



City of San Leandro

Meeting Date: November 7, 2016

Staff Report

File Number: 16-570 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.J.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
Assistant City Manager

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for a 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 each 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 certain financial interests that may create conflicts of interest under California's Political Reform Act. State law also requires each 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 each 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 includes provisions to report financial interests, disqualification procedures, etc.; 2) Designated Positions, which are 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 that were created or eliminated since the last Code update. Typically, positions that involve recommending upon or actually 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.

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 February 17, 2015, by Resolution No. 2015-029, the City Council last updated the City's conflict of interest code.

ATTACHMENT

Attachment to Resolution

- Proposed conflict of interest code

PREPARED BY: Tamika Greenwood, City Clerk, City Manager's Office

Chapter 2 Conflict of Interest

[Added text is shown in *italics and underscore*; deleted text is shown by ~~strikeout~~.]

§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 the City’s conflict of interest code.

§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—DESIGNATED POSITIONS

<u>POSITION</u>	<u>DISCLOSURE CATEGORY</u>
<u>City Attorney's Office</u>	
Assistant City Attorney	1
Associate Attorney	1
<u>City Manager's Office</u>	
Administrative Analyst	1
Assistant City Manager	1, 5
Assistant Information Services Manager	2
Assistant to the City Manager	1, 5
City Clerk	1
Chief Innovation Officer	1, 5
Consultant	1
Deputy City Clerk	1

<i>Deputy City Manager</i>	1,5
Human Resources Director	2
Human Resources Manager	2
Information Services 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
<i>Chief Innovation Officer</i>	1,5
Consultant	4
Community Development Director	1,5
Deputy Community Development Director	1,5
Housing CDBG Manager	4,5
Planning Manager	1,5
Permits Center Coordinator	4
Principal Planner	4,5
Project Specialist I	4,5
Project Specialist II	4,5
Senior Building Inspector	4
Senior Engineer	4,5
Senior Project Specialist	4,5
Supervising Building Inspector	4,5

Engineering/Transportation Department

Administrative Analyst	5
City Engineer	1,5
Engineering Inspector (Sidewalk Inspector)	4,5
Engineering and Transportation Director	1,5
Principal Engineer	1,5
Senior Engineer	1,5

Finance Department

Administrative Specialist III (Purchasing Agent Technician, Risk Management Analyst)	2
Budget and Compliance Manager	2
Deputy Assistant 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
Police Business Manager	1

Public Works Services Department

Administrative Analyst I	3
<i>Administrative Analyst II (Sustainability Manager)</i>	3
Administrative Specialist III (Solid Waste & Recycling Specialist)	4
Assistant Water Pollution Control Manager	3, 4
<i>Consultant</i>	<i>1</i>
Deputy Public Works Services Director	1
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 <i>Plant</i> Manager	3, 4

Recreation & Human Services Department

Administrative Specialist III	2
Recreation & Human Services Director	1
<i>Recreation & Human Services Assistant Director</i>	<i>1</i>

Arts Commission

Entire Board	4, 5
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Board of Zoning Adjustments

Entire Board	1
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Human Services Commission

Entire Commission	4
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Library-Historical Commission

Entire Commission	4
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Rent Review Board

Entire Board	5
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Consultants as defined by FPPC Regulation 18701 *

*A consultant’s disclosure category is determined by the responsible department head in consultation with the City Attorney based on the scope of services or duties.

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 B 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

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. 2015-029, 02/17/2015 [§§4.2.100-4.2.115, Appendices A, B, C]



City of San Leandro

Meeting Date: November 7, 2016

Resolution - Council

File Number: 16-571 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
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.