United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

JUN - 2 1995

MEMORANDUM

TO: The Secretary

FROM: Inspector General

SUBJECT SUMMARY: Final Audit Report for Your Information - "Recreation Management Activities at Selected Sites, Bureau of Reclamation" (No. 95-I-870)

Attached, for your information, is a copy of the final audit report referenced above.

We found that the Bureau of Reclamation has had only limited success in its attempts to reduce the private, exclusive use of Bureau recreation lands in order to make them available for general public use. Much of this exclusive use began in the 1950s, when the Bureau permitted the private development of cabins, mobile homes, and other recreational dwellings at prime locations on the shorelines of several of its newly constructed reservoirs. However, subsequent Bureau efforts to eliminate or reduce the private occupancy of these recreation lands have been largely unsuccessful because Bureau policies to phase out long-term, exclusive use were not deemed binding on the state and local government entities that had agreed to manage the majority of these recreation lands. In addition, we found that the Bureau had not established guidelines for determining when the lands are needed for public use or for amortizing the private investment made in the improvements developed on these Bureau lands. As a result, the private, exclusive use of these lands has tended to continue indefinitely, and the Bureau likely will not be in a position to reasonably respond to the growing public demand for water-based recreation at the affected locations.

Our report focussed primarily on the Bureau's Canyon Ferry Lake in Montana and Lake Berryessa in California. However, we believe that similar conditions exist at other Bureau reservoir areas, most of which are also being managed for recreation use by state or local governments. Accordingly, we recommended that the Bureau take the following actions: (1) make policies for long-term, exclusive use applicable to all state and local governments that manage Bureau recreation lands by incorporating appropriate language in all new or revised agreements and development plans; (2) establish definitive guidelines for determining when these

lands are needed for public use; and (3) establish a system of amortization that will allow the owners of private recreational dwellings a reasonable period of time to realize the benefit of their investments while allowing the Bureau to convert these lands to public use when needed at the earliest possible time. Based on the Bureau's response to our draft report, we considered all the recommendations resolved.

If you have any questions concerning this matter, please contact me on 208-5745.

Wilma A. Lewis

Attachment