



OFFICE OF INSPECTOR GENERAL



DEPARTMENT OF THE INTERIOR

RECOVERY OVERSIGHT ADVISORY

A Critical Point Evaluation Product



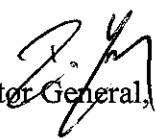


RECOVERY OVERSIGHT OFFICE

Washington, DC 20240

DEC 3 1 2009

To: [Ex. 7(C)]
[Ex. 7(C)]
Branch of Procurement, Oregon State Office
Bureau of Land Management

From: Robert A. Knox 
Assistant Inspector General, Recovery Oversight Office

Subject: Roseburg Crushed Rock Supply and Deliver, Solicitation Number L09PS01399
[Ex. 7(C)]

We received information from your office regarding Solicitation Number L09PS01399, detailing potential competition irregularities. Your office related that a Northwestern construction materials and mining company approached a Northwestern quarry company prior to the bid and discouraged the quarry company from bidding on the project. This memorandum details our review.

Our review was part of our oversight efforts under the American Recovery and Reinvestment Act of 2009 (Recovery Act or Act). Congress provided us with funding to oversee and ensure accountability of the \$3 billion appropriated to the Department of the Interior (DOI) under the Recovery Act. To help safeguard these taxpayer dollars, we are focused on: preventing fraud, waste, and mismanagement of recovery and reinvestment dollars; reducing the impact of misuse when it does occur through early detection; and ensuring transparency in our oversight efforts. The solicitation we reviewed was designated to be funded with Recovery Act appropriations.

We interviewed an official from the quarry company, who stated that the business is a small company and that he believed the solicitation was to be set aside for small business concerns. The official said the construction materials and mining company tested a sample of his rock to determine if it met the specifications of the solicitation. The other company told him that the rock did not meet the Government's specifications. The official from the quarry company stated that he did not want to be scrutinized; he receives a variety of rocks from different sources. Based on this information, he decided not to bid on the project. The official stated that he did not want to file a complaint.

There were 13 contractors who submitted proposals, and 3 were awarded contracts. There are no indications that the construction materials and mining company committed any

This report contains information that has been redacted pursuant to 5 U.S.C. 552(b)(4) and (b)(7)(C) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

offenses, as it was quarry company official's decision not to submit a proposal. He indicated that he was not coerced into making his decision.

Our review was made possible due to the observations of an alert procurement official. We commend the official and appreciate the efforts taken to facilitate our review.

We consider this matter closed and no further action will be taken by our office. We will continue to provide oversight of Recovery Act projects as they progress to completion, and we may review this and/or other projects in the future.

cc: Senior Advisor to the Secretary for Economic Recovery and Stimulus
Assistant Secretary – Policy, Management and Budget
Director, Office of Acquisition and Property Management
Director, Office of Financial Management
Departmental GAO/OIG Audit Liaison
Audit Liaison, BLM
Recovery Coordinator, BLM
Bureau Procurement Chief, BLM

Report Fraud, Waste, and Mismanagement



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