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UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

GENERAL GOVERNMENT DIVISION

B-206937

APRIL 20, 1982

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The Honorable Albert Gore, Jr. House of Representatives

Dear Mr. Gore:

Subject: Postal Service Site Acquisition Practices (GGD-82-64)

By letter dated September 29, 1981, you asked us to review the Postal Service's site acquisition practices to see if more effective consultation with local government officials is needed. After discussions with your office about your specific concerns, it was agreed that we would determine whether the Service needs to (1) change its procedures for informing affected communities about plans to construct or acquire new postal facilities or expand existing ones, and (2) provide a better explanation to the community (specifically property owners) of the area in which the Service would like to locate new facilities (generally referred to as the preferred area).

We believe that the Service's notification procedures are adequate and that a preferred area designation is an acceptable approach to site selection and provides a reference point for community input. However, the Service needs to provide more specific instructions for identifying the preferred area and provide guidance on what to do when sites are offered that are outside the preferred area. Service Headquarters officials agree and will revise site acquisition procedures.

Our review consisted of (1) an examination of the Service's regulations and instructions relating to site acquisition, (2) discussions with officials of the Real Estate and Buildings Department and the Engineering and Technical Support Department at the Service's Headquarters and the Field Real Estate and Buildings Office in Columbia, Maryland, (3) an examination of six site acquisition files for projects in the Washington, D.C., area, and (4) an examination of the site acquisition file for the new Murfreesboro, Tennessee, Post Office.

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NOTIFICATION PROCEDURES

Prior to 1977, the Postal Service generally did not make public disclosure of the location of a new postal facility until after the site was selected.

This policy was changed in October 1977 with the issuance of instructions which prescribed when and how local public officials, news media representatives, and interested citizens were to be told about the proposed location of a postal facility. The instructions require that the project be coordinated with local public officials as soon as possible in the planning process, preferably when the Service's real estate personnel begin searching for a site.

Postal Service officials told us that this requirement is still in effect and has been reinforced by the Service's compliance with the Office of Management and Budget's Circular A-95 requiring coordination of site selection with State and local governments.

We reviewed six projects in the Washington, D.C., area for compliance with the above notification requirements. In each case, we found an acceptable level of community coordination before the final site selection decision was made.

PREFERRED AREA DESIGNATION

Prior to beginning a search for a new site, the Postal Service performs a facility planning study to support the need for a new facility and/or expansion. The study considers operational requirements, as well as impacts on postal employees and customers.

The study also identifies the preferred area for the location of a new facility considering operational requirements. The preferred area is usually identified by geographic boundaries and is used by the Service's real estate personnel as a guide for locating a new site and for advertising and environmental assessment purposes.

There are no written instructions for field offices to follow on designating the preferred area or on what to do in cases where sites are offered outside the preferred area. Service officials told us that every attempt is made to find an acceptable site within the preferred area. They also told us that the preferred area designation can be expanded if the sites identified or offered are not acceptable, but that expanding the preferred area requires a reexamination of the Service's operational requirements.

Your office questioned the site selection for the Murfreesboro, Tennessee, Post Office because the site selected was outside the preferred area. There was an acceptable site within the preferred area but a determination was made that the site selected better met the Service's operational requirements.

The Service explains the selection of a site from outside a preferred area by saying that the preferred area designation is somewhat arbitrary in nature and that sites have, from time to time, been purchased from outside the preferred area.

This rationalization is somewhat disturbing because the designation of a preferred area is supposedly based on operational requirements and the preferred area is used for environmental impact assessments. Our concerns resulted in the Service agreeing to clarify its procedures to provide (1) more specific instructions as to how a preferred area is to be identified and (2) guidance as to what actions are to be taken when sites are offered from outside the preferred area.

A draft of this report was provided to Service officials for their review and comment. The officials felt the report fairly presented the site acquisition matters discussed and accurately portrayed the actions they plan to take.

We would be pleased to meet with you and your staff should you desire additional information on this matter. As agreed with your office, copies of this report are being sent to the Postmaster General, and we will make copies available to others upon request.

Sincerely yours,

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William J. Anderson Director