



# County of El Dorado

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December 11, 2007

Board of Supervisors  
County of El Dorado  
330 Fair Lane  
Placerville, California 95667

Subject: Agenda Item #<sup>75</sup>~~76~~ PSOMAS Contract and BOS Policy B-12

Ladies and Gentlemen:

On March 1, 2005, your Board adopted Policy B-12, "Fiscal Review Process". The letter and intent of this policy requires that the County Auditor-Controller be given eight days to review proposed "large" financial decisions prior to their adoption by the Board of Supervisors. The CAO has complied with the spirit of Policy B-12 by scheduling a meeting with me each Monday at 9AM to review the next week's draft agenda. Accordingly, I usually receive the eight days advance notice of Board agenda items as required by Policy B-12.

Your Board made a large financial decision regarding the County's financial relationship with PSOMAS and the County failed to comply with Policy B-12.

#### Approval of \$2,450,000 PSOMAS Contract on April 17, 2007

On April 17<sup>th</sup> your Board approved a \$2,450,000 contract with PSOMAS that according to the agenda was for *construction engineering and construction support services* for the Missouri Flat Interchange. Although, I met with CAO on April 9<sup>th</sup> to review the agenda of the 17<sup>th</sup>, the PSOMAS contract was added to the agenda on April 10<sup>th</sup>. The PSOMAS contract was not on the draft agenda we reviewed on April 9<sup>th</sup> and I was not given an opportunity to review this contract as required by Policy B-12. I did not attend the Board meeting on the 17<sup>th</sup> because I was meeting with the State Controller's Office on the 17<sup>th</sup>.

If the CAO would have called me on the phone or e mailed me on April 10<sup>th</sup> to inform me that she was adding this \$2,450,000 contract to the agenda, I might very well have waived my right to review this contract because DOT characterized the contract as a contract for *construction engineering and construction support services* for the Missouri Flat Interchange. DOT's characterization of this contract was unfortunate and misleading.

On March 28<sup>th</sup>, 20 days before this contract went to the Board, DOT had a draft written Task Order with PSOMAS for ground breaking ceremonies, the preparation of stakeholder database, public relations, a construction information phone line, and a project website. DOT neglected to mention this 20-day-old draft task order to your Board on April 17<sup>th</sup>.

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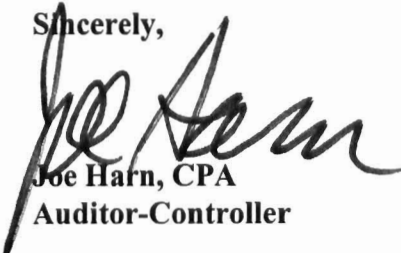
**\$1,954,311 Task Order Approved at July 3, 2007 Board Meeting**

On July 3<sup>rd</sup> your Board approved a \$1,954,311 task order with PSOMAS that according to the agenda was for *construction support services* for the Missouri Flat Interchange. As stated in my letter to DOT dated December 4, the dollar amount of public relation expenses in the Board item was illegible. Neither I, nor members of the public who review the Board meeting documents over the Internet had a reasonable opportunity to discover that DOT's task order included \$249,000 for public relations.

I hope that your Board reminds DOT the importance on complying with Policy B-12. Further, I recommend that your Board direct DOT to redouble its efforts to write complete Board letters that highlight all significant planned expenditures of public funds.

If you have any questions, please call me at 621-5456.

Sincerely,



Joe Harn, CPA  
Auditor-Controller

cc: Laura Gill, CAO  
Richard Shepard, DOT