation 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 social media corporations, insurance companies, and social media corporations; and it would be difficult to find a firm with experience in this area 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 McAllen 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 McAllen ISD. 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 this social media multi-district litigation.

O’Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC will be compensated on a contingent fee basis. Entering into the proposed agreement is in the best interests of the residents of Hidalgo County, Texas. The District has sustained significant damages due to youth social media usage and addiction and for which there exists a potential recovery from the perpetrating social media corporations. O’Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC 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 Eiland & Bonnin, PC 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.

Additionally, time is of the essence in the provision of these legal services. Potentially impending legal deadlines require urgent action by counsel.

Posted this the 21 day of February 2025.

Dr. René Gutiérrez
Superintendent of the McAllen Independent School District

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**


MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: 
Maribelle Elizondo (Feb 18, 2025 09:25 CST)

SUPERVISOR: _____

Approved for presentation to the Board of Education:


RENE GUTIERREZ (Feb 18, 2025 15:24 CST)



Proclamation

State of Texas
County of Hidalgo
McAllen Independent School District

Whereas, March is National Cerebral Palsy Awareness Month. Cerebral Palsy is a neurological condition that affects muscle function and control. Currently worldwide, there are approximately 17 million people living with Cerebral Palsy. It is a life-long condition to which there is no cure, and

Whereas, The Cerebral Palsy organization was formed to ensure equal rights, accessibility and opportunities for those living with Cerebral Palsy, as well as access to resources that would improve an individual's quality of life.

Now Therefore, I, Debbie Crane Aliseda, Member, Board of Trustees of the McAllen Independent School District do hereby proclaim the month of March 2025 as:

“National Cerebral Palsy Awareness Month”

IN WITNESS WHERE OF, I have here unto set my hand and caused the seal of the McAllen Independent School District to be affixed on this 25th day of February 2025.

Debbie Crane Aliseda, Member, Board of Trustees
McAllen Independent School District

Attest:

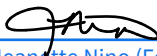
Erica De La Garza-Lopez, Secretary, Board of Trustees
McAllen Independent School District

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: Adrian Garza (Fam Treat)

SUPERVISOR: 
Jeanette Nino (Feb 19, 2025 14:16 CST)

SUPERVISOR: 
Rosalba De Hoyos (Feb 19, 2025 14:34 CST)

Approved for presentation to the Board of Education:

10 
RENE GUTIERREZ (Feb 20, 2025 08:03 CST)

Superintendent of Schools

**McALLEN INDEPENDENT SCHOOL DISTRICT
MEMORANDUM OF AGREEMENT NO. 2025-060 MCALLEN HOSPITALIST GROUP, PLLC
DBA SOUTH TEXAS HEALTH SYSTEM CLINICS**

This MEMORANDUM OF AGREEMENT (this Memorandum) is entered into between **McAllen Independent School District** (hereinafter referred to as “District”) whose address is 2000 N 23rd St., McAllen, TX 78501 and **McAllen Hospitalists Group, PLLC DBA South Texas Health System Clinics** (hereinafter referred to as “FACILITY”), for the purpose of establishing a continuity of care for persons in need of mental health services.

In consideration of the mutual agreements contained within this Memorandum of Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by both parties, FACILITY and District agree as follows:

**I.
District Obligations**

Services

- a. Identify and refer to FACILITY students in need of screening and assessment for behavioral health services.
- b. Provide FACILITY its employees or agents access to its campuses for the purpose of establishing a continuity of care system. Such person(s) shall be allowed campus access on an as-needed basis and at times and days mutually agreed upon by FACILITY and District.
- c. Collaborate with FACILITY worker(s) for the purpose of making referrals to FACILITY and for the purpose of providing continued care, assessments and treatment of those students identified as requiring services from FACILITY for behavioral health conditions.

Confidentiality

Subject to the Public Information Act, District must maintain the confidentiality of information received from the other during the performance of this Memorandum, including information which discloses confidential personal information or identifies any person served by FACILITY or any student or employee of District, in accordance with applicable federal and state laws.

District agrees to follow, undertake, or institute appropriate procedures of safeguarding client information with particular reference to client identifying information. The term “client identifying information” includes, but is not limited to, a client’s medical record, graphs or charts; statements made by the client, either orally or in writing, while receiving services; photographs, videotapes, etc.; any acknowledgment that a person is or has been a client of the FACILITY, FACILITY or other designated Contractor; and protective health information (PHI) as such term is defined by the federal Health Insurance Portability and Accountability Act (HIPAA), as amended. District agrees to comply with HIPAA and all regulations promulgated thereunder, including, but not limited to, all provisions governing the use and disclosure of PHI.

FACILITY will provide information requested by District related to FACILITY students participating in the Program unless prohibited by federal or state law. For purposes of this Agreement, pursuant to the Family Educational Rights and Privacy Act of 1974 (FERPA). FACILITY hereby designates District as a school official with a legitimate education interest in the educational records of the Students who

participate in the Program to the extent that access to the records are required by the District to carry out the Program. District agrees to maintain the confidentiality of the educational records in accordance with the provisions of FERPA.

Non-Discrimination

District will ensure that no person, on the basis of race, color, national origin, religion, sex, age, handicap, or political affiliation, will be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any of the policies of FACILITY subject to written consent of Districts students' parental consent. However, a child may consent to counseling for those provisions pursuant in Texas Family Code, Sec. 32.004.

II. FACILITY Obligations

Services

- a. Provide staff, at times mutually agreed upon by FACILITY and District, access to campuses for the purpose of conducting intake screenings and assessment of referrals by the District.
- b. Provide Crisis Assessments, eligibility determination and mental health services to the identified student/family population at the designated location or through home visitation.
- c. Collaborate with the District regarding provision of follow-up mental health services and assessments to eligible persons.
- d. Provide service linkage to students for behavioral health services.
- e. Provide services to District students and families who have been identified as being in need of these services, as capacity exists.
- f. FACILITY provide Licensed Professional Counselors (LPC) to provide services.
- g. All FACILITY employees assigned to assist the District shall hold the proper licenses and certifications to fulfill his/her job duties as mandated by FACILITY and/or the State of Texas.
- h. All FACILITY employees assigned to the District shall: (1) report to their FACILITY manager and follow his/her directives; (2) follow the duties and responsibilities outlined in this agreement; and (3) shall serve students that the District identifies as needing assistance through the referral system established by the District's Family Treatment Program.
- i. FACILITY employees will be given access to FACILITY information systems at the Satellite office and colocation campus sites.
- j. FACILITY agrees to provide to the District the names, social security numbers and dates of birth of any employee of FACILITY that will be provided access to District campuses and contact with students. This information shall be used for the sole purpose of conducting a criminal record check of the FACILITY employee as provided by District policy CH (Legal) and Sec. 22.083(b) of the Texas Education Code. Alternatively, FACILITY may provide proof or certification, satisfactory to the District, of a criminal record check of the FACILITY employee that was conducted within

the preceding twelve (12) month period. The District at its sole discretion shall determine if the FACILITY employee clears the criminal record check.

- k. Any access to student(s) of District shall be at times scheduled by FACILITY and the District's designee at each school campus of District. Access to a student must be accompanied by written parental permission delivered to District's designee at each campus of District if a student is a minor.
- l. In the course of providing Services during the term of this Agreement, if in an exceptional circumstance, FACILITY should obtain access to student education records that are subject to the Family Educational Rights and Privacy Act (FERPA) 20. U.S.C. 123g, et seq. and the regulations promulgated there under such information is considered confidential and is therefore protected. To the extent that FACILITY has access to 'education records' under this Agreement, it is deemed a 'school official' as each of these terms are defined under FERPA. FACILITY agrees that it shall not use education records for any purpose other than in the performance of the Agreement. Except as required by law, FACILITY shall not disclose or share education records with any third party unless permitted by the terms of the Agreement to subcontractors who have agreed to maintain the confidentiality of the education records to the same extent required of FACILITY under this Agreement.
- m. In the event any person (s) seek to access protected education records, whether in accordance with FERPA or other Federal or relevant State law or regulations, FACILITY will immediately inform District of such request in writing if allowed by law or judicial and/or administrative order. FACILITY shall not provide direct access to such data or information or respond to individual requests. FACILITY shall only retrieve such data or information upon receipt of, and in accordance with, written directions by the District and shall only provide such data or information to District. It shall be District's sole responsibility to respond to request for data or information received by FACILITY regarding District data or information. Should FACILITY receive a court order or lawfully issued subpoena seeking the release of such data or information. FACILITY shall provide immediate notification to District of its receipt of such court order or lawfully issued subpoena and shall immediately provide District with information, if allowed by law or judicial and/or administrative order
- n. If FACILITY experiences a security breach concerning any education record covered by this Agreement, then FACILITY will immediately notify District and take immediate steps to limit and mitigate such security breach to the extent possible. The parties agree that any breach of the confidentiality obligation set forth in this Agreement may, at District discretion, result in cancellation of said agreement. FACILITY agrees to indemnify and hold District harmless for any loss, cost, damage or expense suffered by District, including but not limited to the cost of notification of affected persons, as a direct result of the unauthorized disclosure of education records.
- o. Upon termination of this Agreement, FACILITY shall return and/or destroy all data or information received from District upon, and in accordance with, direction from District. FACILITY shall not retain copies of any data or information received from District once District has directed FACILITY as to how such information shall be returned to District and/or destroyed. Furthermore, FACILITY shall ensure that they dispose of any and all data or information received from District in a District-approved manner that maintains the confidentiality of the contents of such records (e.g. shredding paper records, erasing and reformatting hard drives, erasing and/or physically destroying any portable electronic devices).

III.
Payment

Facility will provide services to students at no charge to the District. The parent or the legal guardian of the student(s) will be responsible of the fees, if any, charged for services under this Memorandum and the Facility shall obtain written consent from the student's parent or legal guardian to impose fees for services to any such student prior to any imposition of any fee or charges for services provided.

IV
Insurance

District agrees to maintain at its sole cost and expense a comprehensive, general liability insurance policy and an error and omissions policy of insurance that covers District against any claim for damages, acts or omissions, which may arise in connection with this Memorandum, sufficient to meet the requirements of state law. In lieu of a commercial Worker's Compensation policy, the District provides worker's compensation coverage through a self-insurance program meeting statutory limit requirements. Upon request, the District will furnish copies of said insurance policies and a certificate of general liability and error and omissions, as well, a verification of coverage letter for workers' compensation (self-insured) insurance to FACILITY.

FACILITY agrees to maintain at its sole cost and expense a comprehensive, general liability insurance policy and an error and omissions policy of insurance coverage in order to insure FACILITY against any claim for damages, acts or omissions, which may arise in connection with this Memorandum, sufficient to meet the requirements of state law and workers' compensation insurance. Insurance coverage will include: Professional Liability (\$1,000,000 each claim and aggregate), Commercial General Insurance (Occurrence basis only) Bodily Injury and Property Damage Each Occurrence (\$300,000); General Aggregate (\$600,000); Products/Completed; Operations Aggregate (\$600,000); Personal and Advertising; Injury Occurrence (\$300,000) Damage Each Occurrence (\$100,000); FACILITY will furnish a certificate of insurance to District upon request.

Nothing in this Memorandum shall be construed or interpreted to mean that the parties are engaged in a partnership, joint enterprise, or other cooperative arrangement other than what is stated in this Memorandum. The parties agree that they are independent contractors and are not borrowing servants under this Memorandum. Nothing in this Memorandum shall be construed or interpreted to mean that this provision requiring insurance by the parties obligates the parties to list the other as a loss beneficiary on any of the above described policies.

V.
Indemnity

To the extent allowable by law, FACILITY shall indemnify and hold District, its officers, agents, and employees harmless from any liability or loss resulting from the negligent acts of omission of FACILITY, its agents or employees pertaining to the activities to then be carried out pursuant to the obligations of the Memorandum, including indemnifying District in relation to any incident that would, could, or might require use of Occupational Accident Policy and all provision provided in Section III of the Memorandum or for any injury to an employee of FACILITY in the course and scope of his/her employment with FACILITY on the premises of District that would have been covered by workers' compensation insurance if FACILITY were a subscriber pursuant to the Texas Labor Code.; provided, however, the FACILITY shall not hold District harmless from claims arising out of the negligence or willful malfeasance of District, its officers, agents, or employees,

or any person or entity not subject to FACILITY's supervision or control. District, to the extent allowed by law, shall indemnify and hold FACILITY, its officers, agents and employees harmless from any liability or loss resulting from the negligent acts or omissions of the District, its agents or employees pertaining to the activities to be carried out pursuant to the obligation of this Memorandum; provided, however, that District shall not hold FACILITY, its officers, agents, employees, or any person or entity not subject to District's supervision or control.

VI. Term

Term

This Memorandum will be effective on February 26, 2025, with an expiration on February 25, 2026. This Memorandum will automatically renew for one (1) additional year ending February 25, 2027, unless on or before the thirtieth (30th) day before the expiration of the original term, either Party provides to the other written notice of its desire not to automatically renew the Memorandum for the additional period. This Memorandum may be terminated prior to the end of its original term, or its extended term as provided herein.

VII. Miscellaneous

Amendments

This Memorandum of Agreement may only be amended by written agreement between District and FACILITY.

Termination

This Memorandum of Agreement may be terminated by either party upon ten (10) days written notice to the other party of its intent to terminate the Memorandum.

Assignment

No assignment of this Memorandum or the rights and obligations hereunder will be valid without the written consent of the non-assigning party.

Entire Agreement

This Memorandum of Agreement constitutes the entire agreement of the parties and supersedes any prior understandings or oral or written agreements between FACILITY and District on the matters contained herein. No modification, alteration, or waiver of any term, covenant, or condition of this Memorandum shall be valid unless in writing and executed by the parties hereto.

Notice

Except as expressly provided within this Memorandum, any notice required or permitted to be given under this Memorandum must be in writing and delivered in person or by registered or certified mail, return receipt requested, postage prepaid, to the individual and address shown below:

DISTRICT

Dr. René Gutiérrez
Superintendent
2000 N 23rd St.
McAllen, TX 78501

FACILITY

Todd Evans
Vice President – Physician Services, IPM
1800 S. 5th Street Suite A
McAllen, TX 78503

or to such other individual and address as provided in writing to the other party by the means specified above. The notice shall be effective on the date of delivery.

Other Agreements

FACILITY and District agree that this Memorandum of Agreement shall not constitute a modification, amendment, waiver or change of any of the terms of any prior agreements between these parties.

Texas Law

This Memorandum of Agreement shall be governed by and under the laws of the State of Texas and is performable in Hidalgo, County, Texas.

The parties have executed this Memorandum of Agreement on the dates set forth below their signatures

MCALLEN INDEPENDENT SCHOOL DISTRICT

SOUTH TEXAS HEALTH SYSTEM CLINICS

Sofia M. Peña
Board of Trustees President

Todd Evans
Vice President – Physician Services, IPM

Date: _____

Date: _____

Approved as to form:
McAllen ISD Staff Attorney


By: 
JOHNATHAN BALL (Feb 17, 2025 16:56 CST)
Johnathan Ball

Exhibit A

FACILITY Services

- A. Provide mental health services, assessment and screening to the student/family population at the student's home campus or any other location mutually agreed upon.
- B. Collaborate with the District regarding provision of follow-up mental health services and assessments to student(s).
- C. Provide services to District students who have been identified as being in need of these services.
- D. FACILITY will provide counseling services for MISD students at no charge to the District. The parent or the legal guardian of the student(s) will be responsible for the fees, if any, charged for services under this Agreement and the FACILITY shall obtain written consent from the student's parent or legal guardian to impose fees for services to any such student prior to any imposition of any fee or charges for services provided.

CPT Code	Description
90791	Biopsychosocial Assessment
90832	Individual therapy 30 minutes
90834	Individual therapy 45 minutes
90837	Individual therapy 60 minutes
90846	Family therapy w/o patient 50 min.
90847	Family therapy w/ patient 50 min.
90853	Group Therapy

Signature: 
Jeanette Nino (Feb 19, 2025 14:16 CST)

Email: jeanette.nino@mcallenisd.net

Signature: 
Rosalba De Hoyos (Feb 19, 2025 14:34 CST)

Email: rosalba.dehoyos@mcallenisd.net

Signature: 
RENE GUTIERREZ (Feb 20, 2025 08:03 CST)

Email: RENE.GUTIERREZ@mcallenisd.net

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**


MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: 
Debra Loya (Feb 17, 2025 16:59 CST)

SUPERVISOR: 
Alberto Canales (Feb 18, 2025 08:17 CST)

Approved for presentation to the Board of Education:


RENE GUTIERREZ (Feb 18, 2025 10:44 CST)

RECOMMENDED VENDORS

Request for Proposal No. 2025-1020 Fine Arts Equipment, Supplies, & Other Related Products and Services (Round 2 & 3)

No.	Responding Supplier	City	State	Recommendation
1	Barbizon Light of the Rockies, Inc.	Denver	CO	Qualified
2	Kent Summerour Designs (Field Dots, LLC)	Arlington	TX	Qualified
3	Kevin Leon Nix	Plano	TX	Qualified
4	The Costume Closet	Sherman	TX	Qualified
5	West Music Company	Coralville	IA	Qualified
6	Bandworx LLC (Jarrett E. Lipman)	Austin	TX	Qualified
7	Cheerleading Company, Inc.	Dallas	TX	Qualified

Signature: Alberto Canales
Alberto Canales (Feb 18, 2025 08:17 CST)

Email: albert.canales@mcallenisd.net

Signature: René Gutierrez
RENE GUTIERREZ Feb 18, 2025 10:44 CST)


Email: RENE.GUTIERREZ@mcallenisd.net

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: *Dr. Cynthia Olivarez*
Dr. Cynthia Olivarez (Feb 18, 2025 10:15 CST)

SUPERVISOR: 
Rosalba De Hoyos (Feb 18, 2025 11:16 CST)

Approved for presentation to the Board of Education:

Beni Gutierrez
RENE GUTIERREZ (Feb 18, 2025 15:25 CST)

Signature: 
Rosalba de Hoyos (Feb 18, 2025 11:16 CST)

Email: rosalba.dehoyos@mcallsisd.net

Signature: 
RENE GUTIERREZ (Feb 18, 2025 15:25 CST)

Email: RENE.GUTIERREZ@mcallsisd.net



2025 Summer School Program

Enhancing Education and Student Success

Board Presentation - February 25, 2025

Dr. Cynthia Olivarez, State and Federal Programs Director



Welcome to Our Summer Program!



The purpose of our McAllen ISD Summer Program is to provide remediation (3 -12) and enrichment opportunities for McAllen ISD students in grades K -12.

Start Date: Monday, June 9, 2025

End Date: Friday, June 27, 2025

Duration: 15 Days, Monday -Friday

Instructional Time: 8:00-12:30 * (includes lunch time)



Bilingual Program Required²³ 16-days for Summer Program: June 6-27, 2025

*STC Dual Enrollment classes morning and afternoon

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
1	2	3	4 	5 	6 	7	
8	9 First Day of Summer Programs	10	11	12	13	14	
15	16	17	18	19	20	21	
22	23 	24 	25 	26 	27 Last Day of Summer and Bilingual Programs 	28	
29	30	 <p>District will administer STAAR testing June 23 -27 to allow for two weeks of Tutorials.</p> <p>STAAR Summer Administration window: June 17 -27.</p>					

June 2025



2025 Summer School Sites



Elementary Sites*

- Escandon
 - Alvarez
 - Houston
 - Roosevelt
 - Seguin
 - Thigpen -Zavala
- Jackson
 - Fields
 - Gonzalez
 - Perez
 - Rayburn
 - Wilson
- McAuliffe
 - Castañeda
 - Garza
 - Hendricks
 - Milam
 - Sanchez



Middle School Site

- De Leon MS



High School Sites

- McHi
- Memorial
- Rowe
- AECHS



STC Dual Enrollment

- AECHS



Navarro Parent Center

- Migrant Summer Program
- Parent Summer Classes
and childcare





Summer 2025 Elementary McFun Sites*

- Alvarez
- Fields
- Garza
- Milam
- Roosevelt



Daily Meals and Transportation



McAllen ISD Child Nutrition department will provide breakfast and lunch at all Summer Program Sites.

Meals will also be provided to McFun sites.



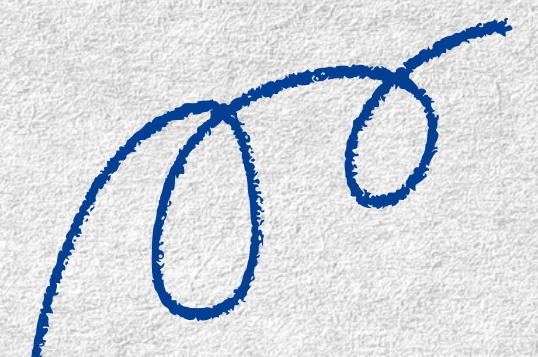
McAllen ISD Transportation department will provide transportation to all Summer School Program sites. Pick-up and Drop-off will be from student's home school campus.



Summer School/Program Position	Remediation Hourly Pay Rate	Enrichment Hourly Pay Rate
Summer School Director	\$45	-----
Program Lead Teacher	\$41	\$33
Teacher/Coach	\$40	\$32
Instructional Assistant	\$13	\$12
Instructional Assistant for Tech Support	\$13	\$12
Counselor	\$36	-----
Registered Nurse	\$36	-----
Health Assistant/LVN	\$22	-----
Summer School Secretary	\$15	-----
Office Clerk	\$13	-----
Social Worker	\$33	-----
Graduation Specialist	\$33	-----
Parent & Family Engagement Specialist	\$33	-----
STAAR Test Administrator/Proctor	-----	\$40
Parent Educator (degreed & certified) (Parent and Family Engagement Program)	-----	\$32
Parent Educator (non-degreed) (Parent and Family Engagement Program)	-----	\$15
Child Care Aide (Parent and Family Engagement Program)	-----	\$13
Part-Time Clerk (Parent and Family Engagement Program)	-----	\$10
Bus Drivers	current hourly rate	
Bus Aides	\$12	
Child Nutrition Workers	current hourly rate	
Child Nutrition Asst Managers/Managers	current hourly rate	
Teacher/Professional/Paraprofessional Support Staff Staff Development/Workday	6 hours - \$100/day (Under 6 hours - \$16.67 hour)	
Professional/Paraprofessional Summer School Registration	\$14	
Substitute Pay (for degreed and certified)	\$20	
Tutors – Certified Teachers	\$25	
Tutors – Non-certified, bachelor’s degree	\$20	
Tutors- College students	\$12	
Other hourly employees asked to work beyond their work calendar for summer school	current hourly rate	



Summer School / Programs Payrates





Thank you!

Questions?



**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: *Mark May*
Mark May (Feb 12, 2025 10:22 CST)

SUPERVISOR: *Alberto Canales*
Alberto Canales (Feb 14, 2025 08:13 CST)

Approved for presentation to the Board of Education:

René Gutierrez
RENE GUTIERREZ (Feb 14, 2025 10:14 CST)

Signature: Alberto Canales
Alberto Canales (Feb 14, 2025 08:13 CST)

Email: albert.canales@mcallsisd.net

Signature: René Gutierrez
RENE GUTIERREZ (Feb 14, 2025 10:14 CST)

Email: RENE.GUTIERREZ@mcallsisd.net

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: *Natalia Goza*

SUPERVISOR: _____

Approved for presentation to the Board of Education:

32 _____

Superintendent of Schools

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: *Alberto Canales*
Alberto Canales (Feb 14, 2025 08:11 CST)

SUPERVISOR: *Louisa Garcia*

Approved for presentation to the Board of Education:

Rene Gutierrez
RENE GUTIERREZ (Feb 14, 2025 10:13 CST)

Signature: *Lorena Garcia*
Email: lorena.garcia@mcallenisd.net

Signature: *René Gutierrez*
RENE GUTIERREZ Feb 14, 2025 10:13 CST
Email: RENE.GUTIERREZ@mcallenisd.net

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: February 25, 2025

Attachment:

SUBMITTED BY: *Alberto Canales*
Alberto Canales (Feb 14, 2025 08:11 CST)

SUPERVISOR: *Louisa Barria*

Approved for presentation to the Board of Education:

René Gutierrez
RENE GUTIERREZ (Feb 14, 2025 10:13 CST)

Signature: *Lorena Garcia*
Email: lorena.garcia@mcallenisd.net

Signature: *René Gutierrez*
RENE GUTIERREZ Feb 14, 2025 10:13 CST
Email: RENE.GUTIERREZ@mcallenisd.net

McALLEN INDEPENDENT SCHOOL DISTRICT
BOARD OF EDUCATION RESOLUTION APPROVING
THE CONTINGENT FEE LEGAL SERVICES CONTRACT
WITH O'HANLON, DEMERATH & CASTILLO, PC AND EILAND & BONNIN, PC

After having provided adequate notice as required by Sec. 2254.1036 of the Texas Government Code, the approval of the Contingent Fee Legal Services Agreement ("Agreement") with O'Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC is approved and the Superintendent or any member of the Board of Education of the McAllen Independent School District is authorized to execute this Agreement.

After exercising its due diligence, the McAllen Independent School District ("District") Board of Education finds that:

1. There is a substantial need for the legal services to be provided pursuant to the Agreement;
2. These legal services cannot be adequately performed by the attorneys and supporting personnel of the District at a reasonable cost;
3. 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 McAllen Independent School District because the District does not currently employ attorneys who have specialized knowledge and experience regarding Multi-District Litigation and related analysis and legal remedies under both Texas and federal 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 Multi-District Litigation 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.
4. 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 social media corporations, and it would be difficult to find a firm with the required experience 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 McAllen Independent School District.

5. 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 McAllen 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 this social media multi-district litigation.
6. O'Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC are well qualified and competent to perform the legal services required to comply with the terms of this Agreement.
7. O'Hanlon, Demerath & Castillo, PC regularly serves school districts across the state of Texas in a general counsel capacity and maintains a principal office in Austin, Texas and also offices in Pharr, San Antonio and Fort Worth. The firm has litigated statewide high profile public education related cases such as the No Pass No Play, the A-F litigation and multiple Edgewood decisions related to the school finance system. After serving as General Counsel for the Texas Education Agency and litigating various high-profile issues for the public education system for the Attorney General of Texas, Kevin O'Hanlon founded the firm in 1992 to serve the needs of Public Entity clients. Justin Demerath operates a contingent fee litigation practice within the firm that regularly represents public entities on a contingent fee basis, often in the scope of property insurance disputes. Additionally, his practice has recovered millions of dollars in recovery in high-profile multi-district litigations, including Syngenta GMO Corn, General Motors ignition switch recall, Trans-vaginal mesh, and NFL concussion litigation, as well as serving in leadership of cases that garnered national attention like the Sutherland Springs Mass Shooting. O'Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel for the past year. O'Hanlon, Demerath & Castillo discussed the social media litigation with the District in the Autumn of 2024. O'Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District in the Autumn of 2024 to consider the social media litigation.
8. Eiland & Bonnin, PC engages in complex contingent fee litigation which has required the investment of hundreds of thousands to millions of dollars of litigation expenses. Lawyers in the firm have served in past MDL leadership committees. The firm has worked in many high-profile litigations like the MGM Grand Las Vegas Mass Shooting, Syngenta GMO Corn, and BP Texas City Refinery Explosion. After 20 years of service as a member of the Texas House of Representatives for Districts 23 & 24, Craig Eiland has a unique understanding of what elected officials and public entities are confronted with when navigating complex litigation. Mr. Eiland regularly advises multiple Texas school districts in litigation. O'Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel

for the past year. The inception of the relationship between Eiland & Bonnin and the District began when O’Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District in the Autumn of 2024 to consider the social media litigation.

9. The approval of this Agreement with O’Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC is the result of an arm’s length transaction between the District and O’Hanlon, Demerath & Castillo, PC and Eiland & Bonnin, PC and is fair and reasonable. The relationship between the McAllen Independent School District or the District’s Board and the law firms being retained is not improper and would not appear improper to a reasonable person.
10. Additionally, time is of the essence in the provision of these legal services. Potentially impending legal deadlines require urgent action by counsel.

ADOPTED this ____ day of _____, 202__ at a duly called meeting of the McAllen Independent School District Board of Education.

Sofia M. Peña, Board of Trustees President

Erica de la Garza-Lopez,
Board of Trustees Secretary

PROFESSIONAL SERVICES AGREEMENT

The Parties to this Agreement (“**Agreement**”) are **McALLEN INDEPENDENT SCHOOL DISTRICT (“CLIENT”)** and **O’HANLON, DEMERATH & CASTILLO, PC** and **EILAND & BONNIN, PC** and (Hereinafter collectively referred to as “**ATTORNEYS**”). This Professional Services Agreement provides for legal services by **ATTORNEYS** to **CLIENT**. In consideration of the mutual promises herein contained, the parties hereto agree as follows:

I. Purpose of Representation

1.01 **CLIENT** has found a substantial need to employ **ATTORNEYS** to provide professional legal services in connection with litigation, and to pursue all remedies available to **CLIENT** regarding causes of action in Multi District Litigation 3047 or JCCP 5225 more fully described in the School District Master Complaint [MDL ECF 729] and incorporated herein by reference. **ATTORNEYS** will seek to recover damages sustained by **CLIENT** related to youth social media usage and addiction against Meta Platforms, Inc., Instagram LLC, Snap, Inc., TikTok, Inc., ByteDance, Inc., YouTube LLC, Google LLC, Alphabet Inc., and any other social media company named in the MDL or JCCP (collectively, “**Defendants**”) (the matter referred to as “**the Representation**”). The scope of this agreement specifically excludes causes of action related to the Texas Deceptive Trade Practices Act.

1.02 **CLIENT** has found a substantial need for the legal services on a contingent fee basis which cannot be adequately performed by **CLIENT’S** attorneys or the attorneys of a governmental entity, and, because of the nature of the matter for which legal services will be obtained, the legal services required cannot be reasonably 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. The estimated amount that may be recovered from the litigation exceeds \$100,000.00.

1.03 Subject to the supervision, direction, and control of the **CLIENT** or designee, **ATTORNEYS** will prosecute a civil case on behalf of **CLIENT** against **Defendants** or other defendants deemed necessary to the prosecution of the civil case. In the civil case, **ATTORNEYS** shall seek damages, civil penalties, and attorneys’ fees, expenses, costs, and such other pecuniary recovery as may be provided for by the laws of the State of Texas and/or any relevant local, state and/or federal statutory and/or common law in connection with the **Defendants’** actions and any other applicable common law or statutory causes of action (“**the Representation**”).

1.04 **CLIENT** has determined pursuant to Education Code §44.031 that this Agreement is for *professional services*, requiring work that is predominantly mental or intellectual, rather than physical or manual, requiring special knowledge or attainment and a high order of learning, skill, and academic intelligence.

1.05 The term of this Agreement shall not begin until this Agreement and related materials are reviewed and approved by the Attorney General of Texas. The term will end after the conclusion of the Representation, unless either party extends or terminates this Agreement in accordance with its provisions. ATTORNEYS are not authorized to take any action related to the Representation for the CLIENT until approval is granted by the Attorney General of Texas.

1.06 ATTORNEYS shall prosecute the action on behalf of CLIENT against Defendants and seek necessary and appropriate damages, civil penalties, and attorney's fees and such other pecuniary recovery as may be provided for by the laws of any relevant local, state, federal statutory and/or common law in connection with the activities of Defendants. The primary attorneys handling this representation are: **Justin Demerath of the O'HANLON, DEMERATH & CASTILLO, PC law firm** and **Craig Eiland of the EILAND & BONNIN, PC law firm**. ATTORNEYS shall furnish the services for the Representation. ATTORNEYS agree to perform necessary legal work with reference to the Representation and will work specifically with the CLIENT or its designee.

1.07 To enable ATTORNEYS to provide effective representation, CLIENT agrees to do the following: (1) disclose to ATTORNEYS, fully and accurately and on a timely basis, all facts and documents within CLIENT'S knowledge that are or might be material or that ATTORNEYS may request, (2) keep ATTORNEYS apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise, cooperate fully with ATTORNEYS.

1.08 Neither party shall assign, in whole or in part, any duty or obligation of performance under this Agreement, without the express written permission of the other parties, unless otherwise authorized in this Agreement or ordered by a court of competent jurisdiction.

1.09 ATTORNEYS represent only CLIENT, and ATTORNEYS' attorney-client relationship does not include any related persons or entities (such as Client representatives, directors, trustees, officers, employees, or agents).

1.10 It is understood and agreed that ATTORNEYS' engagement described herein is limited to the Representation unless otherwise stated in another written agreement.

1.11 Any expressions on ATTORNEYS' part concerning the outcome or potential outcome of the Representation, or any other legal matters, are based on ATTORNEYS' professional judgment and are not guarantees or promises. Such expressions, even when described as opinions, are necessarily limited by ATTORNEYS' knowledge of the facts and are based on ATTORNEYS' views of the state of the law, at the time they are expressed, and/or certain estimates and probabilities (which may be uncertain). ATTORNEYS have made no promises or guarantees to CLIENT about the outcome of the Representation, and nothing in these terms of engagement shall be construed as such a promise or guarantee.

1.12 Venue, or the specific court and legal jurisdiction in which a lawsuit is filed, is an important decision in litigation. Defendants in the Representation maintain offices in multiple venues and Venue may be established in various places including but not limited to Texas or other State Courts and Federal Courts. The Federal Judicial Panel on Multi District Litigation has issued a standing transfer order in the United States for all Federal lawsuits arising from allegations that a defendants' social media platforms are defective because they are designed to maximize screen time, which can encourage addictive behavior in adolescents. All current and future Federal cases are assigned to Multi District Litigation ("MDL") 3047 in The United States District Court for the Northern District of California. Closely coordinating with that litigation is another consolidation of cases involving the Representation in California State Court known as JCCP 5225. ("JCCP"). Due to various strategic reasons ATTORNEYS believe it is in the CLIENT'S best interest to file the cases in either MDL 3047 or JCCP 5225. In executing this Agreement, CLIENT consents to this venue choice and understands the scope of representation in this Agreement is expressly limited to those cases or matters in those venues only. This choice will subject ATTORNEYS to certain non-reimbursable case expenses that will be paid out of the attorneys' fees contemplated herein and will subject CLIENT to certain additional case expenses (i.e., "common benefit expenses") more fully described below.

II. Description and Disclosure of Involved Lawyers

2.01 O'Hanlon Demerath & Castillo, PC: After serving as General Counsel for the Texas Education Agency and litigating various high-profile issues for the public education system for the Attorney General of Texas, Kevin O'Hanlon founded the firm in 1992 to serve the needs of Public Entity clients. The firm regularly serves school districts across the state of Texas in a general counsel capacity and maintains a principal office in Austin, Texas and also fully staffed offices in Pharr, San Antonio, and Fort Worth. The firm has litigated statewide high profile public education related cases related to the school finance system, the A-F performance rating system, and other important issues. Justin Demerath operates a contingent fee litigation practice within the firm that has recovered millions of dollars in storm damage insurance claims for Texas schools on a contingent fee basis and has served in leadership roles for cases that garnered national attention like the Sutherland Springs Mass Shooting. His practice has recovered millions of dollars in recovery in high-profile multi-district litigations, including Syngenta GMO Corn, General Motors ignition switch recall, Trans-vaginal mesh, and the NFL concussion litigation. O'Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel for the past year. O'Hanlon, Demerath & Castillo discussed the social media litigation with the District in the Autumn of 2024. O'Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District in the Autumn of 2024 to consider the social media litigation.

2.02 Eiland & Bonnin, PC: After 20 years of service as a member of the Texas House of Representatives for Districts 23 & 24, Craig Eiland has a unique understanding of what

elected officials and public entities are confronted with when navigating complex litigation. Eiland & Bonnin engages in complex contingent fee litigation which has required the investment of hundreds of thousands to millions of dollars of litigation expenses. Mr. Eiland regularly advises multiple Texas school districts in litigation. Lawyers in the firm have served in past MDL leadership committees. The firm has worked in many high-profile litigations like the MGM Grand Las Vegas Mass Shooting, Syngenta GMO Corn, and BP Texas City Refinery Explosion. O’Hanlon, Demerath & Castillo has represented the District as Special Counsel, primarily regarding personnel matters since 2004 and as General Counsel for the past year. The inception of the relationship between Eiland & Bonnin and the District began when O’Hanlon, Demerath & Castillo introduced Eiland & Bonnin to the District in the Autumn of 2024 to consider the social media litigation.

2.03 “Court Appointed Leadership for Plaintiffs”: By consenting to Venue in MDL 3047 or JCCP 5225 certain court orders govern CLIENT’S representation that is important to disclose transparently and fully. In Case Management Order (“CMO”) No. 1 the MDL 3047 Court appointed various attorneys to serve as leaders for this litigation [ECF 75] and specifically School District Plaintiffs [ECF 451] which are incorporated herein by reference; similar orders have been adopted for the litigation proceeding in California state court JCCP 5225) (these attorneys in the MDL and JCCP litigation are court-appointed steering and leadership attorneys and are collectively referred to as “**Court Appointed Leadership for Plaintiffs**”). The names of the Court Appointed Leadership for Plaintiffs are contained in these court orders. Those court orders may be modified in the future to reflect different or additional attorneys appointed by the court or to reflect that one or more court-appointed attorneys will no longer serve. To the extent that the court or courts modifies its orders with respect to the names of the “Court Appointed Leadership for Plaintiffs” attorneys, this Agreement will include those changes in court appointments without the need for a formal amendment of this Agreement to include or delete certain names.¹

III. Compensation and Other Matters

3.01 For and in consideration of the services performed under this Agreement, subject to the limitations in this Agreement, CLIENT agrees to pay ATTORNEYS as follows:

¹ For clarity, “Court Appointed Leadership for Plaintiffs” will not be considered “subcontracted legal or support services performed by a person who is *not* a contracting attorney or a partner” (emphasis added) as that term is used in Texas Government Code 2254.106. Fees associated with “Court Appointed Leadership for Plaintiffs” will be considered litigation and other expenses stemming from “work performed by a person who is not a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm” as that term is used in Texas Government Code 2254.108(d). Hours worked by “Court Appointed Leadership for Plaintiffs” will not be used to calculate the base fee contemplated in Texas Government Code 2254.106. Any attorneys’ fees earned by “Court Appointed Leadership for Plaintiffs” as “common benefit” legal fees awarded by the courts will be considered a non-reimbursable case expense and shall be paid entirely out of the fees of ATTORNEYS, if any, contemplated in paragraph 3.03. However, expenses incurred by “Court Appointed Leadership for Plaintiffs”, if ordered by the MDL or JCCP court, will be a reimbursable case expense contemplated under paragraph 3.18 (i.e., those court-ordered case expenses will be reimbursed by Client to Court Appointed Leadership for Plaintiffs; please see Attachment C for further illustration).

3.02 Any fee payable to ATTORNEYS will be from the portion of any award, judgment, and/or settlement allocated by law to CLIENT. This Agreement shall not confer upon ATTORNEYS any rights to any portion of any sum awarded to the State of Texas as a result of the Representation.

3.03. In the event of a recovery against any Defendant or Defendants resulting from the Representation, the CLIENT agrees to pay ATTORNEYS the lesser of 30% of the gross recovery or four times ATTORNEYS' base fee computed in accordance with Subchapter C, Chapter 2254 of the Texas Government Code more fully discussed below. **Under no circumstances shall CLIENT'S general funds be obligated to satisfy the contingent Attorneys' fees.**

3.04 The contingent fee set forth in this section will be subject to the limitations set forth in this Agreement pursuant to Subchapter C, Chapter 2254 of the Texas Government Code.

3.05 The amount recovered for purposes of the contingent fee computation in paragraphs 3.03 and 3.04 is the amount CLIENT receives before reimbursable expenses are deducted.

3.06 This Agreement is **not** for mixed hourly and contingent fee services. The amount of the contingent fee and reimbursement of expenses under this Agreement will be computed in accordance with Subchapter C, Chapter 2254 of the Texas Government Code. Because of the expected difficulties in performing the work under this Agreement, the amount of expenses expected to be risked by ATTORNEYS, the expected risk of no recovery, and the expected long delay in recovery (if any), a reasonable multiplier for the base fee in this matter is four. ATTORNEYS' reasonable hourly rate for the work performed under the Agreement, based on the reasonable and customary rate for this type of litigation and on the relevant experience, demonstrated ability, and standard hourly billing rate for these attorneys, paralegals, and law clerks for this type of contingent fee work, is the statutory maximum:

Kevin O'Hanlon, Senior Counsel:	\$1000/hour
Justin B. Demerath, Senior Counsel:	\$1000/hour
Ben Castillo, Senior Counsel:	\$1000/hour
David Campbell, Senior Counsel:	\$1000/hour
Craig Eiland, Senior Counsel:	\$1000/hour
David Bonnin, Senior Counsel:	\$1000/hour
All other Senior Counsel:	\$1000/hour
All other Senior Associates:	\$750/hour
All other Associates:	\$500/hour
All Paralegals:	\$250/hour

These rates apply to the subcontracted work performed, if any, by an attorney, law clerk, or paralegal. The base fee will be computed pursuant to Chapter C, Section 2254 of the Texas Government Code by multiplying the number of hours the attorney, paralegal or law clerk

worked in providing legal or support services for the CLIENT times the reasonable hourly rate for the work performed by the attorney, paralegal or law clerk. The base fee is computed by adding the resulting amounts. The computation of the base fee does not include hours or costs attributable to work performed by a person who is not employed by ATTORNEYS or a partner, shareholder, or employee of ATTORNEYS, including "Court Appointed Leadership for Plaintiffs". There are no differences in the method by which the contingent fee is computed if the matter is settled, tried, or tried and appealed.

3.07 Reimbursement of subcontracted work, if any, under Texas Government Code Section 2254.107 shall meet the requirements of Subchapter C, Chapter 2254 of the Texas Government Code's requirements, without regard to the expected or actual amount of recovery under this Agreement.

3.08 Payment of the contingent fee and reimbursement of expenses under this Agreement will be paid and limited by the requirements set forth in Subchapter C, Chapter 2254 of the Texas Government Code, including Section 2254.105(5) and all other applicable sections.

3.09 ATTORNEYS assume "**joint responsibility**" for the Representation, as "joint responsibility" is described in Rule 1.04(f) in the Texas Disciplinary Rules of Professional Conduct and its official Comments (which discuss the requirements for attorneys' fees-sharing among/between lawyers who are not in the same law firm, such as here). **From any attorneys' fees recovered (after the deduction of any "common benefit" attorneys' fees awarded by the courts), the remaining attorneys' fees will be divided as follows: 90% to O'HANLON, DEMERATH & CASTILLO, PC and 10% to EILAND & BONNIN, PC. Please note that these are not percentages of the gross recovery, but rather percentages of the attorneys' fees. In no scenario will attorneys' fees exceed 30% of the gross recovery outlined in paragraph 3.03. CLIENT'S consent to this Agreement as a whole is also consent to this attorneys' fees-sharing among Attorneys.**

If there is a recovery, then upon recovery, CLIENT will instruct ATTORNEYS as to how to transfer the recovered funds in writing.

3.10 Pursuant to Texas Government Code 2254.1034 a political subdivision may require an attorney or law firm to indemnify or hold harmless the political subdivision for negligent acts or omission of the attorney or law firm. In this instance, CLIENT does not require such indemnification.

3.11 CLIENT shall have the absolute right to settle the case for no penalty, which would yield no contingent fee on penalties to ATTORNEYS. CLIENT will not be liable for reimbursable expenses if CLIENT settles the case for no penalty and makes no recovery of expenses or attorney's fees. CLIENT will assign any award of attorney's fees to ATTORNEYS, who shall have the obligation to collect them from the Defendants. ATTORNEYS will be responsible for paying all expenses of litigation directly to the vendor,

such as, expert witness fees, deposition expenses, and other court costs/fees. CLIENT will not be required to advance any litigation expenses under this Agreement.

3.12 The fee to be paid under this Agreement shall come exclusively out of any recovery (including but not limited to any attorney's fees and expenses, as well as penalties) awarded in any way resulting from the Representation and CLIENT shall be liable to ATTORNEYS for no more than the fee and reimbursable expenses and costs as described below. CLIENT has specifically allocated and made available from currently budgeted funds the sum of \$0 to discharge any obligation that CLIENT may incur arising out of this Agreement.

3.13 It is expressly understood that the fee described above shall be the sole source of compensation to ATTORNEYS for overhead costs and general firm expenses (with the exception of the Reimbursable Expenses listed below) and includes, but is not limited to, all costs for clerical work, including overtime, computer time, clerical filing, and proofreading.

3.14 In the event of a recovery, funds from CLIENT's recovery will be used to pay Reimbursable Expenses and interest on Reimbursable Expenses. Litigation expenses including but not limited to, expert witness fees, mediation fees, expenses associated with depositions and hearings or trial (such as costs of the transcript, and court reporter or videographer fees), hotel, air travel, rental cars, rideshare costs, research and investigation related fees and expenses, third party interest incurred on litigation expenses, Westlaw expenses, and expenses associated with creating demonstrative exhibits or other means of evidence presentation during trial or hearings (such as trial graphics) shall constitute the "Reimbursable Expenses". ATTORNEYS shall advance all the Reimbursable Expenses. Should ATTORNEYS elect to fund any expenses by borrowing the funds required, Client agrees to reimburse the full sum of all related interest charges for Reimbursable Expenses as well as a *pro rata* share of related interest charges² for Shared Expenses. Reimbursable Expenses shall be recovered by ATTORNEYS out of the CLIENT'S portion of any settlement or judgment that arises out of the Representation (the CLIENT'S portion—from which Reimbursable Expenses will be deducted is what remains after the deduction of ATTORNEYS' fee). **In the event there is no recovery, CLIENT will not be responsible for the repayment of any expenses (or any related interest charges).**

3.15 Reimbursable Expenses includes Shared Expenses. ATTORNEYS may incur certain costs/expenses that jointly benefit multiple clients, including, for example, expenses for travel, experts, and copying (the "Shared Expenses"). CLIENT agrees that ATTORNEYS shall divide such expenses *pro rata*,³ among such multiple clients, and deduct CLIENT'S

² Interest rate charges shall be commercially reasonable rates not to exceed the official Prime Rate (at the time of the loan or extension of credit agreement) **plus** four percentage points.

³ "Equally" and "pro rata" are not the same. "Equally" refers to dividing such expenses on an equal basis to each client represented by the Attorneys under this Agreement regardless of what each client recovered compared to what other clients recovered; on the other hand, "*pro rata*" refers to dividing such expenses in proportion to each client's recovery compared to the total of all client recoveries (for example, totaling all of the client recoveries for a grand total and then calculating what each individual client's recovery is as a percentage of that grand total of all recoveries—and then applying

portion of those expenses from CLIENT'S share of any recovery. Shared Expenses are Reimbursable Expenses.

3.16 Compensation for the duties performed by the "Court Appointed Leadership for Plaintiffs" attorneys is governed by Common Benefit Order [ECF 190] and similar orders in the JCCP. The purpose of a Common Benefit Order is to create, compensate, and reimburse such court-appointed "steering and leadership committee" of attorneys for various plaintiffs for their efforts and time in connection with their work on behalf of all plaintiffs (even those, such as CLIENT here, who previously had no direct attorney-client relationship with those "Court Appointed Leadership for Plaintiffs" attorneys). The Common Benefit Order directs that these "steering and leadership" attorneys shall receive fee compensation paid by all of the plaintiffs (including the CLIENT here) as a specified percentage of any gross recoveries.⁴ The Common Benefit Orders require that all "Court Appointed Leadership for Plaintiffs" attorney fee compensation shall be paid entirely out of attorneys' fees contemplated in paragraph 3.03 and as such these attorneys' fees will be treated as a non-reimbursable case expense and paid solely by ATTORNEYS. A sample settlement statement is attached hereto as Exhibit C to illustrate how the attorneys' fees and expense provisions of this Agreement are intended to function concerning a hypothetical gross recovery for the Client.

3.17. A consequence of certain plaintiff attorneys serving on the court-appointed "Court Appointed Leadership for Plaintiffs" committee or committees, is that those attorneys will incur certain Common Benefit Expenses⁵ that will benefit all plaintiffs, including those clients represented principally by other plaintiffs' attorneys (such as the CLIENT here). Common Benefit Expenses are Reimbursable Expenses.

3.18. On behalf of ATTORNEYS, Demerath and Eiland will or have previously executed the Common Benefit Participation Agreement in the MDL [ECF 190 EX.C] and similar agreements in the JCCP and will utilize Common Benefit Work Product in the Representation and this action will further subject CLIENT to the associated Common Benefit Orders and similar agreements in the JCCP and their requirements, including the financial obligations. CLIENT consents to the execution of Demerath and Eiland's Common Benefit Participation Agreement, and by consenting to the Venue described in paragraph 1.12 above, further consent to be bound by the terms of the Common Benefit Orders and the resulting compensation structure for the "Court Appointed Leadership for Plaintiffs" attorneys. Such consent will not increase or alter the amount of attorneys' fees charged to the client, if any, under paragraph 3.03.

that individual "client recovery" percentage to the total expenses as the amount of expenses attributable to that specific client). At this time, there is no court order related to whether to apply an "equally" or "pro rata" method to dividing any expenses among clients; however, if such an order is entered in the future related to some or all of the expenses, ATTORNEYS will be bound by that order for apportionment among all clients, including CLIENT.

⁴ While subject to adjustment, the Common Benefit Fee that will be awarded to Court Appointed Leadership for Plaintiffs is currently set by the MDL Court at 8% of the gross recovery.

⁵ Definitions and rules related to Common Benefit Expenses more fully described in the Common Benefit Order [ECF 190], Paragraph E and are incorporated herein by reference. While subject to adjustment, the Common Benefit Expense that will be awarded to Court Appointed Leadership for Plaintiffs is currently set at 2% of the gross recovery.

3.19. In signing the Common Benefit Participation Agreement ATTORNEYS will or have granted “Court Appointed Leadership for Plaintiffs” a right to withhold payment of, a lien upon, and a security interest in any amounts recovered in the Litigation sufficient to pay the “Court Appointed Leadership for Plaintiffs” attorneys’ fees and Common Benefit Expenses defined in the Common Benefit Order in the MDL and/or similar orders in the JCCP. The parties agree that the final amounts ultimately subject to this withholding, lien and security interest were “actually incurred on behalf of the state governmental entity or political subdivision and paid for by the contracting attorney or law firm” as that phrase is contemplated in Texas Government Code 2254.108(d). Alternatively, it is anticipated at the end of the Litigation the MDL and JCCP courts will adopt orders which will require attorneys’ fees and Common Benefit Expenses to be paid or reimbursed to the “Court Appointed Leadership for Plaintiffs” pursuant to the Common Benefit Order and withheld from the gross recovery available to satisfy the interest of CLIENT and ATTORNEYS. If such orders are entered, the parties further agree that these amounts should be considered “actually incurred on behalf of the state governmental entity or political subdivision and paid for by the contracting attorney or law firm” as that phrase is contemplated in Texas Government Code 2254.108(d).

3.20. By virtue of accepting their appointment, “Court Appointed Leadership for Plaintiffs” has accepted responsibility to provide legal services to clients that file their cases in the MDL or JCCP. By consenting to filing CLIENT’S claims in the MDL or JCCP, CLIENT is accepting the offer of the “Court Appointed Leadership for Plaintiffs” attorneys to provide court-ordered legal services in that venue. It is therefore agreed and understood by CLIENT that “Court Appointed Leadership for Plaintiffs” attorneys will be considered to have accepted “joint responsibility” for the purposes of Rule 1.04(f), Texas Disciplinary Rules of Professional Conduct, and the Rule’s official comments.⁶

3.21 ATTORNEYS have been engaged to provide legal services in connection with the Representation, as specifically defined in this Agreement. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect CLIENT’S future rights and liabilities in regard to the Representation. Unless ATTORNEYS are actually engaged after the completion of the Representation to provide additional advice on such issues, ATTORNEYS have no continuing obligation to give advice with respect to any future legal developments that may pertain to the Representation other than the obligations set out in this Agreement.

⁶ This Texas Rule provides for certain disclosures and advance client consent, which this Agreement provides, whenever lawyers who are **not** in the same law firm share legal fees arising out of a client representation. Here, there will be multiple lawyers and law firms involved in the sharing of common legal fees and expenses under this Agreement and the referenced court orders. The exact percentages of any fees that any of the “Court Appointed Leadership for Plaintiffs” attorneys will receive, if anything, is not known at this time and will be determined by the court or courts at the conclusion of this representation. The CLIENT’S signature below to this Agreement constitutes acknowledgement and consent to this fee-sharing among all of the lawyers identified herein or by reference to the court orders identifying the “Court Appointed Leadership for Plaintiffs” attorneys and their law firms.

3.22 CLIENT understands and agrees that ATTORNEYS may be representing more than one client in this matter and that the following aspects of joint representation have been disclosed: (1) that the CLIENT might gain or lose some advantages if represented by separate counsel; (2) that ATTORNEYS cannot serve as an advocate for one client against another client, but must assist all clients in pursuing their common purposes; (3) that ATTORNEYS must deal impartially with every client, including CLIENT; (4) that information received by ATTORNEYS from or on behalf of any jointly represented client concerning the matter may not be confidential or privileged as between the jointly-represented clients and may be disclosed to other jointly-represented clients as is deemed proper or necessary; (5) if a conflict arises between clients that results in the discharge or withdrawal of the ATTORNEYS, ATTORNEYS might not be able to continue representing any of the clients involved; (6) when time is spent performing the Representation which benefits all clients represented by ATTORNEYS equally, ATTORNEYS will record that time for each client fully and equally (in other words, since each client, including CLIENT, receives the same full benefit from such time and service, that time will be recorded as though each client, including CLIENT, was represented individually for and during that time and service); and (7) that the representation of all clients by the ATTORNEYS will not necessarily expedite handling of the matter or reduce associated attorneys' fees and expenses. CLIENT consents to ATTORNEYS representing more than one client in this matter and all provisions in this paragraph.

3.23 AGGREGATE SETTLEMENTS: Often in cases where attorneys represent multiple clients in similar litigation, the opposing parties or defendants may attempt to settle or otherwise resolve the cases in a group or groups, by making a single settlement offer to settle numerous clients' cases or all cases simultaneously. There exists a potential conflict of interest whenever a lawyer represents multiple clients in a settlement of this type because it necessitates choices concerning the allocation of limited settlement amounts among the multiple clients. However, if all clients consent, a group settlement can be accomplished and a single offer can be fairly distributed among the clients by assigning settlement amounts based upon the relative strengths and weaknesses of each case, the severity and extent of damages, individual case evaluations, and other applied bases or factors. In the event of a group or aggregate settlement proposal, ATTORNEYS may implement a settlement program, overseen by a third-party referee or special master, who may be appointed by a court, designed to ensure consistency and fairness for all claimants, and which will assign various settlement values and amounts to each client's case, including CLIENT's case, depending upon the facts and circumstances of each individual case and other factors determined by that third-party referee or special master or the court. CLIENT authorizes ATTORNEYS to enter into and engage in group settlement discussions which may include CLIENT's individual claims. Nonetheless, CLIENT retains the right to approve, and ATTORNEYS are required to obtain CLIENT's approval of, any settlement of CLIENT's case.

3.24 At the conclusion of the Representation, ATTORNEYS will return to CLIENT any documents that ATTORNEYS are specifically requested to return. As to any documents so

returned, ATTORNEYS may elect to keep a copy of the documents in ATTORNEYS' stored files but shall not be obligated to do so. CLIENT owns all final work product generated by reason of CLIENT's Representation under this Agreement. Files and documents, whether paper or electronic, retained by ATTORNEYS are subject to their file and document retention policies and may, consistent with those policies, be deleted or destroyed no earlier than two years after the conclusion of CLIENT's representation.

3.25 Any notice required or permitted to be given by the CLIENT to ATTORNEYS hereunder may be given by hand delivery, facsimile, email, or certified United States Mail, postage prepaid, return receipt requested, addressed to:

Justin B. Demerath
O'HANLON, DEMERATH & CASTILLO, PC
808 West Avenue
Austin, Texas 78701
jdemerath@808west.com

and

Craig Eiland
EILAND & BONNIN, PC
1220 Colorado St. Suite 300
Austin, Texas 78701
ceiland@eilandlaw.com

Any notice required or permitted to be given by ATTORNEYS to the CLIENT hereunder may be given by hand delivery, facsimile, email, or certified United States Mail, postage or fee prepaid, return receipt requested, addressed to:

Attn: Sofia M. Peña
Board of Trustees President
McAllen Independent School District
2000 N. 23rd St.
McAllen, TX 78501

Such notices shall be considered given and complete upon successful transmission or upon deposit in the United States Mail.

3.26 ATTORNEYS affirmatively consent to the disclosure of email addresses that are provided to CLIENT. This consent is intended to comply with the requirements of the Texas Public Information Act, Texas Gov't Code §552.137, *et sequitur*, as amended, and shall survive termination of this Agreement. This consent shall apply to email addresses provided by ATTORNEYS and agents acting on ATTORNEYS' behalf and shall apply to any email address provided in any form for any reason whether related to this Agreement or otherwise.

3.27 It is expressly understood that ATTORNEYS have no authority to settle or otherwise compromise the position of CLIENT or any of its officers. CLIENT retains all authority to settle the case.

3.28 Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of CLIENT.

3.29 If any provision or language of this Agreement is held in whole or in part to be unenforceable, void, or invalid for any reason by a court of competent jurisdiction, then such provision or language will be deleted or modified to reflect the parties' intention and to make the remaining provisions and language enforceable to the fullest extent. It is the parties' intention that the suit against Defendants shall continue regardless of whether any single part of this Agreement is unenforceable, void or invalid. This Agreement is under Texas law only and shall be interpreted accordingly. Any claims and/or disputes under this Agreement shall be brought in a court of competent jurisdiction in Travis County, Texas only.

IV. Required Recitals

4.01 This Agreement is not effective and enforceable until review and approval by the Office of the Attorney General for the State of Texas.

4.02 ATTORNEYS must and shall keep complete written time and expense records that describe in detail the time and money spent each day in performing the contract (this Agreement) as required by Section 2254.104(a) of the Texas Government Code.

4.03 ATTORNEYS shall permit CLIENT or CLIENT's attorney or CLIENT's governing body or other governing officials, the Attorney General for the State of Texas, the State Auditor, or any other appropriate official, to inspect or obtain copies of the time and expense records kept in accordance with Section 3.02, at any time on request, as required by Section 2254.104(b) of the Texas Government Code. Upon request, ATTORNEYS shall provide CLIENT interim statements that describe the job-to-date time and expense records of ATTORNEYS, plus the expenses that are subject to reimbursement.

4.04 Upon conclusion of any matter for which ATTORNEYS were retained, ATTORNEYS shall provide CLIENT with a complete written statement that describes the outcome of the matter, states the amount of any recovery, shows ATTORNEYS' computation of the amount of the contingent fee, and contains the final complete time and expense records required by Section 2254.104(c) of the Texas Government Code. The complete written statement required under this section is public information under Chapter 552 of the Texas Government Code and may not be withheld from a requester under that chapter under Section 552.103 or any other exception from required disclosure.

4.05 All time and expense records required by Section 3.02 are public information subject to required disclosure under Chapter 552 of the Texas Government Code. Information contained in the time and expense records may be withheld from a member of the public under Section 552.103 only if, in addition to meeting the requirements of Section 552.103, the chief legal officer or employee of CLIENT determines that withholding the information is necessary to protect the CLIENT'S strategy or position in pending or reasonably anticipated litigation. If any information is withheld from public disclosure in accordance with this subsection, CLIENT shall segregate said information from information that is subject to required public disclosure.

4.06 Once approved under Section 2254.1036 Texas Government Code, this contract is public information under Chapter 552 of the Texas Government Code and may not be withheld from a requestor under Section 552.103 or any other exception from required disclosure.

4.07 The amount recovered for purposes of the contingent fee computation is the amount obtained before expenses are deducted.

4.08 Any subcontracted legal or support services performed by a person who is not ATTORNEYS or a partner, shareholder, or employee of ATTORNEYS is an expense subject to reimbursement only after receiving written permission from CLIENT and only in accordance with Subchapter C, Chapter 2254 of the Texas Government Code.

4.09. No fee payment or expense reimbursement to ATTORNEYS shall occur until the provisions of Texas Government Code § 2254.108 are met. Prior to the payment of fees or expenses, as more fully described in Texas Government Code § 2254.108, the political subdivision must review the appropriate documents, determine whether the expenses were reasonable, proper, necessary, actually incurred on behalf of the political subdivision, and paid for by ATTORNEYS and verify that the hours of work on which the fee computation is based were actually worked in performing reasonable and necessary services for the political subdivision under this contract.

4.10. Pursuant to Section 81.079 of the Texas Government Code, we provide the following notification and information to CLIENT: "The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar's Office of Chief Disciplinary Counsel will provide you with information about how to file a complaint. For more information, you may call 1-800-932-1900. This is a toll-free call."

AGREED:

CLIENT:

MCALLEN INDEPENDENT SCHOOL DISTRICT

Sofia M. Peña, Board of Trustees President

Date: _____

ATTORNEYS:

O'HANLON, DEMERATH & CASTILLO, PC

Justin B. Demerath, Senior Counsel

Date: _____

EILAND & BONNIN, PC

Craig Eiland, Senior Counsel

Date: _____

ATTACHMENT A

Rate Schedule for Named and Unnamed Persons in the Agreement
is the allowable statutory maximum or less.

Rate Schedule

Kevin O'Hanlon, Senior Counsel:	\$1000/hour
Justin B. Demerath, Senior Counsel:	\$1000/hour
Ben Castillo, Senior Counsel:	\$1000/hour
David Campbell, Senior Counsel:	\$1000/hour
Craig Eiland, Senior Counsel:	\$1000/hour
David Bonnin, Senior Counsel:	\$1000/hour
All other Senior Counsel:	\$1000/hour
All other Senior Associates:	\$750/hour
All other Associates:	\$500/hour
All Paralegals:	\$250/hour

ATTACHMENT B

The following is a schedule of publicly available documents that are incorporated herein by reference. Such documents have been accessed and reviewed by CLIENT at the following link: <https://tinyurl.com/4jumrcpu> prior to CLIENT signing this Agreement.

Incorporated Documents:

School District Master Complaint:	MDL ECF 729
Order Appointing Court Appointed Leadership for Plaintiffs	MDL ECF 75
Order Appointing School District Court Appointed Leadership	MDL ECF 451
Revised Order Appointing “Court Appointed Leadership for Plaintiffs”	MDL ECF 82
MDL Common Benefit Order	MDL ECF 190
Order Granting in Part and Denying in Part Defendants’ Motion to Dismiss the School District and Local Government Entities’ Master Complaint	MDL ECF 1267
Order Granting in Part and Denying in Part Defendants’ Motion to Dismiss the School District and Local Government Entities’ Master Complaint [allowing School Districts’ public nuisance Claims to proceed in a majority of states]	MDL ECF 1332

ATTACHMENT C

SAMPLE SETTLEMENT STATEMENT ILLUSTRATION⁷

FOR EXAMPLE ONLY - ACTUAL FINAL VALUES (if any) WILL VARY

TEXAS ISD VS. SOCIAL MEDIA COMPANIES

GROSS RECOVERY:	\$ 100,000.00
TOTAL ATTORNEY'S FEES 30%	\$ - 30,000.00 ⁸
TOTAL ATTORNEYS FEES DIVIDIED AMONG FIRMS AS FOLLOWS:	
COURT APPOINTED LEADERSHIP FOR PLAINTIFFS FEES	
also known as Common Benefit Fees (8% of the gross recovery)	\$ 8,000.00 ⁹
DEMERATH FEES (90% of fees after common benefit fee deduction)	\$ 19,800.00
EILAND FEES (10% of fees after common benefit)	\$ 2,200.00
TOTAL EXPENSES	\$- 4,000.00
TOTAL EXPENSES BROKEN DOWN AS FOLLOWS:	
EILAND & DEMERATH REIMBURSABLE EXPENSES:	\$ 1,800.00
EILAND & DEMERATH SHARED EXPENSES (Pro Rata):	\$ 200.00
MDL COURT APPOINTED LEADERSHIP FOR PLAINTIFFS (2% of Gross recovery)	\$ 2,000.00 ¹⁰ :
ISD NET RECOVERY:	<u>\$ 66,000.00</u>

⁷ At the end of any contingent fee case, a settlement statement is generated by ATTORNEYS for CLIENT to account for the financial aspects of the case. This example is NOT intended as a representation of what the ultimate outcome of the case will be, but rather is furnished for the sole purpose of illustrating how the attorneys' fee and expense provisions of this contract are intended to function to aid in the Client's understanding.

⁸ For simplicity and illustration, this model assumes that the fee cap outlined in paragraph 3.03 did not occur; that is to say the base fee times four was more than 30% of the total recovery. In a scenario where the attorneys' fees are capped, the total attorneys' fees would be reduced to the capped amount and under no circumstances would the total attorneys' fees exceed the capped amount.

⁹ This model assumes the Common Benefit Fees for the Court Appointed Leadership for Plaintiffs are not adjusted in the future by the Courts. In the event Common Benefit Fees are adjusted in the future, the total attorneys' fees will not change, but rather the law firms' shares of fees will be adjusted.

¹⁰ This model assumes the Common Benefit Expenses for the Court Appointed Leadership for Plaintiffs are not adjusted in the future by the Courts.