

Local & State

Exxon, insurer finalize spill settlement

By GEORGE FLYNN
Houston Chronicle

Lengthy mediation yields deal

Exxon Corp. and Lloyd's of London underwriters finalized a settlement to end appeal of a \$410 million judgment against the insurers in the 1989 Exxon Valdez oil spill, the Houston Chronicle learned Wednesday.

Details of the agreement are expected to be announced soon by both sides in the lengthy case. A jury in state District Judge Carolyn Johnson's court ruled last June that

Lloyd's owed Exxon \$250 million for clean-up and related costs of what was called the most devastating oil spill ever for the environment.

Insurers said they planned to appeal the verdict. Johnson referred them to mediation before Susan Soussan, a former state district judge. A settlement was hammered out after marathon negotiations in Houston and in Europe.

The agreement will avoid additional interest costs to the insurers during what would have been a prolonged appeal. Attorneys estimated that it could have been up to four years before appellate courts finished reviewing the case and issuing rulings.

Jurors agreed with the arguments of Exxon attorney Don Bowen that Lloyd's and more than 200 of its

underwriters had underpaid claims submitted by the oil company in the clean-up. The supertanker Exxon Valdez ran aground offshore from Alaska and spilled 11 million gallons of oil.

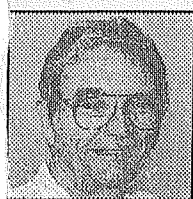
The jury's damage award of \$250 million was increased by about \$161.1 million when interest, legal costs and other charges were figured from the time of the spill.

Insurers had challenged the suit by arguing that the vessel was un-

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Child porn case filed

A Houston man has been charged with sexually assaulting young boys and trading in child pornography over a period of 10 to 12 years. The accused allegedly gained access to young boys through his own children. Page 30A.



Leon Hale

It's the pause that terrorizes

LAST Sunday here we were trying to remember the particulars of an old ghost story called *The Golden Arm*, so I could have something Halloweenish for today's paper.

On Monday morning, one of the customers, Bill Tanner, called and said that story is in *A Treasury of American Folklore*, a book put out back in '44 by Crown Publishers of New York and edited by B.A. Botkin.

Tanner faxed me the story, and I have since found a secondhand copy of the book. I once had that title on my shelf but I lent it to Roy Avery who lived near me in one of my former lives, when I was a temporary bachelor dwelling in an apartment complex. Avery was transferred to Philadelphia or some such place and my folklore book went with him.

In the spirit of Halloween I have contacted a certain witch of my acquaintance and for five bucks she has put on line a special curse designed to bring about the following result:

Some time between 9 and 11 p.m. on Halloween, my folklore book will fly out of its shelf in Philadelphia, or wherever Avery has got it, and land with a loud smack on the floor and flip open to show my name as its owner, thereby moving Avery to return it to me. I would give a considerable sum to be there and watch that come to pass.

Hoping to frighten pretty girls

But getting back to the ghost story. It appears in the book as Mark Twain liked to tell it, when he was hoping to frighten pretty girls. In fact, he included this *Golden Arm* tale in a collection, *How To Tell a Story and Other Essays*, copyrighted in 1897.

Twain of course was a great storyteller, as well as a storywriter. He studied storytelling the way a scientist studies microbes. He made a lot of money telling stories in theaters all over the world.

In the storytelling essay he used the golden arm tale to demonstrate the importance of the pause, the proper use of which he recognized as a vital element in effective oral narration.

The characters in Twain's story are not quite the same as those I remembered from my early Hallowneens. I always supposed the woman with the golden arm was rich. How is a poor person going to be sporting a golden arm? And it wasn't simply a golden forearm, as I always visualized. Twain says it was solid gold from the shoulder down.

Well, actually he doesn't specify that the woman was poor but she lived way out on a lonely prairie with a husband who was powerful mean and he doesn't sound rich to me. Anyway, the woman died, like I said Sunday, and her husband buried her out there on the prairie.

But then one dark and windy and snow-stormy night he got to thinking about that golden arm, and he went out in the snow and dug up the grave and got that limb off his dead wife. I'm surprised that he buried it with her to begin with, and I'm curious also as to how a person came to have an entire arm made of precious metal, but never mind.

Something about a golden arm

On the way back to the house the husband began hearing this spooky voice behind him. It said, "Who got my g-o-l-d-e-n arm?"

Husband hurried on home but the voice kept calling behind him, all the time closer. "Who got my g-o-l-d-e-n arm?"

He went in the house. Ran upstairs. Jumped in the bed. Covered up his head. But in a minute he heard footsteps on the stairs, coming up, and the moany voice asking, "Who got my g-o-l-d-e-n arm?"

(You understand the story is being told in a dark room on Halloween, the listeners huddled close around the teller.)

The husband under the covers now feels something cold on his head. The something is in the room, bending over him to moan in his ear the awful words, "Who got my g-o-l-d-e-n arm?"

Then the storyteller - during an essential pause - surveys the listeners and selects the person who seems most affected by the story - preferably a girl, Twain said - and the teller suddenly grabs the target and shouts, "YOU got it!"

"If you've got the pause right," Twain wrote in his essay, "(the girl) will fetch a dear little yelp and spring right out of her shoes."

Yeah, and I'll bet you old Roy Avery up there in Philadelphia will spring right out of his shoes, too, when my folklore book flies out of his shelf tonight.

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Driven to succeed



Dave Einsel / Chronicle

An unidentified golfer adds another ball to a Memorial Park driving range already dimpled with the orbs. The weather cooperated, as morning clouds dissipated and the day was mostly sunny, with temperatures in the mid-80s.

Charges dropped against lawyer's wife

By MARK SMITH
Houston Chronicle

After conflicting testimony from one of their own witnesses, prosecutors Wednesday dropped charges accusing Sondra McGuire of interfering with a raid on her husband's law office.

The action ended the last pending criminal action involving attorney James McGuire, who contends he and his wife have been victims of racist, selective prosecution that has destroyed his law practice.

The raid almost two years ago resulted in insurance fraud charges against McGuire, his wife and his brother.

On Sunday, the Chronicle reported McGuire's claims that computers confiscated in the raid came back from police custody containing racist files, pornographic pictures and a memo that used a racial slur. McGuire, who is black, said his computer technician found the memo describing a need to "nail" the Houston attorney.

A computer expert hired by the Chronicle to examine the material said he could not conclusively determine if the files were

entered while the computers were in police custody. Houston police have declined to comment about McGuire's allegations because of his pending federal lawsuit claiming civil rights violations.

Prosecutors decided to dismiss charges against Sondra McGuire during the testimony of their second witness in County Criminal Court No. 14.

The witness, Houston police Officer Joel Garza, testified that he was unable to see Sondra McGuire from his vantage point during the time she allegedly shoved an

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Senate contest in attack mode with TV spots

By R.G. RATCLIFFE
Houston Chronicle Austin Bureau

AUSTIN - Democratic U.S. Senate candidate Victor Morales in a new television commercial released Wednesday criticizes incumbent Republican Phil Gramm as having sold out to special interests.

Gramm, meanwhile, is running a commercial in which he speaks directly to voters asking them to send him back to the Senate. Gramm also has a commercial in the can that attacks Morales over his wife's unpaid federal student scholarship.

Morales' new commercial is the last of two in which he tries to counter more than two months of television advertising by Gramm's multimillion-dollar re-election campaign.

Meanwhile, a new Houston Chronicle-KPRC-TV Poll shows very little has changed in the Senate race since September, with Gramm leading Morales 55 percent to 37 percent.

The poll shows Gramm leading in every part of the state except South Texas, where Morales leads 47 percent to 41 percent. Racial polarization continued in the race, with 73 percent of the Hispanic voters and 77 percent of the blacks favoring Morales and 68 percent of the Anglos siding with Gramm.

The survey of 808 registered voters was conducted Oct. 24-26 for the Houston Chronicle and other news organizations by Mason-Dixon Political/Media Research of Columbia, Md. The poll has a margin of error of 3.5 percentage points.

Gramm's commercial features him wearing a suit in an office telling voters he is proud to have served as their senator.

"I believe Washington has too much to say

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Lotto staff's travel files scrutinized

Trips made to Georgia during Atlanta Olympics

By KATHY WALT
Houston Chronicle Austin Bureau

AUSTIN - Travel records of more than 315 Texas Lottery Commission employees were under the microscope Wednesday as state officials began complying with federal subpoenas for the documents.

A federal grand jury has demanded travel records on any Lottery Commission employees who traveled to Georgia during the month of July, the same month of the Summer Olympic Games in Atlanta. The subpoenas were issued to the Lottery Commission and the Texas Comptroller's office, which reimburses state employees.

Lottery Commission spokesman Steve Levine said the commission turned over travel records of four employees who had been in Georgia that month.

"The documents we turned over reflect perfectly typical, commonplace, routine business travel on behalf of four Texas Lottery Commission employees," Levine said.

Lottery marketing and security staff make routine visits to Dittler Brothers of Atlanta, the company that develops the instant-winner scratch-off games, he added.

"We do this on a regular basis whenever we introduce a new instant game," Levine said. "Both our security staff and our marketing staff have responsibilities at the vendor that they have to take care of, and some of that happened in July."

The trips were made by investigators Janice Pate and James Sigler and by Stephanie Lee Reber, assistant products coordinator, and Toni Adele Smith, instant game coordinator.

The Olympics were held in Atlanta in late July and early August, but Levine said he is confident none of those employees at-

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Bus driver says her passengers were troupers

Children 'hung in there' after plunge into ditch

By STEVE OLAFSON
Houston Chronicle

ANGLETON - Two days after her school bus dropped off a bridge in a near-fatal accident, Mary Chavers is worried about her babies.

Laid up in a hospital - with screws and a metal plate in her left ankle, a broken right kneecap, and assorted bumps and bruises - Chavers isn't concerned about her own three children.

She's thinking about the youngsters she calls "my babies" - the children she takes to and from school each day.

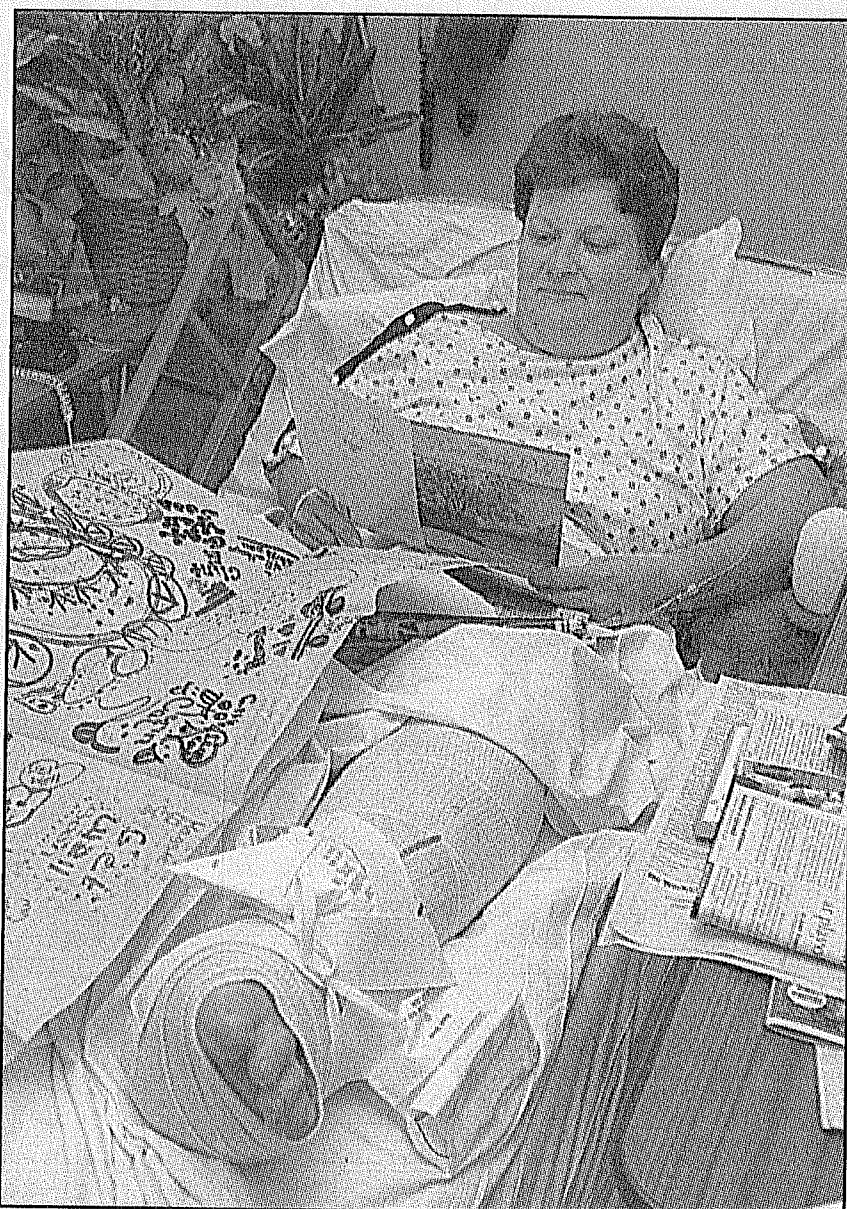
Chavers was behind the wheel of an Angleton school bus Monday afternoon when she swerved off the road to avoid an oncoming pickup truck that was in her lane.

Before losing control of the bus, just before it smashed through a metal guardrail and flew off a bridge into a drainage ditch, she remembers that she glanced into the long rear view mirror above her head.

"I was trying to see if my kids were OK." It was over in an instant. Three of the 13 elementary schoolchildren injured in the crash remained hospitalized Wednesday and Chavers expects to be incapacitated four to six weeks, but everyone agrees it could have been much worse.

Chavers says she relives the accident whenever she tries to get some sleep in her

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Betty Tichich / Chronicle

Angleton school bus driver Mary Chavers reads a get-well card Wednesday while recovering from surgery on a broken ankle. Chavers and 13 children were injured when the bus she was driving plunged off a bridge.