

Stuart Mani

To: neil_smith@oig.doi.gov

10/03/01 03:50 PM

cc:

Subject: MTE Contract Administration

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Neil- here is some additional information for you on this issue. After some discussions today with Jay West, Regional Forester, the issues presented by David Congos may involve issues of waste, fraud, abuse impacting a approximately \$1 BILLION + dollars forestry trust asset.

See you on Tuesday- STUART MANI

----- Forwarded by Stuart Mani/MINNEAPOLIS/BIA/DOI on 10/03/01 03:44 PM -----



Jay West

To: Stuart Mani/MINNEAPOLIS/BIA/DOI@BIA

10/03/01 02:01 PM

cc:

Subject: MTE Contract Administration

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----- Forwarded by Jay West/MINNEAPOLIS/BIA/DOI on 10/03/2001 02:01 PM -----

David Congos

To: Jay West/MINNEAPOLIS/BIA/DOI@BIA

10/02/2001 04:24 PM

cc:

Subject: MTE Contract Administration

Return receipt

Jay,

FYI - I inspected 5 clearcut/conversion areas today to determine if they were in compliance with the contract/silvicultural prescription. They were not. The prescription (which I signed) requires all cutting to be completed by August 31 in order to reduce hardwood sprouting. This requirement was part of the logging contract, with the cutting completion date being August 31. All five contracts were not completed by this date and MTE extended the cutting date of 2 contracts until the end of September and 2 contracts until the end of April, 2002. One contract had no extension at all. All five contracts were still be actively cut today (10/2/01).

I see at least two problems: 1) MTE unilaterally modified the silvicultural prescription without BIA approval. This is contrary to the Forest Management Plan as well as poor administrative procedure and 2) Cutting is occurring on three harvest units without a valid contract or legal method of controlling waste and damage. An audit of the entire contract file would identify a clear pattern of non-compliance and other deficiencies. Attached is a memo I sent to MTE describing my findings during the contract closure process.

I am convinced the MTE forestry staff cannot do any better than what I've described above since they don't understand what they're hired to do (protect the tribal assets from waste rather than ensure full logger employment). Further, the BIA cannot do a thing about this because the tribal forestry staff works for MTE and the documents restrict the federal government from interfering with the tribal business arm. Even if we reassumed the contract (kept the money and did the sale admin. ourselves), there is no federal contract requirement, stumpage collection or any other mechanism available to the Bureau that would allow us act independently of the MTE on behalf of the tribal membership. The existing system is a failure and will always remain so unless Secretarial intervention occurs or the Tribe amends it's Constitution and removes forest management from the control of the enterprise.

Dave



Contract Closure Review.me