



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

RECOVERY

# RECOVERY OVERSIGHT ADVISORY

Bureau of Reclamation Private Wells Contracts

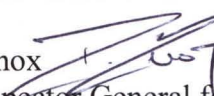


**OFFICE OF  
INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

**JAN 11 2011**

Memorandum

To: Chris Henderson  
Senior Advisor to the Secretary for Economic Recovery and Stimulus

From: Robert A. Knox   
Assistant Inspector General for Recovery Oversight

Subject: Recovery Oversight Advisory – Bureau of Reclamation Private Wells Contracts  
Report No. RO-J-USBR-090-2011

This advisory, regarding Bureau of Reclamation (USBR) contracts for the drilling of water wells, is part of our ongoing effort to oversee and ensure the accountability of funding appropriated to the U.S. Department of the Interior (DOI) in the American Recovery and Reinvestment Act of 2009 (ARRA). In response to concerns raised within USBR, we reviewed USBR's decision to use \$20 million in ARRA funds to install irrigation wells on private property. The USBR decision was based on authority granted pursuant to the Reclamation States Emergency Drought Relief Act (EDRA) of 1991.

The San Luis Delta and Mendota Water Authority (SLDMWA) was established in 1992. One of its primary purposes was the operation and maintenance responsibilities of certain USBR Central Valley Project facilities. The SLDMWA consists of 30 water agencies, encompasses approximately 2,100,000 acres, and represents 29 Federal and exchange water service contractors. The water agencies (districts) are located within the western San Joaquin Valley, San Benito, and Santa Clara counties.

On July 13, 2010, USBR completed Final Environmental Assessments and Findings of No Significant Impact for the construction of up to 43 new wells within the SLDMWA. The wells will be located in seven of the SLDMWA districts, and their installation will be funded by ARRA. USBR determined the new wells are required to supplement water districts' supplies in years when surface water allocation is constrained. The decision was coordinated with the Office of the Solicitor.

Our review determined Section 103 of the EDRA<sup>1</sup> authorizes the drilling of permanent wells to minimize losses and damages from drought conditions. The Office of the Solicitor reviewed USBR's decision to provide drought assistance.

No inappropriate activity was identified. This matter is provided to you for informational purposes only. We will post this advisory on our Web site ([www.doi/ig/recovery/](http://www.doi/ig/recovery/)) and on Recovery.gov. No action or response is requested for this advisory. Information contained in this

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<sup>1</sup> 43 U.S.C. § 2211(a).

advisory may also be included in our semiannual reports to Congress. We performed our work in accordance with the Quality Standards for Investigations adopted by the Council of the Inspectors General on Integrity and Efficiency. Please contact me if you have any questions.

cc: Deputy Secretary, Department of the Interior  
Director, Office of Executive Secretariat and Regulatory Affairs  
Commissioner, U.S. Bureau of Reclamation  
Assistant Secretary – Policy, Management, and Budget  
Director, Office of Acquisition and Property Management  
Acting Director, Office of Financial Management  
Departmental GAO/OIG Audit Liaison  
Audit Liaison, Office of the Secretary  
Audit Liaison, U.S. Bureau of Reclamation  
Recovery Coordinator, U.S. Bureau of Reclamation

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