

Key BLM Appraiser in Utah Deals Transferred

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The chief appraiser for the U.S. Bureau of Land Management who helped negotiate several controversial land deals in Utah has been quietly reassigned.

David Cavanaugh, the BLM's "senior specialist-appraisals," was relieved of his duties last week following the release of another federal report critical of the agency's land-exchange process.

BLM spokeswoman Celia Boddington in Washington, D.C., said she could not comment on "personnel issues," referring inquiries to Jim Hughes, deputy director for policy and external affairs.

Hughes and Cavanaugh did not return phone calls Wednesday or Thursday.

But The Salt Lake Tribune has learned that Cavanaugh has been offered a job with the Federal Highway Administration.

As key negotiator of numerous land exchanges in St. George, Cavanaugh helped to facilitate a 61,000-acre federal preserve for the endangered Mojave desert tortoise.

Utah-based BLM appraisers resisted Cavanaugh's efforts. They say he frequently bowed to political pressure by over-valuing private land offered for exchange with federal land.

"The problem with [Cavanaugh] is he chose political expediency," said Jack McDonald, former chief appraiser in the BLM's Utah office. "To appease his superiors, he tried to pressure appraisers in the field, especially in Utah, to come up with numbers above fair market value."

McDonald, now living in Wyoming, protested loudly about the process and subsequently was forced to retire early.

A report released last week by the Appraisal Foundation, a private consultant contracted by the Department of Interior to review the BLM's land-exchange program, was highly critical of Cavanaugh's apparent deviations from accepted appraisal standards and rules in land exchanges dating back to the early 1990s. The report criticized him for trades he negotiated in Utah and other states.

"It appears that some of [Cavanaugh's] appraisal recommendations were not in compliance with applicable appraisal standards," the foundation report states. "It further appears that his actions in connection with the alternative approach went beyond the limits permitted to protect his independence."

The "alternative approach" allowed for private lands to be valued for reasons not recognized by appraisal rules. For example, private lands that were home to endangered species were valued as though they did not contain such species.

The approach also allowed private landowners too much influence in determining the value of their property proposed to be exchanged for BLM lands.

As a result, the federal government arguably lost money in the exchanges.

The Appraisal Foundation report's findings are similar to those in at least two earlier probes -- one in 2000 by the General Accounting Office and one in 2001 by the Department of Interior's inspector general -- that found similar irregularities in the BLM's land-exchange process.

Those reports prompted two watchdog groups late last year to call for Cavanaugh's termination. The BLM declined to act.

"There was an accumulation of sins here for which he deserved to lose his job," said Janine Blaeloch, director of the Seattle-based Western Lands Exchange Project, one of the groups that called for Cavanaugh's ouster.

Blaeloch said the alternative exchange process that Cavanaugh helped establish in the 1990s led to the controversy surrounding this year's proposed San Rafael land exchange, which itself is now the subject of two federal investigations.

The San Rafael proposal calls for the BLM to deed to the state 135,000 acres of federal land in exchange for 108,000 acres of state lands managed by the Utah School and Institutional Trust Lands Administration.

Negotiators on both sides say the proposed lands are of "approximately equal value," but BLM appraisal and minerals specialists later complained publicly that the deal amounted to a windfall to the state of up to \$117 million.

The San Rafael exchange -- named for the San Rafael Swell, which holds most of the state school trust lands proposed in the deal -- is the subject of a bill that passed the GOP-dominated U.S. House earlier this month. Its fate in the Democrat-controlled Senate is uncertain.

Utah BLM spokesman Don Banks said the San Rafael exchange is a legislative proposal that cannot be compared to the administrative land exchanges that Cavanaugh negotiated.

Banks said the agency several years ago implemented reforms to address the problems cited during Cavanaugh's tenure in Utah and has received "gold stars" for following proper procedure in recent land exchanges.