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**IN THE OFFICE OF PUBLIC ACCOUNTABILITY**

|                                   |   |                                      |
|-----------------------------------|---|--------------------------------------|
| <b>In the Appeal of</b>           | ) | DOCKET NO. OPA-PA: 15-009            |
|                                   | ) |                                      |
| <b>KORANDO CORP.</b>              | ) |                                      |
| Appellant,                        | ) | <b>STIPULATION AND ORDER TO</b>      |
|                                   | ) | <b>RESCIND THE TERMINATION OF</b>    |
| and                               | ) | <b>KORANDO CORPORATION ON THE</b>    |
|                                   | ) | <b>BILE/PIGUA BRIDGE REPLACEMENT</b> |
| <b>Department of Public Works</b> | ) | <b>PROJECT (GU-NH-NBIS(007))</b>     |
|                                   | ) |                                      |
| Purchasing Agency.                | ) |                                      |

The Department of Public Works, Government of Guam (“DPW”) and Korando Corporation (“Korando”), by and through its respective undersigned counsel, hereby jointly submit this Stipulation and Order to Rescind the Termination of Korando Corporation on the Bile/Pigua Bridge Replacement Project (GU-NH-NBIS(007)) (“Project”).

The parties stipulate as follows:

1. DPW rescinds the July 10, 2015 termination of Korando and Korando agrees to complete the Project in accordance with the parties' Bile/Bridge Replacement Contract dated June 10, 2014 ("Korando's Contract"), as revised by this Stipulation.

2. The Project will have a new target start date of January 25, 2016 ("New Start Date"). Korando will have the full 450 days in which to complete the Project (subject to any extension of time approved after the New Start Date) on the terms and conditions contained in Korando's Contract, as revised by this Stipulation.

3. All liquidated damages are hereby waived through the New Start Date.

4. DPW will immediately process Korando's Payment Applications for work performed through July 10, 2015 (the termination date):

a. The First Payment Application for the sum of \$195,367.36 (net after deducting retainage).

b. The Second Payment Application was submitted on July 10, 2015 for work performed through July 10, 2015, in the amount of \$122,248.43

5. Upon the signing of this Stipulation Korando can submit written Proposed Changed Orders in accordance with the terms and conditions of Korando's Contract. DPW agrees that it will review on the merits and process the Change Orders timely and in good faith, and in accordance with the terms of Korando's Contract. Korando's change orders will include, but are not limited to, the following:

a. Demobilization and remobilization costs, materials previously ordered or in store, which cannot be used on the Project due to the delay of the Project, and any other expenses related to the termination and delay of the Project.

b. Korando's Alternate Phasing Plan requires the construction of a new temporary steel bridge ("New Steel Bridge") due to its contention of the inadequacy of the existing temporary steel bridges. Korando will submit a change order for all costs associated with the New Steel Bridge as proposed in Submittal No. 562.001-02.

c. Korando contends that there is a conflict between the existing overhead power lines and the operation of the crane when hoisting and positioning the piles during the pile driving operation (the "Conflict"), as depicted in DPW's construction documents. If DPW/owner in coordination with Korando reasonably determines this is a design issue, DPW will be responsible for: (i) finding a constructible solution, redesigning and providing the new plans to address this conflict; and (ii) contacting GPA and third party communication providers.

6. DPW agrees that it will act in good faith to use TG Engineers as the Construction Manager on this Project. In no case will Stanley be used as the Construction Manager on this Project.

7. Korando agrees that it will act in good faith to retain Mr. Keith Farrell as a consultant on the Project.

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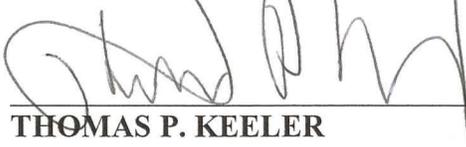
SO STIPULATED on this 16th day of December, 2015.

**CIVILLE & TANG, PLLC**

  
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**JOYCE C.H. TANG**  
Attorneys for Korando Corporation

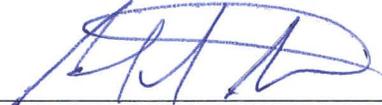
**OFFICE OF THE ATTORNEY GENERAL**  
Elizabeth Barrett-Anderson, Attorney General

By:

  
\_\_\_\_\_  
**THOMAS P. KEELER**  
Assistant Attorney General

**DEPARTMENT OF PUBLIC WORKS**

By:

  
\_\_\_\_\_  
**GLENN LEON GUERRERO**  
Director, DPW

### ORDER

Pursuant to the foregoing Stipulations made by the parties, it is hereby ORDERED that DPW's termination of Korando's Contract is hereby RESCINDED, and the terms of the above Stipulations are hereby incorporated into and made a part of this Order.

The Public Auditor's approval of this Stipulation and Order is a Final Administrative Decision. The parties are hereby informed of their right to appeal from a Decision by the Public Auditor to the Superior Court of Guam, in accordance with Part D of Article 9 of 5 GCA §5481(a).

A copy of this Stipulation and Order shall be provided to the parties and their respective attorneys in accordance with 5 GCA §5702, and shall be made available for review on the OPA Website at [www.opaguam.org](http://www.opaguam.org).

SO ORDERED this 16th day of December, 2015.

  
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**DORIS FLORES BROOKS, CPA, CGFM**  
Public Auditor