

COUNCIL AGENDA REPORT

March 21, 2006

TO: City Council

FROM: City Manager
Prepared by: Assistant City Manager

SUBJECT: RESOLUTION ESTABLISHING A CITYWIDE ETHICS POLICY FOR CITY EMPLOYEES, ELECTED OFFICIALS, AND APPOINTED OFFICIALS

RECOMMENDATION:

That the City Council adopt a resolution establishing a Citywide Ethics Policy for City employees, elected officials, and appointed officials.

BACKGROUND:

On October 7, 2005, Governor Schwarzenegger approved Assembly Bill 1234 which, in part, requires all local agency officials to receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. In addition, the Board of Directors of the League of California Cities has been encouraging as many cities as possible to adopt an Ethics Policy – and a growing number of cities in the State have either done so or are in the process of adopting one.

While the City has a Mission Statement, which states that "high ethical and moral standards and uncompromising honesty" are among the City's core values, it has no official Ethics Policy. Consequently, in an attempt to create one, staff has contacted numerous agencies to obtain copies of their codes. From those contacts and a review of AB 1234, staff created a draft Ethics Policy and has shared it with management staff and each Union to get their feedback and comments.

Over the last several months, staff has been engaged in discussions with various managers and employee union representatives in an effort to craft a draft Ethics Policy. Staff has received constructive feedback and comments on the attached draft document from managers, the Fire Fighters' Union, and the Service Employees International Union. Staff has not received any constructive feedback from the Santa Maria Police Officers' Association (SMPOA), even though we have made repeated attempts over the last five months to solicit feedback and comments. Since October, staff has sent the SMPOA numerous emails, voice mails, and hand-delivered (via the police department chain of command) a copy of the draft policy requesting constructive comments on the proposed document. To date, there has been no constructive comments and feedback from the SMPOA. So as not to delay this matter any further, staff has contacted the SMPOA and has indicated to them that this item is coming before the City Council and should they have any concerns with the draft document, they will be provided an opportunity to air those concerns before Council at the March 21, 2006 City Council meeting.

DISCUSSION:

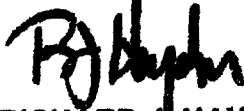
The attached Ethics Policy is designed to be a comprehensive document that sets forth ethical standards and addresses various policies found in different operating departments (ranging from conflicts of interest, gifts, and confidentiality issues) and bring them all together in one document for all City officials and employees to comply with. Additionally, these ethical standards would also be included in the regular orientation for newly elected and appointed officials, board members, commissioners, and for all City employees. Staff will also be coordinating the mandatory two hour training in general ethics principles and ethics laws in compliance with AB1234.

Fiscal Impact

While the fiscal impact of adopting this item is not significant, staff is proposing some funding be set-aside in the 2006-08 budget to cover costs associated with the mandatory training of AB1234.

Impact to the Community

City employees, as with elected officials, are in a position of public trust and have an obligation, even higher than those in the private sector, to do their jobs well in the spirit of public service. As such, all employees, elected and appointed officials should conduct themselves in an ethical manner, both on and off the job, and in a manner that does not present the appearance of a conflict of interest.



RICHARD J. HAYDON
Assistant City Manager

Cc: Union Presidents
SMPOA Board of Directors

Attachment: Draft Ethics Policy

RESOLUTION NO. 2006 - 42

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA,
CALIFORNIA, ESTABLISHING AN ETHICS POLICY FOR CITY EMPLOYEES,
ELECTED OFFICIALS AND APPOINTED OFFICIALS**

WHEREAS, City employees, as with elected officials, are in a position of public trust and have an obligation, even higher than those in the private sector, to do their jobs well in the spirit of public service; and

WHEREAS, as such, all employees, elected and appointed officials should conduct themselves in an ethical manner, both on and off the job, and in a manner that does not present the appearance of a conflict of interest; and

WHEREAS, as such on October 7, 2005, Governor Schwarzenegger approved Assembly Bill 1234 which, in part, requires all local agency officials to receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years; and


WHEREAS, a growing number of cities in the State have either adopted an Ethics Policy or are in the process of adopting one; and

WHEREAS, over the last several months, staff has been engaged in discussions with various managers and employee union representatives in an effort to craft an Ethics Policy;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Santa Maria, California, as follows:

That the City Council establish and adopt an Ethics Policy (Exhibit "A") for all City employees, elected officials, and appointed officials, excluding all members of the Santa Maria Police Officers Association.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Santa Maria held on this 21st day of March, 2006.

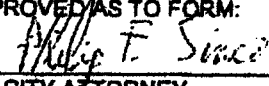


Mayor

ATTEST:



Chief Deputy City Clerk

APPROVED AS TO FORM:
BY: 

Dep. CITY ATTORNEY

CONTENTS:
BY: 

DEPARTMENT HEAD

BY: 

CITY MANAGER

City of Santa Maria Code of Ethics

Preamble

The residents and businesses in Santa Maria are entitled to have a fair, ethical and accountable local government that has earned the public's full confidence for integrity. The proper operation of democratic government requires that public officials be independent, impartial and responsible in their judgement and actions to the people.

City employees are also in a position of public trust and have an obligation, even higher than the private sector, to do their jobs well in the spirit of public service. As such, City officials and employees shall conduct themselves in an ethical manner, both on and off the job, and in a manner that does not present the appearance of a conflict of interest.

In recognition of these goals, the City Council has adopted the following Code of Ethics. For ease of reference, "City" shall refer to the City of Santa Maria; "officials" herein shall refer to any and all members of the City Council or any member of a City board or commission; and "employees" shall refer to all City employees.

The Code of Ethics

1. Act in the Public Interest

Recognizing that stewardship of the public interest must be their primary concern, officials and employees will work for the common good of the people of Santa Maria and not for any private or personal financial business interest. Officials and employees will assure fair and equal treatment of all persons, claims and transactions.

2. Comply with the Law

Officials and employees shall comply with the laws of the United States of America, the State of California and the City of Santa Maria in the performance of their public duties. These laws include, but are not limited to: the United States and California Constitutions; the Santa Maria Municipal Code; the Charter of the City of Santa Maria, laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government, as well as other City resolutions and policies.

3. Conduct

The professional and personal conduct of officials and employees must avoid the appearance of impropriety. Officials and employees shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other officials, employees or the public.

Conduct (con't)

Officials and employees should conduct their official and private affairs so as not to give a reasonable basis for the impression that any such fellow official or employee can be improperly influenced in the performance of his/her duties. Officials and employees should not be a source of embarrassment to the City and should avoid even the appearance of conflict between their public duties and private interests. Officials and employees will make impartial decisions, free of bribes, unlawful gifts, narrow political interests and be truthful in what they say and do.

4. Use of Public Resources

Officials and employees shall not use public resources not available to the public in general, for private gain or campaign purposes.

Officials and employees shall use City or departmental letterhead for official City business-related purposes only.

Officials and employees will use their title(s) only when conducting official City business, for information purposes, or an indication of background and expertise, carefully considering whether they are exceeding or appearing to exceed their authority.

Public resources should only be used when authorized by the City Manager and/or his/her designee and when there is a benefit to the City for the use of such resources in a community event or activity.

5. Conflict of Interest

To assure their independence and impartiality on behalf of the common good, officials shall not use their official positions to influence government decisions in which they have a material financial interest, or where they have an organizational responsibility or personal relationship which may give the appearance of a conflict of interest. Employees must avoid conflicts of private interests with public duties and responsibilities and shall not do indirectly what may not be done directly.

In accordance with the law, officials shall disclose investments, interests in real property, sources of income, and gifts; and they shall abstain from participating in deliberations and decision-making where conflicts may exist. Employees occupying designated positions are required to file an annual statement of financial interests with the City as prescribed by the Conflict of Interest Code as adopted by the City.

Any official will disqualify him/herself from participating in the decision-making process in all matters where a conflict of interest arises. Officials may want to disqualify him/herself from participating in the decision-making process in matters where there is the appearance of a conflict of interest. This does not preclude, however, the right of any individual to participate in the deliberations as a member of the general public.

6. Gifts and Favors

Officials and employees shall not take special advantage of services or opportunities for personal gain, by virtue of their position with the City, which is not available to the public in general. They shall refrain from accepting any gifts, favors or promises of future benefits that might compromise their independence of judgement or action or give the appearance of being compromised.

7. Confidentiality

Officials and employees shall respect the confidentiality of information and shall refrain from disclosing confidential information concerning litigation, personnel, property, or other affairs of the City, without proper legal authority, nor use such information to advance their financial or other private interests.

Confidential information means all information, whether transmitted verbally or in writing, which is of a nature that it is not, at that time, a matter of public record or public knowledge, including those items described in the California Public Records Act (Government Code 6254), items from closed sessions under the Brown Act (Government Code 54950 et seq.) and items subject to the attorney-client privilege.

8. Outside Employment

The City recognizes the rights of employees to engage in activities outside of their City employment that are of a private nature and unrelated to City work. However, employees are expected to devote their best efforts to the interests of the work of the City and to the conduct of its affairs. Therefore, employees are permitted to engage in outside employment provided that such employment is not detrimental, incompatible or an interference with his/her official City duties or performance.

Employees who have a second job or may take one in the future are to discuss it with their supervisor and complete a Request to Engage in Outside Employment Form. This full disclosure must be followed to assess and prevent potential conflicts of interest from arising.

9. Cost Control

To effectively conserve City resources, officials and employees will attempt to use the most reasonable, economical, direct and efficient cost of transportation, lodging, meals, telecommunication, and parking when conducting City business for which the City may reimburse them.

10. Conduct of Public Meetings

Officials and employees shall prepare themselves for public issues, listen courteously and attentively to all public discussions before them and focus

Conduct of Public Meetings (con't)

on the business at hand. They shall refrain from interrupting other speakers, making personal comments not germane to the business before them or otherwise interfering with the orderly conduct of meetings. Officials shall also base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.

11. Representation of Public Interests

In keeping with their role as stewards of the public interest, officials shall not appear on behalf of the private interests of third parties before the Council or any board, commission or proceeding of the City. Officials shall also represent the official policies and positions of the City Council, board or commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, officials shall explicitly state they do not represent their body or the City, nor will they allow inference that they do.

12. Compliance and Enforcement

Officials and employees have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government. This Code of Ethics becomes most effective when officials and employees are thoroughly familiar with it and embrace its provisions.

For this reason, ethical standards shall be included in the regular orientation for newly elected and appointed officials, boardmembers and commissioners, as well as for all City employees.

The Mayor and chairs of boards and commissions have the additional responsibility to intervene when actions of fellow officials appear to be in violation of the Code of Ethics and are brought to their attention. If the Mayor is the subject of the complaint, the Mayor Pro Tem shall be responsible for completing the required investigation and report, and to present the report or findings to the City Council. If the chairperson of one of the City's boards or commissions is the suspect of a complaint, the vice chairperson shall be responsible for completing the required investigations and report, and to present the report or findings to their respective board/commission. The City Manager or his/her designee shall investigate alleged violations of the Code of Ethics when they involve City employees.

The City Council may impose sanctions on officials whose conduct does not comply with the City's ethics standards, such as formal censure; loss of committee, board or commission assignment; or budget restriction. The City Council may also remove members of boards and commissions from office based on such a finding. However, it should be noted that a violation

Compliance and Enforcement (con't)

of this Code of Ethics does not, by itself, necessitate the basis for challenging the validity of a Council, board or commission decision.

As with officials, employees too, shall comply with these ethics standards, as the City may impose discipline on employees whose conduct does not comply with this Code of Ethics. Employees are to be familiar with City standards and statutory provisions relating to ethical and other standards of conduct. Employees are expected to secure the advice from their department head or the City Manager when in doubt about the meaning or application of any conduct requirement applying to their particular situation.