



Council Agenda Report

From: Melissa Boyer, City Clerk

Subject: Amendment to Conflict of Interest Code of the City of El Paso de Robles Pursuant to the Political Reform Act of 1974

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: September 3, 2024

Facts

1. Under the Political Reform Act, 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 interests 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.
2. Every two years, each public agency must review its Conflict of Interest code and update as needed pursuant to Government Code section 87306.5. The last update to the Conflict of Interest Code [Resolution 22-127](#) was approved by the City Council on September 20, 2022.
3. During the review process, staff found that amendments to the City's Conflict of Interest Code are necessary. A redlined version of the proposed amended Code is attached showing the revisions made.
4. On June 5, 2024, City staff posted the required "Local Agency Biennial Notice" in the City Clerk's Office stating that the City's current Conflict of Interest Code needed to be amended to reflect changes in position titles and levels of participation in making governmental decisions.
5. The next step is for the Council to receive a notice of intention to amend and, at a subsequent meeting, adopt the needed amendments.
6. The City has until October 1, 2024 to adopt the necessary amendments.

Options

1. Receive the Notice of Intention to Amend the Conflict of Interest Code on September 17, 2024; or
2. Pull the item from consent and direct revisions for consideration at the next City Council meeting.

Analysis and Conclusions

The Political Reform Act of 1974, Government Code section 81000, et seq. (the "Act"), requires all public agencies to adopt and maintain a conflict of interest code. The Act further requires that agencies regularly review and update their codes as directed by the code-reviewing body or when change is necessitated by changed circumstances (Sections 87306 and 87306.5). The City Council is the City's code-reviewing body. Staff has determined that certain amendments to the Code are necessary.

Option 1: Receive the draft amendment attached to the Notice of Intention to Amend proposes to amend the City's Conflict of Interest Code to appropriately designate those persons who are required to file a statement of economic interest pursuant to Title 2 of the California Code of Regulations, Section 18730.

The City's Conflict of Interest Code was last modified in 2022. Since that time, the City has added and/or eliminated certain positions and titles, such as creation of the Utilities Planning and Engineering Manager position. The suggested additions/deletions to the Code reflect the City's organizational structure as approved in the City's adopted budget and update the designated disclosure categories for each position, include provisions for electronic filing by certain filers, include provisions for ethics training as required pursuant to Government Code section 53235 (AB1234) and clarify disclosure requirements for interests in real property. The Notice of Intention reflects that approval of the proposed amendment to the Conflict of Interest Code will be brought to City Council at the regular City Council meeting of September 17, 2024.

Option 2: Should the City Council determine that there are additional disclosure categories, or City positions that should report economic interests more or less broadly, it can direct staff to present a modified Conflict of Interest Code and Notice of Intention to Amend at the regular City Council meeting of September 17, 2024.

Government Code section 87303 provides that no code or amendment to a code shall be effective until it has been approved by the code-reviewing body.

Fiscal Impact

There are no anticipated fiscal impacts associated with Options 1 or 2.

Recommendation (Option 1)

Receive the Notice of Intention to Amend the Conflict of Interest Code on September 17, 2024.

Attachments

1. Notice of Intention to Amend the Conflict of Interest Code
 - a. Exhibit A – Proposed Amended Conflict of Interest Code—2024 (with revisions shown in track changes)
2. Local Agency Biennial Notice