

JH

April 14, 1982

Mr. John A. Crowe, Principal Chief
Eastern Band of Cherokee Indians
Cherokee, North Carolina 28719

Dear Chief Crowe:

We have reviewed and signed Resolution No. 185 (1982), dated March 19, 1982, and passed in regular session of council of the Eastern Band of Cherokee Indians.

This resolution states that four creditors of the Eastern Band of Cherokee Indians who have submitted bills for services or materials provided in the construction of the Cherokee Cablevision System which have been approved are not paid. One of the bills involved a disputed amount with R & G Communications, Inc., with the dispute being over the correct amount due to the company for final payment for their construction services. The Tribe agreed on the proper amount of final payment to R & G Communications, Inc. as being \$36,015.07. These four claims against the Tribe appear to be valid and should be processed and paid in a timely fashion.

Resolution No. 185 (1982) resolves that the Tribe is hereby authorized to settle and compromise the claim and services by R & G Communications, Inc. in the amount of \$36,015.07 and to pay a claim for installation and pole charges in the amount of \$7,435.64 to Nantahala Power and Light Company and to pay an amount of \$8,000.00 for installation of the microwave system for Cherokee Cablevision. Also, the Tribe is authorized to pay an amount of \$3,933.00 to Tomberlin Technology, Inc. for work performed concerning the dispute with R & G Communications, Inc. for a grand total of \$55,383.71.

This resolution further resolves that said funds should be obtained from the Tribal Reserve Fund.

A copy of Resolution No. 185 (1982) is hereby returned to your office for your permanent files.

Sincerely yours,
(Sgd) Jeff W. Muskrat

Superintendent

Enclosure

PASSED

Cherokee Council House
Cherokee, North Carolina
MAR 19 1982

Resolution No. 185 (1982)

WHEREAS, there are presently four creditors of the Eastern Band of Cherokee Indians who have submitted bills for services or materials provided in the construction of the Cherokee Cablevision System which have been approved but not paid; and

WHEREAS, one of these bills has involved a disputed amount with R & G Communications, Inc., with the dispute being over the correct amount due to the company for their final payment for their construction services; and

WHEREAS, the Tribe has resolved and agreed on the proper amount of final payment to R & G Communications, Inc. as being \$36,015.07; and

WHEREAS, these four claims against the Tribe appear to be valid and should be processed and paid in a timely fashion.

NOW, THEREFORE, BE IT RESOLVED, by the Tribal Council of the Eastern Band of Cherokee Indians, in Annual Council assembled, with a quorum present, that the Tribe is hereby authorized to settle and compromise the claim for services by R & G Communications, Inc. in the amount of \$36,015.07 and to pay an additional claim for installation and pole charges in the amount of \$7,435.64 to Nantahala Power and Light Company and to pay an additional amount of \$8,000.00 for installation of the microwave system of the Cherokee Cablevision Company. And to pay an additional amount of \$3,933.00 to Tomberlin Technology, Inc. for work performed concerning the dispute with R & G Communications, Inc. for a grand total of \$55,383.71.

BE IT FURTHER RESOLVED that the Principal Chief shall be authorized to carry out the intent of this resolution and to obtain said funds from the Tribal Reserve fund.

RECEIVED

MAR 15 1982

HOLT, HAIRE & BRIDGERS, P.A.

ATTORNEYS AT LAW

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~~SECRET~~ OFFICE OF ASSISTANT ATTORNEY GENERAL

W. PAUL HOLT, JR.
R. PHILIP HAIRE
BEN OSHEL BRIDGERS
STEVEN J. BRYANT

March 12, 1982

OTHER OFFICES IN
BRYSON CITY, N. C.

• Mr. John A. Crowe
Principal Chief
Eastern Band of Cherokee Indians
P. O. Box 455
Cherokee, North Carolina 28719

Dear Chief Crowe:

On March 11, 1982, I met with members of the Tribal Planning Office, Cherokee Cablevision, Mr. William Tomberlin, Mr. Jack Mills of R & G Communications, Inc. and his attorney Orville Coward. At this meeting we discussed the amount due on the final payment due to R & G Communications for its services in the construction of the Cherokee Cable Television System. After reviewing the measurement of the Cable System performed by Mr. Tomberlin, it appeared that R & G Communications had billed the tribe for more cable and strand than was actually installed. After reviewing invoices and the on-site survey, it was agreed by all present that R & G Communications has apparently not constructed but 92 miles of strand and approximately 80 miles of cable. Based on previous billings, payments and these measurements, the total due to R & G Communications was reduced from \$66,365.07 to \$36,015.07.

Since this work was completed several months ago, R & G Communications is anxious to receive payment as soon as possible. The company has previously threatened suit but has agreed to accept this sum as final payment for its services, but has agreed to delay filing suit if payment is promptly made. We believe this amount is fair and accurate and we recommend the tribe pay this amount to settle the dispute with R & G Communications, Inc. In order to settle and compromise this claim and avoid what would be unnecessary legal expenses if a lawsuit was filed, we recommend that you present the enclosed resolution to the Tribal Council as an emergency resolution during

Mr. John A. Crowe
Principal Chief
March 12, 1982
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the March 18th session. R & G Communications has requested payment be made during the week following this council session.

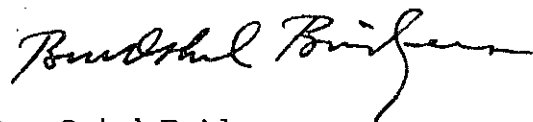
In addition to this claim there are four other creditors to the Cablevision System who remain unpaid at this time. The first is Nantahala Power and Light Co. which has submitted a bill for \$7,435.64. The second is an outstanding bill for \$8,000.00 for installation of microwave equipment. Both of these bills are proper and should be paid promptly.

Two other bills remain outstanding, but there are questions concerning both bills and we do not recommend payment at the present time. First is a total of \$10,000.00 not yet paid to Mr. John Taylor, the contracted engineer for this project. Second is a bill for \$4,483.02 from Skyvision Co. for materials furnished to the Cablevision System. We understand that Mr. Taylor is a stockholder and officer in Skyvision and that he approved payment of this last bill in his capacity as project engineer. You will recall that Mr. Taylor signed a contract with the tribe to provide engineering services on this project. It is an understatement to say that the engineering services and supervision were deficient, creating a number of problems and defects in the construction of the Cablevision System. In his contract Mr. Taylor guaranteed completion of a 100 mile cable system for no more than \$502,000.00. In as much as the construction costs for this project have exceeded this amount by some \$300,000.00, I recommend the tribe seriously investigate all invoices and construction records to determine whether or not suit against Mr. Taylor will be in order. If the tribe is even contemplating a suit against Mr. Taylor for a substantial amount of money, there is certainly no reason to pay this remaining money until his own indebtedness to the tribe is determined.

For this reason, we recommend that you present the enclosed resolution asking only for approval from the tribal council to pay these three indebtednesses totaling \$51,450.71.

Very truly yours,

HOLT, HAIRE & BRIDGERS, P. A.



Ben Oshel Bridgers

BOB:ajp
cc: Tribal Planning Office