

IN THE SENATE OF THE UNITED STATES.

APRIL 5, 1878.—Ordered to be printed.

Mr. OGLESBY, from the Committee on Indian Affairs, submitted the following

REPORT:

[To accompany bill S. 88.]

The Committee on Indian Affairs, to whom was referred the bill (S. 88) for the relief of James W. Richard and J. S. Brown and brother, of Denver, Colo., report:

That the testimony in the case shows that H. F. Bond, United States Indian agent for the Los Pinos agency in Colorado, entered into a contract with the firm of J. W. Richard & Co., of Denver, Colo., for the purchase from said Richard & Co. of 100,000 pounds of flour, to be delivered by said firm to the new agency located in the Uncompahgre Valley, on or before 25th December, 1875, at the price of \$11.95 per one hundred pounds. That prior to said agreement with said firm the said Indian agent had advertised for bids for furnishing said flour, according to the regulations of the Indian Bureau, and received, under such notice, two bids—one to furnish said quantity of flour at \$9.50 per hundred pounds and the other to furnish it at \$8.50 per hundred pounds, but that subsequently both of said offers of contract were forfeited by the parties making the same. Thereupon said agent claims that he was forced to go into the market at Denver and offer to purchase the flour, and that said Richard & Co. made the lowest bid to furnish the same at the point first stated in this report. The evidence further shows that Richard & Co. delivered all of said flour at what is known as the "old agency," about ninety miles nearer the city of Denver than the Los Pinos agency, the point at which the flour was to have been delivered under the contract. Notice of this contract with Richard & Co. having been furnished to the Indian Department, the Commissioner refused to confirm the same, and notified the Indian agent and Richard & Co. of the fact.

In the mean time, however, the agent had issued to the Indians of the Los Pinos agency 62,800 pounds of said flour. The remaining 37,200, or 372 sacks, were, by the agent, returned to and accepted by the said J. W. Richard & Co. Afterward said firm of Richard & Co. agreed to accept from the Indian Department, in payment in discharge of said 62,800 pounds distributed to the Indians as aforesaid, eight cents per pound. The Commissioner of Indian Affairs accepted these terms, and agreed that the amount should be recognized by the department as a just claim for the amount of flour furnished in quantity and quality as set out in the contract.

The committee herewith inclose communication from the Commissioner of Indian Affairs upon this subject, dated February 15, 1877,

addressed to Hon. William B. Allison, United States Senate; and a further communication, dated February 22, 1878, from B. A. Hayt, Commissioner of Indian Affairs, addressed to Hon. H. M. Teller, of the Senate, upon this subject, in which communication the Indian Bureau recognizes the justice of the claim, and recommend its payment.

But as said contract was not made in accordance with the regulations of the Indian Bureau, the amount cannot be paid out of the regular appropriation for such purpose; a special act of Congress is deemed necessary in order to furnish the same.

The bill provides for an appropriation of \$5,004; the sum admitted to be due by the Indian Bureau is \$5,024.

The Committee on Indian Affairs have amended the bill accordingly, and, as amended, recommend its passage.

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