



# City of San Leandro

Meeting Date: February 17, 2015

## Staff Report

---

**File Number:** 15-062

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.N.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Lianne Marshall  
Assistant City Manager

**FINANCE REVIEW:** Not Applicable

**TITLE:** Staff Report for Resolution Repealing and Reenacting Chapter 4.2 of the San Leandro Administrative Code Relating to the City's Conflict of Interest Code

---

### SUMMARY AND RECOMMENDATION

State law requires every government agency to adopt a conflict of interest code, which designates positions required to file a Statement of Economic Interests (Form 700). The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interest. State law also requires every government agency to update its conflict of interest code every two years. Staff recommends that the City Council adopt the resolution repealing and reenacting Title 4, Chapter 2 of the San Leandro Administrative Code to update the City's conflict of interest code.

### BACKGROUND

The Political Reform Act (the "Act") requires every public agency to adopt a conflict of interest code (the "Code") and review the Code biennially. The Code contains three components: 1) Terms of the Code, which comprise the main body of the Code and include such provisions as the manner to report financial interests, the disqualification procedures, etc.; 2) Designated Positions, which are those positions that make or participate in the making of decisions which may foreseeably have a material effect on economic interests; and 3) Disclosure Categories, which identify the types of investments, interests in real property, sources of income and business positions that designated positions may affect in their decision-making.

### Analysis

The State's Fair Political Practices Commission (the "FPPC") recommends that cities incorporate by reference Regulation 18730 of Title 2, Division 6 of the California Code of Regulations because the type of information required to be in the main body of the Code is quite complex, and Regulation 18730 contains all of these provisions for compliance with the

Act.

Based upon a review of Regulation 18730 and review by the City's department heads, the Designated Positions List (Appendix A) has been revised to reflect departmental reorganizations and classifications which were created or eliminated since the last Code update. Typically, positions that involve voting on matters, negotiating contracts, or making recommendations on purchases without substantive review must be included in the Code. Positions are listed by classification titles, followed by working titles in parentheses if applicable. The positions of City Manager, City Attorney, Finance Director, Mayor and City Councilmembers, and Planning Commissioners are not listed in the City's Code, as these positions are already required by State law to file disclosure of their economic interests.

The Disclosure Categories List (Appendix B) has been updated to include a descriptive heading for each category.

### **Current City Council Policy**

In order to comply with the requirements of the Political Reform Act, the City Council must review the City's conflict of interest code biennially to determine if it is accurate or if amendments are needed.

### **Previous City Council Action(s)**

On March 18, 2013, by Resolution No. 2013-033, the City Council last updated the City's conflict of interest code.

## **ATTACHMENT**

### **Attachment to Resolution**

- Proposed conflict of interest code

**PREPARED BY:** Vivian Chiu, Deputy City Clerk, City Manager's Office



# City of San Leandro

Meeting Date: February 17, 2015

## Resolution - Council

---

**File Number:** 15-063 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Lianne Marshall  
Assistant City Manager

**FINANCE REVIEW:** Not Applicable

**TITLE:** RESOLUTION Repealing and Reenacting Chapter 4.2 of the San Leandro Administrative Code to Update the Conflict of Interest Code as Required by State Law

---

WHEREAS, the Political Reform Act of 1974 (California Government Code Section 81000 et seq.) requires every government agency to adopt a conflict of interest code and review this code every two years; and

WHEREAS, the City Council is the code reviewing body for the City of San Leandro; and

WHEREAS, the City Council reviewed the amendments to the City's conflict of interest code; and

WHEREAS, the City Manager recommends the adoption of said amendments.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE that Title 4, Chapter 2 of the San Leandro Administrative Code relating to the conflict of interest code, a copy of which is attached hereto and incorporated herein by this reference, is hereby repealed and reenacted.

[Note: Added text is shown in italics and underline, and deleted text is shown in ~~strikethrough~~.]

## Chapter 2 Conflict of Interest

**§4.2.100: LEGAL REQUIREMENT.** Under the Political Reform Act, California Government Code Sections 81000 et seq., all public agencies are required to adopt a conflict of interest code. This code designates positions required to file Statements of Economic Interests (Form 700), and assigns disclosure categories specifying the types of interest to be reported. The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.

**§4.2.105: ADOPTION OF CONFLICT OF INTEREST CODE.** Fair Political Practices Commission (FPPC) Regulation 18730 in Title 2, Division 6 of the California Code of Regulations is adopted and incorporated into this Chapter by reference. FPPC Regulation 18730, together with the designated positions set forth in Appendix A and the disclosure categories set forth in Appendix B, constitutes the formation and promulgation of as the City's conflict of interest code. ~~The three components of the code are:~~

- (a) ~~**Terms of the Code.** Appendix A is the most current version of FPPC Regulation 18730, Provisions of Conflict of Interest Codes.~~
- (b) ~~**Designated Positions.** The persons holding positions listed in Appendix B are designated employees who shall file Form 700 Statement of Economic Interests.~~
- (c) ~~**Disclosure Categories.** The persons holding positions listed in Appendix B shall file schedules as provided in Appendix C.~~

**§4.2.110: FILING OF FORM 700.** All designated officials and employees shall file the required Form 700 pursuant to provisions of this Chapter with the City Clerk, the City's filing officer. Failure to timely file the required Form 700 may result in disciplinary action by the relevant department head and/or in the imposition of administrative, criminal, and civil sanctions as provided in California Government Code Sections 81000-91014.

**§4.2.115: PUBLIC INSPECTION AND REPRODUCTION.** Every Form 700 filed pursuant to this Chapter shall be open for public inspection and reproduction in the Office of the City Clerk during regular business hours.

### **APPENDIX A—TERMS OF THE CODE**

[Section removed]

### **APPENDIX BA—DESIGNATED POSITIONS**

<b><u>POSITION</u></b>	<b><u>FILING-DISCLOSURE CATEGORY</u></b>
------------------------	--

<b><u>City Attorney's Office</u></b>	
--------------------------------------	--

Assistant City Attorney	1
Associate Attorneys	1

**City Manager's Office**

Administrative Analyst	1
Assistant City Manager	1, 5
Assistant Information Services <i>Technology</i> Manager	2
Assistant to the City Manager	1, 5
City Clerk	1
Chief Innovation Officer	1, 5
Consultant	1
Deputy City Clerk	1
Human Resources Director	2
Human Resources Manager	2
Information Services <i>Technology</i> Manager	2
Senior Human Resources Analyst	2

**Community Development Department**

Administrative Analyst	1, 5
Building Inspector	4
Business Development Manager	1, 5
Chief Building Official	4, 5
<del>Consultant</del>	<del>4</del>
Community Development Director	1, 5
<i>Deputy Community Development Director</i>	<i>1, 5</i>
Housing-CDBG Manager	4, 5
Planning Manager	1, 5
Permits Center Coordinator	4
<i>Principal Planner</i>	<i>4, 5</i>
Project Specialist I	4, 5
Project Specialist II	4, 5
Senior Building Inspector	4
Senior Engineer	4, 5
Senior Project Specialist (Senior Planner)	4, 5
Supervising Building Inspector	4, 5

**Engineering/Transportation Department**

Administrative Analyst ( <i>Administrative Service Manager</i> )	5
City Engineer	1, 5
<i>Engineering Inspector (Encroachment and Grading Inspector)</i>	<i>4, 5</i>
Engineering Inspector (Sidewalk Inspector)	4, 5
Engineering and Transportation Director	1, 5
Principal Engineer	1, 5
Senior Engineer	1, 5
Supervising Engineering Inspector	4, 5

**Finance Department**

Administrative Specialist III (Purchasing Agent, Risk Management Analyst)	2
Budget and Compliance Manager	2
<del>Consultant</del>	<del>4</del>
Deputy Finance Director	1

**Library Department**

Administrative Analyst (Support Services Manager)	3
Library Director	2
Library Services Manager	3

**Police Department**

Police Captain	1
Police Chief	1

**Public Works Services Department**

Administrative Analyst	3
Administrative Specialist III (Solid Waste & Recycling Specialist)	4
Assistant Water Pollution Control Manager	3, 4
<del>Consultant</del>	<del>4</del>
<i>Deputy Public Works Services Director</i>	<u>1</u>
Environmental Services Supervisor	4
Environmental Protection Specialist I	4
Environmental Protection Specialist II	4
Facilities and Open Space Manager	3
Public Works Services Director	1
Street Maintenance Manager	3
Water Pollution Control Manager	3, 4

**Recreation & Human Services Department**

Administrative Specialist III	2
Recreation & Human Services Director	1
Recreation & Human Services Manager	2

**Arts Commission**

<i>Entire Board</i>	<u>4, 5</u>
---------------------	-------------

**Board of Zoning Adjustments**

Entire Board	1
--------------	---

**Human Services Commission**

Entire Commission	<u>24</u>
-------------------	-----------

**Library-Historical Commission**

Entire Commission	4
-------------------	---

**Rent Review Board**

Entire Board

4, 5

Consultants\*To be determined by scope of services or duties\*\*

\*For purposes of the City's Conflict of Interest Code, "Consultant" means an individual who, pursuant to a contract with a state or local government agency:

1. Makes a governmental decision whether to:
  - A. Approve a rate, rule, or regulation;
  - B. Adopt or enforce a law;
  - C. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
  - D. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
  - E. Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
  - F. Grant agency approval to a plan, design, report, study, or similar item;
  - G. Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
2. Serves in a staff capacity with the agency and in that capacity participates in making governmental decisions as defined in FPPC Regulation 18702.2 or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code. (FPPC Regulation 18701.)

\*\*The City Manager shall make a determination in writing when a particular Consultant falls within the above-described criteria requiring the Consultant to be treated as a "designated position." The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as the Conflict of Interest Code.

**NOTE:** Members of the City Council, members of the Planning Commission, City Manager, City Attorney and Finance Director are required under California Government Code Section 87200 to file full disclosure of economic interests (Disclosure Category 1).

**APPENDIX CB—DISCLOSURE CATEGORIES****CATEGORY 1 – BROAD RESPONSIBILITIES**

All designated employees *and officials* in this category shall disclose all sources of income, all interests in real property, and all investments and business positions in business entities.

Employees in this category must complete **all** schedules on the Form 700 Statement of Economic Interests Form:

- Schedule A-1: Investments

- Schedule A-2: Investments, Income, and Assets of Business Entities/Trusts
- Schedule B: Interest in Real Property
- Schedule C: Income, Loans, and Business Positions
- Schedule D: Income – Gifts
- Schedule E: Income – Travel Payments, Advances, and Reimbursements

### **CATEGORY 2 – PURCHASING DECISION FOR CITY**

All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City of San Leandro.

Employees in this category must complete the following schedules on the Form 700 Statement of Economic Interests Form:

- Schedule A-1: Investments
- Schedule A-2: Investments, Income, and Assets of Business Entities/Trusts
- Schedule C: Income, Loans, and Business Positions
- Schedule D: Income – Gifts

### **CATEGORY 3 – PURCHASING DECISION FOR DEPARTMENT**

All designated employees in this category shall disclose investments, business positions and sources of income from business entities which provide services, supplies, materials, machinery or equipment of the type utilized by the designated employee's department or division.

Employees in this category must complete the following schedules on the Form 700 Statement of Economic Interests Form:

- Schedule A-1: Investments
- Schedule A-2: Investments, Income, and Assets of Business Entities/Trusts
- Schedule C: Income, Loans, and Business Positions
- Schedule D: Income – Gifts

### **CATEGORY 4 – REGULATORY / PERMIT / LICENSING / GRANT AUTHORITY**

All designated employees *and officials* in this category shall disclose all investments, business positions and sources of income from business entities, and interests in real property, which are subject to the regulatory, permit or licensing authority of the City of San Leandro, or which may receive grants from the City of San Leandro.

Employees in this category must complete **all** schedules on the Form 700 Statement of Economic Interests Form:

- Schedule A-1: Investments
- Schedule A-2: Investments, Income, and Assets of Business Entities/Trusts
- Schedule B: Interest in Real Property
- Schedule C: Income, Loans, and Business Positions



- Schedule D: Income – Gifts
- Schedule E: Income – Travel Payments, Advances, and Reimbursements

### **CATEGORY 5 – REAL PROPERTY DECISION**

All designated employees *and officials* in this category shall disclose all investments, business positions and sources of income from business entities which engage in land development, construction or the acquisition or sale of real property, and all interests in real property.

Employees in this category must complete **all** schedules on the Form 700 Statement of Economic Interests Form:

- Schedule A-1: Investments
- Schedule A-2: Investments, Income, and Assets of Business Entities/Trusts
- Schedule B: Interest in Real Property
- Schedule C: Income, Loans, and Business Positions
- Schedule D: Income – Gifts
- Schedule E: Income – Travel Payments, Advances, and Reimbursements

#### **Editor's Note:**

Former Title 4, Chapter 2, City Clerk: Fireworks Stand Permit, was removed and former Title 25, Chapter 1, Conflict of Interest Code: Administrative Regulations, was editorially renumbered to be Title 4, Chapter 2, City Clerk, Conflict of Interest, during the 2005-06 republication. Legislative history for former Title 25, Chapter 1: Resolution No. 80-18, 02/04/1980 [§25.1.100]; Resolution No. 90-204, 09/17/1990 [§25.1.100]; Resolution No. 92-253, 09/08/1992 [§25.1.100]; Resolution No. 95-10, 01/07/1995 [§25.1.100]; Resolution No. 96-186, 12/16/1996 [§25.1.100]; Resolution No. 98-130, 10/05/1998 [§25.1.100]; Resolution No. 2000-156, 10/02/2000 [§25.1.100]; Resolution No. 2003-084, 03/17/2003 [§25.1.100]. Appendix C was revised administratively on 02/27/2008 to reflect changes that FPPC made to the Form 700.

#### **Legislative History:**

Resolution No. 2006-123, 11/20/2006 [§§4.2.100-4.2.105]; Resolution No. 2006-128, 12/04/2006 [§§4.2.100-4.2.105]; Resolution No. 2008-144, 12/15/2008 [Appendices A, B, C]; Resolution No. 2011-005, 01/18/2011 [Appendices A, B, C]; Resolution No. 2013-033, 03/18/2013 [Appendices A, B, C]; Resolution No. 2015-\_\_\_