GULF INSURANCE COMPANY,)	AGBCA No. 2000-179-1
Appellant)
Appearing for the Appellant:)
Allison J. Snyder Greenberg Peden PC Attorneys and Counselors At Law Tenth Floor, 12 Greenway Plaza Houston, Texas 77046)))))
Appearing for the Government:)
David M. Stauss Daniel A. Bowen Office of the General Counsel U. S. Department of Agriculture 101 South Main St., Suite 351 Temple, Texas 76501-7686)))))

DECISION OF THE BOARD OF CONTRACT APPEALS

September 28, 2001

Before HOURY, POLLACK, and VERGILIO, Administrative Judges.

Opinion for the Board by Administrative Judge POLLACK.

This appeal arises out of a takeover agreement, between the U. S. Department of Agriculture, Forest Service (FS), Lufkin Texas and Gulf Insurance Company of Houston, Texas. Gulf was surety for Arris Builders, Inc., the contractor on Contract No. 50-43ZP-4-47, Double Lake Recreation Area Improvement, Sam Houston National Forest, San Jacinto County, Texas. Arris voluntarily defaulted on the contract and Gulf entered into a takeover agreement with the FS to complete the remainder of the contract work. This dispute centers on costs, in the amount of \$108,849.47, which the surety contended were incurred by it in performing hydrostatic testing and replacing a water line. On June 26, 2000, the Contracting Officer issued a final decision denying the claim. Gulf filed a timely appeal. The Board has jurisdiction pursuant to the Contract Disputes Act, 41 U.S.C. §§ 601-613.

On November 8, 2000, the Board held a telephone conference with counsel for the parties. In that

conference, the parties discussed the possibility of participating in an early Alternative Dispute Resolution (ADR) proceeding. No schedule was set, pending filing of the appeal file by the FS. On January 18, 2001, a second conference was conducted and at that time the parties agreed to proceed with ADR, which was ultimately conducted on May 15, 2001, in Houston, Texas. The ADR was successful and the parties reached a settlement.

By letter of August 13, 2001, counsel for Appellant provided the Board with a copy of the Settlement Agreement. It provided that the appeal would be dismissed with prejudice.

DECISION

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HOWARD A. POLLACK
Administrative Judge

Concurring:

EDWARD HOURY
Administrative Judge

Issued at Washington, D. C. September 28, 2001

JOSEPH A. VERGILIO
Administrative Judge