

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:)	
)	Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, et al.,¹)	Case No. 09-12074 (KJC)
)	
Debtors.)	Jointly Administered
)	
)	Ref. Docket No. 1160
)	

**FEE AUDITOR'S FINAL REPORT REGARDING SECOND INTERIM QUARTERLY
FEE REQUEST OF ARENT FOX LLP**

Direct Fee Review LLC (“DFR”), appointed and employed as the Fee Auditor in the above-captioned bankruptcy proceedings and acting in its capacity regarding the Second Interim Fee Application of Arent Fox LLP for compensation for services rendered and reimbursement of expenses as Counsel to the Official Committee of Unsecured Creditors for the period September 1, 2009 through November 30, 2009 (“Fee Request”) seeking approval of fees in the amount of \$586,568.00 and reimbursement of expenses in the amount of \$9,209.58, submits its final report.

BACKGROUND

In performance of audit procedures and in preparation of this report designed to quantify and present factual data relevant to the requested fees, disbursements and expenses contained herein, DFR reviewed the monthly fee statements and the Fee Requests, including each of the billing and expense entries listed in the exhibits to the monthly statements, for compliance with 11 U.S.C. § 330, Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, as amended February 1, 2009 (“Local Rules”), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, issued January 30, 1996 (“Guidelines”).

DISCUSSION

For the compensation period of September 1, 2009 through November 30, 2009 Arent Fox LLP submitted monthly fee applications in the amount of \$586,568.00 for fees as actual, reasonable

¹ The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows: Building Materials Holding Corporation (4269), BMC West Corporation (0454), SelectBuild Construction, Inc. (1340), SelectBuild Northern California, Inc. (7579), Illinois Framing, Inc. (4451), C Construction, Inc. (8206), TWF Construction, Inc. (3334), H.N.R. Framing Systems, Inc. (4329), SelectBuild Southern California, Inc. (9378), SelectBuild Nevada, Inc. (8912), SelectBuild Arizona, LLC (0036), and SelectBuild Illinois, LLC (0792). The mailing address for the Debtors is 720 Park Boulevard, Suite 200, Boise, Idaho 83712.

and necessary and reimbursement of expenses in the amount of \$9,209.58. For the Fee Request period, \$36,929.50 was charged for fee applications.

1. Local Rule 2016-2 provides in section (d) (viii) that travel time during which no work is performed shall be separately described and may be billed at no more than 50% of regular hourly rates. It appears that some non-working travel time has used the full hourly rates applied to a reduced number of hours for these travel entries. On future applications, we requested and the firm agreed that the entire amount of actual non working-travel time be disclosed for greater clarity.
2. Based upon a review for reasonableness DFR noted the entries listed in Exhibit A which may be considered excessive. In general DFR deems charges in excess of \$15/\$25/\$50 for breakfast/lunch/dinner to be not reasonable. Some of these entries appear to be compound. After review by the firm of these charges, the firm withdrew charges in the amount of \$163.07; we recommend a reduction in expense of this amount.
3. During our procedures we noted instances where air and train fares appeared to be higher than normal. These are listed in Exhibit B. We requested the firm review these entries and explain these charges. After review by the firm of these charges, the firm withdrew charges in the amount of \$96.00; we recommend a reduction in expense of this amount.
4. Also, we have noted the entry listed in Exhibit C and requested more descriptive information be provided. After review by the firm of these charges, the firm withdrew charges in the amount of \$340.00; we recommend a reduction in expense of this amount.

CONCLUSION

Regarding the Second Interim Fee Application and the fees and expenses discussed in the previous sections, DFR submits its report for the Second Interim Fee Application of Arent Fox LLP as Counsel to the Official Committee of Unsecured Creditors for compensation for services rendered and reimbursement of expenses for the Period from September 1, 2009 through November 30, 2009 and we recommend the approval of fees in the amount of \$586,568.00 and reimbursement of expenses in the amount of \$8,610.51 (\$9,209.58 less \$599.07).

Respectfully submitted,

DIRECT FEE REVIEW LLC

By: 
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FEE AUDITOR

Exhibit A:

110.02	20091014	OUT-OF-TOWN MEALS - KATIE LANE MEALS:TRAVEL DEST: SAN FRANCISCO
303.05	20091014	MEALS - CHRISTOPHER GIAIMO MEALS:M DAVIS, D KERRIGAN: EXECUTIVE SOUNDING BOARD ASSOCIATES

Exhibit B:

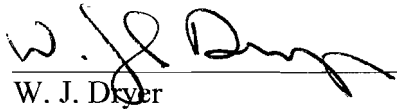
\$ 1,921.40	20091014	OUT-OF-TOWN TRANSPORTATION - CHRISTOPHER GIAIMO DELTA AIRLINES:TRAVEL DEST: SAN FRANCISCO, CA
\$ 1,149.80	20091014	OUT-OF-TOWN TRANSPORTATION - KATIE LANE UNITED AIRLINES:TRAVEL DEST: SAN FRANCISCO
\$ 435.00	20091012	OUT-OF-TOWN TRANSPORTATION - CHRISTOPHER GIAIMO AMTRAK:TRAVEL DEST: NEW YORK

Exhibit C:

\$ 1,015.54	20091014	OUT OF TOWN LODGING - KATIE LANE PALACE HOTEL:TRAVEL DEST: SAN FRANCISCO,CA
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 23th day of December, 2009.

By: 
W. J. Dwyer

SERVICE LIST
Notice Parties

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