

Memorandum

TO: Board of Directors
FROM: Madeline Chun, Legal Counsel
DATE: September 5, 2012
RE: **Amending Conflict of Interest Code**

ACTION

It is recommended that the Board of Directors adopt the attached revised Conflict of Interest Code and Appendices.

SIGNIFICANCE

California Government Code Section 87306.5 requires every local agency to review its Conflict of Interest Code in each even-numbered year and to amend the Code if necessitated by changed circumstances. The Fair Political Practices Commission (FPPC) has recently developed and recommends a standard format for Conflict of Interest Codes. Legal Counsel recommends updating the Authority's Code to reflect the FPPC standard language, which results in a shorter statement, and updating the list of positions that must file annual disclosure statements.

The list of designated positions required to file annual Statements of Economic Interest has been modified to add the position of Manager of Planning. This position was created after the last review of the Code. Also, in accordance with FPPC regulations, the list includes a placeholder for new positions. Persons in new positions, who make or participate in making decisions that may foreseeably have a material effect on any financial interest, are required to file disclosure statements.

Similar to the current treatment of consultants, new positions are generally required to file the broadest disclosure statements, unless it is determined that their scope of responsibility is limited, and that a more tailored disclosure statement is appropriate. Currently, the Authority's Code states that either the General Manager or Board of Directors determines what level of disclosure is required of consultants. In the revised Code, it is proposed that the Board delegate to the General Manager this responsibility for consultants and new positions in the revised Code, consistent with what is customary practice at other agencies.

ATTACHMENTS

For the Board's reference, the following documents are attached:

1. The proposed Conflict of Interest Code, including the revised Appendices of Designated Positions and Disclosure Categories; and
2. Resolution No. 2013-006 amending the Conflict of Interest Code.

CONFLICT OF INTEREST CODE

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Adopted on February 19, 1981 pursuant to Resolution No. 1981-001

Amended on July 16, 1988 pursuant to Resolution No. 1988-043

Amended on September 15, 1994 pursuant to Resolution No. 1995-008

Amended on September 19, 1996 pursuant to Resolution No. 1997-001

Amended on September 17, 1998 pursuant to Resolution No. 1999-02

Amended on September 21, 2000 pursuant to Resolution No. 2001-007

Amended on September 19, 2002 pursuant to Resolution No. 2003-007

Amended on September 16, 2004 pursuant to Resolution No. 2005-003

Amended on September 21, 2006 pursuant to Resolution No. 2007-009

Amended on August 21, 2008 pursuant to Resolution No. 2009-004

Amended on September 16, 2010 pursuant to Resolution No. 2011-003

Amended on September 16, 2012 pursuant to Resolution No. 2013-006

**CONFLICT OF INTEREST CODE FOR THE
CENTRAL CONTRA COSTA TRANSIT AUTHORITY (CCCTA)**

The Political Reform Act of 1974, Government Code Sections 81000, et seq., requires State and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments by the Fair Political Practices Commission in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Central Contra Costa Transit Authority (CCCTA).

Individuals holding designated positions shall file their statements of economic interests with CCCTA, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) CCCTA will retain a copy of each statement and forward the originals to the Contra Costa County Board of Supervisors, which shall be the filing officer.

APPENDIX A

DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category(ies)</u>
Director of Planning and Marketing	1
Director of Transportation	1
Director of Maintenance	1
Senior Manager of Marketing	1
Senior Manager of Human Resources	1
Manager of Purchasing and Grants	1
Manager of Planning	1
Legal Counsel	1
Consultants/New Positions	1*

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the Code, subject to the following limitation:

The General Manager may determine in writing that a particular consultant or a new position, is hired to perform a range of duties that are limited in scope and thus not required to comply with the disclosure requirements described in this section. Such determination shall include a statement of the consultant's or a new position's duties, and, based upon that description, a statement of the extent of disclosure requirements. The determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Section 81008.) Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

The positions listed below are NOT covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

- Members of the CCCTA Board of Directors
- Alternate Members of the CCCTA Board of Directors
- General Manager
- Director of Finance

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the determination whether a position is covered by Section 87200.

APPENDIX B

DISCLOSURE CATEGORIES

Category 1

All investments and sources of income.

All interests in real property located in whole or in part within or not more than two (2) miles outside of the boundaries of the CCCTA service area.

Category 2

Investments in business entities or income from sources which, within the past two (2) years, have contracted with the CCCTA in an area of responsibility lying under the designated employee's control or jurisdiction to provide services, supplies, materials, machinery, or equipment.

Interests in real property located in whole or in part within, or not more than two (2) miles outside of, the boundaries of the CCCTA service area.

Category 3

Investments in business entities for income from sources which, within the past two (2) years, have contracted with the CCCTA in an area of responsibility lying under the designated employee's control or jurisdiction to provide services, supplies, materials, machinery, or equipment.

RESOLUTION NO. 2013-006

BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA

* * *

ADOPTING AMENDED CONFLICT OF INTEREST CODE

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions; and

WHEREAS, California Government Code Section 87306.5 requires that the Authority review its Conflict of Interest Code every other year, and revise it if necessary; and

WHEREAS, Legal Counsel and the General Manager have reviewed the current Conflict of Interest Code and have determined that the Code should be updated to reflect current job titles and responsibilities as well as to reflect current standard format, terms and disclosure categories recommended by the Fair Political Practices Commission (FPPC); and

WHEREAS, Legal Counsel and staff recommend adopting the attached Conflict of Interest Code.

NOW, THEREFORE, BE IT RESOLVED by the Central Contra Costa Transit Authority Board of Directors that the revised Conflict of Interest Code hereby is adopted; and

BE IT FURTHER RESOLVED that the Board Clerk is directed to transmit a copy of the revised Code to the Board of Supervisors of Contra Costa County.

Regularly passed and adopted this 20th day of September 2012, by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Erling Horn, Chair, Board of Directors

ATTEST:

Janet Madrigal, Clerk to the Board