



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: December 1, 2009

SUBJECT: Resolution to Amend Conflict of Interest Code

Report in Brief

As per law, every two years each Governmental Agency is required to ascertain if their adopted Conflict of Interest Code is current. If not, the Code must be revised prior to the end of calendar year to allow for the Code to be in place at the beginning of each even-numbered year.

Staff recommends that the City Council adopt Resolution _____, a “Resolution of the City Council of the City of Woodland Amending the Conflict of Interest Code for Designated Positions and Incorporating by Reference the Fair Political Practices Commission Standard Model Conflict of Interest Code.”

Background

The Conflict of Interest Code specifies which designated positions, including City employees and certain Board and Commission Members, must file Statements of Economic Interest disclosing investments, interests in real property, income, loans, etc. This listing was expanded considerably in September 1992 from the original eleven positions which were listed in the 1981 Code. In the 1992 Code there were twenty-five additional City employee positions added to the listing and nineteen additional Board and Commission members, plus various consultants.

As the City continues to re-evaluate staffing needs, reorganization and the addition, elimination or change in position titles and/or duties, staff determined the necessity to update the list of employees required to complete the Form 700 more often. Consequentially, the Conflict of Interest Code has been updated annually since 2004.

The Resolution is Section 18730, et. seq., of the Fair Political Practices Commission (FPPC) regulations which are adopted by reference with the proposed Resolution. These regulations provide a Model Conflict of Interest Code which is revised each time FPPC makes an amendment. Adopting this regulation by reference eliminates the need for more frequent updates of the City

Code. However, as mentioned, should significant changes be necessary, it is planned to submit a revised Resolution to Council to assure continued compliance with the law.

The term “designated employee” does not include public officials specified in Government Code Section 87200 which must also file Statements of Economic Interest. Included among these “87200 positions” are City Council members, Mayors, Planning Commissioners, City Managers, City Attorneys and elected City Treasurers.

In total, there are approximately 88 public officials who file Statements of Economic Interest with the City Clerk’s office.

Public Notice

Posting of the City Council agenda.

Fiscal Impact

There is no fiscal impact associated with the recommended action.

Recommendation for Action

Staff recommends that the City Council adopt Resolution _____, a “Resolution of the City Council of the City of Woodland Amending the Conflict of Interest Code for Designated Positions and Incorporating by Reference the Fair Political Practices Commission Standard Model Conflict of Interest Code.”

Prepared by: Sue Vannucci, Director
of Administrative Services

Mark G. Deven
City Manager

Attachments: Resolution
2010 Conflict of Interest Code

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND
AMENDING CONFLICT OF INTEREST CODE FOR DESIGNATED POSITIONS
AND INCORPORATING BY REFERENCE THE FAIR POLITICAL PRACTICES
COMMISSION STANDARD MODEL CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act, Government Code Sections 81000, et seq., requires every state or local government agency to adopt and promulgate a conflict of interest code; and

WHEREAS, the Fair Political Practices Commission has adopted Regulation 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model Conflict of Interest Code, that can be incorporated by reference, and that will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.; and

WHEREAS, Government Code Section 87306.5 requires each local agency to review its Conflict of Interest Code in each even numbered year and to update the Code as necessary; and

WHEREAS, incorporation by reference of the terms of the aforementioned regulation and amendments to it as the Conflict of Interest Code of the City of Woodland ("the City") will save the City time and money by minimizing the actions required of the City to keep its Conflict of Interest Code in conformity with the Political Reform Act; and

WHEREAS, the City of Woodland has determined there is a need to amend the City Conflict of Interest Code originally adopted by Resolution 2663 on September 20, 1976, revised by Resolution 2922 on August 15, 1980, Resolution 2968 on February 3, 1981, Resolution 3693 on September 15, 1992, Resolution 4061 on September 15, 1998, Resolution 4242 on December 5, 2000, and Resolution 4400 on November 19, 2002, Resolution 4514 on January 20, 2004, Resolution 4597 on November 16, 2004, Resolution 4678 on September 20, 2005, Resolution 4711 on February 7, 2006, Resolution 4783 on November 28, 2006; Resolution 4878 on November 27, 2007; and Resolution 4969 on November 18, 2008.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The terms of Cal. Code of Regulations Section 18730, and any amendments to that section which may be duly adopted by the Fair Political Practices Commission, is hereby adopted by reference as the body of the Conflict of Interest Code of the City of Woodland.

2. The list of designated positions and disclosure categories attached hereto is hereby adopted as the designated positions and disclosure categories referred to in 2 Cal. Code of Regulations Section 18730. The Code has been amended to delete the positions of Assistant Finance Director, Chief Building Official, Chief Plant Operator, Community Development Director, Deputy Director of Public Works Engineering/City Engineer, Deputy Fire Chief, Environmental Services Manager, Finance Director, Parks Planner, Park Superintendent, Planning Manager, Senior Center Manager, and Supervising Building Inspector. The Code has also been amended to change the titles of the Information Services Manager and Administrator to Technology Services Manager and Administrator.

3. Members of the City Council, the City Manager, City Attorney, City Treasurer, and Members of the City Planning Commission shall file statements of economic interest with the City Clerk, who shall make and retain a copy and forward the original to the Fair Political Practices Commission, which shall be the filing officer with respect to these statements. All other persons holding designated positions shall file statements with the City Clerk, who shall be the filing officer with respect to those statements.

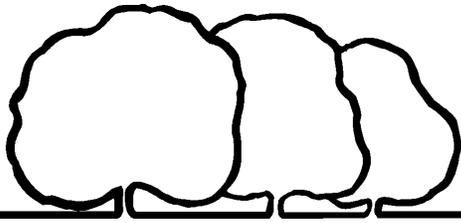
PASSED AND ADOPTED by the City Council of the City of Woodland this 1st day of December 2009, by the following vote:

AYES:	Council Members
NOES:	Council Members
ABSENT:	Council Members
ABSTAIN:	Council Members

Marlin H. Davies, Mayor

ATTEST:

Sue Vannucci, Director of
Administrative Services



City of Woodland

Conflict of Interest Code

2010 Edition

Adopted: Resolution 2663 on September 20, 1976
Revised: Resolution 2922 on August 15, 1980
Resolution 2968 on February 3, 1981
Resolution 3693 on September 15, 1992
Resolution 4061 on September 15, 1998
Resolution 4242 on December 5, 2000
Resolution 4400 on November 19, 2002
Resolution 4514 on January 20, 2004
Resolution 4597 on November 16, 2004
Resolution 4678 on September 20, 2005 (Position Revisions)
Resolution 4711 on February 7, 2006 (Position Revisions)
Resolution 4783 on November 28, 2006
Resolution 4878 on November 27, 2007
Resolution 4969 on November 18, 2008

CONFLICT OF INTEREST

Each public agency is required to conform to the Political Reform Act in the development of a Conflict of Interest Code. This Code is to be adopted by our Council and reviewed on each even numbered year to ascertain if changes to our Code are needed or desired. The provisions of the Code are delineated in the Political Reform Act, specifically in Sections 87100 through 87999 and generally in various other Sections throughout the Act as they apply.

The purpose of a Conflict of Interest Code is to assure that employees of the City disclose any personal financial interests that could affect or direct their duties as employees of the City. This disclosure then provides a basis to assure employees do not receive or direct any benefit to themselves on behalf of public funds.

The determination of who qualifies under the disclosure is one who in making a governmental decision means the City employee:

- A. Votes on a matter;
- B. Appoints a person;
- C. Obligates or commits the City to any course of action; or,
- D. Enters into any contractual agreement on behalf of the City.

Participating in making a decision means the employee:

- A. Negotiates, without significant substantive review, with the governmental entity or private person regarding the decision, or;
- B. Advises or makes recommendations to the decision-maker by conducting research or an investigation, preparing or presenting a report, analysis or opinion which requires the exercise of judgment on the part of the employee and the employee is attempting to influence the decision.

A designated employee is an officer, employee, member or consultant of the City whose position is designated in the Code because the position entails the making or participation in the making of governmental decisions that may foreseeably have a material effect on any financial interest.

The synopsis of the City's Code is taken from the Political Reform Act Sections 87100 through 87999 as a summary of the language therein and is provided as a reference and

guide for the employees of the City. Specific language of the law should be ascertained through the Fair Political Practices Commission and interpreted by same.

The Filing Officer for the City of Woodland is the City Clerk. General information, forms and guidelines are on file in the City Clerk's Office, as are copies of the Code, Political Reform Act and the other applicable Codes that apply in relation to Conflict of Interest. The City Clerk can assist in relation to the Code, completion of forms, or in the direction to other appropriate sources for response to specific or technical concerns or questions.

Section 1. Definitions

The definitions contained in the Political Reform Act of 1974, regulations of Fair Political Practices Commission (2 Cal. Code of Regulations, Sections 18100 et. seq.) and any amendments to the Act or regulations are incorporated by reference into this Conflict of Interest Code.

Section 2. Designated "Employees" Includes Members of Specific Boards and Commissions

The persons holding positions listed in the Appendix of Designated Positions and Disclosures Categories included in this document are designated employees which includes those Members of specifically indicated Boards and Commissions within the City of Woodland. For purposes of this Code, such Members of the Boards and Commissions shall be considered "employees" of the City of Woodland. It has been determined that these persons make or participate in the making of decisions which may have a material effect on the financial interests of the City.

Section 3. Disclosure Categories

This Code does not provide a disclosure obligation for those employees who are also required under Government Code Section 87200 ("87200 Filers") if they are designated in this Code in the same capacity or if the geographical jurisdiction of the City is the same or is included in the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200, et. seq.)

In addition, this Code does not establish any disclosure obligation for any designated employees who are designated in a Conflict of Interest Code for another agency, if all of the following apply:

- A. The geographical jurisdiction of the City is the same as or wholly included within the jurisdiction of the other agency;
- B. The disclosure assigned in the Code of the other agency is the same as that required under Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200; and,
- C. The Filing Officer is the same for both agencies.

Designated employees who are required to file Statements of Economic Interest (SEI) under any other agency's Conflict of Interest Code, or under Article 2 for a different jurisdiction, may expand their SEI to cover reportable interests in both jurisdictions and file copies of this expanded SEI with both entities in lieu of separate and distinct SEI's, provided that each copy of such expanded SEI filed in place of an original is signed and verified by the files as if it were an original. See Government Code Section 81004 as reference.

Such persons are covered by this Code for disqualification purposes only. With respect to all other employees, the disclosure categories set forth in the Appendix of Designated Positions and Disclosure Categories specify which kinds of financial interests are reportable. Such employees shall disclose in their SEI those financial interests which are of the kind described in the disclosure categories to which the employee is assigned. It has been determined that the financial interests set forth in the disclosure categories are those which can foreseeably be affected by the conduct of the employee in their office.

Section 4. Statements of Economic Interest – Place of Filing

The Filing Officer of the City of Woodland is the City Clerk. Such Statements of Economic Interests shall be filed with the Filing Officer as per Government Code Section 81010 and 2 Cal. Code of Regulations, Section 18115 which sets the duties of Filing Officers.

Section 5. Statements of Economic Interest – Time of Filing

A. Assuming Office Statement

All persons assuming designated positions shall file Statements of Economic Interest with the Filing Officer within 30 days after assuming their designated position.

B. Annual Statement

All persons holding positions in the designated categories shall file an annual Statement of Economic Interest with the Filing Officer not later than April 1st.

C. Leaving Office Statement

All persons who leave designated positions shall file Statements of Economic Interest within 30 days after leaving office.

(1) Statements for Persons Who Resign Prior to Assuming Office

Any person who resigns within 12 months of initial appointment or within 30 days of the date required to file an Assuming Office Statement is not required to submit such SEI provided they did not make or participate in the making of, use their position to influence any decision or did not receive any form of payment as a result of such appointment. Such persons shall not file either an Assuming Office or Leaving Office SEI.

(a) Any person who resigns a position within 30 days of the date of notice from the Filing Officer shall do both of the following:

- File a written resignation with the appointing power; and,
- File a written statement with the Filing Officer declaring under penalty of perjury that during the period between appointment and resignation they did not make, participate in making, or use their position to influence any decision of the agency, receive or become entitled to receive any payment by virtue of being appointed to the position.

Section 6. Contents of and Period Covered by Statements of Economic Interests

A. Contents of Assuming Office Statement

Assuming Office Statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office.

B. Contents of Annual Statements

Annual Statements shall disclose any reportable investments, interests in real property and business positions held or received during the previous calendar year, provided the period covered by an employee's first Annual Statement shall begin on the date of Assuming Office.

C. Contents of Leaving Office Statement

Leaving Office Statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last Statement and the date of leaving office.

Section 7. Manner of Reporting

Statements of Economic Interest shall be submitted on forms provided by the Fair Political Practices Commission and supplied by the Filing Officer. These Forms shall contain the following information:

A. Investment and Real Property Disclosure

When an investment or an interest in real property is required to be reported, the Statement shall contain the following:

- (1) A statement of the nature of the investment or interest;
- (2) The name of the business entity in which each investment is held and a general description of the business activity in which the business entity is engaged;
- (3) The address or other precise location of the real property;
- (4) A statement whether the fair market value of the investment or interest in real property is between \$2,000 and \$10,000, between \$10,001 and \$100,000, between \$100,001 and \$1,000,000 or exceeds \$1,000,000.

For purposes of disclosure only, interest in real property does not include the principal residence of the filer. Investments and interests in real property which have a fair market value of less than \$1,000 are not investments and interests in real property within the meaning of the Political Reform Act.

B. Personal Income Disclosure

When personal income is required to be reported for income received from sources other than salary or reimbursement expenses received from any State, Local or Federal government agency, the Statement shall contain.

- (1) The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
- (2) A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was between \$500 and \$1,000, was between \$1,001 and \$10,000, was between \$10,001 and \$100,000, or exceeded \$100,000;
- (3) A description of the consideration, if any, for which the income was received;
- (4) In the case of a gift, the name, address, business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
- (5) In the case of a loan, the annual interest rate and the security, if any, given for the loan.

C. Business Entity Income Disclosure

When income of a business entity, including income of a sole proprietorship, is required to be reported, the Statement shall contain:

- (1) The name, address and a general description of the business activity of the business entity;
- (2) The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was between \$2,000 and \$10,000, was between \$10,001 and \$100,000, was between \$100,001 and \$1,000,000, or exceeded \$1,000,000.

Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a

10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

D. Business Position Disclosure

When business positions are required to be reported, a filer shall list the name and address of each business entity in which they are a director, officer, partner, trustee, employee or in which they hold any position of management, a description of the business activity in which the business entity is engaged and their position with the business entity.

E. Acquisition or Disposal During Reporting Period

In the case of an Annual or Leaving Office Statement, if an investment or an interest in real property was partially or entirely acquired or disposed of during the period covered by the Statement, the Statement shall contain the date of acquisition or disposal.

Section 8. Prohibition on Receipt of Honoraria

- A. No designated employee of a local governmental agency shall accept any honorarium from any source if the employee would be required to report the receipt of income or gifts from that source on their Statement of Economic Interest.

Subdivisions (a), (b) and (c) of Government Code Section 89501 shall apply to the prohibitions of this Section. This Section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.

B. Prohibition on Receipts of Gifts in Excess of \$50

No employee of a local government agency shall accept gifts with a total value of more than \$50 in a calendar year from any single source if the employee would be required to report the receipt of income or gifts from that source on their Statement of Economic Interest.

Subdivisions (e), (f), and (g) of Government Code Section 89503 shall apply to the prohibitions in the Section.

Section 9. Disqualification

No designated employee shall make, participate in making, or in any way attempt to use their official position to influence the making of any governmental decision which is known or should reasonable have known to have a foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of their immediate family or on:

- A. Any business entity which the employee has direct or indirect investment worth of \$2,000 or more;
- B. Any real property in which the employee has a direct or indirect interest of \$2,000 or more;
- C. Any source of income other than gifts and loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the employee within 12 months prior to the time when the decision is made;
- D. Any business entity in which the employee is a director, officer, partner, trustee, employee or holds any position of management; or
- E. Any donor of or any intermediary or agent for a donor of, a gift or gifts aggregating \$250 or more provided to, received by, or promised to the employee within 12 months prior to the time when the decision is made.
- F. Legally Required Participation

No employee shall be prevented from making or participating in the making of any decision to the extent their participation is legally required for the decision to be made. The fact that their vote is needed to break a tie does not make their participation legally required for purposes of this Section.

Section 10. Manner of Disqualification

When a filer determines they should not make a governmental decision because of a qualifying interest in it, the determination not to act must be accompanied by a disclosure of the disqualifying interest. In the case of a voting body, this determination and disclosure shall be made part of the City's official record.

Section 11. Assistance of the Commission and Counsel

Any designated employee who is unsure of their duties under this Code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83144 or from the City Clerk who is the Filing Officer for the City.

Section 12. Violations

This Code has the force and effect of law. Those employees violating any provision of this Code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this Code or of Government Code Section 87100 or 87450 has occurred may be set aside a void pursuant to Government Code Section 91003.

APPENDIX OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

- I. DESIGNATED POSITIONS. The positions listed below are designated positions and the individual occupying each position is deemed to make, or participate in the making of, decisions which may have a material effect on a financial interest of that individual. The individuals occupying the designated positions shall disclose their economic interests in accordance with the corresponding disclosure categories, defined in Section II below.

<u>Designated Position</u>	<u>Disclosure Categories</u>
Accountant I/II	1
Administrative Services Director	2, 3
Assistant City Manager	1
Assistant Engineer	2, 3, 4
Assistant/Associate Civil Engineer	2, 3, 4
Assistant/Associate Planner	2, 3, 4
Building Inspection Services Manager	3, 4
Building Inspector I/II	3, 4

Designated Position

Disclosure Categories

City Clerk 2, 3

City Treasurer..... 1

Code Compliance Officer I/II 3, 4

Deputy Director of Community Development..... 1

Deputy Director of Public Works, Operations and Maintenance 1

Economic Development Manager 2, 3, 4

Engineering Assistant/Senior Engineering Assistant..... 1

Engineering Technician I/II/III 1

Environmental Compliance Specialist 1

Finance Officer 1

Fire Battalion Chief..... 2, 3

Fire Chief 1

Fleet and Facilities Manager 2

Human Resources Analyst 2, 3, 4

Human Resources Manager 2, 3, 4

Infrastructure Operations and Maintenance Superintendent 1

Infrastructure Operations and Maintenance Supervisor 1

Junior Engineer..... 2, 3, 4

Librarian III 5

Library Services Director 1

Management Analyst I/II 2, 3, 4

Designated Position

Disclosure Categories

Members of the Historical Preservation Commission..... 4

Members of the Library Board 1

Members of the Manufactured Homes Fair Practices Commission 1

Office Manager 2, 3, 4

Parks and Recreation Director 1

Plans Examiner 2, 3, 4

Police Captain..... 2, 3

Police Chief 1

Police Lieutenant 2, 3

Police Records Manager 1

Principal Civil Engineer 2, 3, 4

Principal Planner 2, 3, 4

Public Works Director..... 1

Purchasing Manager 2, 4

Redevelopment Agency Manager..... 2, 3, 4

Senior Accountant..... 1

Senior Building Inspector 2, 3

Senior Civil Engineer 2, 3, 4

Senior Management Analyst 2, 3, 4

Senior Planner 2, 3, 4

Technology Systems Administrator 2, 3, 4

Designated Position

Disclosure Categories

Technology Systems Manager 2, 3, 4

Transportation Engineer 2, 3, 4

Water Pollution Control Facilities Supervisor 2, 3, 4

Consultant* 1

*Disclosure by Consultants shall be subject to the following limitation:

The City Manager may determine in writing that a particular Consultant, although a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this Section. Such written determination shall include a description of the Consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

II. DISCLOSURE CATEGORIES.

CATEGORY 1: DESIGNATED POSITIONS WITH DUTIES THAT ARE BROAD AND INDEFINABLE

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, interests in real property located in the City or within the City's sphere of influence, all sources of income located in or doing business in the City, and business positions in business entities.

CATEGORY 2: DESIGNATED POSITIONS WITH DUTIES THAT INVOLVE CONTRACTING OR PURCHASING

Contracts or makes purchases for entire City of Woodland:

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, all sources of income located in or doing business in the City and business positions in business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City.

Contracts or makes purchases for specific department within the City:

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, all sources of income located in or doing business in the City and business positions in business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the designated employee's department or division.

CATEGORY 3: DESIGNATED POSITIONS WITH REGULATORY POWERS

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, all sources of income located in or doing business in the City and business positions in business entities which are subject to the regulatory, permit or licensing authority of the City of Woodland or any of its departments.

CATEGORY 4: DESIGNATED POSITIONS WHOSE DECISIONS MAY AFFECT REAL PROPERTY INTERESTS

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, interests in real property located within the City, sources of income, and business positions in business entities which engage in land development, construction or the acquisition or sale of real property.

CATEGORY 5: POSITIONS THAT PROVIDE LIBRARY SERVICES

All positions in this category shall disclose: all investments in any business entity located or doing business in the City of Woodland, business positions in business entities and income from sources which manufacture, sell or provide supplies, materials, books, machinery, services or equipment of the type utilized by the Woodland City Library.