

February 9, 2007

Re: WIMBERLEY INDEPENDENT SCHOOL DISTRICT

Dr. Marian Strauss, Superintendent of Schools
14401 Ranch Road 12
Wimberley, Texas 78676

Dear Dr. Strauss:

I am most pleased to enclose herein a MehaffyWeber Trust Account check in the amount of \$623,492.58. Also enclosed herein please find duplicate originals of the Settlement Statement. It shows the contribution by each of the Defendants which totals \$1,000,000. The Settlement Statement also shows the deduction for MehaffyWeber's 1/3 contingency fee and breaks out the MehaffyWeber expenses which total \$43,174.09. I would appreciate it, if after reviewing this settlement statement, you would acknowledge receipt of the check and the settlement statement by signing the duplicate original and returning it to me.

This was a most challenging case to say the least. We had a number of Defendants who did minimal finger pointing at each other and primarily wanted to blame the value engineering and lack of maintenance on the part of Wimberley Independent School District for all problems. When Judge Livingston granted the Motions for Summary Judgment on fraud, it hurt our case, but forced everyone to focus on the real damages. As a result of having excellent expert witnesses, the settlement was much closer to our expert witnesses' testimony on damages rather than the \$250,000 or less which the defense experts said would fix the building completely.

You and your staff had been a joy to work with and I have never had better cooperation from a client. Thank you for the opportunity of permitting me to represent you and best of luck of to you and all the rest of the staff in the future. If I can ever be of any further assistance to you, please do not hesitate to contact me.

Sincerely,



Roger S. McCabe
For the Firm

RSM/ras

CAUSE NO. GV503544

WIMBERLEY INDEPENDENT SCHOOL DISTRICT	§	IN THE DISTRICT COURT
	§	
	§	
VS.	§	TRAVIS COUNTY, TEXAS
	§	
	§	
HUCKABEE & ASSOCIATES, INC., ET AL.	§	<u>261ST</u> JUDICIAL DISTRICT
	§	

APPROXIMATED SETTLEMENT STATEMENT

SETTLEMENT FUNDS RECEIVED FROM:

HUCKABEE & ASSOCIATES, INC.....	\$292,000.00
MONTEREY CONSTRUCTION COMPANY, INC.....	\$250,000.00
GENERAL SUPPLY DECK AND FLOORING UNDERLAYMENT COMPANY.....	\$230,000.00
JOHNS MANVILLE.....	\$ 35,000.00
PINKSTON-HOLLAR, INC.....	\$ 50,000.00
ERICSTAD INCORPORATED.....	\$ 51,000.00
SHEFFIELD & WELCH, INC.....	\$ 41,000.00
J.R.B. MECHANICAL, INC.....	\$ 51,000.00
TOTAL SETTLEMENT FUNDS.....	\$1,000,000.00

Less: 33.3% Contingency Fee Attorney's Fees
to MEHAFFYWEBER: (\$333,333.33)

NET RECOVERY AFTER ATTORNEY'S FEES: \$666,666.67