

SETTLEMENT AGREEMENT
AND
MUTUAL RELEASE

This Settlement Agreement and Mutual Release is entered into by and between **WILLIAMSON COUNTY, TEXAS**, a political subdivision of the State of Texas (hereinafter called "County"), and **HUNTER INDUSTRIES, LTD.**, a Texas limited partnership (hereinafter called "Hunter").

Premises

Effective December 18, 2012, the County and Hunter entered into one certain Standard Form of Contract (hereinafter called the "Contract"), under which Hunter agreed to construct, and the County agreed to pay for, a highway construction project known as and referred to as Project No. 131FB00108 – IH 35 Northbound Frontage Road (hereinafter referred to as the "Project"). Hunter entered upon the Project site and finally completed the Project on or about July 12, 2016, at which time the County accepted the Project as finally complete.

A dispute exists between the County and Hunter. Hunter contends that it sustained increased costs, expenses, lost offset opportunities, and other damages caused by design changes required to address conflicts of the proposed construction with an existing fiber optic line and other unmarked utilities, and the failure of the County to have in place the design and agreements with third-parties required to construct a necessary railroad crossing, all as required by the Contract.

While the County acknowledges that Hunter was delayed by the causes identified by Hunter, the County disputes the duration of delays caused to Hunter and the amount of damages claimed by Hunter. The County also contends that it is entitled to withhold liquidated damages for a portion of Hunter's delay in completion of the Project. Hunter disputes the County's contentions.

To compromise and settle their disputes and buy peace, the County and Hunter agree to settle and finally release one another on and pursuant to the terms of this Settlement Agreement and Mutual Release.

I. Hunter and the County acknowledge and agree that the County has paid Hunter to date for performance of the Contract the sum of Nineteen Million, Two Hundred Eight-Two Thousand, Three Hundred Forty-Nine and 20/100 Dollars (\$19,282,349.20) (hereinafter called the "Payment to Date").

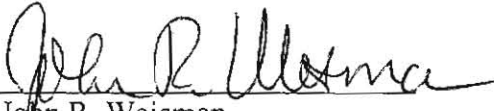
In compromise and settlement of the dispute and all sums owed by the County to Hunter, the County agrees as follows:

- a. Hunter shall be entitled to retain the Payment to Date;
- b. Within five (5) working days after the Effective Date of this Settlement Agreement, the County shall pay to Hunter the additional sum of Six Hundred Forty-Six Thousand, Eight Hundred Thirty-Six and 71/100 Dollars (\$646,836.71);
- c. The County waives any and all claims for liquidated damages against Hunter; and
- d. The County releases Hunter and its officers, sureties, partners, and employees of all claims and causes of action it has or claims arising out of the Contract and the Project.

II. In compromise and settlement of the Dispute, Hunter agrees to accept the Payment to Date and the sum of \$646,836.71 in complete satisfaction of all sums it claims to be due on account of the Contract and the Project. In consideration of such payments and the County's release of Hunter, Hunter hereby releases the County and its officers, commissioners, and employees of all claims and causes of action it has or claims arising out of the Contract and the Project.

Executed effective the 12th day of July, 2016 (the "Effective Date").

HUNTER INDUSTRIES, LTD.
By **Hunter Industries Management**
Company, L.C., General Partner

By: 
John R. Weisman,
President

ATTEST: 

WILLIAMSON COUNTY, TEXAS

By: 
Dan A. Gattis
Williamson County Judge

ATTEST: 