RESOLUTION NO. 2018-58

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH AMENDING
ITS CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act (Government Code Section 81000 *et seq.*) requires State and local government agencies to adopt and promulgate conflict of interest codes; and

The City of Huntington Beach has adopted a Conflict of Interest Code which has been amended by various Resolutions; and

The City desires to amend the Code which was most recently amended by Resolution 2014-64; and

The Fair Political Practices Commission has adopted a regulation [2 Cal. Code of Regs. 18730] which contains the terms of a standard Conflict of Interest code, which may be adopted by local agencies and constitutes the agency's Conflict of Interest Code,

NOW, THEREFORE, the City Council of the City of Huntington Beach hereby resolves as follows:

SECTION 1. Regulation Section 18730. The terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and attached hereto as Exhibit A. This regulation, and the attached Exhibit B designating officials and employees and their respective disclosure categories, and the attached Exhibit C establishing Disclosure Categories, shall constitute the conflict of interest code of the City of Huntington Beach.

SECTION 2. Filing of Statements. Designated officials and employees shall file their statements with the City Clerk which will make the statements available for public inspection and reproduction. [Gov. Code Section 81008.] Statements for all designated officials and employees will be retained by the City Clerk.

SECTION 3. Designation of Positions. The persons holding the position set forth in Exhibit B are designated officials and employees. The Council determines that such persons make or participate in the making of decisions which may foreseeably have a material effect on any financial interest as defined in Government Code Section 87103.

SECTION 4. Exclusions. This Code shall not apply to:

(a) Public officials specified in Government Code Section 87200, as is or may be amended, including, but not limited to, members of the City Council, Planning Commissioners, the City Manager, City Attorney, City Treasurer, and other public officials who manage public investments who are required to file Statements of Economic Interests pursuant to State law;

(b) Persons required to file Statements of Economic Interests pursuant to regulations which have been or may be adopted by the Fair Political Practices Commission;

(c) Clerical, secretarial, manual, and ministerial employees.

SECTION 5. Disclosure Required. Designated officials and employees as set forth in Exhibit B shall file conflict of interest statements listing financial interests as required by the applicable Disclosure Category for their position set forth in the attached Exhibit "C."

SECTION 6. Disqualification. Designated officials and employees must disqualify themselves from making or participating in the making of any decisions which will foreseeably have a material financial effect, distinguishable from its effect on the public generally, on any reportable interest of that employee. No designated employee shall be prevented from making or participating in the making of a decision to the extent his or her participating is legally required for the decision to be made.

SECTION 7. Manner of Disqualification. A designated employee required to disqualify himself or herself shall notify his or her supervisor in writing. This notice shall be forwarded to the City Clerk who shall record the employee's disqualification. Upon receipt of such statement, the supervisor shall immediately reassign the matter to another employee.

In the case of a designated employee who is a member of a City Board, Commission or Committee, notice of disqualification shall be given at the meeting during which consideration of the decision takes place and shall be made part of the official record of said Board, Commission, or Committee. The member shall then refrain from participating and shall attempt in no way to use his or her official position to influence any other person with respect to the matter.

SECTION 8. Previous Resolutions Repealed. City Council Resolution 2014-64, 2016-44 and any other Resolution or provision thereof in conflict herewith is hereby repealed.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 15th day of October, 2018.

Mayor

REVIEWED AND APPROVED:

City Manager

INITIATED AND APPROVED:

Assistant City Manager

APPROVED AS TO FORM:

For City Attorney NW

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq . The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 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 this agency is the same as or is 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, Section 87200; and

(C) The filing officer is the same for both agencies.1

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to

which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.2

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to

represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. 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 of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

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

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

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

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

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 filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property3 is required to be reported,4 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 equals or exceeds $2,000, exceeds $10,000, exceeds $100,000, or exceeds $1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported,5 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 $1,000 or less, greater than $1,000, greater than $10,000, or greater than $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 and 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 and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,6 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 equal to or greater than $10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's 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 wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of $440.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than $440 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

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

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall,

while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars ($500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date

he or she vacates office, receive a personal loan of $500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of $100 or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than $250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable

material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth $2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth $2,000 or more;

(C) Any source of income, other than gifts and other than 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 designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated 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 $440 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value $1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

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1 Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

2 See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3 For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4 Investments and interests in real property which have a fair market value of less than $2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in

which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5 A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6 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.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.

2. Editorial correction (Register 80, No. 29).

3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).

4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).

5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).

6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).

7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).

8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).

9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).

10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).

11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.

12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).

13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).

18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court

of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of History 24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).

28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).

31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).

32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).

EXHIBIT B
DESIGNATED OFFICIALS AND EMPLOYEES WITH DISCLOSURE CATEGORIES

Job Type	Description	Category
0089	Admin Analyst Senior	3
0025	Administrative Analyst	5
0078	Assistant City Attorney	1
0132	Assistant City Clerk	1
0592	Assistant City Manager	1
0595	Assistant Fire Marshal	4
0057	Assistant to the City Manager	1
0044	Beach Operations Supervisor	3, 4
0064	Budget Analyst Senior	3
0598	Building Manager	1
0112	Buyer	2
0593	Chief Asst City Attorney	1
0518	Chief Financial Officer	1
0479	Chief Information Officer	1
0016	City Attorney	1
0017	City Clerk	1
0024	City Engineer	1
0591	City Manager	1
0018	City Treasurer	1
0125	Code Enforcement Supervisor	2
0589	Community Development Director	1
0471	Community Relations Officer	2, 3
0353	Community Services Manager	1
0258	Community Srvcs Rec Supv	3
0097	Construction Manager	2
0085	Contract Administrator	3, 4, 5, 6
0081	Deputy City Attorney I	3, 5, 6
0080	Deputy City Attorney II	3, 5, 6
0079	Deputy City Attorney III	3, 5, 6
0699	Deputy Community Prosecutor	3,5,6
0840	Deputy Dir of Community Development	1
0571	Deputy Dir of Econ Development	1
0486	Detention Administrator	3, 4
0014	Director of Community Services	1
0574	Director of Human Resources	1
0007	Director of Library Services	1
0010	Director of Public Works	1
0039	Econ Development Proj Mgr	4, 5
0580	Energy Project Manager	4, 5
0050	Facilities Maint Supervisor	3, 4
0879	Finance Manager - Accounting	1
0889	Finance Manager - Budget	1

0899	Finance Manager - Fiscal Services	1
0869	Finance Manager - Treasury	1
0031	Fire Battalion Chief	4
0015	Fire Chief	1
0026	Fire Division Chief	1
0131	Fire Medical Coordinator	2
0590	Fleet Operations Supervisor	3, 4
0581	General Services Manager	1
0006	Human Resources Manager	1
0499	Senior Information Technology Analyst	3, 4
0489	Information Tech Manager-Infrastructure	1
0200	Information Tech Manager-Operations	1
0500	Information Tech Manager-Systems	1
0075	Inspection Manager	1
0073	Inspection Supervisor	3, 4
0049	Landscape Maint Supervisor	3, 4
0572	Liability Claims Coordinator	6
0030	Maintenance Operations Mgr	1
0032	Marine Safety Division Chief	1
0105	Marine Safety Lieutenant	3, 4
0490	Network Systems Administrator	2
0209	Permit & Plan Check Supervisor	3, 4
0453	Personnel Analyst	3, 6
0060	Personnel Analyst Principal	3, 6
0464	Personnel Analyst Senior	3, 6
0444	Planning Manager	1
0625	Police Admin Div Srvcs Manager	1
0233	Police Captain	1
0011	Police Chief	1
0022	Police Communications Manager	3, 4
0234	Police Lieutenant	3, 4
0094	Police Records Administrator	3, 4
0096	Principal Civil Engineer	3, 4
0072	Principal Electrical Inspector	3, 4
0076	Principal Inspector Plb/Mech	3, 4
0482	Principal Librarian	3
0579	Project Manager	3
0839	Real Estate & Project Manager	2, 5
0054	Risk Manager	1
0110	Senior Accountant	3
0069	Senior Civil Engineer	2, 4
0484	Senior Deputy City Attorney	2
0868	Senior Finance Analyst	3
0036	Senior Planner	2, 4
0579	Senior Risk Management Analyst	3,6
0575	Senior Supv Cultural Affairs	3, 4
0578	Senior Supv Human Services	3, 4
0034	Senior Traffic Engineer	2, 4

0457	Special Events Coordinator	2
0488	Street Maint Supervisor	3, 4
0133	Supv Parking/Camping Facility	3, 4
0333	Senior Trial Counsel	3
0033	Transportation Manager	1
0051	Tree Maintenance Supervisor	3, 4
0483	Utilities Manager	1
0487	Wastewater Supervisor	3, 4
0052	Water Distribution Supervisor	3, 4
0053	Water Production Supervisor	3, 4
0056	Water Quality Supervisor	3, 4

BOARDS, COMMISSIONS, AND COMMITTEES

City Council	1
Visit Huntington Beach	1
Design Review Board	1
Planning Commission	1
Citizens Infrastructure Board	1
Finance Commission	1

CONSULTANTS

Consultants shall be included in the list of designated officials and employees in Disclosure Category 1 and shall disclose such interests 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 described above. Such written determination shall include a description of 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.

EXHIBIT C

City of Huntington Beach
Conflict of Interest Code
Disclosure Categories

Disclosure Category 1: **Broad responsibilities. Full Disclosure**

Persons in this category shall disclose all applicable investments, business positions, and sources of income, including gifts, loans and travel payments. Persons in this category shall further disclose applicable interests in real property located in the City, including property located within a two mile radius of the City or of any property owned or used by the City. *

Disclosure Category 2: **City-wide Purchasing Responsibilities**

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which provide services, supplies, materials, machinery, or equipment of the type utilized by the City.*

Disclosure Category 3: **Department/Division Purchasing Responsibilities**

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which provide services, supplies, materials, machinery, or equipment of the type utilized by the designated employee's department or division. *

Disclosure Category 4: **Regulatory Power**

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from any source which is subject to the regulatory, permit, or licensing authority of the designated employee's department or division. *

Disclosure Category 5: **Decision-Making Authority Affecting Real Property**

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which engage in land development, construction, or the acquisition or sale of real property. Persons in this category shall further disclose all interests in real property located in the City, and within a two mile radius of the City or of any property owned or used by the City. *

Disclosure Category 6: **Decision-Making Authority Affecting Claims and/or Insurance**

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from:

A) Persons or entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City. Business positions in business entities that manufacture, sell, supply, or promote personnel training materials or that offer personnel consulting services, and that do business, or expect to do business, within the City.

B) Entities which are engaged in the business of insurance including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.

C) Financial institutions including, but not limited to, banks, savings and loan associations and credit unions.

D) Entities or persons who have filed a claim, or have a claim pending, against the City which is reviewed by the designated employee's department or division.

E) Income received from investments in, and business positions in business entities that offer, sell, or service group medical insurance, group life insurance, group dental insurance, pension plans, or that make investments or any way manage funds relating thereto, and that do business, or expect to do business, within the City.*

<u>Disclosure Category 7:</u> Investment Responsibilities

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from financial institutions doing business with or eligible to do business with the City. *

*Definitions

"Applicable investments" relates to investments held by the designated employee, spouse and dependent children with an aggregate value of $2,000 or more located or doing business in the jurisdiction. It includes investments held by a business entity or trust in which the designated employee, spouse and dependent children have an aggregate interest of 10% or greater.

"Applicable business positions" relates to positions in which the designated employee was a director, officer, partner, trustee, employee or held any position of management during the period covered by the report, even if the designated employee received no income from the business entity during the period.

"Applicable income" includes the designated employee's gross income (including loans) and the employee's community property interest in his or her spouse's gross income aggregating $500 or more received from any source located in or doing business in the jurisdiction. Please note that loans are reported on a separate schedule.

"Applicable gift" includes anything of value for which the designated employee has not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is $50 or more. In addition, multiple gifts aggregating $50 or more received during the reporting period from a single source must be reported. Unless otherwise expressly limited in the Disclosure Categories, gifts are reportable without regard to where the donor is located.

"Applicable interest in real property" includes those located in the jurisdiction in which the employee, spouse, or dependent children had a direct, indirect, or beneficial interest aggregating $2,000 or more any time during the reporting period. The employee is not required to report a residence used exclusively as a personal residence.

"Jurisdiction" means the City of Huntington Beach. Real property is deemed to be "within the jurisdiction" if the property or any part of it is located in or within two miles of the boundaries of the City or any property owned or used by the City, unless a smaller area is specified in the Disclosure Category.

Res. No. 2018-58

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, ROBIN ESTANISLAU, the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **Regular** meeting thereof held on **October 15, 2018** by the following vote:

AYES: O'Connell, Semeta, Peterson, Posey, Delgleize, Hardy, Brenden
NOES: None
ABSENT: None
RECUSE: None

Robin Estanislau

City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California