

MENOMINEE TRIBAL ENTERPRISES



FINE HARDWOODS - PINE - HEMLOCK

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September 09, 1996

Mr. Larry Morrin, Acting Area Director
Bureau of Indian Affairs
Minneapolis Area Office
331 South 2nd Avenue
Minneapolis, MN 55401

Dear Mr. Morrin:

The purpose of this correspondence is to follow-up upon our excellent introductory meeting held at your office on July 11, 1996 with you and your staff and representatives of Menominee Tribal Enterprises. We very much appreciated the cordial hospitality and productive working session as we discussed a variety of issue areas related to our government-to-government relationship, trust responsibilities and MTE's specific concerns and requests of the Minneapolis Area Office.

Following is an outline of the main topics discussed at our July meeting, progress since our meeting and pending issue areas:

- Issue 1. Request for update and status of MTE's request for Management and/or Technical Assistance funds to support contracting with an Industrial Safety Consultant to advance MTE's Safety and Risk Management Program.
- Progress: We very much appreciate the prompt response from Mr. Richard Codopony regarding the availability of TA funds to enable MTE to move forward with this important Safety Initiative. We are in the process of completing the Proposal Information Checklist provided by Mr. Codopony, and outline of the P.L. 93-638 Contract Modification to enable these funds to be transferred. We understand that we are working under a September 20, 1996 deadline, and will be working through Mr. Codopony to get the proposal completed and submitted to him in advance of this date.
- Issue 2. Request for assistance from Mr. Mike Poitras, BIA MAO HR Director in providing Federal General Schedule information to MTE related to categorizing Wood Products Manufacturing Positions into the GS Grade and Step System. This information is needed to advance MTE's desire to refine a equitable and rationally designed compensation schedule for MTE's Forestry, Manufacturing and Administration Staff.
- Progress: Again, we are very please to report a prompt response from Mr. Poitras who is in the process of compiling and forwarding the information we

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requested. We hope to have the opportunity to briefly discuss our draft system and assumptions with Mr. Poiras within the next 90 days to obtain his expert opinion and recommendations.

Issue 3. Reaching consensus upon an equipment replacement process (e.g. Road Grader and Front End Loader) to facilitate our effective performance of road maintenance responsibilities.
Pending: We believe that we have begun productive dialog on revisiting a mechanism to have equipment replacement costs reimburse via our Roads Maintenance Contract. At this point we would appreciate additional discussion among appropriate parties to set an agreed upon procedure in motion to promptly respond to immediate road maintenance needs. Mr. Marshall Pecore will serve as initial point of contact for BIA MAO representatives to further this discussion.

Issue 4. Roads Maintenance Contract amounts and COR contact.
Progress: Since our meeting we have been provided information on contract amounts for this Fiscal Year. Continued discussions will be necessary to prepare subsequent contract modifications as additional Roads Maintenance dollars become available.
Pending: We are still uncertain as to the direct COR contact to discuss issues related to Roads Maintenance. At this point, we are requesting that the designated COR for MTE Roads Contracts be assigned to the BIA Office in Shawano. This proposal makes sense to us given the proximity to our operations and qualified engineering staff in this office. We would very much appreciate your thoughts and approval of this designation. Here again, Mr. Pecore will be our first line of contact on this issue.

Issue 5. Indirect Cost Concerns specifically related to MTE's P.L.93-638 Forest Development and Roads Maintenance Contracts.
Pending: As you are aware, MTE has an OIG approved indirect cost rate of 29.87% as documented in our Tribal Organization Indirect Cost Negotiation Agreement (please see Attachment One). We are growingly more concerned related to additional costs incurred by MTE associated with the administration of these contracts, yet not being compensated for these costs consistent with our indirect cost agreement. We would very much appreciate updated information on the availability of indirect funding and MTE's status in receiving

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these dollars. Mr. Larry Johnson, MTE Accounting Manager (715)756-2311 is the contact for BIA representatives to further discuss this issue.

Issue 6. Exploration of Menominee Tribal Enterprises' designation as Agency Status.

Pending: We would very much appreciate arranging for a second meeting with you to discuss the evolution of MTE to Agency Status. This request is particularly urgent given the activities of compacting tribes' bids to obtain greater levels of contract funding. I will serve as contact as we work together to arrange for an additional meeting time, at your convenience, to further discuss this and related issues

In closing, I and the other representatives of MTE joining you at our July meeting, very much appreciate the time you and your staff took to meet with us, to hear and discuss our concerns and promptly respond. We very much look forward to arranging for a second meeting to continue our discussions and reach decision points and action on the issues which remain pending.

I will be contacting you within the next ten days to discuss your thoughts on the issues in this document and to attempt to arrange for a future meeting date at your convenience.

Best Regards,



Lawrence Waukau, President

c: Wendell Irving, Chair MTE Board of Directors
Marshall Pecore, Forest Manager
Larry Johnson, Accounting Manager
Dave Congos, BIA Forest Monitor

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