

Letter: Payment issues within EDC

Publisher's note: *The following emails were sent to the El Dorado County Board of Supervisors on Oct. 28.*

Dear Board Members:

The purpose of this letter is to document that the Community Development Agency (CDA) Transportation Division has executed a number of contract change orders in violation of the California Public Contracts Code.

On September 12th, new CDA Director Steve Pedretti informed me that CDA had executed a number of contract change orders in excess of 10% of the original contract price in violation of Board Resolution #102-2012 and California Public Contract Code Section 20137. I appreciate that Mr. Pedretti brought this matter to my attention. On September 12th, Mr. Pedretti also told me that he would put this matter on your Board's open session agenda as soon as was practical.

I am confident that CDA will put this matter on your agenda soon with a detailed report. However, because over six weeks have gone by since I learned of this matter, I felt it appropriate to document this violation of state law.

If you have any questions, please contact me.

Sincerely,

Joe Harn, auditor-controller

--

Mr. Harn is correct regarding the information that I provided him. Additionally, on September 16 I informed your Board of this issue in closed session during my quarterly evaluation.

We stopped processing payment of CCO's pending approval by your Board.

My staff provided a draft board letter, and I requested complete backup information, but given my wedding/honeymoon from Sept 25 – Oct 5 the earliest I felt I could have processed a complete package to your Board was Oct 28. Since the Oct 28 meeting is in South Lake Tahoe I chose to wait until Nov 4 to bring this item to hearing. Again, no change order payments have occurred in the interim.

My staff is pulling together additional information that was requested by the Auditor and should be able to provide that information today.

Steve Pedretti